

Stock data (as on July 2, 2020)

| | |
|------------------|---------------|
| Price | \$ 0.92 |
| Target Price | \$ 4.78 |
| Upside | 420% |
| 52-week high/low | \$1.00/\$0.21 |

Market data

| | |
|----------------------|---------------|
| Sector | Gold Mining |
| Bloomberg Code | TGM CV Equity |
| Net Out. Shares (mn) | 20.92 |
| Market Cap (\$ mn) | 19.25 |

Core assets in the highly prospective Red Lake mining district

Trillium Gold Mines Inc. is primarily focused on the exploration and development of high-grade gold deposits in the highly prospective Red Lake mining district, which has produced ~27 Moz of gold with average grades of 0.5 oz/t over the past 75 years. This proven production coupled with recent discoveries such as those by Great Bear Resources at its Dixie project have ignited a new gold rush at the district. With a portfolio of three large assets in the district and over 60,000 meters of historical drilling and significant potential in untested targets, Trillium is well poised to forge ahead with its goal of discovering high-grade gold by advancing its exploration and development efforts at this premier mining district.

Significant deposit potential at its flagship property Newman Todd

Located within the Red Lake mining district, Trillium's flagship property Newman Todd hosts widespread gold mineralization similar to nearby operating mines such as Great Bear's Dixie project. However, exploration at the property has been sporadic and sparse, presenting significant deposit potential. Out of the total 109 holes drilled into the property's NTS, 41% intersected >20 g/t Au. The company also prepared a PES for the property that estimated total resources (indicated and inferred) of 82koz in open pit and 140koz in underground. To further expand the resources and know the full extent of mineralization, the company is planning to embark on a renewed exploration program in the near term comprising magnetic surveys, new and infill drilling.

Favorable gold prices driving gold miners

Since bottoming out in 2015 at ~US\$1,000/oz, gold price has been on a gradual uptrend, which picked up pace in 2019 on worries over global recession. The outbreak of COVID-19 pandemic at the start of this year has added further fuel, driving the gold prices to an eight-year high of ~US\$1,800/oz as of July 2, 2020. Stock prices of gold miners including those of juniors such as Trillium have also run up mirroring gold prices. With gold prices outlook looking bright for the next year, both small cap and large cap gold stocks are expected to attract increased investor interest.

Valuation

Valuing an early stage resource company like Trillium with no defined reserves is a difficult task. However, we provide an indicative valuation assuming Trillium's Newman Todd hosts 1 Moz gold reserves on completion of exploration, pinning our hopes on recent high-grade discoveries at Great Bear's Dixie project and the soon-to-be-operating PureGold's Red Lake Mine with reserves of 1.0 Moz of gold. Assuming Mcap/reserves target multiple of 100.0x, we obtain a target price of \$4.78 for Trillium.

Company Overview

Trillium Gold Mines Inc. (formerly Confederation Minerals Ltd.) is a junior gold resources company focused on the exploration and development of gold assets in the prolific Red Lake mining district in Northern Ontario. The company's flagship project Newman Todd, acquired about ten years ago and located within the Red Lake district, hosts widespread mineralization as shown by 40% of its 109-hole exploration program intersecting >20 g/t Au including 681 g/t in one hole. Since 2019, Trillium has been acquiring several other gold assets to boost its portfolio. These included Leo property in 2019 and South-West Red Lake Properties and the Shining Tree Property in May 2020.

Incorporated in 2005, the company operated as Confederation Minerals Inc. under the symbol CFM on the TSXV till June 17, 2020. As part of a rebranding exercise, the company's name was changed to Trillium Gold Mines Inc. and trading began under the new ticker TGM from June 18, 2020.

Table: Trillium Gold - Quick Overview

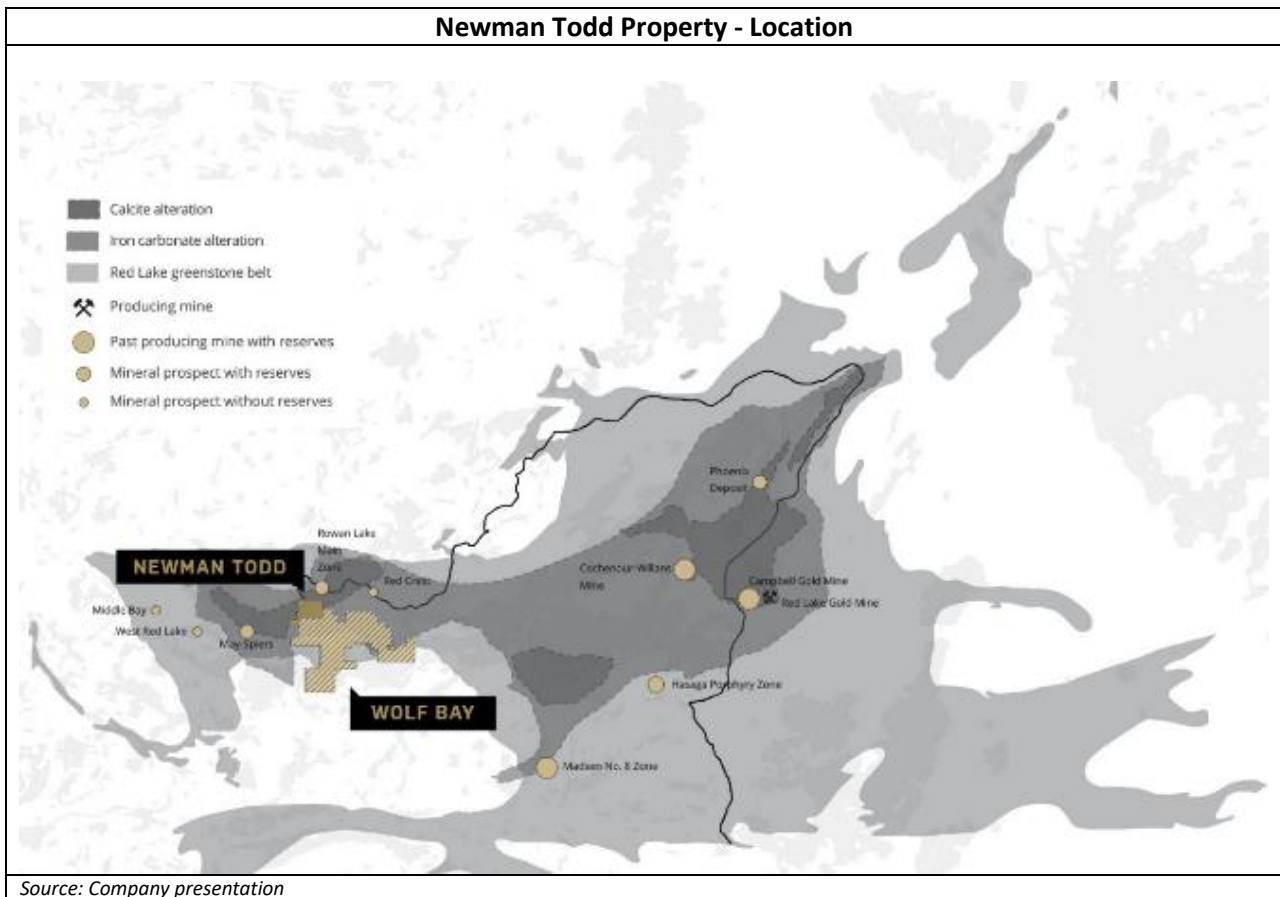
| Property Name | Newman Todd | Leo | Red Lake West | Shining Tree |
|-----------------|---|--|--|--|
| Location | Red Lake mining district, Northern Ontario | Red Lake mining district, Northern Ontario | Red Lake mining district, Northern Ontario | Matachewan-Kirkland Lake mining district, Northeastern Ontario |
| Ownership | 100% | 100% | 100% | 100% |
| Primary Metal | Gold | Gold | Gold | Gold |
| Secondary Metal | - | - | Silver, Copper, Zinc | - |
| Resources | Open pit – 82 koz Au (Indicated & inferred) Underground – 140 koz (Indicated & inferred) | - | - | - |
| Current Status | Exploration | Exploration | Exploration | Exploration |

