Troilus Extends Strike Length of Southwest Zone ~25% to +1.85 kms, 350 Metres Beyond Known Mineralization; Drills 1.20 g/t AuEq Over 19 Metres Within 100 Metres From Surface

written by Raj Shah | October 19, 2021

October 19, 2021 (Source) – Troilus Gold Corp. ("Troilus" or the "Company", TSX: TLG; OTCQX: CHXMF) reports additional assay results from the Southwest Zone as part of its ongoing expansion and definition drilling program at its 100%-owned Troilus deposit, located in northcentral Quebec, Canada. The latest results have expanded the ore body to the southwest, well beyond the pit shell proposed in the Preliminary Economic Assessment published in August 2020. The Southwest Zone is located ~2.5 kilometres southwest of the former mine and main mineral zones (Z87, Z87 South and J Zone) and has become one of the most important mineral growth targets on the Troilus property since it was initially discovered and drilled in late 2019. Drill hole locations are provided in Figures 1 and 2, and results in Table 1.

Summary of Results:

- Results from six new broad step-out drill holes covering a previously untested area of 200m by 650m confirm significant strike extension up to 300 metres beyond the PEA pit shell.
- All holes drilled entirely outside of the PEA pit shell.

Intercept highlights from new Southwest extension, include:

  - 1.20 g/t AuEq over 19m and 1.51 g/t AuEq over 11m, within a broader intersection of 0.97 g/t AuEq over 26m in drill hole ZSW21-530. This stand-out hole is located 350 metres away from known mineralization.
  - 4.90 g/t AuEq over 4m, incl. 15.56 g/t AuEq over 1m; 1.77g/t AuEq over 4m, incl. 3.06 g/t AuEq over 2m; 12.77 g/t AuEq over 1m in drill hole ZSW21-510
  - 1.03 g/t AuEq over 16m, incl. 1.52 g/t AuEq over 4m and 1.23 g/t AuEq over 6m in drill hole ZSW21-216
  - 1.28 g/t AuEq over 7m and 3.31 g/t over 1m, within broader intercept of 0.93 g/t AuEq over 11m; and 11.22 g/t AuEq over 1m in drill hole ZSW21-529
  - 2.63 g/t AuEq over 2m, within broader intercept of 0.95 g/t AuEq over 7m in drill hole ZSW21-528

- Mineral continuity established between 50 to 100 metre sections in new southwest extension supports new structurally focused geological model and suggests a much broader system extending well beyond existing mineral envelope.
- Drilling is ongoing at a rate of ~7,000 metres per month with 3 drill rigs focused on the Southwest Zone expansion and improving drill density in the recently identified parallel mineral structure in the J Zone (see press release dated September 21, 2021).
- As a result of the ongoing drilling success at Troilus, demonstrating particularly important technical developments and growth in the Southwest and J Zones, the mineral resource estimate is now targeted for completion in H1 2022, in conjunction with the Pre-Feasibility Study. The impact of recent results on the overall future mine could be significant, and the updated timeline will allow for the inclusion of the upcoming few months of drill data

as the size and extent of these ore bodies are defined. A minimum of 20,000 additional metres of drilling is planned to be completed on the Southwest Zone to test the extent of the gold zone with the goal of bringing the level of confidence to pre-feasibility quality.

Justin Reid, President, CEO and Director of Troilus Gold, stated, “These new results are very exciting as they confirm our exploration team’s latest geological modelling suggesting mineral continuity well beyond the southern extent of this zone, replacing a previous “narrow hinge” model in which it was thought to taper off. The ongoing drilling from late 2020 and throughout 2021 has resulted in major technical advancements that continue to unfold. We believe that the impact of the ongoing definition of shallow and above average grade mineralization in the Southwest Zone is too important not to be considered in the upcoming studies and overall mine plan; the original Q4 2021 timing of the resource estimate would have prevented us from considering these important results. As we continue to define the extent of the Troilus deposit, our outlook on the scale and robustness of the project has never been more positive.”

