Goldfinger Capital

Endurance Gold Discovers New Zone With 7.18 g/t Gold Over 8.3 Meters At Lower Imperial Zone

My latest conversation with Endurance Gold CEO Robert Boyd discussing hole 24-106 and the new Lower Imperial discovery

Robert Sinn
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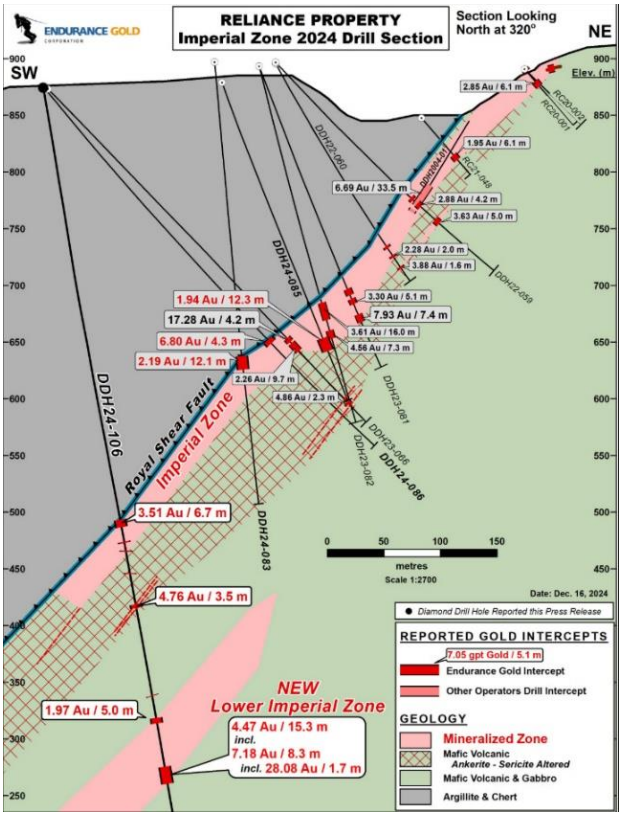
On December 17th, Endurance Gold (TSX-V:EDG, OTC:EDGMF) released the **results of hole 24-106** at the Reliance Gold Project in British Columbia, Canada. Hole 24-106 successfully intersected the down-dip extension of the Imperial Zone and discovered a new deeper mineralized zone an additional 210 meters vertically below Imperial. These deep intersections significantly expand the deep growth potential at Reliance.



I had the opportunity to speak with Endurance Gold CEO Robert Boyd following the release of the hole 24-106 results. What follows is a transcript of our conversation (edited for readability and accuracy):

[Goldfinger]

I'm with Robert Boyd, CEO of Endurance Gold. The company symbol is EDG on the TSX Venture. Endurance is out with some really good news this morning.

A drill hole testing the Imperial Zone at depth has discovered a new zone which Endurance has named the Lower Imperial zone. So we have 7.18 grams per tonne over 8.3 meters, including 28 grams per tonne over 1.7 meters at this new discovery. Robert, how are you today?

