

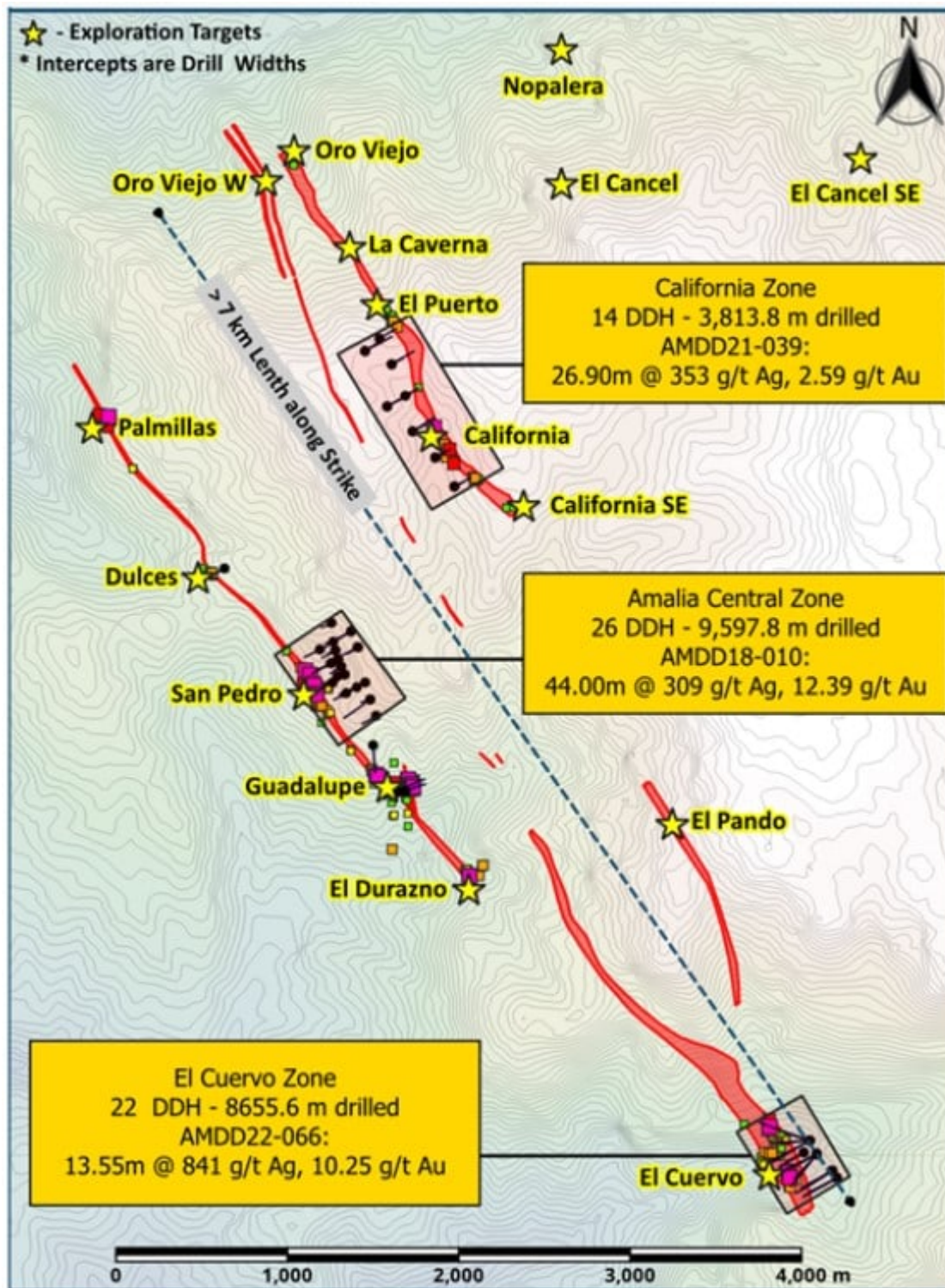
Old school exploration and prospecting by veteran players offers the key to the Radius Gold heart

written by InvestorNews | November 29, 2022

How many times have you heard the expression “stick to your knitting”? If you are my vintage, you’ve probably heard it a million times but I may not be a representative demographic for readers of this website. For those who haven’t heard this phrase before, it basically means to continue to do something that you are experienced at. This is a great segue for the junior mining company we are going to discuss today which is constantly exploring new targets and evaluating opportunities in order to maintain a portfolio of compelling prospects and a pipeline of projects in various stages of exploration and drilling. And they are doing it in a way where they aren’t getting bogged down by having to drill all these prospects and perpetually raise capital to keep the treadmill going.

