

# Dean Bristow on Gold M&A and Troilus Expanding Gold Resource Potential with Continued Drilling Success

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With the recently [announced deal](#) where the world's largest gold producer, [Newmont Corporation](#) (NYSE: NEM | TSX: NGT), agreed to take over Australia's largest gold company, [Newcrest Mining Ltd.](#) (ASX: NCM), for about US\$19.5 billion, one can't help but wonder if gold mining merger mania is taking hold. This deal, the third-largest merger in any industry, globally, year to date, comes after last year's big gold deal when Yamana Gold Inc. agreed to sell itself to two Canadian rivals, [Agnico Eagle Mines Ltd.](#) (TSX: AEM | NYSE: AEM) and [Pan American Silver Corp.](#) (TSX: PAAS | NYSE: PAAS), for about US\$4.8 billion.

Interestingly enough, we haven't seen [Barrick Gold Corp.](#) (TSX: ABX | NYSE: GOLD) doing any M&A of late, which is somewhat surprising given they have been one of the most active acquirers historically, albeit with limited success. Maybe I've answered my own question? Regardless, there are several other gold deals that have been done in 2023, so one can be optimistic if you have the right resource in the right jurisdiction.

## Plans to Restart the Past-producing Troilus Gold and Copper Mine

One company that continues to build out their resource in a great mining jurisdiction is [Troilus Gold Corp.](#) (TSX: TLG |

OTCQX: CHXMF).

Troilus is an advanced-stage exploration and early-development company focused on the mineral expansion and potential mine re-start of the former gold and copper Troilus mine. Troilus holds a land position of 43,500 ha (435 km<sup>2</sup>) northeast of the Val-d'Or district, in Quebec, Canada.

From 1996 to 2010, the Troilus project operated as an open-pit mine, producing more than 2 million ounces (Moz) of gold (Au) and nearly 70,000 tonnes of copper.

According to the most recent resource update, the areas below and around the former mine pits are currently estimated to contain an Indicated Mineral Resource of 4.96 Moz AuEq (177 million tonnes (Mt) with an average grade of 0.87 g/t AuEq) and an Inferred Mineral Resource of 3.15 Moz AuEq (116.7 Mt with an average grade of 0.84 g/t AuEq), and remain open for further mineral discoveries.

## FIGURE 1: Troilus Gold – Mineral Resources Estimate

2020 Mineral Resource									
Table 1 - Mineral Resource Estimate– Effective as of July 20, 2020									
Classification	Tonnage (Mt)	AuEq (g/t)	Au (g/t)	Cu (%)	Ag (g/t)	Contained AuEq (Moz)	Contained Gold (Moz)	Contained Copper (Mlb)	Contained Silver (Moz)
Indicated	177.3	0.87	0.75	0.08	1.17	4.96	4.30	322.60	6.66
Inferred	116.7	0.84	0.73	0.07	1.04	3.15	2.76	189.73	3.91

Source: Company [website](#)

