

Troilus Gold Corp. (TSX:TLG)

US\$500M LOI from German Ministry Sets Financing Cornerstone**Notable News**

November 14, 2024

Rating: Not Rated**Target:** NA**Last Close:** C\$0.27/sh**Market Cap:** C\$96.2M**Impact: Positive**

Troilus announced that it had received a Letter of Intent from Euler Hermes Aktiengesellschaft, representing the German Federal Ministry for Economic Affairs and Climate Action, for an untied loan guarantee of up to US\$500M. This potential funding support is based on the signing of a commercial off-take agreement of up to 15 years with Aurubis AG, a German copper smelter. **In our opinion, this is a substantial positive step for Troilus and a positive endorsement of their namesake Troilus Au-Cu project in Quebec. Based on the FS, this loan could cover nearly half of the \$1.07B initial capital required for the project. As well, this is a reflection of the strong demand for copper concentrates and the financing options available for strategic minerals projects. While only ~12.4% of the revenues would come from copper (based on US\$1,975/oz Au, US\$4.05/lb Cu, US\$23/oz Ag in the 2024 FS), the Troilus project would produce a copper concentrate, and there is a shortage of concentrates for hungry smelters. As well, copper qualifies as a strategic mineral, opening doors to other potential financing options.**

Financing discussions underway

Troilus is in discussions with other smelters, export credit agencies, commercial banks, and mining finance institutions to pull together the overall project financing package. The 2024 FS outlined a 22-year, 50,000 tpd open pit operation producing on an average 303k oz AuEq annually, with an NPV5% of US\$884M ([read note](#)). Troilus also stated that it is on track to submit its ESIA in January.

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Disclosure Statement
 Updated November 14, 2024

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Date	Rating	Target	Status	%
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2024-03-04	NA	NA	BUY (S)	27%
2024-05-15	NA	NA	HOLD	0%
2024-05-31	NA	NA	TENDER/ SELL	1%
2024-07-16	NA	NA	NA	3%
2024-09-04	NA	NA	UNDER REVIEW	1%
2024-11-14	NA	NA		

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Company Name	Ticker Symbol	Disclosures
Troilus Gold Corp.	TSX:TLG	

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