



# Electromagnetics Identify New Conductive Trend In Footwall Of Eastmain Mine

January 13, 2021

## HIGHLIGHTS

- Re-processing of FLEM identified a large conductor in the footwall of the existing resource at A Zone (376,000oz at 7.9gpt gold)
- Last DHEM survey of historical hole in 2020 identified off-hole conductors 200m in the footwall of A Zone confirming FLEM modelled plate
- These conductors represent a potential 3rd trend to be tested in upcoming drill programs
- Exploration expected to restart in January with 50,000m drill program and additional EM surveys to identify further targets across other trends with VTEM anomalies
- Results from 2020 drill program expected shortly

Benz Mining Corp. (TSXV:BZ, ASX:BNZ) (the **Company** or **Benz**) is pleased to announce the discovery of a third conductive trend, parallel to and 200m in the footwall of the existing Eastmain resource envelope. This trend was confirmed by the last down hole electromagnetic (**DHEM**) survey of the 2020 field campaign, the results of which have now been interpreted.

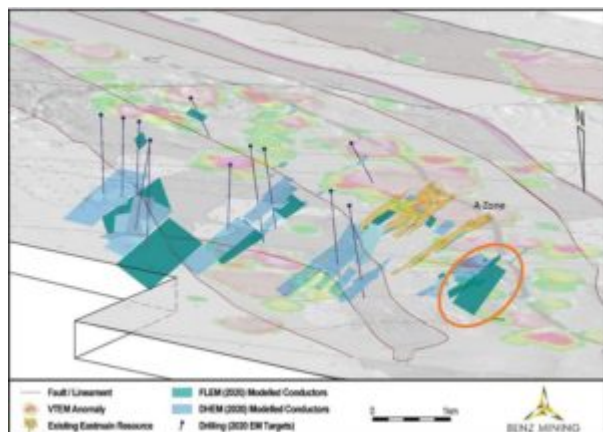


Figure 1: Third potentially mineralized trend at Eastmain with 2020 drilling and all 2020 EM conductors (FLEM-Green and DHEM-Blue)

### Third Parallel Conductive Trend identified

Second pass processing of fixed loop electromagnetic (FLEM) data in late 2020 identified a conductor in the footwall of the A Zone. The final DHEM survey for the 2020 season probed a deep historical stratigraphic hole drilled well into the footwall of the Eastmain deposit. Strong off-hole conductors confirmed the structural position of the modelled FLEM conductor and the existence of a strongly conductive trend with an EM response comparable with the existing known Eastmain mineralization. The modelled conductor and off hole DHEM have not been previously drilled and the trend seems to continue to the NW of Zone A.

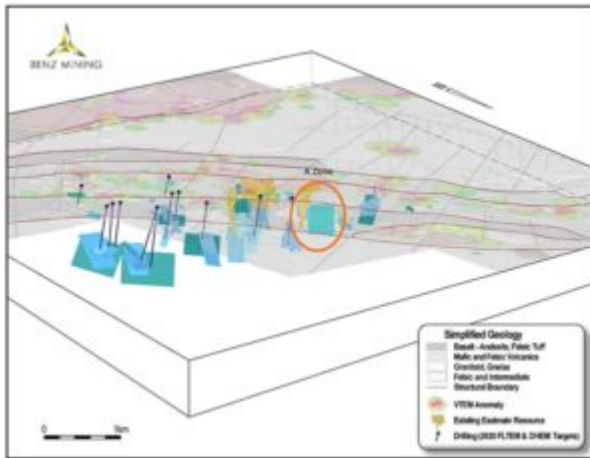


Figure 2: FLEM modelled conductors from 2nd pass FLEM processing

**CEO, Xavier Braud, commented:**

“The last of the EM data for 2020 brought us a nice surprise. Historically, mineralization had been identified along the mine series trend over a strike length of 10km. When we began assessing the Eastmain Project in early 2020 it became evident that there was the potential for multiple repeats of this mine series within our extensive tenement package. Since commencing exploration in July 2020, our exploration strategy has identified that there is now the potential for 3 mineralized trends. We look forward to further ground geophysical programs in 2021 to further test VTEM anomalies which already highlight the potential for multiple additional trends. The Eastmain Gold Project is shaping up to become a very large system and we look forward to testing these targets in 2021.”