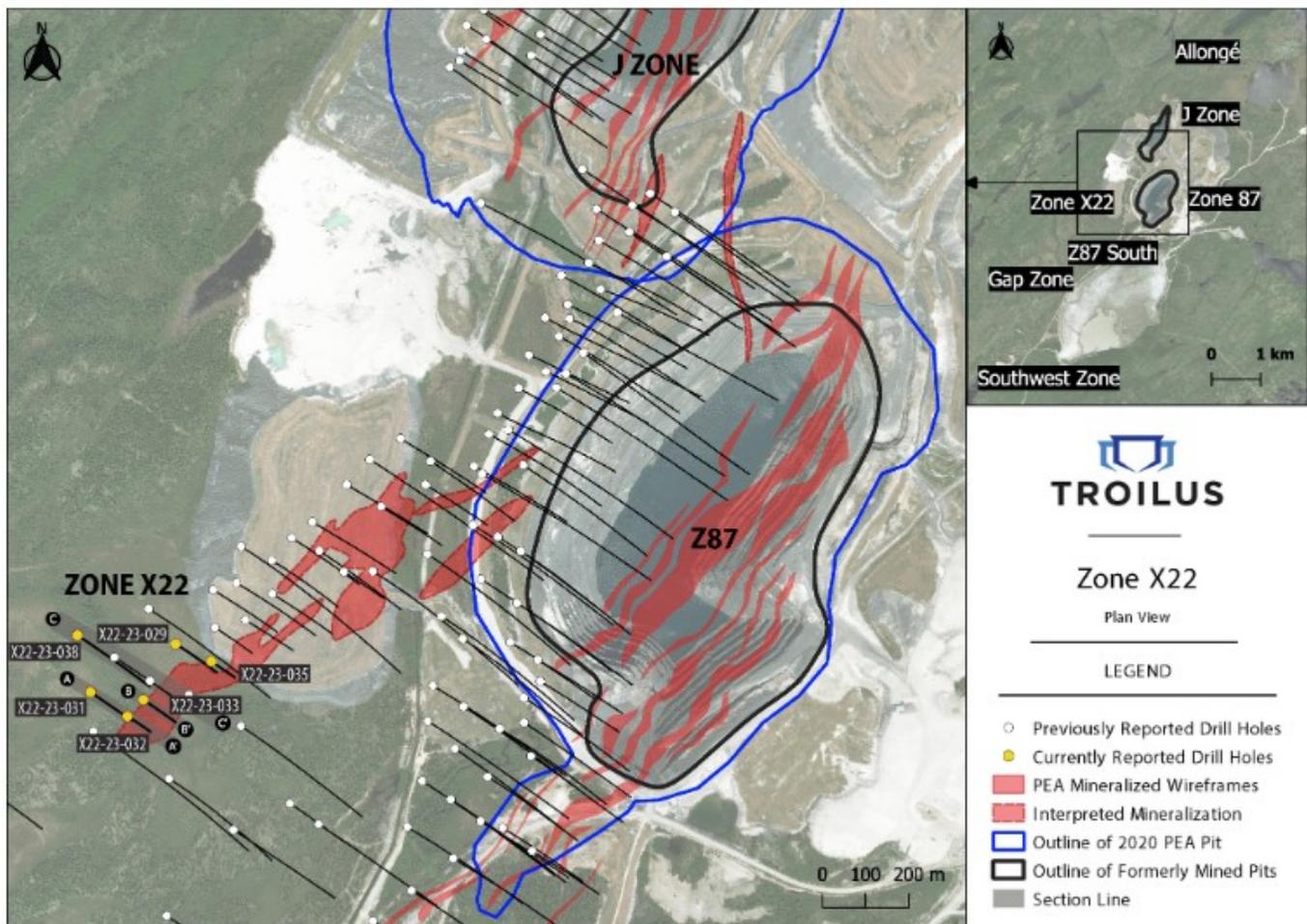
# New Zones Discovered Including the X22

That last sentence is key, as Troilus continues to identify new zones both near the existing mine pits as well as elsewhere on their vast property holding.

The largest focus of late has been on the shallow and high-grade panel of mineralization called the X22 zone, which was [initially discovered](#) in late 2022. The X22 zone extends from the formerly mined Z87 pit towards the Gap Zone (see graphic below).

[Drill results](#) reported May 9, 2023, have expanded this zone to have approximately a 1-kilometer strike length and continue to remain open to expansion.

**FIGURE 2: The New High-Grade and Shallow X22 in Close Proximity to the Former Open Pit (Z87)**



Source: Troilus Gold [Press Release \(May 9, 2023\)](#)

Along with expanding the overall resource base, there are several anomalous high-grade structures at X22, which is what I like to see. Highlights from the completed 7,800-metre drill campaign include:

- Hole X22-23-027: 2.72 g/t AuEq over 34 meters (m) including 10.83 g/t AuEq over 6m
- Hole X22-23-030: 19.88 g/t over 7m including 130.83 g/t AuEq over 1m
- Hole X22-23-031: 3.29 g/t AuEq over 6m within a broader intersection of 1.73 g/t AuEq over 21m
- Hole X22-23-032: 8.63 g/t AuEq over 4m including 25.11 g/t over 1m, and 0.61 g/t AuEq over 41m, with mineralization starting directly at the surface
- Hole X22-23-033: intersected high-grade mineralization