Projects

Newman Todd – Flagship property

Following the option agreement with a partner in November 2010, Trillium acquired 100% of the Newman Todd over the next few years. The company earned a 50% interest in the property by incurring a cumulative of \$5.0 million by Nov 2013 and issuing a total of 25,000 shares and making payments totaling \$250,000 to the partner. Following the completion of a preliminary economic assessment of the Property in June 2016 and issuance of 25,000 shares to the partner, Trillium earned an additional 20% interest.

The Newman Todd property comprises 13 patented claims and 19 unpatented claims totaling 1,908 hectares, centered 25 km west of the Town of Red Lake, which is 140 km north-northeast of Kenora and 435 km northeast of Winnipeg, Manitoba. Logging roads directly from Red Lake provide easy access to the property.



Sparse drilling to date – presents significant deposit potential

Although exploration at the property dates back to the Red Lake gold rush in the late 1920s, it has been sporadic and sparse. A partner conducted exploration between 2003 and 2010 and Trillium has been conducting it following the option agreement in late 2010. Trillium drilled below depths of 400 meters and mineralization potential remains open along strike and depth.

Gold mineralization at the property is widespread and similar to nearby operating mines in the Red Lake district. Out of the total 109 holes drilled into the northeast trending Newman Todd Structure (NTS) over the 1.8 km strike length, 41% intersected >20 g/t Au over various interval lengths. Gold mineralization is observed on the property both inside and outside of the breccia as free gold in quartz veins, within the massive sulphide units, high sulphide and magnetite zones within the breccia, and within Sphalerite bearing veins in quartz porphyry.

Visible gold at Newman Todd – Drill core hole NT 108



Source: Company presentation

2011 and 2012 drilling programs delivered excellent results: The 2011 program consisting of 56 diamond drill holes identified zones of high-grade mineralization along the NTS. Importantly, geological mapping and surface sampling discovered high-grade gold mineralization at surface. Assay results from 20-hole 2012 program targeting central yielded good results, highlighted by 681 g/t gold over 0.5 meters and 7.43 g/t gold over 10 meters.

