



## Investor Presentation



ELG:TSX

January 2013

# CAUTIONARY STATEMENTS

This document contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as "forward-looking statements" are made as of the date of this presentation or as of the effective date of information described in this presentation, as applicable. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, without limitation, statements with respect to: (i) the amount of mineral reserves and mineral resources; (ii) the amount of future production over any period; (iii) the amount of waste tonnes mined; (iv) the amount of mining and haulage costs; (v) cash costs; (vi) operating costs; (vii) strip ratios and mining rates; (viii) expected grades and ounces of metals and minerals; (ix) expected processing recoveries; (x) expected time frames; (xi) prices of metals and minerals; (xii) mine life; (xiii) capital expenditures; and success of exploration activities. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

All forward-looking statements are based on the Company's or its consultants' current beliefs as well as various assumptions made by and information currently available to them. These assumptions include, without limitation: (i) the presence of and continuity of metals at Bjorkdal, Lupin and Ulu at modeled grades; (ii) the capacities of various machinery and equipment; (iii) the availability of personnel, machinery and equipment at estimated prices; (iv) exchange rates; (v) metals and minerals sales prices; (vi) appropriate discount rates; (vii) tax rates applicable to the mining operations; (viii) cash costs; (ix) anticipated mining profits; (x) metals recovery rates, (xi) reasonable contingency requirements; and (xiii) receipt of regulatory approvals on acceptable terms. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates assumptions and intentions expressed in such forward-looking statements. These risk factors may be generally stated as the risk that the assumptions and estimates expressed above do not occur, but specifically include, without limitation, risks relating to variations in the mineral content within the material identified as mineral reserves and mineral resources from that predicted, changes in development or mining plans due to changes in logistical, technical or other factors, the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating metal prices and currency exchange rates, possible variations in ore grade or recovery rates, changes in accounting policies, changes in the Company's corporate resources, changes in project parameters as plans continue to be refined, changes in project development and production time frames, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, successful completion of proposed acquisitions, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation and labour disputes, as well as those risk factors discussed or referred to in the Company's management information circular, under the heading "Risk Factors". The foregoing list of factors that may affect future results is not exhaustive.

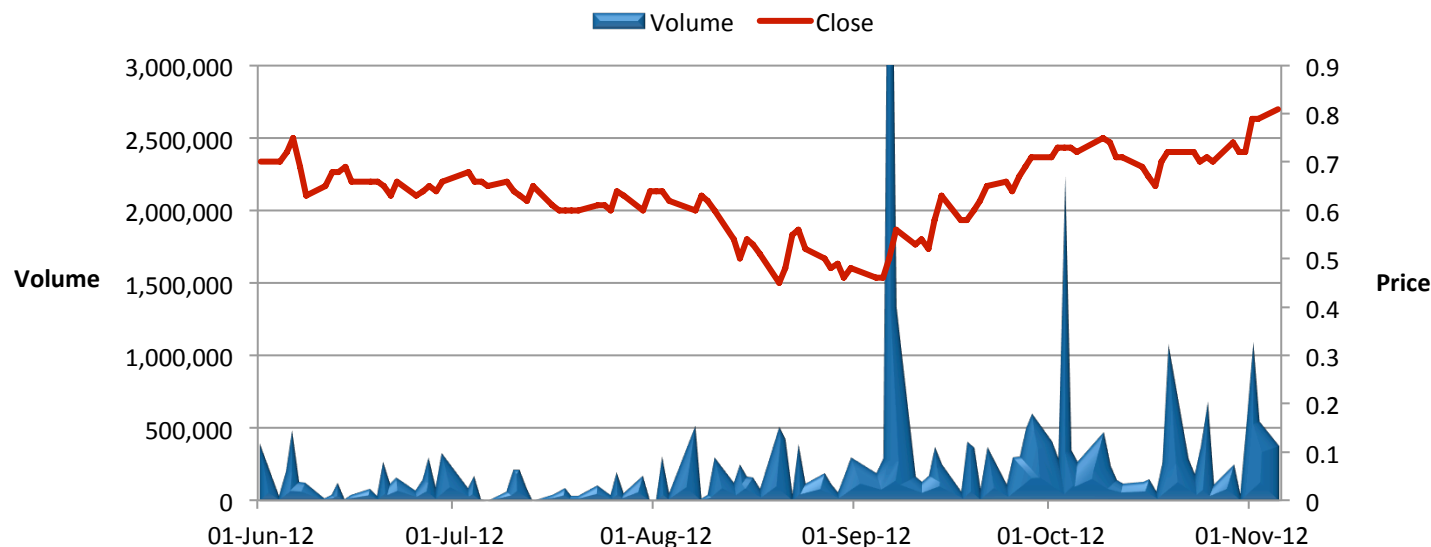
When relying on our forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on behalf of the Company, except as required by law.