Southwest Zone: 2019 Discovery to Present

- **Initial drilling in late 2019**
- **8,500 metres of drilling contributes 583,000 oz to the Inferred mineral resource of July 2020**
- **Strike length has more than doubled since late 2020, from 850 metres to 1.85 kilometres**
- **Over 40,000 metres drilled in the Southwest Zone since the 2020 mineral resource cut-off**
- **Remains open in all directions**

The Southwest Zone is located 2.5 kilometres southwest of Z87, the former mine’s main production pit, and lies along the margin

of the Troilus Diorite and surrounding volcanics. Initial prospecting and mapping started in 2018 to follow-up on some sparse and shallow drilling completed by Inmet Mining Corporation from 1986 to 2000, which returned intercepts as high as 1.23 g/t gold over 36 metres and 1.06 g/t gold over 18 metres. Since drilling began in November 2019, Troilus' exploration team has successfully delineated a homogeneous body of mineralization that is geologically similar to the main zone Z87, extending over a strike length of 1.85 kilometres and up to 420 metres in width.

While the primary lithology and poly-phase alteration and depositional event that likely emplaced the mineralization at Southwest Zone appears to be the same as what has been observed in the Z87 open pit, which produced over one million ounces of gold and copper bearing ore, the intensity of the alteration is stronger. The zone appears darker, intense amphibolite level metamorphism, and carries significantly more magnetite, as well as a trend of increasing amounts of base metals.

The grades in the Southwest Zone have generally been observed to be higher than the other mineral zones at Troilus with a greater frequency of visible gold, and includes some the best intercepts ever recorded at Troilus, including **3.58 g/t AuEq over 15m, incl. 6.76 g/t AuEq over 7m** in hole ZSW21-512 (see August 17, 2021 press release) and **1.56 g/t AuEq over 73m, including 2.05 g/t AuEq over 48m** in hole ZSW20-189 (see press release dated April 21, 2020). The technical team remain focused on developing the new structural model and hope to be successful in modelling high grade trends within the broader mineralized package.

The July 2020 mineral resource estimate included 8,500 metres of drilling from the Southwest Zone, which contributed 583,000 oz of Inferred resources (22.6 Mt @ 0.80 g/t AuEq) to the total mineral resources of 4.96 Moz AuEq in the Indicated category

(177.3Mt @ 0.87 g/t) and 3.15 Moz AuEq in the Inferred category (116.7Mt @ 0.84 g/t) (see press release dated July 28, 2020). Since the 2020 mineral resource cut-off, over 40,000 metres have been drilled in the Southwest Zone, which has to date more than doubled the strike length of mineralization from 850 metres to 1.85km. As evidenced by today's results, the Southwest zone still remains open in all directions and the next few months of drilling will aim to continue defining the extent of the mineral envelope.