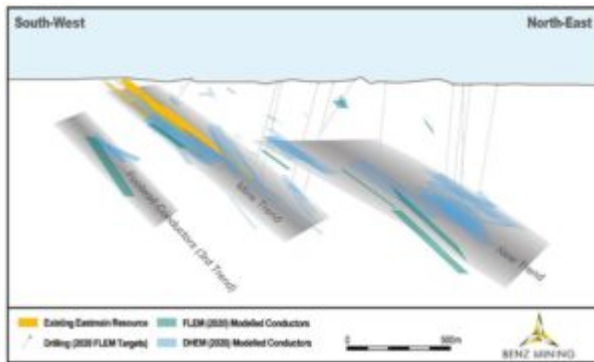


Figure 3: Schematic cross section with all EM conductors and 2020 drilling highlighting the new footwall conductors, potentially third newly identified trend.

The Eastmain Gold Project, situated on the Upper Eastmain Greenstone Belt in Quebec, Canada, currently hosts a NI 43-101 and JORC (2012) compliant resource of 376,000oz at 7.9gpt gold (Indicated: 236,500oz at 8.2gtp gold, Inferred: 139,300oz at 7.5gtp gold). The existing gold mineralization is associated with 15-20% semi-massive to massive pyrrhotite, pyrite and chalcopyrite in highly deformed and altered rocks making it amenable to detection using electromagnetic techniques. Multiple gold occurrences have been identified by previous explorers over a 10km long zone along strike from the Eastmain Mine with very limited but highly encouraging testing outside the existing resource area.

This press release was prepared under supervision and approved by Dr. Danielle Giovenazzo, P.Geo, acting as Benz's qualified person under National Instrument 43-101.

## About Benz Mining Corp.

Benz Mining Corp. brings together an experienced team of geoscientists and finance professionals with a focused strategy to acquire and develop mineral projects with an emphasis on safe, low risk jurisdictions favourable to mining development. Benz is earning a 100% interest in the former producing high grade Eastmain gold mine, Ruby Hill West and Ruby Hill East projects in Quebec.



The Eastmain Gold Project is situated within the Upper Eastmain Greenstone Belt in Quebec, Canada and currently hosts a NI 43-101 and JORC (2012) compliant resource of 376,000oz at 7.9gpt gold. The existing gold mineralization is associated with 15-20% semi-massive to massive pyrrhotite, pyrite and chalcopyrite making it amenable to detection by electromagnetics. Several gold mineralization occurrences have been identified by previous explorers over a 10km long zone along strike from the Eastmain Mine with very limited testing outside the existing resource area.

On behalf of the Board of Directors of Benz Mining Corp.

**Xavier Braud, CEO**

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**Forward-Looking Information:**

Certain statements contained in this news release may constitute "forwardlooking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including, that the Company's financial condition and development plans do not change as a result of unforeseen events and that the Company obtains regulatory approval. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or



to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, and delays in regulatory approval, as well as the other risks and uncertainties applicable to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at [www.sedar.com](http://www.sedar.com). The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

### **Competent Person's Statements:**

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting information compiled by Mr Xavier Braud, who is a member of the Australian Institute of Geoscientists (AIG membership ID:6963). Mr Braud is a consultant to the Company and has sufficient experience in the style of mineralization and type of deposits under consideration and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Braud holds securities in Benz Mining Corp and consents to the inclusion of all technical statements based on his information in the form and context in which they appear.