Significant drilling intercepts at Newman Todd - 2011-2013

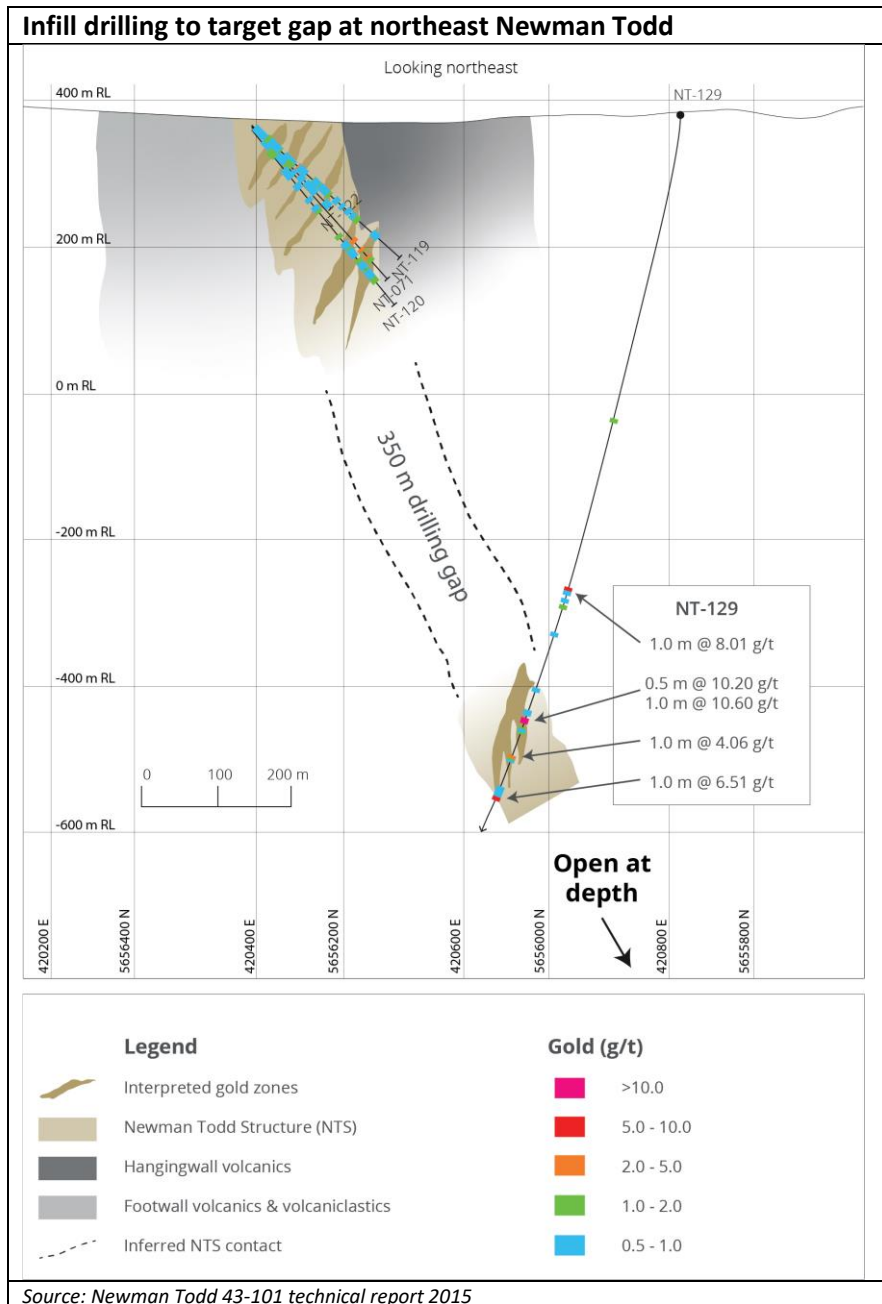
| Hole | | From (m) | To (m) | Core Length (m) | Gold (g/t) |
|--------|-----------|----------|--------|-----------------|------------|
| NT-056 | | 197.00 | 213.00 | 16.00 | 8.63 |
| NT-056 | Including | 208.00 | 209.00 | 1.00 | 122.00 |
| NT-062 | | 170.00 | 175.00 | 5.00 | 18.25 |
| NT-083 | | 251.70 | 254.00 | 2.30 | 89.86 |
| NT-083 | Including | 251.70 | 252.30 | 0.60 | 343.00 |
| NT-102 | | 296.00 | 343.00 | 47.00 | 2.17 |
| NT-108 | | 229.50 | 257.00 | 27.50 | 3.41 |
| NT-108 | and | 300.00 | 327.00 | 27.00 | 5.94 |
| NT-108 | Including | 304.00 | 305.00 | 1.00 | 139.00 |
| NT-109 | | 238.00 | 251.00 | 13.00 | 7.11 |
| NT-109 | Including | 243.00 | 248.00 | 5.00 | 17.53 |
| NT-112 | | 266.00 | 288.00 | 22.00 | 4.31 |
| NT-112 | Including | 287.00 | 288.00 | 1.00 | 78.00 |
| NT-114 | | 303.00 | 334.00 | 31.00 | 12.61 |
| NT-114 | Including | 332.50 | 333.00 | 0.50 | 681.00 |
| NT-123 | | 293.00 | 295.50 | 2.50 | 32.65 |
| NT-123 | Including | 295.00 | 295.50 | 0.50 | 158.00 |
| NT-125 | | 403.00 | 413.00 | 10.00 | 9.00 |
| NT-125 | Including | 408.00 | 411.00 | 3.00 | 25.95 |
| NT-142 | | 52.00 | 58.00 | 6.00 | 13.19 |
| NT-148 | | 193.00 | 200.00 | 7.00 | 32.57 |
| NT-148 | Including | 198.00 | 199.50 | 1.50 | 89.07 |
| NT-148 | and | 229.00 | 229.50 | 0.50 | 342.00 |
| NT-153 | | 231.00 | 240.50 | 9.50 | 10.39 |
| NT-162 | | 63.00 | 73.00 | 10.00 | 7.43 |
| NT-162 | Including | 71.00 | 71.50 | 0.50 | 128.00 |

Interval widths are calculated as core length and do not imply true width of the zone

Source: Newman Todd 43-101 technical report 2015

Renewed exploration plans

Trillium is planning to embark on a renewed exploration and drilling program comprising magnetic surveys, new and infill drilling. While the ground magnetic surveys will help delineate structures and confirm ideas, drilling at new orientations along NTS will be undertaken to intersect north trending cost structure and the full extent of mineralization host. Infill drill will help in drilling the gap to the northeast and at depth.



PEA study and Mineral Resource Estimates

In Jan 2015, Trillium released a preliminary economic assessment (PEA) on the Newman Todd property to assess the economic viability of the property. Assuming 83koz of gold production over the 4-year mine life, the PEA estimates total revenues of \$114.2 million. Adjusting royalties, capex, and operating expenses, cash flows come out at a negative \$66.9 or translating into a net present value of \$62.4 million @5% discount rate. We believe the PEA was released primarily to meet the option agreement conditions and grossly under-represents the true potential of the property's resources.