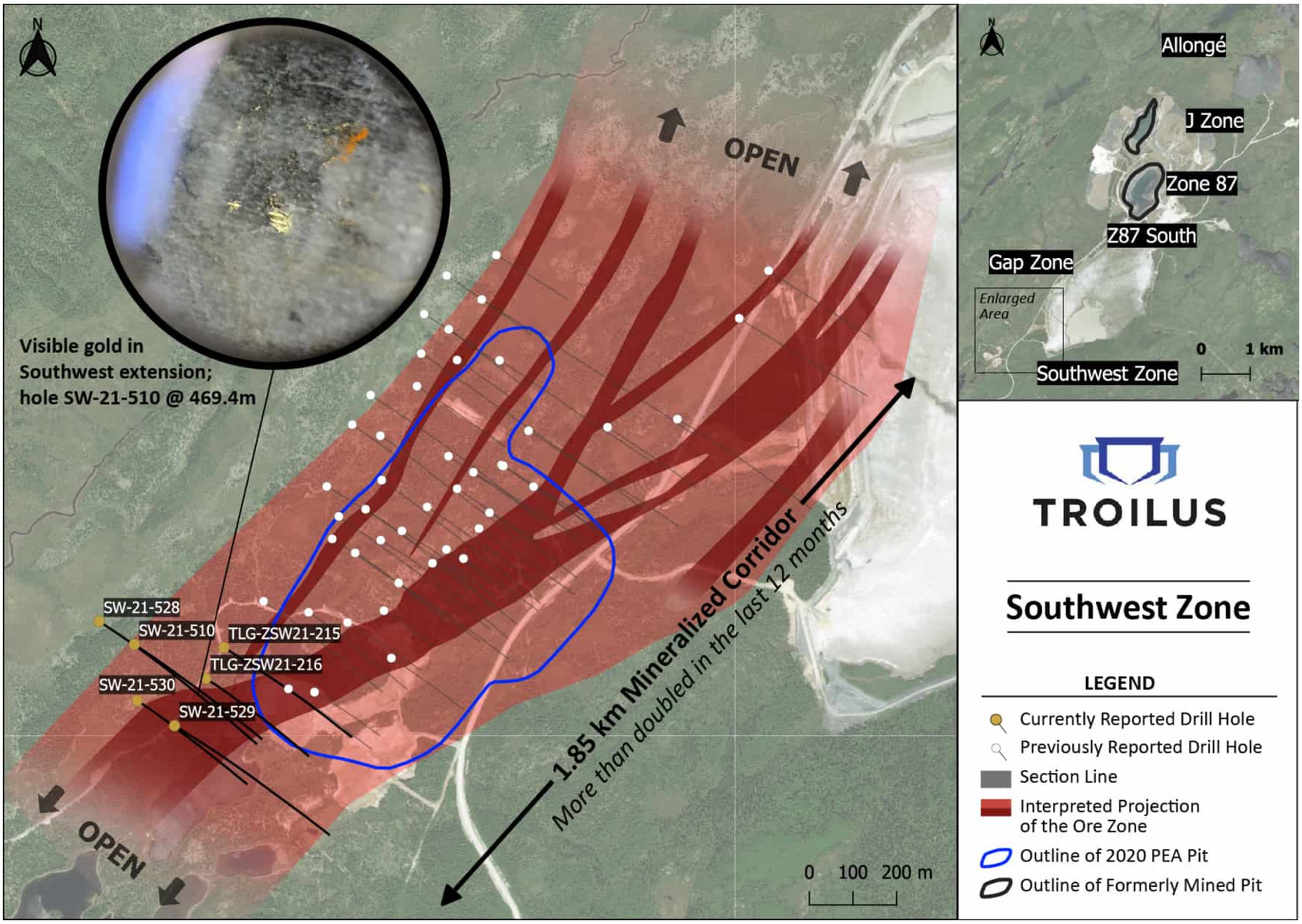

Figure 1: Plan View Map of Southwest Zone with Location of New Drill Results
https://www.globenewswire.com/NewsRoom/AttachmentNg/3138c659-09fc-42a4-aeed-50100cbdea45

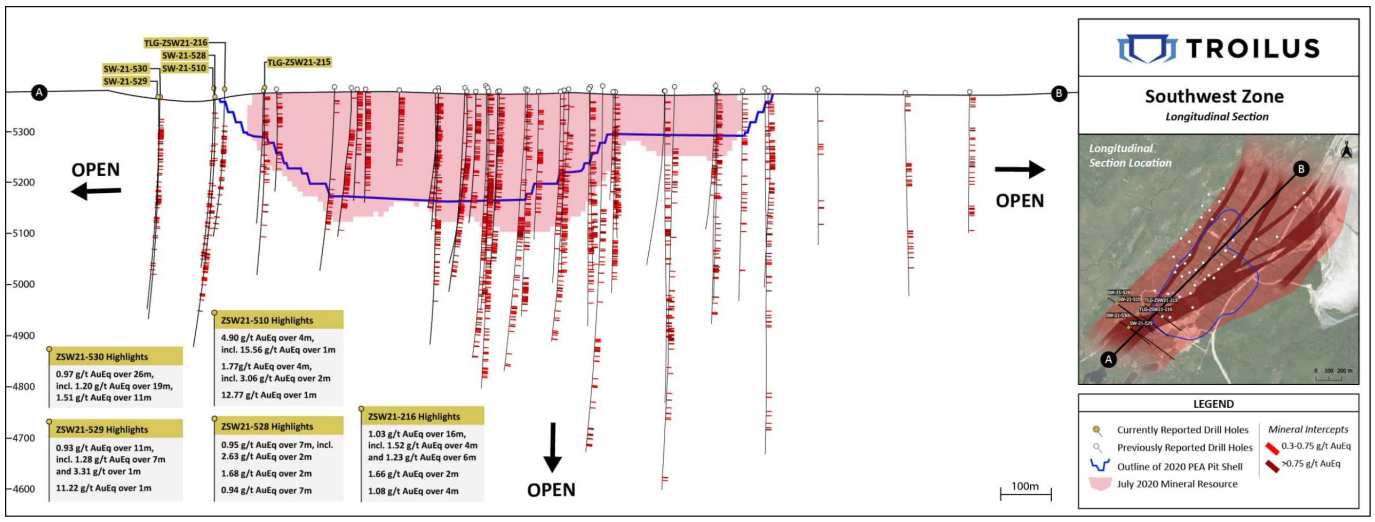

Figure 2: Longitudinal Section of the Southwest Zone, facing Northwest

https://www.globenewswire.com/NewsRoom/AttachmentNg/92a675bb-a317-4be7-a9a1-b3c514eb1117