The information in this announcement that relates to the Inferred Mineral Resource was first reported under the JORC Code by the Company in its prospectus released to the ASX on 21 December 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and confirms that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



## Appendix 1: JORC Tables

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"><li>• Nature and quality of sampling(eg cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li><li>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li></ul>	<ul style="list-style-type: none"><li>• FLEM (TDEM) Survey:</li><li>• A 109.03 line-km fixed loop survey was commissioned by Benz Mining to Abitibi Geophysics at the Company's Eastmain Property in Quebec. The survey was conducted using a conventional ARMIT- TDEM Fixed conventional loop with ARMIT sensor and SmartEM 24 by EMIT receiver.</li><li>• DHEM/BHEM Survey, 3480 meters from Abitibi Geophysics, EMIT DigiAtlantis probe</li></ul>



Criteria	JORC Code explanation	Commentary
Drilling techniques	<ul style="list-style-type: none"><li>Aspects of the determination of mineralization that are Material to the Public Report.</li><li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (eg submarine nodules) may warrant disclosure of detailed information.</li></ul>	<p>Downhole/Borehole Electromagnetics was conducted by TMC geophysics using a Crone Deep EM system.</p> <ul style="list-style-type: none"><li>This release does not contain any sampling results.</li></ul>
	<ul style="list-style-type: none"><li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other types, whether the core is oriented</li></ul>	<ul style="list-style-type: none"><li>This release does not include drill results</li></ul>



Criteria	JORC Code explanation	Commentary
	and if so, by what method, etc).	
Drill sample recovery	<ul style="list-style-type: none"><li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li><li>• Measures are taken to maximize sample recovery and ensure the representative nature of the samples.</li><li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>
	<ul style="list-style-type: none"><li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies, and metallurgical studies.</li><li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li><li>• The total length and percentage</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>



Criteria	JORC Code explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b>	of the relevant intersections logged.	
	<ul style="list-style-type: none"><li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li><li>• If non-core, whether riffled, tube sampled, rotary split, etc, and whether sampled wet or dry.</li><li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li><li>• Quality control procedures adopted for all sub-sampling stages to maximize representativity of samples.</li><li>• Measures are taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li><li>• Whether sample sizes are appropriate to the grain size of the the material being sampled.</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>



Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"><li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li><li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li><li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"><li>• The verification of significant intersections by either independent or alternative company personnel.</li><li>• The use of twinned holes.</li><li>• Documentation of primary data, data entry procedures,</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>



Criteria	JORC Code explanation	Commentary
<b>Location of data points</b>	data verification, data storage (physical and electronic) protocols. <ul style="list-style-type: none"><li>• Discuss any adjustment to assay data.</li><li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li><li>• Specification of the grid system used.</li><li>• Quality and adequacy of topographic control.</li></ul>	<ul style="list-style-type: none"><li>• Drill holes have been located using a hand held GPS receiver with a typical accuracy of +/-4m</li><li>• Grid: UTM NAD83 Zone 18N</li><li>• Topographic control is crosschecked with a 2013 LIDAR survey</li></ul>
	<b>Data spacing and distribution</b> <ul style="list-style-type: none"><li>• Data spacing for reporting of Exploration Results.</li><li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li><li>• Whether sample compositing has been applied.</li></ul>	



Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"><li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li><li>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li></ul>	<ul style="list-style-type: none"><li>This release does not include drill results</li></ul>
<b>Sample security</b>	<ul style="list-style-type: none"><li>The measures are taken to ensure sample security.</li></ul>	<ul style="list-style-type: none"><li>This release does not include drill results</li></ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"><li>The results of any audits or reviews of sampling techniques and data</li></ul>	<ul style="list-style-type: none"><li>This release does not include drill results</li></ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)



Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"><li>• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li><li>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li></ul>	<ul style="list-style-type: none"><li>• The Eastmain Mine Project comprises 152 contiguous mining claims each with an area of approximately 52.7 ha covering a total of 8,014.36 ha plus one industrial lease permit that is owned by Eastmain Mines Inc., a wholly-owned subsidiary of Fury Gold Mines. The claims are numbered 1133433 to 1133583 consecutively plus claim 104458 (Figure 4.2). All of the claims are located within NTS sheet 33A 08.</li><li>• The former Mine Lease BM 817 was issued on January 10, 1995 and expired in 2015 after a 20- year term. This former Mine Lease was converted to Industrial Lease 00184710000 on September 1, 2015 and contains all normal surface rights. The former mineral rights for</li></ul>



## Criteria

## JORC Code explanation

## Commentary

BM 817 are now included in the expanded Claims 1133523, 1133524, 1133525, 1133505, 1133506 and 1133507.