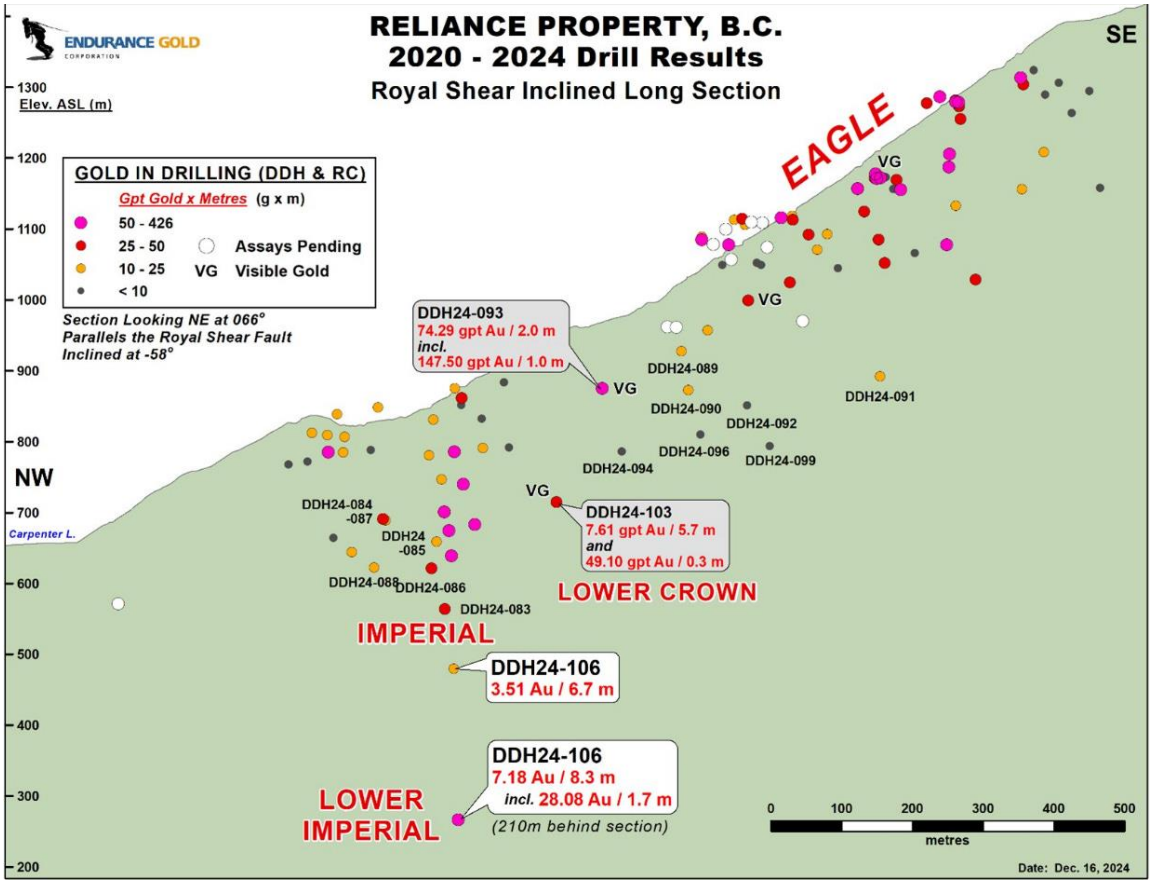
[Robert Boyd]

I'm very good, Robert. And I hope your weather's performing well down there. Up here, we've had some rainy weather recently in Vancouver and snowing at Gold Bridge with our drills finished for the season now. We're now in the process of awaiting results and bringing shareholders up to date on this activity.

This single hole number 106 is a story unto itself. It was the deepest hole we've ever drilled on the project, collared with a minus 80 degree dip to test the deep extension of Imperial. Initially, the purpose of this drill hole was to step out about 185 meters down dip from our last good intersection at Imperial, which, prior to this success, was our deepest intersection reported earlier this year.

So this reported hole successfully opened up the Imperial zone 185 meters down dip with a very good intersection of 3.51 grams per tonne gold over 6.7 meters. Because of observed alteration we continued to push the hole at depth below Imperial. And in total, we hit about eight different gold intersections over about a 240 meter drilled width as we pushed down below the Imperial zone. The first of those intersections was the Imperial zone itself, and then about 200 meters vertically below the projected Imperial zone, we discovered this new Lower Imperial Discovery. It's a pretty significant intersection of gold mineralization over about 15 meters hosted entirely in diorite which represents part of the volcanic host-rock package in this area. The highlighted Lower Imperial Zone intersection returned 7.18 grams per tonne over 8.3 meters, including 28 grams per tonne over 1.7 meters as you mentioned in the beginning. The entire diorite intersected here averaged 4.47 grams per tonne over 15.3 meters.

So it's very encouraging.



This Lower Imperial Discovery blows the system really wide open for expansion at depth, up dip and along strike. In addition, it further enhances a strong indication that this is an outcropping orogenic gold system that's got real depth potential. We've now tracked this orogenic gold system with drill core intersections for 1.1 kilometers vertically and 1.5 kilometers along strike to the northwest and southeast. So it's a pretty significant mineralizing system. And this intersection demonstrates the tenor of grade over width that you'd want to have for evaluation of future underground mining scenarios, because this is a deeper intersection and you need these kinds of grades and widths to demonstrate potential for a long lived type of orogenic gold system.

[Goldfinger]

This is a fascinating hole to me because it's the deepest one you've drilled so far at the property. And you drilled it to about 650 meters down hole depth. I'm not sure what the vertical extent is, but it's got to be close to that because it was a pretty steep hole.