Table 1: Southwest Zone Extension Drill Results

Hole	From (m)	To (m)	Interval (m)	Inside/Outside of PEA Pit Shell	Au Grade (g/t)	Cu Grade (%)	Ag Grade (g/t)	AuEq Grade (g/t)
TLG-ZSW21-215								
	21	29	8	Outside	0.50	0.20	3.16	0.80
incl	25	26	1	Outside	1.42	0.64	13.90	2.38
	83	84	1	Outside	12.70	0.04	1.00	12.76
	310	311	1	Outside	0.87	0.25	3.90	1.23
TLG-ZSW21-216								
	113	114	1	Outside	0.94	0.02	2.50	1.00
	127	131	4	Outside	0.83	0.18	1.34	1.08
incl	129	130	1	Outside	1.90	0.42	2.60	2.45
	172	173	1	Outside	0.51	0.38	5.20	1.05
	175	176	1	Outside	0.66	0.27	4.20	1.05

	197	213	16	Outside	0.78	0.18	2.13	1.03
incl	197	201	4	Outside	1.23	0.20	3.25	1.52
and	206	212	6	Outside	0.89	0.25	2.72	1.23
	269	276	7	Outside	0.67	0.05	0.54	0.74
incl	269	270	1	Outside	2.56	0.12	1.40	2.72
	320	321	1	Outside	1.15	0.06	1.30	1.24
	378	380	2	Outside	1.63	0.02	0.25	1.66
TLG-ZSW21-510								
	156	157	1	Outside	0.66	0.42	9.20	1.28
	289	290	1	Outside	0.31	0.65	1.80	1.16
	373	374	1	Outside	1.14	0.03	2.50	1.20
	415	416	1	Outside	12.75	0.01	0.25	12.76
	466	470	4	Outside	4.55	0.19	10.00	4.90
incl	467	468	1	Outside	14.60	0.50	30.40	15.56
	474	478	4	Outside	1.70	0.03	2.55	1.77
incl	476	478	2	Outside	2.99	0.03	3.55	3.06
	487	488	1	Outside	2.39	0.01	1.50	2.41
TLG-ZSW21-528								
	294	301	7	Outside	0.41	0.24	2.31	0.74
incl	300	301	1	Outside	1.04	0.52	5.80	1.76
	422	424	2	Outside	1.22	0.33	3.50	1.68
	449	456	7	Outside	0.62	0.23	3.21	0.94
	524	531	7	Outside	0.89	0.04	0.86	0.95
incl	524	526	2	Outside	2.55	0.05	1.20	2.63
	573	574	1	Outside	0.96	0.11	2.60	1.12
TLG-ZSW21-529								
	120	121	1	Outside	11.15	0.04	1.50	11.22
	124	125	1	Outside	0.75	0.33	6.40	1.24

	166	169	3	Outside	0.77	0.13	2.40	0.97
	269	270	1	Outside	1.41	0.01	0.25	1.42
	277	288	11	Outside	0.85	0.05	1.39	0.93
incl	277	284	7	Outside	1.18	0.06	1.74	1.27
and	283	284	1	Outside	3.30	0.04	3.10	3.38
TLG-ZSW21-530								
	76	102	26	Outside	0.57	0.29	2.52	0.97
incl	82	101	19	Outside	0.72	0.35	3.00	1.20
incl	90	101	11	Outside	0.88	0.46	3.82	1.51
	260	261	1	Outside	2.50	0.11	4.70	2.69
	300	301	1	Outside	1.28	0.44	6.60	1.91
	415	416	1	Outside	1.33	0.01	0.25	1.34

**Note drill intervals reported in this news release are down-hole core lengths as true thicknesses cannot be determined with available information.*