- The claims are 100% held by Fury Gold Mines subject to certain net smelter royalties ("NSR").
- On August 9, 2019, Benz Mining Corp. announced that it has entered into an option agreement with Eastmain Resources Inc. (now FuryGold Mines) to acquire a 100% interest in the former producing EastmainGold Project located in James Bay District, Quebec, for CAD \$5,000,000.
- Eastmain Resources would retain a 2% Net Smelter Return royalty in respect of the Project. Benz may, at any time, purchase one half of the NSR Royalty, thereby reducing the NSR



## Criteria

## JORC Code explanation

## Commentary

Royalty to a 1% net smelter returns royalty, for \$1,500,000.

- The Eastmain Mine, as defined by the perimeter of a historic mining lease, is subject to a production royalty net smelter return ("NSR") of 2.3% through the production of the next 250,000 oz produced and 2% thereafter. A package of claims surrounding the mine precinct is subject to a production royalty (NSR) of 2% in favor of Goldcorp as a result of their succession to Placer Dome in an agreement dated December 30, 1988, between Placer Dome, MSV Resources Inc., and Northgate Exploration Limited.
- The 152 claims that form the Eastmain Mine Property are all in good standing with an active status.



Criteria	JORC Code explanation	Commentary
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"><li>Acknowledgment and appraisal of exploration by other parties.</li></ul>	<ul style="list-style-type: none"><li>1930s &amp; 1940s – Prospecting of gossans.</li><li>1950s &amp; 1960s – Riocanex – Exploration of the Upper Eastmain Greenstone Belt.</li><li>Mid-1960s – Fort George – Diamon drilling of a gossan zone</li><li>1696 – Canex Aerial Exploration Ltd &amp; Placer Development Ltd – Airborne magnetic and EM surveys with ground geophysics follow up.</li><li>1970 – Placer Development Ltd – Seven holes testing an EM anomaly. Discovery of A Zone with 1.5m @ 13.71g/t Au.</li><li>1974 – Nordore – Aerodat airborne AEM survey and Ground geophysics. 3 holes returned anomalous gold values adjacent to B Zone.</li><li>1974 – Inco Uranerz – Airborne geophysical</li></ul>



## Criteria

## JORC Code explanation

## Commentary

survey over the whole greenstone belt.

- 1981 & 1982 – Placer – Airborne and ground EM, ground magnetics. Drilling of EM anomalies discovered B zone and C zone.
- 1983 to 1985 – Placer – Airborne and ground EM, downhole PEM, 91 holes over A B and C zones.
- 1986 – Placer – 25 holes into A B and C zones
- 1987 & 1988 – Placer Dome / MSV JV – Drilling of A, B and C zones.
- 1988 to 1994 – MSV Resources – Drilling, surface sampling, trenching, regional exploration, Seismic refraction over ABC Zones,
- 1994 & 1995 – MSV Resources – Mining of 118,356t at 10.58g/t Au and 0.3%Cu, processed at Copper Rand plant in Chibougamau, 40,000oz recovered



## Criteria

## JORC Code explanation

## Commentary

### Geology

- 1997 – MSV  
ResourcesExploration,  
mapping, prospecting,  
trenching.
- 2004 – Campbell  
Resources – M&I  
resource calculation for  
Eastmain  
Mine.
- 2005-2007 – Eastmain  
Resources – Purchase of  
the project from  
Campbell Resources,  
VTEM, Prospecting,  
regional exploration.
- 2007-2019 – Eastmain  
Resources  
– Sporadic drilling,  
regional exploration,  
mapping, sampling,  
trenching. Surface  
geochemistry (soils)
- In the EastmainGold  
Deposit, gold  
mineralization occurs in  
quartz veins with  
associated massive to  
semi-massive sulfide  
lenses/ veins and  
silicified zones
- Deposit type, geological  
setting, and style of  
mineralization.



