

Trillium Gold Mines Inc. (TSXV:TGM)

Exploration Update

2021 Drilling Intercepts High-Grade Au at Newman Todd

April 21, 2022

(Currency is C\$ unless noted otherwise)

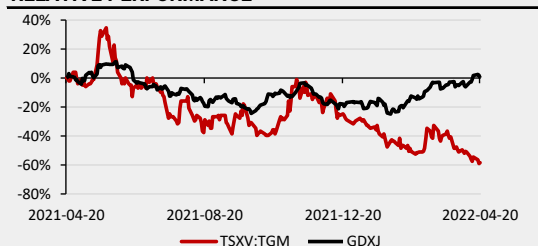
Closing Price (C\$/sh)	\$0.42
Rating	BUY
Target (C\$/sh)	\$2.40
Return to Target	471%
NAV (C\$/sh)	\$2.88
P/NAV	0.15x
52 Week Low / High (C\$/sh)	\$0.41 / \$1.40

CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	53.4	77.4
Market Capitalization (C\$M)	\$22.4	
Enterprise Value (C\$M)	\$15.6	
Cash and Cash Equivalents (C\$M)	\$7.3	
Total Debt (C\$M)	\$0.4	

STOCK CHART



RELATIVE PERFORMANCE



NET ASSET VALUE	(C\$M)	(C\$/sh)
Newman Todd	\$71.4	\$1.34
Red Lake Properties	\$74.0	\$1.39
Other properties	\$1.0	\$0.02
Total Corporate Adjustments	\$7.3	\$0.14
Corporate NAV	\$153.7	\$2.88

RELATIVE VALUATION	EV (C\$M)
Trillium Gold Mines Inc.	\$16
Peers*	\$37

*S&P Capital IQ

MAJOR SHAREHOLDERS

Management & Insiders (39%)

DISCLOSURE CODE: 3,4

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

Company Description

Trillium Gold Mines Inc., a junior resource company, engages in the acquisition, exploration, and development of mineral properties in Canada. The company explores for gold, copper, zinc, and silver deposits. Its flagship property is the Newman Todd gold project located in the Red Lake mining district of northern Ontario. It also holds an interest in the Gold Centre property adjacent to the Red Lake Mine Complex and has the largest land package in the Red Lake district (~55,000 ha). The company was formerly known as Confederation Minerals Ltd. and changed its name to Trillium Gold Mines Inc. in June 2020. Trillium Gold Mines Inc. was founded in 2005 and is headquartered in Vancouver, Canada.

Impact: Positive

Trillium Gold Mines announced results from ten holes completed at its 100%-owned Newman Todd Complex in 2021. Drilling was designed to follow up on previous results at the project and test the newly interpreted, east-west structural corridors cutting through the NT zone.