So you intercepted and significantly extended the previously known Imperial zone. You basically got the down dip extension of it there at about 390 meters down hole. And then you extended the hole to 650 meters.

You kept hole 106 kept going below the sericite altered mafic volcanics and you tagged into this Lower Imperial Zone at about 608 meters downhole. It's very interesting to me because, even above this new discovery, you intercepted another zone about 2 grams per tonne gold over about 5 meters at 564 meters downhole.

And then you tagged into this deeper zone that's about 15 meters thick in total. That average is about four and a half grams on average with the higher grade section, that's almost an ounce of gold per ton at 615 meters down hole. So it's very interesting to see multiple gold intervals between the Imperial Zone and that new Lower Imperial Zone.

So in the section map, you show this is a pretty thick zone there at depth. So what does that tell you to see such a thick interval of gold and then that higher grade portion that's grading almost an ounce?

[Robert Boyd]

Yeah, in our section, we encompass an area which we call the Lower Imperial zone shown in the red outline, I think is what you're referring to. And that encompasses multiple shears associated with diorites. So what we've got are essentially two very significant zones.

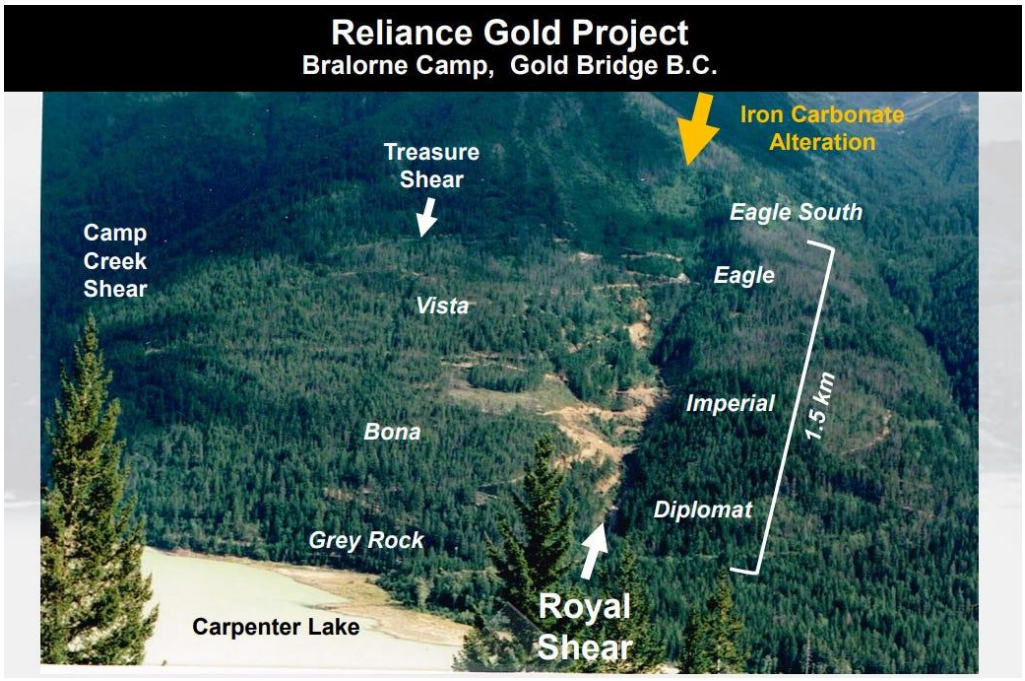
One of the zones is the Imperial at the top at the intersection near the Royal Shear Fault and then down around 608.3 meters, we intersect this 15 meter Lower Imperial Zone of 4.47 grams per tonne. Within it, there's seven grams over eight meters. And then within that 7.18 grams over 8.3 meters is a higher grade core of 28.08 grams over 1.7 meters. So that lower zone of the 15 meters is totally within diorite. And then we have these other six mineralized zones that are between that and the Imperial Zone. Two of them are marked on the section, but there's six in there. The lowest of these marked on the section is 1.97 grams per tonnes over 5 meters which we bracket on the sections as the upper limit of the Lower Zone discovery