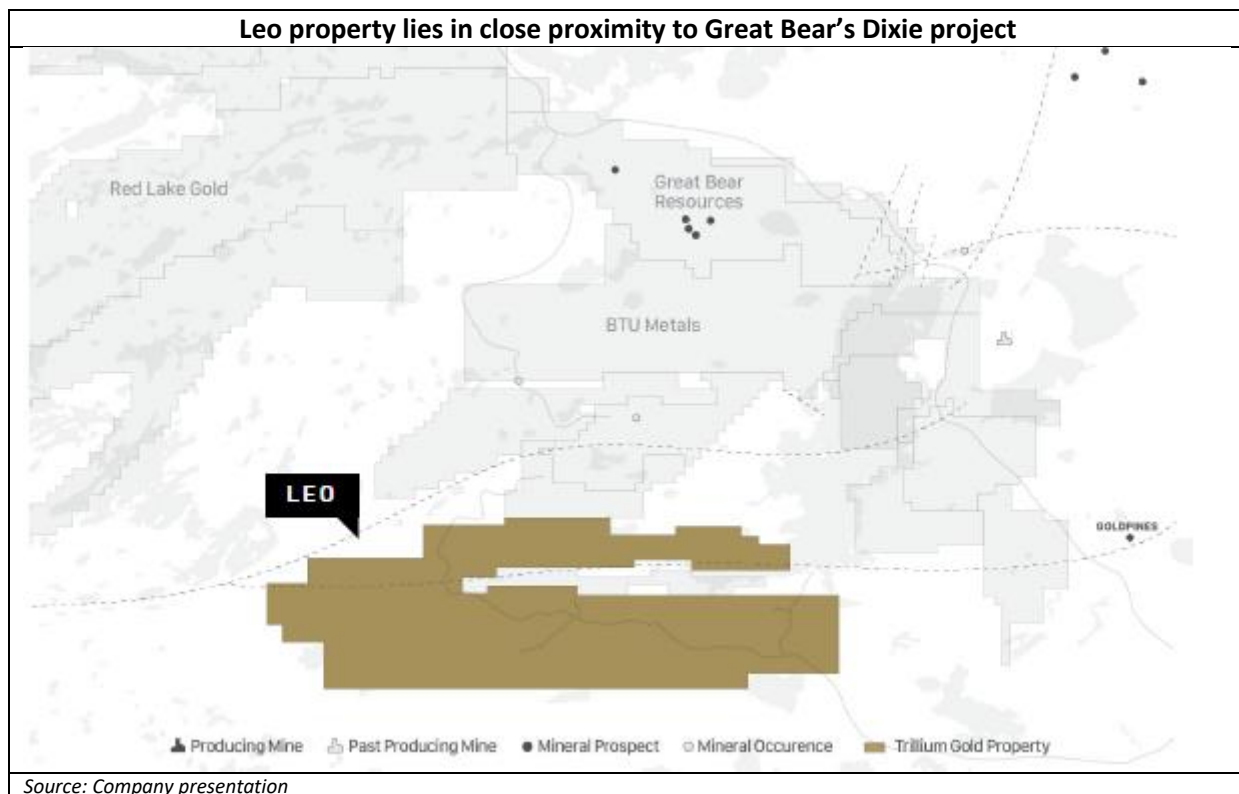
| Mineral resource estimates at Newman Todd | | | |
|---|---------|----------------|-----------|
| Open pit | | | |
| Resource class | Tonnage | Au Grade (g/t) | Au Ounces |
| Total Indicated Resources | 350,000 | 2.76 | 31,000 |
| Total Inferred Resources | 574,000 | 2.78 | 51,000 |
| Total Resources | | | 82,000 |
| Underground | | | |
| Resource class | Tonnage | Au Grade (g/t) | Au Ounces |
| Total Indicated Resources | 630,000 | 3.36 | 68,000 |
| Total Inferred Resources | 490,000 | 4.54 | 72,000 |
| Total Resources | | | 140,000 |

Source: Newman Todd 43-101 technical report 2015

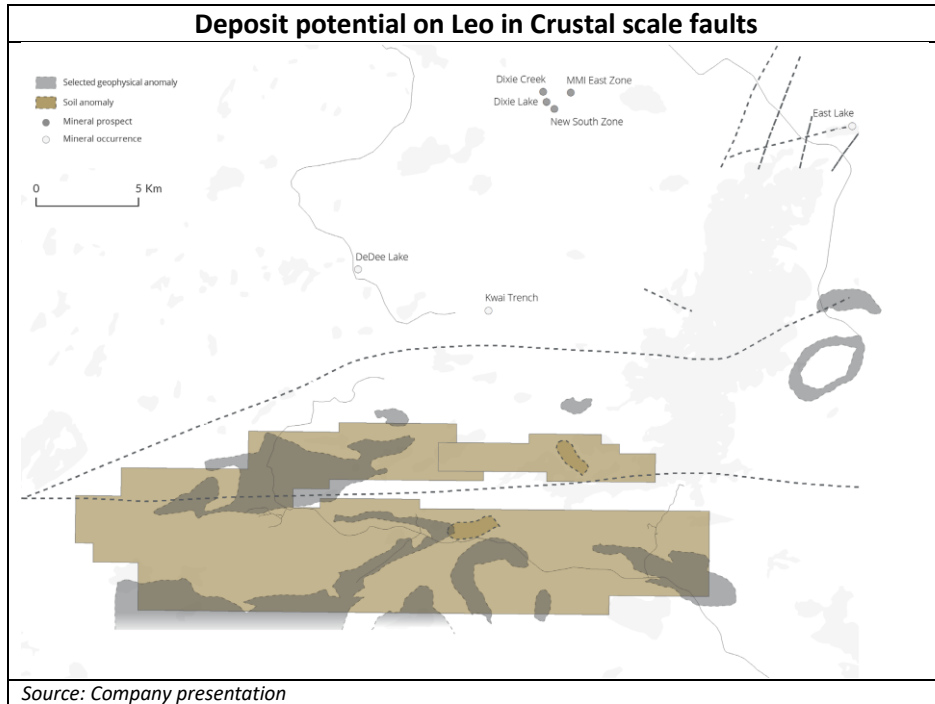
As part of the study, mineral resources were also estimated at the property – classified under open pit and underground. The open pit resources comprise indicated resources of 350kt @ 2.76 g/t for 31koz of gold and inferred resources of 574kt @2.78 g/t for 51koz of gold. The underground resources comprise indicated resources of 630kt @ 3.36 g/t for 68koz of gold and inferred resources of 490kt @4.54 g/t for 72koz of gold.

Leo Property

Trillium acquired the Leo property from a private company in June 2019 for approximately \$1.0 million. Located 15 km south of Great Bear Resources’ Dixie project, the Leo property is a green field exploration project.



Although limited exploration has been conducted recently on the property, some historical work identified several anomalies including fault systems across the property as potential controls on gold distribution. Based on this historical work, Trillium plans to identify several new exploration targets. Additionally, geochemical sampling in the northeast discovered anomalous gold.