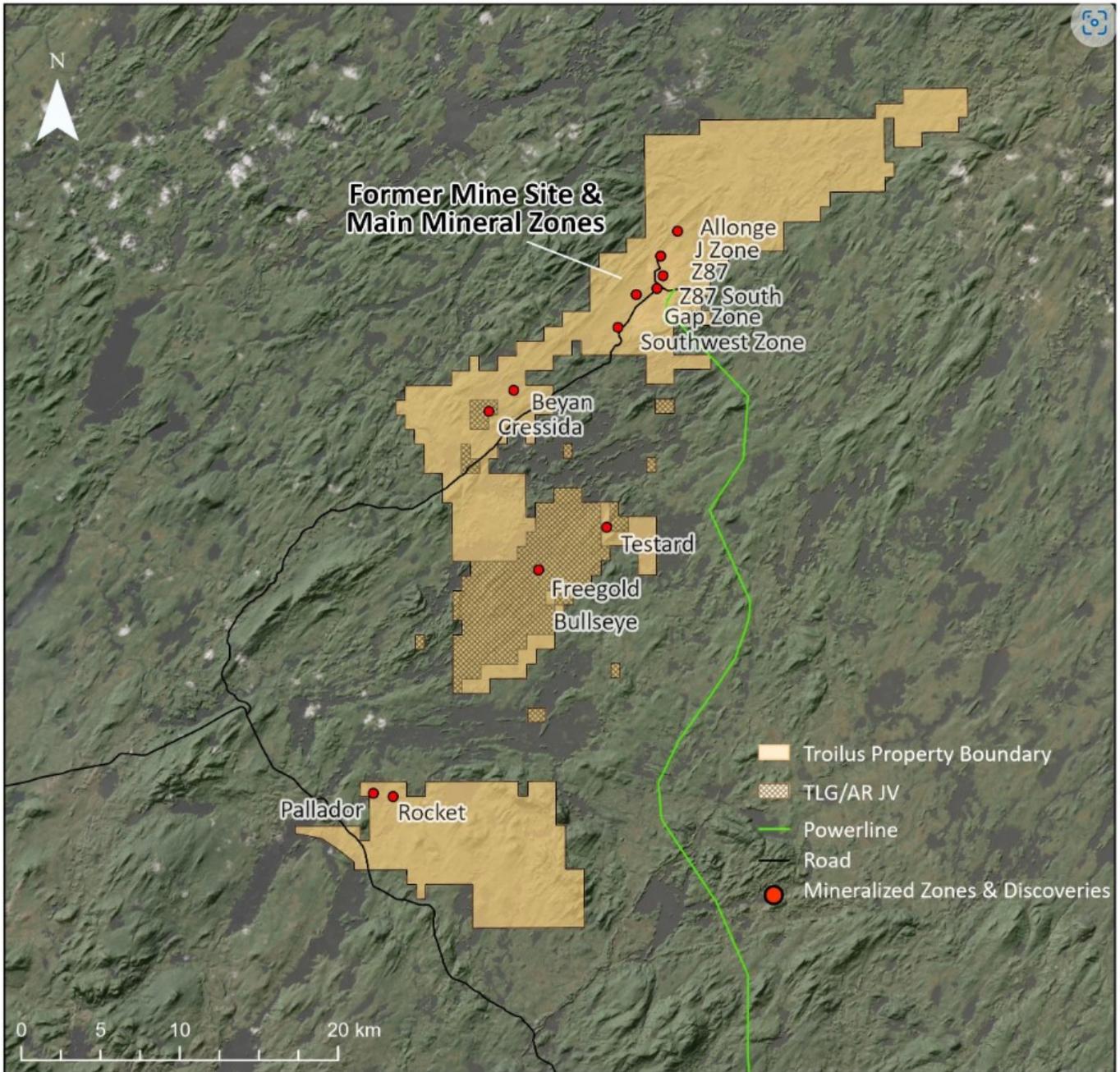
- directly at the surface, including 2.14 g/t AuEq over 11 m incl 6.45 g/t AuEq over 3m and 14.54 g/t AuEq over 1m
- Hole X22-23-038: 1.30 g/t AuEq over 59m including 2.38 g/t AuEq over 9m, 1.94 g/t AuEq over 7m, 2.40 g/t AuEq over 8m, and 3.04 g/t AuEq over 3m

The Company is still awaiting approximately 1,500 meters of assays from this drill program, which will be reported as they become available. Additional drilling will continue with two rigs to further infill and expand this growing body of mineralization.

## **Regional Joint Venture also Returns Solid Results**

Elsewhere, to be specific, approximately 10 kilometers southwest of the main mineral corridor and former Troilus mine site along strike, and roughly 2 kilometers southwest of the Beyan Gold Zone exploration target, the [Company announced](#) drill results from one of its prospective regional exploration targets, Cressida. The Cressida target is under a 50/50 joint venture with [Argonaut Gold Inc.](#) (TSX: AR).

## **FIGURE 3: Regional Exploration Map – Includes Joint Venture Area with Argonaut Gold**



Source: Troilus Gold [Project Gallery](#)

A total of 6,500 meters were drilled at Cressida with a focus on expanding the known mineralized trend and validating historical drill results. The drill results increased the continuity of mineralization to 1.3 kilometers and remain open to further expansion both to the northeast and southwest, as well as at depth.

Cressida Drill Intercept Highlights:

- Hole CRS-032: 10.68 g/t Au over 7m, including 66.8 g/t Au over 1m, represents the best intercept reported to date in terms of linear grade at Cressida
- Hole CRS-006: 1.64 g/t Au over 16m, including 3.65 g/t Au over 6m, located 30 meters from the surface
- Hole CRS-011: 8.16 g/t Au over 1m within a broader interval of 1.23 g/t Au over 15m

As a result of the high grades and robust thicknesses encountered at Cressida, this has become a high-priority target as the Company prepares for the upcoming 2023 Summer regional exploration program.

## **Final Thoughts**

With plenty of drilling opportunities ahead and completion of a Feasibility Study, including an inaugural Mineral Reserve estimate, in the half of 2023, Troilus Gold could be putting itself on the radar of any gold miners out there looking to add some resources.

Troilus Gold trades at a market cap of approximately C\$130 million.