Quality Assurance and Control

During the Southwest Zone drill program in 2021, one metre assay samples were taken from NQ core and sawed in half. One-half was sent for assaying at ALS Laboratory, a certified commercial laboratory, and the other half was retained for results, cross checks, and future reference. A strict QA/QC program was applied to all samples; which included insertion of one certified mineralized standard and one blank sample in each batch of 25 samples. Every sample was processed with standard crushing to 85% passing 75 microns on 500 g splits. Samples were assayed by one-AT (30 g) fire assay with an AA finish and if results were higher than 3.5 g/t Au, assays were redone with a gravimetric finish. For QA/QC samples, a 50 g fire assay was done. In addition to gold, ALS laboratory carried out multi-element analysis for ME-ICP61 analysis of 33 elements four acid ICP-AES.

Qualified Person

The technical and scientific information in this press release has been reviewed and approved by Kyle Frank, P.Geo., Senior Geologist, who is a Qualified Person as defined by NI 43-101. Mr. Frank is an employee of Troilus and is not independent of the Company under NI 43-101.

The updated mineral resource estimate disclosed in this press release was prepared by Mr. Paul Daigle, géo., Senior Associate Resource Geologist with AGP Mining Consultants Inc.. The supporting Technical Report is available on SEDAR (www.sedar.com) under the Company's issuer profile, as well as on its website www.troilusgold.com.

About Troilus Gold Corp.

Troilus Gold Corp. is a Canadian-based junior mining company focused on the systematic advancement and de-risking of the former gold and copper Troilus Mine towards production. From 1996 to 2010, the Troilus Mine produced +2 million ounces of gold and nearly 70,000 tonnes of copper. Troilus is located in the top-rated mining jurisdiction of Quebec, Canada, where is holds a strategic land position of 1,420 km² in the Frôtet-Evans Greenstone Belt. Since acquiring the project in 2017, ongoing exploration success has demonstrated the tremendous scale potential of the gold system on the property with significant mineral resource growth. The Company is advancing engineering studies following the completion of a robust PEA in 2020, which demonstrated the potential for the Troilus project to become a top-ranked gold and copper producing asset in Canada. Led by an experienced team with a track-record of successful mine development, Troilus is positioned to become a cornerstone project in North America.

For more information:

Caroline Arsenault
VP Corporate Communications
+1 (647) 407-7123
info@troilusgold.com

Cautionary Note Regarding Forward-Looking Statements and Information

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability; the estimate of Mineral Resources in the updated Mineral Resource statement may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that the Indicated Mineral Resources will be converted to the Probable Mineral Reserve category, and there is no certainty that the updated Mineral Resource statement will be realized.

The PEA is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA is subject to a number of risks and uncertainties. See below and the Company's latest technical report available on SEDAR for more information with respect to the key assumptions, parameters, methods and risks of determination associated with the foregoing.

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements regarding the impact of the ongoing drill program and results on the Company, the possible economics of the project

and the Company's understanding of the project; the development potential and timetable of the project; the estimation of mineral resources; realization of mineral resource estimates; the timing and amount of estimated future exploration; the anticipated results of the Company's ongoing 2021 drill program and their possible impact on the potential size of the mineral resource estimate; costs of future activities; capital and operating expenditures; success of exploration activities; the anticipated ability of investors to continue benefiting from the Company's low discovery costs, technical expertise and support from local communities. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "continue", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are made based upon certain assumptions and other important facts that, if untrue, could cause the actual results, performances or achievements of Troilus to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Troilus will operate in the future. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, amongst others, currency fluctuations, the global economic climate, dilution, share price volatility and competition. Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of Troilus to be

materially different from those expressed or implied by such forward-looking statements, including but not limited to: there being no assurance that the exploration program will result in expanded mineral resources; risks and uncertainties inherent to mineral resource estimates; the impact the COVID 19 pandemic may have on the Company's activities (including without limitation on its employees and suppliers) and the economy in general; the impact of the recovery post COVID 19 pandemic and its impact on gold and other metals; the receipt of necessary approvals; general business, economic, competitive, political and social uncertainties; future prices of mineral prices; accidents, labour disputes and shortages; environmental and other risks of the mining industry, including without limitation, risks and uncertainties discussed in the most recent Technical Report and in other continuous disclosure documents of the Company available under the Company's profile at www.sedar.com. Although Troilus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Troilus does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.