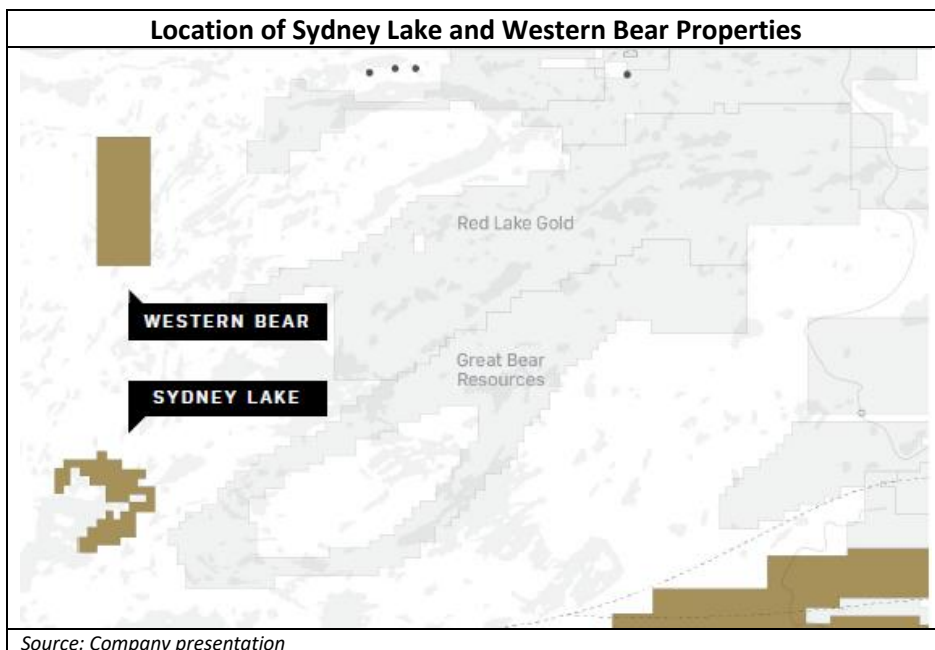


Exploration plans

As discussed above, Trillium plans to identify several new exploration targets based on historical work at the property. The company plans to use high resolution ground-based proton-magnetometry to refine targets for drilling. To identify new targets, geological reconnaissance and sample collection will be undertaken at the western edge of the property. Once the targets are identified, diamond drilling will be conducted.

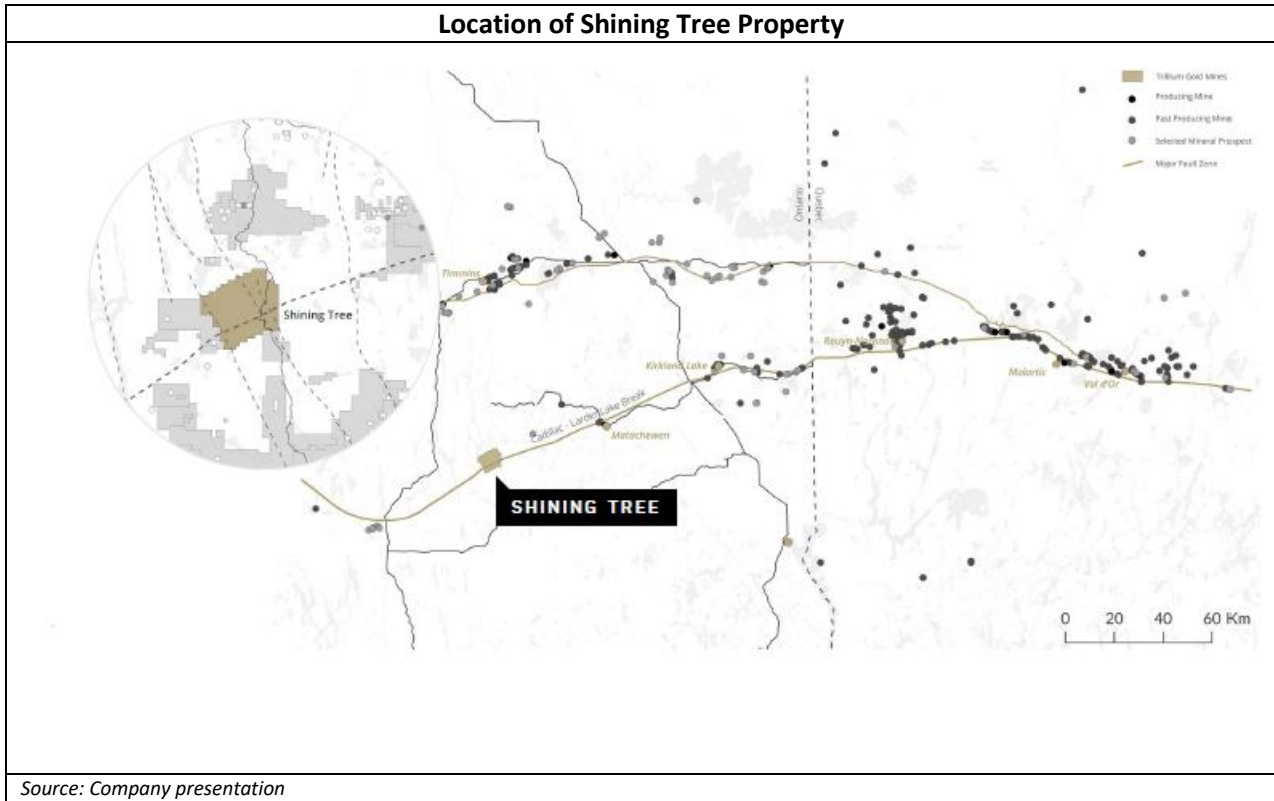
Sydney Lake and Western Bear Properties

The Sydney Lake and Western Bear, collectively called Red Lake West, are greenfield exploration properties located in the western most portions of the Red Lake mining district. The Sydney Lake property is located near the Sydney Lake Cataclastic zone structural trend that boasts of mineral occurrences in the Dixie Lake area. Historical exploration at Sydney Lake returned promising drilling results for base metals (copper, zinc) hosted in locally massive sulphides. Exploration plans include reconnaissance mapping and sampling, followed by detailed geological and structural mapping and systematic sampling program.



Shining Tree Property

Trillium acquired South-West Red Lake Properties and the Shining Tree Property as part of the acquisition of Canadian Shield Developments Corp. in May 2020. The company issued a total of 6.5 million shares to Canadian Shield at a price of \$0.40 per share in two tranches – 3.25 million shares on May 5, 2020 and the rest 3.25 million shares after nine months.