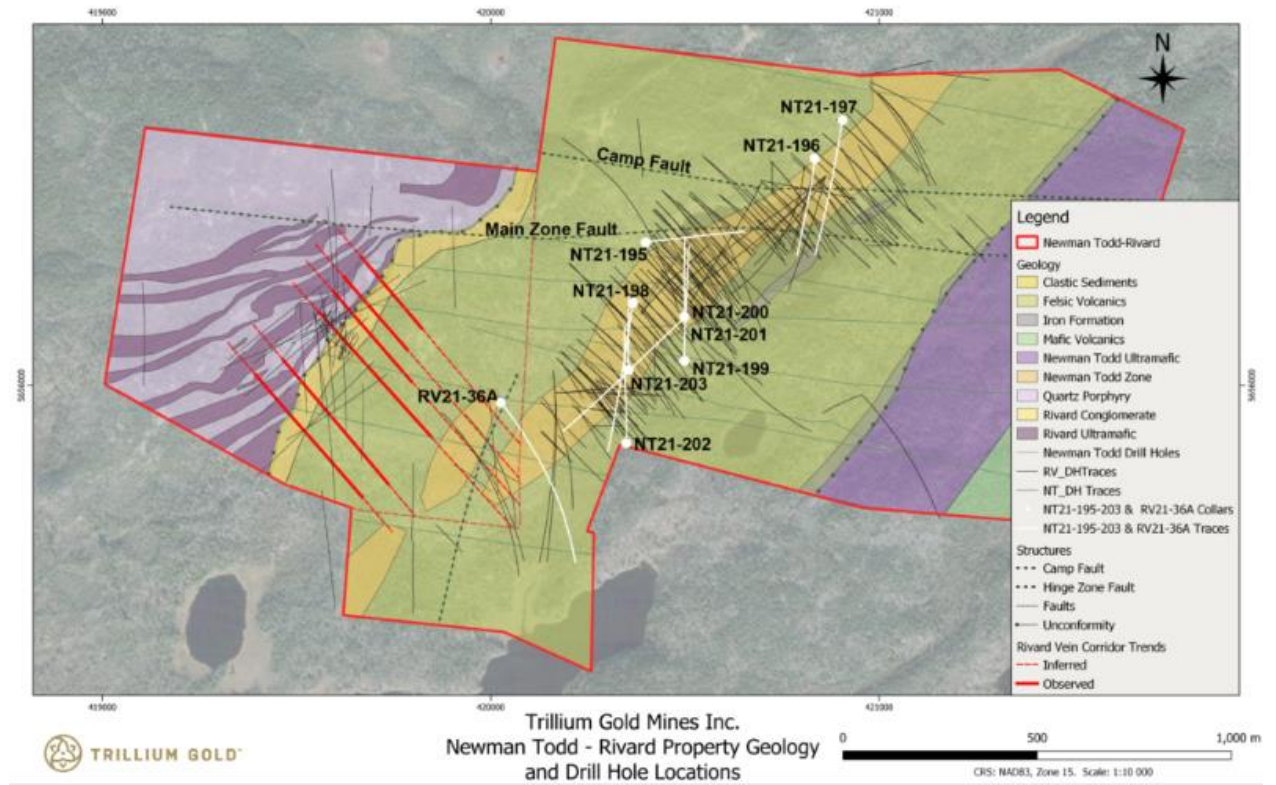
We view these results positively as drilling has intersected mineralization outside of the main area of the NT zone and continues to enhance management's understanding of the controls of gold mineralization at the project, supporting the interpretation that these E-W structural corridors are influencing gold in the NT zone.

- **Drilling returns numerous high-grade Au intersections at the Main and Camp zones.** While seven holes were completed at the Main zone, two were completed in the Camp zone and one in the Southwest zone (Figure 1, 2). Highlights included: 1) **24.2 g/t Au over 4m including 73.67 g/t Au over 1.15m** (NT21-202) in a new east-west fault corridor at the Main zone and 2) a wide intersection of **4.6 g/t Au over 15.5m including 35.86 g/t Au over 1.45m** (NT21-196) at the Camp zone. Drilling successfully confirmed the interpretation that higher grade gold is associated with the intersection of Rivard style veins and E-W structural corridors.
- **Southwest zone mineralization extended.** One hole (RV21-36A) was drilled to test the Southwest zone and has extended the depth and extent of known mineralization in the area. While this hole was stopped short due to drill productivity, the E-W corridor associated with the new mineralized zone is expected to be targeted in the future. Highlights from this hole included: 1) 3.08 g/t Au over 12m and 2) 17.5 g/t Au over 0.45m.
- **Well-funded for 2022, with a dominant position in Red Lake.** While results were positive, further work is required at Newman Todd to test the potential of the project. Based on these results, Trillium plans to focus on high-priority target areas to the east and west of the NT zone and expand the footprint of mineralization at Newman Todd. Additionally, the project has never been drill tested beyond 400m depth suggesting that there may be potential at depth. Trillium recently closed a financing for gross proceeds of \$7.5M, which it intends to use for exploration purposes at its Red Lake properties ([read more](#)). A resource update may also be available for the Newman Todd project later this year.

Valuation:

