



Interview with TNR Gold Corp.

TNR Gold Corp. (TNR:TSXV) is a junior mining company actively exploring a portfolio of gold and copper properties in North and South America. TNR has also recently acquired two Canadian Lithium and Rare Earth Elements (REE) properties around Thunderbay, Ontario, the Forgan Lake property and the Niemi Lake property.

Since our last interview and company update with TNR President and CEO Gary Schellenberg last year, TNR has had a major resurgence with its recent entry into the lithium market. *Junior Mining Stock Report* recently spoke with Mr. Schellenberg, who graciously provided us with an update of his company's latest developments.

Q: You recently entered into the lithium and rare metals fields. Can you provide some basic background on the lithium market for our readers who might not be familiar with it?

A: We've been doing some research for the past six to eight months on lithium to see what the next commodity would be out there that we could capitalize on. One of the things that we're good at is generating projects – looking for good opportunities. So we're back to the basics and because we've got a good tech background being associated with our Coast Mountain Geological and we've got a whole fleet of geologist here. So we put them to work to find out what would be the next uranium or coal boom like we've seen. We're a firm believer that's going to be lithium. So we started doing the research and acquiring projects and we're just starting to see some of the fruits of our labors. Our goal is to be the 'name' out there for lithium explorers. And now we're trying to balance our portfolios between lithium brines and hard rock sources of lithium and to cover all aspects and not just the battery aspect but also some of the other high tech uses for lithium.

Q: Can you provide us with a general overview of the lithium market?

Lithium really came into the fold back in the early '50s and '60s primarily as a drug and also in the ceramics industry. People who had wild disorders, lithium was found to calm the, for instance manic depression. That kind of fell by the wayside and the supply of lithium became very constant for a long while. But what's really happened in the last few years is the drive for a bigger and better battery and of course the lithium battery replaces the old nickel-cadmium battery. What makes it unique is that it's lighter and has a quicker recharge and a number of great benefits to it. That's what we're really seeing as the big drive for it. Currently 27 percent of world's production for lithium is being used for batteries and we think it will go to over 50 percent in the coming years as electric cars start to take off. Also a big use for lithium is in the aluminum processing field, which is the biggest use currently at 33 percent. Then of course glass and ceramics at 17 percent, air conditioning 6 percent, lubricants 12 percent. So there's a real need for this. Currently what you're seeing in the market place is that the demand is far outdistancing supply and this is causing the fairly good price you're getting for lithium. We also think with Barack Obama's push for more green alternatives to energy and China's stated leadership in

electric cars, we feel the need for lithium can only grow and that's why our big push as an explorer is to enter that realm.

Q: Tell us about your latest acquisition in the Northwest Territories (lithium and rare metals).

A: We have a number of targets we have announced to date three past properties are in Ontario that had seen extensive amount of exploration in the early 1950s and '60s and were essentially then forgotten about. That's what our research has been able to dig up. Each one of these properties that we've picked up had an extensive amount of drilling with the known present of fairly high grade lithium but also what's key is that they've never really had other elements analyzed for. These pegmatites often have another unique element called tantalum. Tantalum is used in the electronics industry and is very expensive at about US\$60 per pound. When we picked up our Northwest Territories property it actually had some minor production on the property for tantalum and it was fairly good grade at two kilograms per ton. It ended up being a little over US\$200/ton rock just sitting there. One of our goals is to go back to all these pegmatites or hard rock sources, evaluate it for all the elements. There was limited exploration done on all these properties as far as expanding the extent of these pegmatites. Each one is open and we think there's potential to expand the tonnage of these targets and also to increase the value of each one of these properties by analyzing for all the elements.

The other property we've picked up is that we're aiming to get an equal balance of lithium source out of brines, which is basically brackish water. A prime example of this is the property we've picked up at Fish Lake Valley in Nevada. We believe that property controls a trap there very similar to North America's only lithium producer in brines, which is only about 30 kilometers away in Clayton Valley. We think we've got a good prospect there and our search is continuing for more lithium brines projects. We hope to be successful in that in the short term and just kind of balance out our portfolio. We do have an expert on our advisory board who is in Canada the foremost authority on pegmatites and rare earths, Fred Breaks. He's been advising us on the hard rock aspects. We do have other advisors on the brine aspect of lithium as well and we expect some more news on that to be forthcoming in the next few weeks.

Industry and we had them analyzed for tantalum – good grade (2 kilos per ton). In itself wound up being over \$200/ton rock. We want to go back to pigmetites or hard rock sources and evaluate them for all the elements and expand the production on them. We think there's some potential to build tonnage on these targets. We're aiming to get an equal balance from lithium source from brines and from hard rock sources. We have an expert on our advisory board who is foremost authority (fred brakes) of pigmetites in Canada. Other advisors on the brine aspect as well.

Q: Is there currently much competition in lithium mining?

A: I'd say we're one of the very few juniors in this field. There are about four major producers in the world but as far as juniors entering into the field we might a party of, I'd say, maybe six to 10 at the most.

Q: What are the latest plans and developments at your gold/copper properties in Argentina?

A: Not at present time but we are currently summarizing and write up reports on our flagship projects down there, the El Tapau and the El Salto. With the recent downturn we've had to go back and do some reworking of our agreement and that's just about complete so you'll those announcements coming out. We announced last week a renegotiation [with the El Tapau property] and we've been working on a few of the other ones. We do anticipate being able to continue on our game plan of



bringing these projects up and bringing in partners. Now that we've renegotiated almost all of our deals down there that we do have outstanding we'll be working in bringing in partners and in doing more advancement ourselves.

One of the things our entrance into lithium has done is sparked a lot of new interest in our shares. I anticipate that over a period of time it will allow us to gain some exploration capital to be able to advance our copper and gold properties in Argentina as well as allowing our spin-off into International Lithium to flourish as well.

Another thing you're probably aware of is our Los Azules [in Argentina]. One of the things that has come out there which is very positive is that Manera Andes has put out their favorable preliminary assessment which adds quite a bit of value to the TNR backend. We believe we'll be successful in confirming the terms of that backend as we proceed.

Q: Are there any more projects or joint ventures on the immediate horizon?

A: Keep on watching. There are a lot of things we're working on and should come to the plate soon. I think the spin-off of International Lithium will definitely be a benefit for the TNR shareholders and our goal is to hold 25% interest in International Lithium as a public company. We anticipate we'll have a very good structure to it and it will be a pure lithium play. Sometime this summer anyone who owns TNR today will get a share for every four shares of TNR they hold and a tradable warrant which adds another big benefit to it. That's how structure has been initially conceived at this point. We hope to be in a position in late summer to get this all out in an info circular and proceed to take this thing public hopefully by the end of the year.

[For more information visit TNR's web site at www.tnrgoldcorp.com. Visit www.internationallithium.com for info regarding TNR's new subsidiary.]