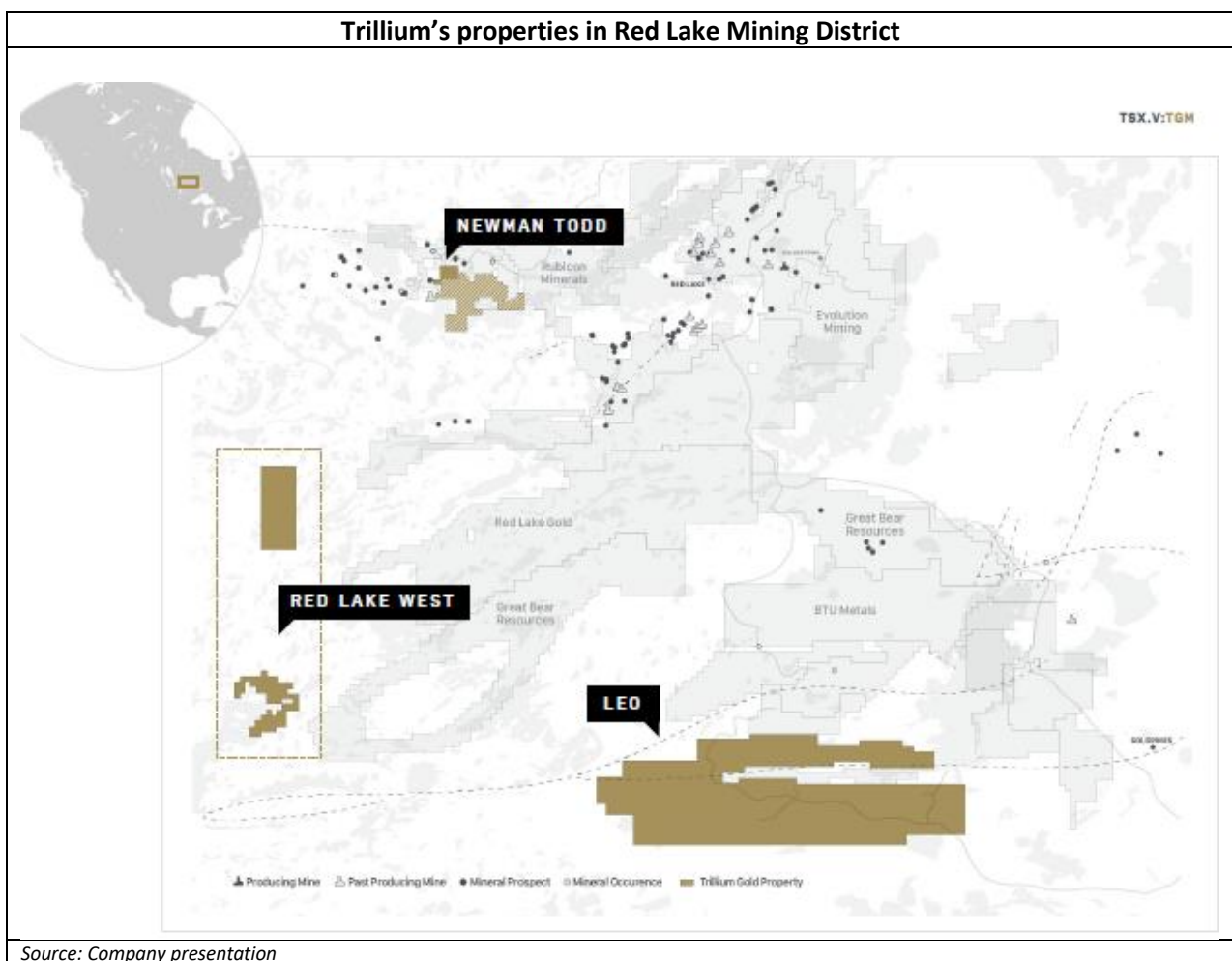


The Shining Tree Property is located in the Metachewan-Kirkland lake mining district where 111 Moz of gold has been identified in resource estimates. The property is underexplored but recent and historical exploration adjacent to the property has identified various possible deposit types. As for exploration plans, Trillium would first conduct desktop studies to analyze historical soil, drilling, geological mapping and geophysics. Following this, drill targets and the actual drilling program would be planned.

Investment Thesis

Core focus on the highly prospective Red lake mining district

Trillium is primarily focused on the exploration and development of gold deposits in the highly prospective Red lake mining district in northwestern Ontario. During its vast and continuous production history of 75 years, Red lake has produced over 27 Moz of gold with average grades of 0.5 oz/t. This proven production coupled with recent discoveries such as those by Great Bear Resources at its Dixie project have ignited a new gold rush at the district. The purchase of Newmont Corp.'s world-famous Red Lake Mine for US\$375 million in November 2019 highlights this belief. Apart from Red Lake Mine, the other producing mine in the area is Campbell. The district has all the facilities and infrastructure to develop a new mining operations. With three assets and over 60,000 meters of historical drilling, Trillium is well poised to forge ahead with its goal of discovering high-grade gold by advancing its exploration and development efforts at this premier mining district.