Being a prospect incubator isn’t a unique concept but I am impressed with the way [Radius Gold Inc.](#) (TSXV: RDU) is running their business. The Company is always evaluating new projects and constantly has teams in the field prospecting and evaluating new targets. Radius has a portfolio of projects located in Mexico, the United States, and Guatemala which it continues to advance, utilizing partnerships where appropriate in order to retain the Company’s strong treasury. At the same time, management is seeking out additional investment and project acquisition opportunities across the globe. Radius is a member of the Gold Group of companies, led by Simon Ridgway.

Highlights of the current opportunities being pursued by Radius include the [Amalia project](#) which is a joint venture with Pan American Silver Corp. (TSX: PAAS | Nasdaq: PAAS). The 10,250-hectare property includes the Amalia, California and El Cuervo major vein systems which are open at depth and along strike. Within these systems are multiple targets which are included in Radius' consolidated concessions that extend for more than 10 km of strike length. Pursuant to an option agreement signed in June 2018, Pan American Silver Corp. has completed its right to earn an initial 65% interest in the Amalia Project by making cash payments to Radius totalling US\$1.5 million (paid) and expending US\$2 million on exploration over four years (completed).



Source: Radius Gold Corp [November 22, 2022 Press Release](#)

The Amalia project is a large gold-silver epithermal system. Significant mineralization has been defined at the three main targets drilled to date (Amalia, California and El Cuervo). The targets are open at depth and along strike and many other targets remain to be drill tested. With an excess of 10

kilometres of vein systems, mineralization extending over 1,000 vertical metres and multiple targets yet untested, the Amalia Project has great potential but still requires significant drilling to define the overall extents. The Company's management is in discussion with Pan American to chart the best way forward for both companies.

Another interesting prospect that has been joint ventured is in SE Guatemala. The Company signed an agreement in May 2020 whereby it has granted to Volcanic Gold Mines Inc. (TSXV: VG) the exclusive option to acquire a 60% interest in the Company's [Holly](#) and [Banderas](#) gold-silver properties in Guatemala. Volcanic may exercise the Option by spending US\$7.0 million on exploration of the properties within 48 months from the date drilling permits are granted. First year requirements of incurring at least US\$1.0 million on exploration, including carrying out a minimum 3,000 metres of drilling, have been completed by Volcanic. Volcanic recently published an [Inferred Mineral Resource](#) for the Holly property.

The [Plata Verde project](#) is a third exciting prospect that is in the process of seeing a transaction negotiated. It is located in Chihuahua, 100km north of the Amalia project and 50km southeast of the historic Batopilas silver mining district. In July 2022, Radius announced an Exclusivity Agreement with Minera San Julian, S.A. de C.V., a wholly owned subsidiary of Fresnillo plc, for the Plata Verde Project. The Agreement granted Minera San Julian an exclusive right for nine months to negotiate an option agreement to earn a 70% interest in the project. Since that time Minera San Julian has funded significant advances on the property: US\$100,000 paid to Radius on signing the Agreement; US\$65,000 paid in underlying property option payments; US\$103,600 paid to clear historic back taxes and return the property to full legal compliance; and US\$35,400 paid in investment costs at the project. Plata Verde option terms

include:

- Minera San Julian would spend, over a four year period, a minimum cumulative amount of US\$5.0 million on exploration activities at the Plata Verde Project, and make option payments to Radius totalling US\$3.117 million, which includes US\$1.117 million to cover underlying property payments.
- If the option is exercised, a new company (NewCo) would be set up to own the Plata Verde Project, Newco would be owned 70% by Minera San Julian and 30% by Radius with any additional funding required by NewCo being provided by Minera San Julian and Radius in proportion to their respective ownership interests in NewCo.

The list goes on with the [Maricela project](#), located within the prolifically mineralized Arizona – Sonora porphyry belt, 20km south of the Cananea mine, one of the world's largest open pit copper mines. The Maricela property shows no evidence of previous drilling or systematic exploration. As well, there is the [Motagua Norte](#) prospect in Guatemala where Radius holds a 240,000 hectare land position with multiple early stage prospects. Plus Radius holds an almost 9% interest (roughly 4 million shares) in [Rackla Metals Inc.](#) (TSXV: RAK) which [we discussed](#) on InvestorIntel back in late August.

And exploration is always ongoing. At this time the Company has two geological teams in the field in Mexico working on a new target where prospecting has identified a newly identified volcanic basin with alluvial gold panned from multiple streams and stream sediment samples returning significant results over a wide area. In Nevada the Company has a geological team evaluating a newly identified large scale altered breccia that appears to host significant gold mineralization.

There is definitely a trend to all of this. Radius Gold has a knack for finding opportunities but letting others do the heavy lifting. Sure, you may not get the full impact of a great drill result on a 100% owned property but those results can be few and far between. With Radius you have numerous options to find something of interest and seemingly even more to come. Radius expects its current capital resources to be sufficient to carry out its exploration and investment plans and operating costs for the next twelve months meaning no further dilution either for this C\$17 million market cap company.