## Criteria

## JORC Code explanation

## Commentary

associated with a deformation corridor.

- The mineralized zones are 3 m to 10 m thick and contained in a strongly deformed and altered assemblage (Mine series) consisting of felsic, mafic and ultramafic rocks.
- Mineralized quartz veins and lenses show a variable thickness between 10 cm and 13 m, and sulfide contents average 15% to 20% in the mineralized quartz veins and sulphide lenses. In order of decreasing abundance, sulphides consist of pyrrhotite, pyrite, and chalcopyrite, with minor sphalerite, magnetite and molybdenite. Visible gold occurs in the mineralized quartz veins as small (<1 mm) grains associated with quartz and (or) sulphides in the A, B and C Zones.



Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<ul style="list-style-type: none"><li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<ul style="list-style-type: none"><li>◦ easting and northing of the drill hole collar</li><li>◦ elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</li><li>◦ dip and azimuth of the hole</li><li>◦ downhole length and interception depth</li><li>◦ hole length.</li></ul></li><li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li></ul>	<ul style="list-style-type: none"><li>• This release does not include drill results</li></ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"><li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations</li></ul>	<ul style="list-style-type: none"><li>• No quantitative results reported.</li></ul>



## Criteria

## JORC Code explanation

## Commentary

(eg cutting of high grades) and cut-off grades are usually Material and should be stated.

- Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of lowgrade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
- The assumptions used for any reporting of metal equivalent values should be clearly stated.

## Relationship between mineralization widths and intercept lengths

- These relationships are particularly important in the reporting of Exploration Results.
- If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.
- If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (eg 'downhole length, true width not known').

- No downhole intervals reported.



Criteria	JORC Code explanation	Commentary
Diagrams	<ul style="list-style-type: none"><li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li></ul>	<ul style="list-style-type: none"><li>See figures in the body of text</li></ul>
Balanced reporting	<ul style="list-style-type: none"><li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li></ul>	<ul style="list-style-type: none"><li>Benz Mining is not yet in possession of quantitative exploration results.</li><li>It is the Company's intention to report all exploration results together when they become available.</li></ul>
Other substantive exploration data	<ul style="list-style-type: none"><li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment;</li></ul>	<ul style="list-style-type: none"><li>Benz Mining Corp conducted a 109 line km Fixed Loop TimeDomain Electromagnetics survey on the Eastmain Property.</li><li>The FLEM (TDEM) survey identified 12 first order</li></ul>



## Criteria

## JORC Code explanation

metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.

## Commentary

conductors modelled as thin plates through Maxwell modelling.

- 7 Diamond drill holes were drilled in 6 conductive plates.
- Geological observations: all drillholes encountered some level of alteration with various amounts of quartz and sulphides mineralization. In the core from drillhole EM20-132, Benz geologists identified several <1mm grains of native gold.
- Benz conducted systematic BHEM of each hole drilled as well as BHEM surveying of historical holes.
- BHEM identified numerous in-hole and off-hole conductors coincident or not with drilled mineralization.
- An additional 5 drillholes were drilled targeting off



## Criteria

## JORC Code explanation

## Commentary

hole modelled  
conductive plates.

- All 12 holes returned visual indication of alteration and/or mineralization
- Benz Mining is currently designing a 50,000m drilling campaign starting in January 2021.
- This drilling campaign will be conducted alongside regional Moving Loop Electromagnetic (MLEM) and FLEM surveys.
- All new holes will be surveyed by BHEM as well as a selection of historical holes.

- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).
- Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas provided this information is not commercially sensitive.

## Further work