Significant deposit potential at its flagship property Newman Todd

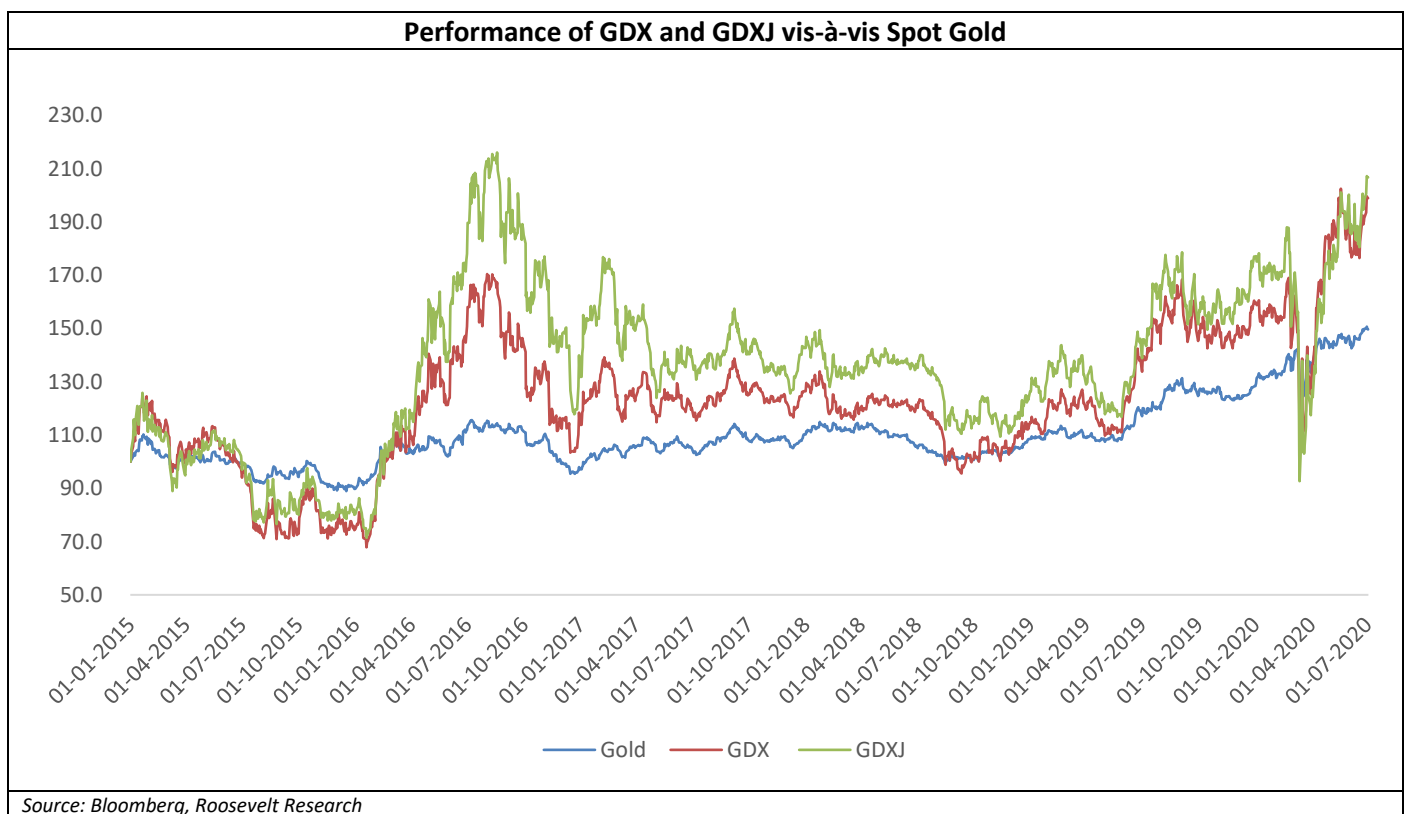
Located within the Red Lake mining district, Trillium's flagship property Newman Todd hosts widespread gold mineralization similar to nearby operating mines such as Great Bear's Dixie project. However, exploration at the property has been sporadic and sparse, presenting significant deposit potential. Out of the total 109 holes drilled into the property's NTS, 41% intersected >20 g/t Au over various interval lengths. The company also prepared a PES for the property that estimated total resources (indicated and inferred) of 82koz in open pit and 140koz in underground. To further expand the resources and know the full extent of mineralization, the company is planning a renewed exploration and drilling program in the near term comprising magnetic surveys, new and infill drilling.

Continued asset acquisitions offers upside potential

In addition to the flagship Newman Todd which was acquired nearly ten years ago, Trillium has of late been acquiring several gold assets to boost its portfolio amid rising gold prices. The company acquired three green field projects - Leo property (located near Great Bear's Dixie project) in 2019 and South-West Red Lake Properties (in Red Lake) and the Shining Tree Property (in Metachewan-Kirkland lake mining district where 111 Moz of gold has been identified in resource estimates). Trillium is planning acquisition of additional gold assets in the near term to further boost its portfolio.

Favorable gold prices driving gold miners

Uncertainty over the economy amid the COVID-19 pandemic continues to drive the gold prices to multi-year highs, in turn driving the stock prices of gold miners. Since bottoming out in 2015 at ~US\$1,000/oz, the yellow metal has been on a gradual uptrend, which picked up pace in 2019 on worries over global recession. The outbreak of COVID-19 pandemic at the start of this year has added further fuel, driving the gold prices to an eight-year high of ~US\$1,800/oz as of July 2, 2020, a 20% uptick from January and close to the all-time high of ~US\$1,900/oz hit in 2011. Outlook for next year looks robust, with some research firms forecasting a price as high as US\$3,000/oz, pinning their hopes on a second wave of the pandemic in the near term as well as continued printing of money from central banks, low interest rates, and a pickup in demand post the pandemic.



Surging gold prices have driven stock prices of gold miners to multi-year highs as shown by the VanEck Vectors Gold Miners ETF (GDX) that tracks the Arca Gold Miners Index (GDMNTR) as well as the VanEck Vectors Junior Gold Miners ETF (GDXJ) that tracks the MVIS Global Junior Gold Miners Index (MVGDXJTR). Apart from higher gold prices, other factors driving stock prices of gold miners include investment money coming back to miners from cannabis stocks and bitcoin and higher margins due to low products costs resulting from weak oil prices. Both the GDX and the GDXJ indexes are at eight-year highs of ~36.0 and ~49.0 and well poised to hit their round figure targets of \$50 and \$100, respectively. The junior miners index encompassing small cap gold stocks has been lagging the broader GDX but has picked up pace in recent months as investors are increasingly looking for value. Another factor favoring small cap players is the lower initial capital outlay and faster timelines to production. As a junior miner with assets in the prolific

Red Lake district, Trillium's share price has also run up sharply (~30%) since its name change on June 18, and will likely continue its uptrend in line with the gold prices.

Seasoned management team

Trillium is led by a seasoned management team with extensive experience in mineral exploration and capital markets. At the helm is James Lenec (President) who has over three decades of experience with financial markets in the US and Canada with primary focus on resources exploration and property management through public and private companies. David Velisek (Interim CEO) has over 20 years of experience in capital markets and has held roles in Investor Relations in financial and resources companies. Andy Randell P. Geo (Technical director) has over a decade of experience in diverse mineral exploration and mining projects, specializing in geological mapping, design of exploration projects and drilling programs, geochemical targets, soil sampling, mineralogy and metallurgy.