IMPERIAL - LOWER IMPERIAL - DIPLOMAT ZONES					
DDH24-083	-77	266.7	278.8	12.1	2.19
includes		274.3	274.9	0.6	11.95
includes		277.7	278.8	1.1	7.92
DDH24-084	-55	169.9	172.5	2.6	6.47
includes		171.5	172.5	1.0	8.09
and		203.5	207.6	4.1	5.41
includes		206.4	207.6	1.2	11.15
DDH24-085	-70	220.6	227.5	6.9	1.22
includes		224.6	225.5	0.9	5.05
and		242.5	254.8	12.3	1.94
includes		248.6	249.6	1.0	7.53
and		252.8	254.8	2.0	5.11
DDH24-086	-50	297.7	302.0	4.3	6.80
includes		300.0	302.0	2.0	13.70
DDH24-087	-55	174.2	175.2	1.0	9.43
and		205.3	209.6	4.3	3.26
DDH24-088	-70	213.3	218.0	4.7	2.98
includes		217.0	218.0	1.0	6.72
DDH24-106	**-80**	**386.9**	**393.6**	**6.7**	**3.51**
includes		**391.9**	**393.6**	**1.7**	**10.34**
and		**406.7**	**407.9**	**1.2**	**1.96**
and		**414.9**	**415.7**	**0.8**	**3.15**
and		**435.1**	**436.0**	**0.9**	**3.09**
and		**462.7**	**466.2**	**3.5**	**4.76**
includes		**462.7**	**463.1**	**0.4**	**31.50**
and		**544.6**	**545.1**	**0.5**	**7.79**
and		**564.6**	**569.6**	**5.0**	**1.97**
includes		**564.6**	**565.0**	**0.4**	**20.10**
and		**608.3**	**623.6**	**15.3**	**4.47**
includes		**615.3**	**623.6**	**8.3**	**7.18**
includes		**615.3**	**617.0**	**1.7**	**28.08**

Often those other intersections are associated with diorites that are in the volcanic package in this area. What's significant about the deep Lower Zone diorite is that it's fully mineralized over the full interval of the diorite. Whereas often these shears, if they develop within that package between Imperial and Lower Imperial, often favor and will sometimes be next to diorite intrusives. This has been observed elsewhere in drilling and we attribute this to diorite being less favorable to shearing versus the mafic volcanic.

So the story is sounding a little complicated, but essentially the diorite and mafic volcanic package, they're all part of the same aged host-rock package. The diorite is the intrusive equivalent of the mafic volcanic and tends to be more solid rock. So it doesn't shear as easily as the mafic volcanic. And, but in this case at depth, we have observed a crackle breccia and veinlet gold mineralizing system that encompasses a large percentage of the diorite in that area. And that's pretty encouraging because it gives you the potential for these diorites throughout the package to host a decent grade over width and highlight the potential that perhaps we didn't drill deep enough at some of those upper higher holes as well.

We've seen some narrow intersections at Eagle and Diplomat of gold associated with these diorites, but typically, there are shears that deviate around that diorite because the diorite doesn't shear as easily. But what's significant at this depth is that the full width of that diorite is susceptible to hosting mineralization.



So it just highlights that we've got a gold system that consistently over the 1.1 km vertical extent and 1.5 km strike there is a gold mineralizing alteration envelope of 80 to 100 meter wide where we get all our gold hits. Imperial zone and Eagle are always near that Royal shear fault that's shown on the cross section, even up at Eagle, which is probably 900 meters away from this new intersection. So those intersections are just continuing to indicate a very strong mineralizing system in the same structural location. In this deeper Lower Imperial Zone case, the host alteration envelope is about 200 meters wide at depth in that package below Imperial is where we found it. Where typically when we were hitting these other zones closer to the Royal shear fault.

[Goldfinger]

You said something interesting there that I picked up on - in some of the other deeper holes at Imperial you may not have drilled deep enough. So they were deeper holes where you may have drilled 400 meters deep but maybe if you had drilled 500 or 600 meters you would have picked up on this lower Imperial zone structure, is that right?

[Robert Boyd]

Yeah, what I was referring to is some of the holes closer to surface. If you look at that cross section you'll see that some of those higher holes in that cross section were not pushed to the same relative depth of 200 meters below the Royal Shear fault like this deeper discovery hole. And so perhaps that's an area at Imperial that should have been tested better in historic drilling both by ourselves and others before us.

So this just demonstrates the potential of Reliance. We never tested the deeper footwall in and around Imperial but we did test it a little further to the northwest and that's where we had intersections at the Diplomat zone. The Diplomat zone had gold in that football associated with diorites in a roughly similar situation to what we're seeing here at this deep Lower Imperial zone.