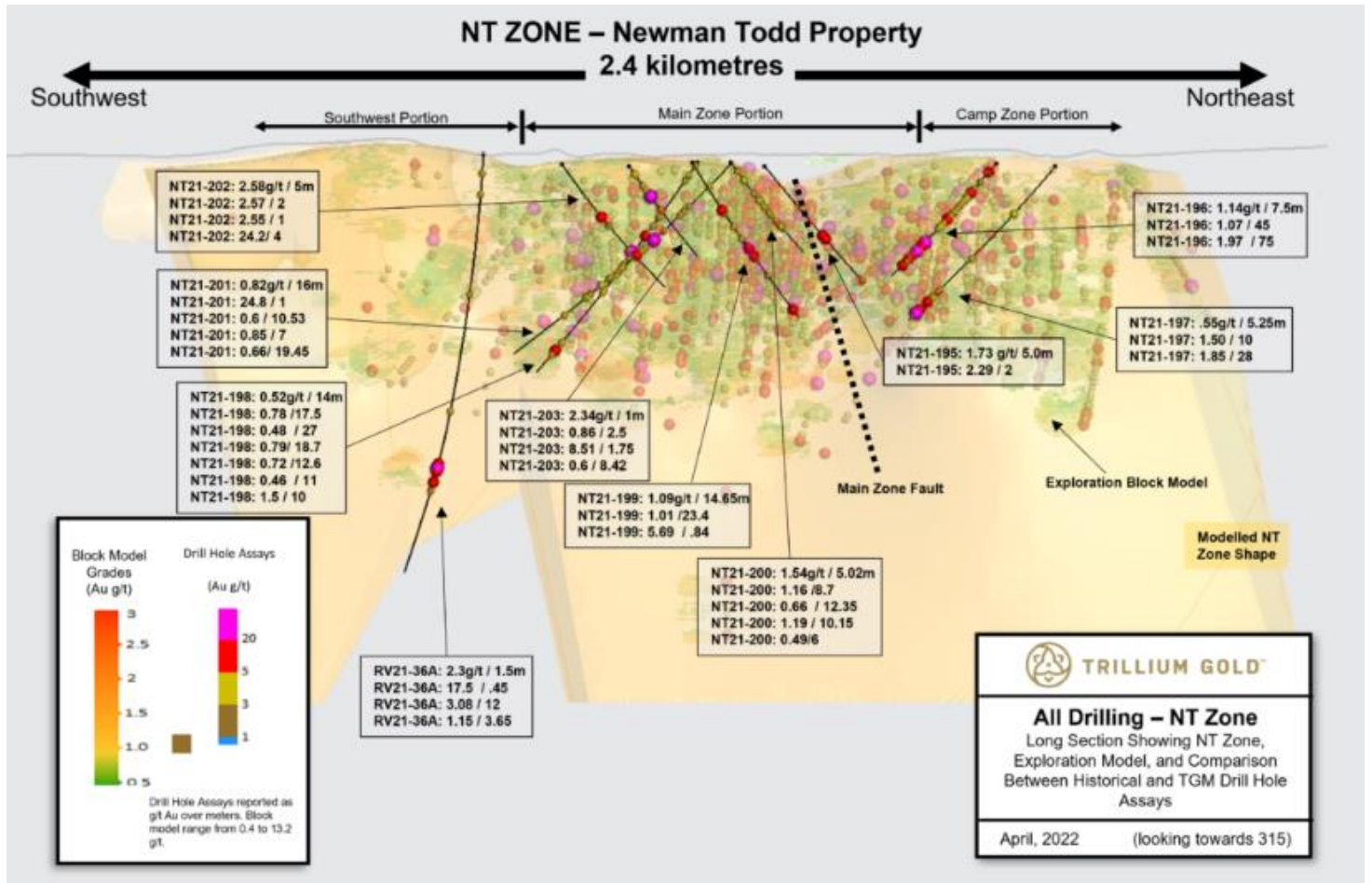
We maintain our BUY rating and price target of C\$2.40/sh. Our target is based on our sum-of-parts derived NAV of \$2.88/sh (unchanged). Trillium trades at a discount to peers with an EV of \$24M (vs. peers at \$144M). We believe Newman Todd is one of the best, early-stage projects being drilled in the Red Lake area, and still has plenty of potential to be uncovered. **Upcoming Catalysts:** 1) Drill results from Newman Todd/Rivard and Gold Centre (ongoing), 2) Exploration results from Confederation Belt properties (ongoing) and 3) Potential Newman Todd resource update (2022E).

Figure 1: Drill hole locations at the Newman Todd Complex



Source: Company Reports

Figure 2: Long section view of the NT zone



Source: Company Reports

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Updated April 20, 2022

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Date	Rating	Target	Status	%
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2021-03-08	NA	NA	BUY (S)	21%
2021-04-05	NA	NA	HOLD	0%
2021-04-08	BUY	3.00	SELL / Tender	0%
2021-05-18	BUY	3.00	NA	2%
2021-06-30	BUY	2.40	Under Review	1%
2021-09-09	BUY	2.60		
2021-09-24	BUY	2.60		
2021-10-13	BUY	2.40		
2021-10-19	BUY	2.40		
2021-11-04	BUY	2.40		
2022-03-07	BUY	2.40		
2022-03-17	BUY	2.40		

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Company Name	Ticker Symbol	Disclosures
Trillium Gold Mines Inc.	TSXV:TGM	3,4

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