Valuation

Valuing an early stage resource company like Trillium with no defined reserves is a difficult task. EV or Mcap/resources is typically used for valuing junior resources companies with no proven reserves and production compared to a DCF methodology for those with producing mines. We believe Trillium's indicated and inferred resources of 222koz of Au estimated as part of the PES back in 2015 grossly underrepresent the true potential of the property given its location in the highly prospective Red Lake mining district where 27 Moz of gold has been produced till date. Taking the total resources of 222koz for the property and the current market cap of \$19.2, the Mcap/resources ratio comes at nearly 85.0x, much higher than the industry average of 20.0x for companies with indicated and inferred resources. To put reserves in perspective, the famed and operating Red Lake Mine currently has reserves of 3.2 Moz of gold while the soon-to-be operating PureGold's (TSXV: PGM, \$1.7/\$650Mn market cap) Red Lake Mine has reserves of 1.0 Moz of gold. We believe, Great Bear's Dixie as well as Trillium's Newman Todd/and its other Red Lake properties would likely have resources similar in size once the exploration is complete. Hence we assume atleast 1.0 Moz of probable reserves for Trillium's Newman Todd, which translates into a market cap/reserves ratio of ~19.0x, well below the average of 150.0x for companies with probable reserves. Assuming a conservative target multiple of 100.0x on expected reserves, we arrive at a target price of \$4.78. Compared to the current price of 420%.

| Trillium valuation and target price based on current resource estimates and future estimated resources | | |
|---|---|---|
| Particulars | Price target based on current resources as per 2015 PEA | Price target based on estimated future reserves * |
| Total resources/Reserves (Moz) | 0.2 | 1.0 |
| Market Cap (\$ Mn) | 19.2 | 19.2 |
| Mcap/Resource (x) | 86.5x | 19.2x |
| Industry average Mcap/Resources ratio (for Indicated and Inferred resources, and for probable reserves) | 20.0x | 150.0x |
| Discount/Premium | 332% | -87% |
| Target multiple on expected reserves (x) | 20.0x | 100.0x |
| Target market cap (\$Mn) | 4.44 | 100 |
| Basic shares (Mn) | 20.92 | 20.92 |
| Target price (\$) | 0.21 | 4.78 |
| Current price (\$) as on July 2, 2020 | 0.92 | 0.92 |
| Upside/(Downside) | -77% | 420% |

Source: Roosevelt Research, * Roosevelt Research estimates

An alternative and a better approach to identify the potential for Trillium's stock price appreciation can be deduced by comparing it with Great Bear Resources, which has its flagship property Dixie in close proximity to Trillium's Newman Todd property. Although the Dixie property does not yet have any resources defined, the stock price of Great Resources has risen almost 6.0x over the past two years, driven by multiple high-grade gold discoveries during the same period. We believe the same could happen to Trillium's stock price as it embarks on a comprehensive drilling program in the near term at its flagship Newman Todd and other Red Lake properties, which host widespread mineralization similar to the Dixie project.

Following the acquisition of Dixie project in July 2017, Great Bear completed a phase I drilling program in August 2017 and subsequently initiated a phase II drill program that discovered high-grade gold in May 2018 (highlighted by 17.18 g/t gold over 1.7 metres) and August 2018 (16.35 metres of 26.91 g/t). Excellent results from phase II prompted Great Bear to raise \$10.0 million in August 2018 for a 30,000 2018-19 drilling program. This is the time when the stock price of Great Bear surged to \$3.0 after trading at below \$1.0 for several years. The company continued to report high-grade gold discoveries over the next year and in December 2019, expanded the drill program to 200,000 meters and raised a massive \$33 million in May 2020. Continued positive drill results and significant capital raises powered the share price of Great Bear to \$11 by May 2020 and currently trades at ~\$20.0 for a market cap of over \$900 million.

We believe Trillium's share price could also follow a similar pattern and the immediate trigger could be the restart of the drilling program at Newman Todd, following high grade discoveries (>20 g/t in its 2010-2013 drilling program). Similar high-grade discoveries coupled with meaningful capital raises to fully fund the program would result in significant re-rating of the stock. We believe the stock could easily touch \$5.0 (\$100 million in market cap) once there is any high-grade discovery at its properties with potential to go much higher on continued capital raises to fund a larger drilling program eventually aiming for a resource delineation and subsequent mine production.

Risks

Technical risks

Mineral exploration and development involves a high degree of risk, as not all properties being explored can be ultimately developed into producing mines. Trillium is currently focused on exploring its flagship Newman Todd gold project in the Red Lake mining district in Northern Ontario. For this, the company has planned a renewed exploration plan to identify new targets as well know the full extent mineralization host. Although, we do not foresee any challenges in exploration, any unforeseen circumstances could lead to delays in the development of the project.

Availability of capital

Trillium is an early stage resources company focused on exploration of gold properties, which would involve significant capex. As of March 31, 2020, the company had less than \$1.0 million of cash on its books and would need to raise additional capital for exploration and development expenses either through issuance of equity or debt. While issuance of new shares would result in dilution for existing shareholders, taking debt could result in higher interest expenses and the possibility of default.

Commodity price risks

Trillium is primarily exposed to price risk relating to gold. Although the price of gold continues to be at multi-year highs, it could fall on a rebound in global economy and an improvement in COVID-19 situation due to a vaccine development. This could impact investors' interest in gold stocks particularly junior resources companies such as Trillium. As with the forecasting of any commodity market, there are key risks to our current expectations for the global gold market and our price forecasts.

Management

James Lenec, Interim President

Mr. Lenec has over three decades of experience with financial markets in the US and Canada. His primary focus has been with resources exploration and property management through public and private companies.

David Velisek, Interim CEO and Chairman

Mr. Velisek has over two decades of experience in capital markets, He has held roles in Investor Relations, as a licensed trader of equities, options and futures as well as Investment Adviser. He is currently employed with Baron Global Financial Canada Ltd. and has previously held the position of Director with Novo Resources, Lifestyle Delivery Systems, Finore Mining and Delon Resources, among others.

Queenie Kuang, CFO

Ms. Kuang is a chartered public accountant and holds a bachelor of business administration degree in accounting and finance from Simon Fraser University, which she obtained in 2007.

Andy Randell, P.Geo, Technical Advisor, QP

Mr. Randell has over a decade of experience across a multitude of mineral exploration and mining project types and commodities, specializing in geological mapping, design of exploration projects and drilling programs, geochemical targets, soil sampling, mineralogy and metallurgy.

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