So it does indicate that there is potential over a big alteration envelope in there that's partly untested because we test below the Royal Shear Fault but don't go typically more than 180 to 100 meters deep below that contact. In this case, this new discovery is almost 200 meters below that Royal Shear Fault. So it just highlights the potential of perhaps some of our upper holes and mid-level holes may not have been drilled deep enough.

And it does open up this potential for that system to develop up closer to surface but we've seen no indication of it being exposed at surface. This could just be a whole new system developing at depth which is good, right? When you're in orogenic gold systems, mineralizing events can favor several different structures and jump around between those structures.

[Goldfinger]

Hole 106 really opens up the scale potential at depth, both in terms of the fact that you might have multiple parallel structures and that this is a new zone that appears to be parallel to the Imperial zone at depth. So you could trace it a bit further to surface and you could extend it at depth. Is that right?

[Robert Boyd]

That's right. That lower Imperial zone is open in all directions, up dip, down dip and along strike. It's really largely untested.

[Goldfinger]

How many holes do you need to put into a new zone to really get a good understanding of the dip and geometry of the mineralized structure?

[Robert Boyd]

Well, we've done enough drilling to understand the approximate dip direction of these structures. We're pretty comfortable with that. It's identifying the plunge of the shoots within those structures and that is because we're dealing with such a large system, we don't really have a solid handle on the plunge of those shoots yet.

We suspect if you look at that vertical longitudinal projection, there could be developing a shallow plunge off to the right or to the southeast in two very large shoots associated with Imperial and Eagle. But we're like the blind men and the elephant at this point. We still don't have enough drill holes in there to really have a high confidence level on the attitude oft those larger shoots at Eagle and Imperial.

But there is a suggestion that they could be plunging off to the southeast.

[Goldfinger]

I heard you mention the possibility of a resource being put on the project in 2025. I'm not sure if that is a plan for sure that's set in stone. Does this new discovery at depth at the Imperial zone, does that potentially change the timing of a future resource estimate?

[Robert Boyd]

Well, this is the kind of project that you'll never have enough drilling on it. Our goal is to enter all the information we've got once we completed the assays, get our database up to date and start looking at it with the goal of developing a resource and saying, have we achieved our minimum kind of threshold? Our threshold is to hopefully demonstrate easily that this system's surpassed a million ounce potential.

And we don't have the hard numbers in hand to be able to be comfortable to say that at the present time, but we've drilled now getting close to 190 holes on this project, including the RC hole. But most of these holes are fairly wide spaced. All of our drilling this year was meant to step out and grow the system.

For instance, stepping out at Imperial here, 185 meters and 300 meters from the Lower Crown discovery, which is in the same relative position as the Imperial zone. So that's demonstrating big, wide step outs, but you'll have a hard time getting a professional geologist to say that those drill intersections will all be one consistent mineralized zone. We have a pretty high confidence that they are because over 70% of our drill holes have ore grade type intersection in them.

So that statistic alone suggests that there's a high likelihood that there's continuity, but you need to have the proof of that in the drilling to add it to the resource. So if we were able to ever do a resource at this point, it would be the lowest quality of resource because of the wide space nature of what we've got here. And, but that's fine.

You know, when you're exploring these kinds of gold systems, your goal is to say, is this system big? And then you step back and fill in the gaps to deliver a mineable type resource later on, right?

[Goldfinger]

The scale of gold mineralization at Reliance is already quite large. We're still talking about a strike extent of over 1,500 meters. And now the vertical extent is over 1,000 meters.

Is that correct?

[Robert Boyd]

Well, what I say is the mineralizing interval is 1.1 kilometers vertically. So, and that takes an intersection that's up the hill to the southeast to the deepest intersection we have under Imperial and this hole that gives a vertical extent of 1.1 kilometers. In an envelope below surface, that's probably encompassed in an envelope below surface of 400 meters below surface.

So, when I say 1.1 kilometers vertical, I'm saying this is an orogenic gold system mineralized over that elevation envelope. This drilling this year has definitely demonstrated its potential to be mineralized over 1.1 kilometers of vertical extent. But physically below surface, our holes are no deeper than 400 to 500 meters below surface.

So, there's still lots of room to open this system up with deep drilling.

[Goldfinger]

You know, something that really stands out about Endurance and the drill program since 2021 is your hit rate. I mean, it's like 70% hit rate or actually more than 70%, I think it might be. You know, you've been around quite a while, Robert.

