Exploring for opportunities at TRU Precious Metals

written by InvestorNews | August 19, 2021

Every once in a while there are times in the markets where you scratch your head and say “I don’t get it”. For the last few days gold has been treading water around the US$1,780 – US$1,790 range. Yet gold equities, pretty much across the board, have been weakening, culminating a dramatic sell off yesterday. Industry stalwarts like Barrick Gold Corporation (NYSE: GOLD | TSX: ABX) (-2.5%), Newmont Corporation (NYSE: NEM | TSX: NGT) (-3.3%), Franco-Nevada Corporation (NYSE: FNV | TSX: FNV) (-3.4%) to name a few were all taken out to the woodshed and beaten soundly. Sometimes this happens and there is not much you can do about it. What’s even worse is if you come out with positive news on a day like this. The macro current will rule the day, regardless of what your news is, unless you’ve discovered the next Grasberg mine, and even then the market still likely won’t give you the credit you are due.

So it’s a testament to TRU Precious Metals Corp. (TSXV: TRU |OTCQB: TRUIF) that they were able to remain unchanged in yesterday’s trading at $0.205/share when many of their peers, including some of their Newfoundland neighbors, were down anywhere from -1.7% for Marathon Gold Corp. (TSX: MOZ) to -11.9% for New Found Gold Corp. (TSXV: NFG). So what was the reason for this outperformance on the day? Good news of course, or at least good enough to not be tossed out with the bathwater (so to speak). The Company announced initial assays from the first two holes of the 12 hole, Phase 1 diamond drilling program at its 100%-owned Twilite Gold Project in Central Newfoundland. You can probably guess by now that they found some gold in those drill holes. Highlights include 11.5m with 1.03 g/t of gold in hole

TL-21-17, and 10.5m with 1.07 g/t Au in hole TL-21-16. But rather than getting into the details of the drill results, I'll let a couple of pictures tell the story. If that's not enough to satisfy your curiosity, you can go review the entire press release yourself.

Source: Corporate Press Release

Source: Corporate Press Release

Generally speaking, these two recent drill holes confirmed data from historic drilling while also confirming the northwest trend of the mineralization. This gold zone is open downdip on these sections and along strike to the northwest, which is wide open for potential further expansion and becomes an obvious target area for a next phase of drilling. In the meantime, thick sections of altered quartz breccia were encountered in the other nearby holes, so the Company is hopeful for expansion of the gold zone to the southeast as well. Assays from a further 10 drill holes to the southeast are still pending.

The Company has dubbed this area of the Twilite Project the "Fort Knox Gold Zone". Perhaps a little optimistic but investors can hope the name proves prophetic. However, to me this wasn't even necessarily the most interesting news in the press release. As someone always on the lookout for potential catalysts, I found the "Other Exploration Updates" section held a nugget of opportunity (pun intended). TRU provided an update on the final exploration results from its Gander West Property, located approximately 16 kilometers from New Found Gold Corp.'s Queensway Project. If you aren't familiar with what is going on at the Queensway Project you should be. The results coming from

here are truly sensational and have sparked quite a gold rush in Newfoundland. It is arguably the hottest gold play in the world right now.

On May 25th the Company announced it had commenced its inaugural mapping, soil sampling, till sampling and prospecting program at its Gander West exploration property, followed by an update on July 30th that stated all rock and soil geochemical results from the limited-scale field program had been received, with results still outstanding from nine till samples submitted for gold grain analysis. Yesterday's press release reported that all nine of these samples, submitted to Overburden Drilling Management Limited ("ODM"), contained visible gold grains with pristine gold grains recovered in seven samples, including 17, 12 and 11 pristine grains, in three of the samples. ODM has confirmed to the Company that this could be indicative of Gander West being fertile for gold exploration.

Granted this is pretty pie in the sky stuff and a long way from any sort of validation. Nevertheless, you have to start somewhere and when you are only 16 kilometers away from one of the hottest gold plays on the planet and you have some promising indications, I would suggest that could be an intriguing lead. Meanwhile, there are still results to come from 10 completed drill holes on a far less speculative project that makes TRU Precious Metals Corp. and its $13.7 million market cap (based on yesterday's close) something for investors to explore.