



## Developing the Open Pit Volta Grande Gold Project

ScotiaBank Mining Conference 2019

**TSX:BSX**

# Introductory Matters



**Currency:** All dollar figures represent U.S. dollars unless otherwise noted.

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**Information Regarding Scientific and Technical Information:** The qualified persons responsible for the preparation of the "Volta Grande Project, Pará, Brazil NI 43-101 Technical Report" effective as of March 30, 2015, are the following: Derek Chubb, P.Eng., of Environmental Resources Management Inc.; Dr. Lars Weierhauser, PhD, P.Geo., Dr. Jean-Francois Couture, P.Geo., and Dr. Oy Leuangthong, P.Eng. (Mineral Resource), of SRK Consulting (Canada) Inc.; Gordon Zurowski, P.Eng (Mining), of AGP Mining Consultants Inc.; Alexandre Luz, MAUSIMM (Economic Analysis) of L&M Advisory; Aron Cleugh (Metallurgy and Process) and Stefan Gueorguiev, P.Eng. (Infrastructure and Author of the Technical Report), of Lycopodium Minerals Canada Ltd.; Paulo Franca, AUSIMM, of VOGBR Recursos Hidricos e Geolencia Ltda.; and George Wahl, P.Geo., of W.H. Wahl & Associates Consulting; each of whom are "independent" of Belo Sun within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), and is considered, by virtue of his education, experience, and professional association, to be a "qualified person" within the meaning of NI 43-101.

Stéphane Amireault, VP Exploration for Belo Sun and a "qualified person" under NI 43-101 by virtue of his education, experience, and professional association, has reviewed and approved the scientific and technical information herein.

The scientific and technical information included in this document regarding the Volta Grande Project has been summarized from the Technical Report, and is qualified in its entirety with reference to the full text of the Technical Report and is subject to all the assumptions, conditions and qualifications set forth in the Technical Report. See the Technical Report, each filed on the Corporation's profile at [www.sedar.com](http://www.sedar.com), for details regarding the data verification undertaken with respect to the scientific and technical information included in this document regarding the Volta Grande Project, for additional details regarding the related exploration information, including interpretations, sample, analytical and testing results and for additional details regarding the mineral resource and mineral reserve estimates disclosed herein.

Due to the uncertainty that may be attached to inferred mineral resource estimates, it cannot be assumed that all or any part of an inferred mineral resource estimate will be upgraded to an indicated or measured mineral resource estimate as a result of continued exploration. Confidence in an inferred mineral resource estimate is insufficient to allow meaningful application of the technical and economic parameters to enable an evaluation of economic viability sufficient for public disclosure, except in certain limited circumstances set out in NI 43-101. The mineral resource estimate includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. There is no assurance that mineral resources will be converted into mineral reserves.

**Notes to Mineral Resource and Mineral Reserve Estimates:** The CIM Definition Standards were followed for Mineral Resources and Mineral Reserves. Inferred Mineral Resources are exclusive of the Measured and Indicated Mineral Resources. Measured and Indicated Mineral Resources are inclusive of Mineral Reserves.

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## Volta Grande Gold Project