You know, have you ever seen a gold project with this kind of, you know, hit rate?

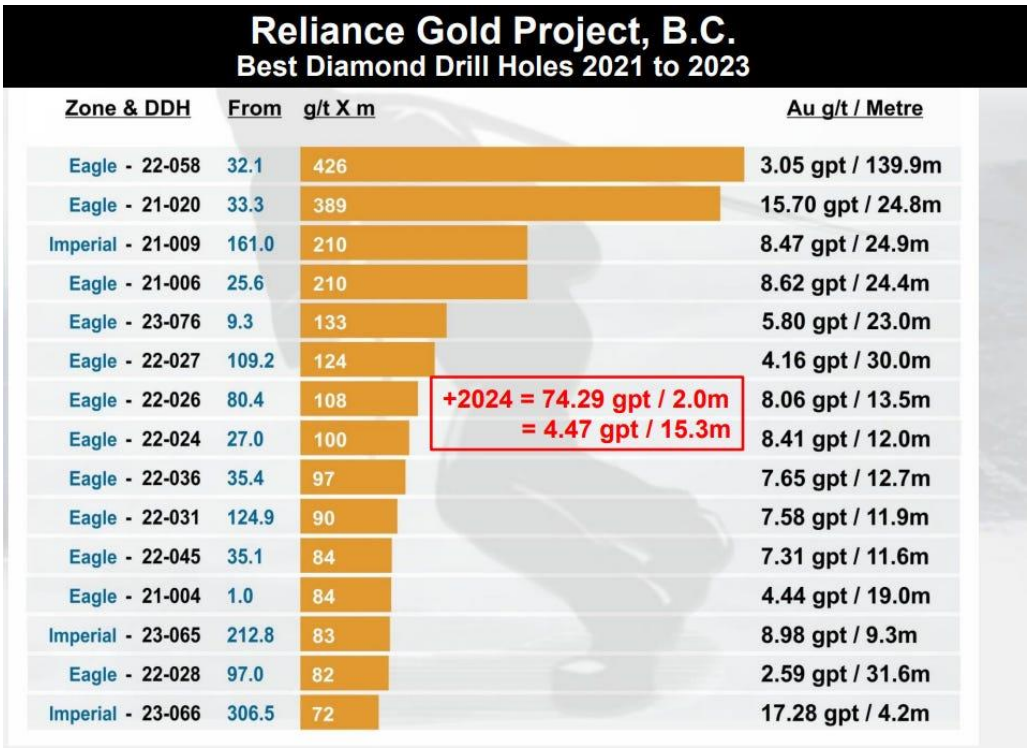
[Robert Boyd]

Well, every gold project is unique, but I've worked on a few orogenic type gold systems in the past and studied others in the past. If you look at the Dome ore body, for instance, when you drill in the Dome mine orebody in Timmins, Ontario only 25% of the intersections have ore grades based on a study in a classic research paper that was written on that the Dome mine.

Based on all of our drilling, about 70% of our holes have hit even though we are drilling over this wide spacing. We don't count an intersection unless it's mineralized with three grams per tonne or better over a full three meter width or wider. That's roughly over 10 gram multiplied by meters. So, that gives us comfort that, yeah, this is a pretty good hit statistic for an orogenic gold system and is an indication of the strength of that system.

But then we've also got close to 20 holes, maybe 18 to 20 holes that have better than 50 gram times meter hits and several holes in there that have over 100 gram times meter hits.

So, when you start looking at all those statistics, they're pretty impressive and indicate a strong mineralizing system for wide space drilling like we've got so far. So, we're very encouraged by the drilling statistics and they've been holding up with the recent wide spaced step-outs.



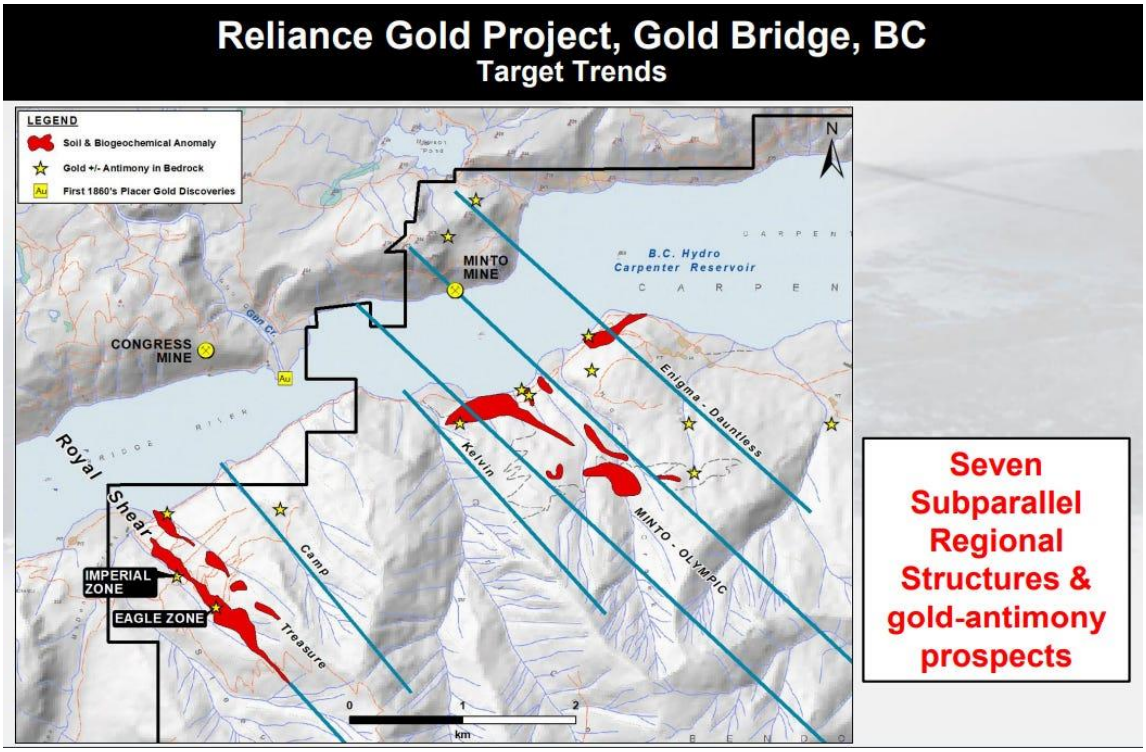
[Goldfinger]

So, you have 10 holes pending assays still. I think most of these holes were drilled in that gap zone between Crown and Imperial. When do you think assays from those and what kind of results do you think we should expect?

[Robert Boyd]

Well, we've got 10 holes that show on that longitudinal as the white dots. Several of those are in the Eagle zone. And those were holes that we were drilling to help increase the quality of the database required for doing some resource calculation in the Eagle zone.

So, some of those were filling in gaps or repeating RC holes with diamond drill holes, since sometimes a professional geo might have concerns about putting an RC hole in a resource calculation. And then also filling in gaps that were untested by either RC or diamond drilling. And then we also had some other holes in the upper Crown area that were testing gaps in there. We also did a 500 meter step out to the northwest to test the structure up there. All of those holes still have to be reported at some point. Thus we expect some encouraging intersections in the unreported ten holes.



Coming up at some point is an update of our surface work we've done on the project this year and what that's delivered to us in terms of encouragement.

We have had several investors expressing interest in providing some update on what our antimony content is like and we need to provide some guidance on that.

[Goldfinger]

I was going to ask you about the antimony.

[Robert Boyd]

You and I have talked about this before. This is a gold project and we've really focused on the rock value of gold. And so, we want to try and provide some sort of update to investors on what it is that we found this year in terms of the antimony content and what can they expect from that, for the project. The key for us is to remain focused on the gold content and because we see antimony as a by-product of our efforts.

[Goldfinger]

Stibnite, yes. It's topical now.

[Robert Boyd]

That's our main mineral, which is the right kind of antimony mineral to have, which we're comfortable saying, you can have antimony coming in all kinds of minerals, but stibnite is the simple antimony sulfide. So, and the stibnite association is the good one because it is the most marketable.

[Goldfinger]

It's the most marketable one, right, absolutely. All right, well, a strong finish to the year for Endurance Gold, Robert. I appreciate the update and I look forward to another update in January with the rest of the assays and then obviously some plans for 2025.

Thank you for your time.

[Robert Boyd]

Yeah, well, thank you. Thank you very much, Robert.

Disclosure: Author owns EDG.V shares at the time of publishing and may choose to buy or sell at any time without notice. Endurance Gold Corp. is a sponsor of Goldfinger Capital and Endurance Gold has approved the contents of this article.

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