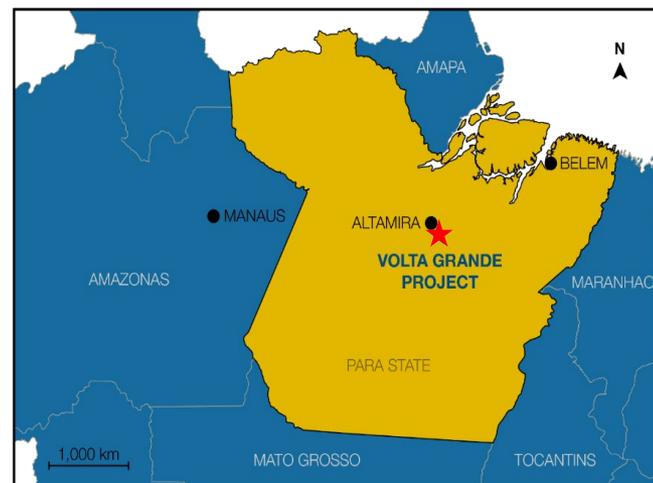
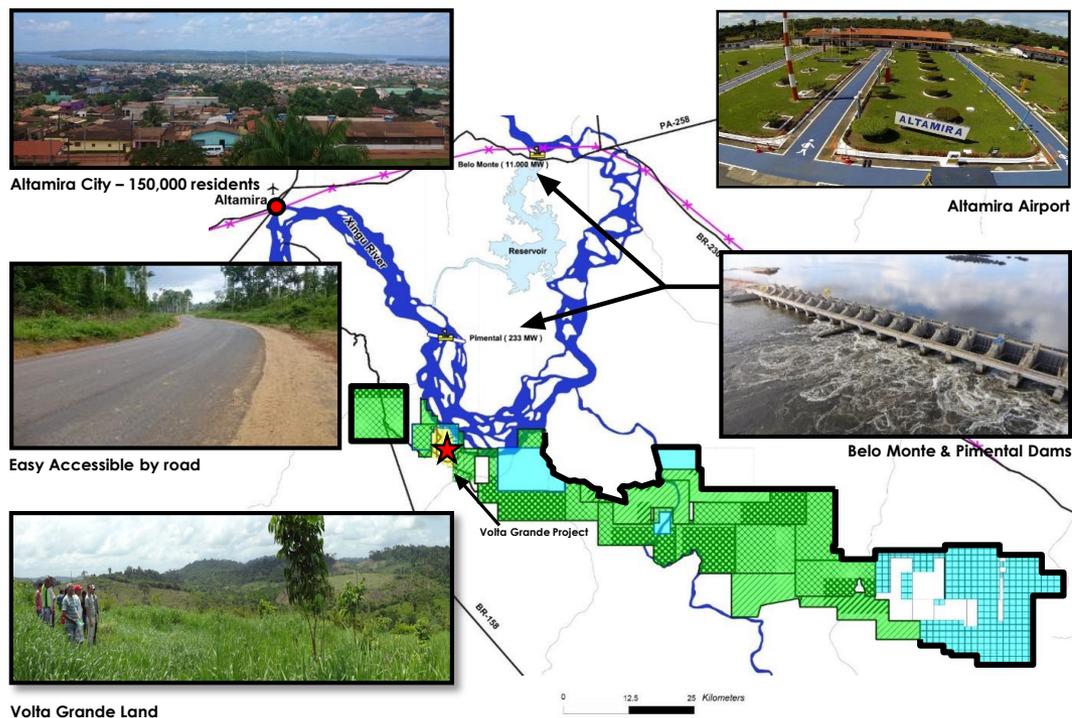
### Location

- ▶ Largest undeveloped gold deposit in Brazil
- ▶ Para is 2<sup>nd</sup> most active mining state in Brazil
- ▶ Well developed infrastructure

### Permitting Update

- ▶ Environmental Licence granted
- ▶ Construction Licence granted
- ▶ Injunction placed on Construction Licence until Indigenous Study updated
- ▶ Indigenous Study being updated

### PROJECT LOCATION



Para State

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## Volta Grande Gold Project



### Production Projections

- ▶ 268kozAu/yr (first 10 yrs) at 1.38 g/t <sup>(1)</sup>
- ▶ Life of Mine Au Production: 3.53 Moz
- ▶ AISC operating costs: \$779/ozAu
- ▶ Average cash operating costs of \$618/oz Au

### Forecast Economics

- ▶ Pre-production capital costs of \$298 million (after tax)
- ▶ Annual LOM sustaining capital costs of \$7.3 million

### Feasibility Study

**\$1,200/oz Au; \$US1:R3.10**

- Post-Tax NPV @5%: \$665M
- Post-Tax IRR of 26%
- Capital payback <4 years

### Current

**\$1,450/oz Au; \$US1:\$R4**

- Post Tax NPV @ 5%: \$1.45Billion
- Post-Tax IRR of 57.6%
- Capital payback <2 years

### Exploration Upside

- ▶ +120km strike greenstone belt
- ▶ Excellent near-mine targets
- ▶ Current Mineral Resource:
  - P&P: 3.8 Moz 1.02 g/t
  - M&I: 5.2 Moz at 0.98 g/t
  - Inf: 1.6 Moz at 0.90 g/t <sup>(1)</sup>

### Opportunity Highlights

- ▶ Environmental & Construction Licence approved
- ▶ Near Construction start
- ▶ Strong cash position /low monthly burn rate
- ▶ Capital as a percent of NPV is less than 20%
- ▶ Long production post payback
- ▶ Enterprise Value of < \$15 per ounce

### Economic Analysis

### Feasibility Study <sup>(2)</sup>

	<b>\$1,200/oz Au</b>
Pre-Tax NPV (5%)	\$942 million
Pre-Tax IRR	37%
Post-Tax NPV (5%)	\$665 million
Post-Tax IRR	26%

### Current Economics

	<b>\$1,450/oz Au</b>	<b>\$1,100/oz Au</b>
Pre-Tax NPV (5%)	\$1,748 million	\$937 million
Pre-Tax IRR	50%	43%
Post-Tax NPV (5%)	\$1.552 million	\$682 million
Post-Tax IRR	44%	31%