The forward-looking statements contained herein is presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives and may not be appropriate for other purposes. The reader is also cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability.

## ELGIN MINING – *Investment Highlights*

- Cash flow and earnings from the Bjorkdal Mine in Sweden
- Near-term production and exploration upside at Lupin
- Experienced and proven management team
- Low risk
  - Fully permitted and bonded at Lupin and Bjorkdal
  - Low capex requirements due to existing infrastructure and plant at Lupin
  - Low annual capex at Bjorkdal and excellent expansion potential
  - All projects in politically and fiscally stable regions
- Currently at low valuation vs. comparables + excellent re-rating opportunity

# ELGIN MINING – Shareholder Information



## Share and Cash Structure – as at Q3 2012

Issued and Outstanding	147,942,718
Options	13,617,912
Warrants @1.30	42,921,154
Broker's Warrants	385,713
Fully Diluted	204,867,497
BOD & Mgmt Ownership	12%
Cash Treasury (approx.)	\$13.1 million
Working Capital (approx.)	\$19.1 million
Market Cap	115,000,000
Debt	0
Hedging	0

ELG: TSX



# ELGIN MINING – *Board and Management*

Board of Directors
John Huxley - Chairman
Patrick Downey
Robert Buchan
Glen Dickson
Ron Ewing
David Mullen
A. Murray Sinclair
Ravi Sood
Bob Wardell

Management – Vancouver	
Patrick Downey	President and CEO
Jim Currie	Chief Operating Officer
Peter Tam	Chief Financial Officer
Jacques Wortman	Corporate Development
Mark Patchett	Manager, Investor Relations

Management - Operations	
Wayne Osborne	Lupin Manager
George Friesen	Manager, Technical Services
Mats Lindegren	Bjorkdal General Manager
Niklas Frank	Bjorkdal Mine Manager

# PRODUCING ASSET – *Bjorkdal Gold Mine*

## Project Highlights:

- Open pit and underground mine within Boliden Camp – Excellent infrastructure
- Large resource and reserve base and growing
- Large stockpile of ore from historical operations capable of buffering any proposed mine plan upgrades and future expansion
- Positive cash flow and highly leveraged to grade control
- Strong record of replacing reserves: has produced 1.1 MMoz ounces over 23-year mine life
- Stable production with good expansion upside.

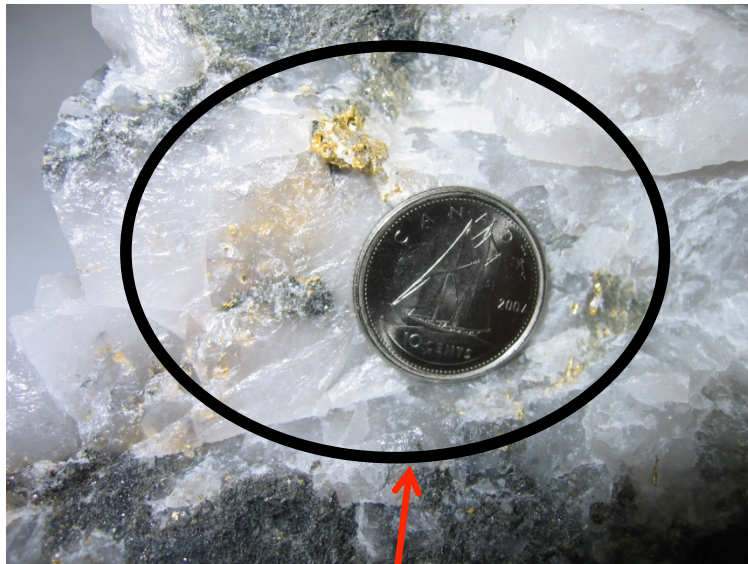


**Stockpiles**  
**1.5mmt @ ±0.7 g/t Au**

# BJORKDAL GOLD MINE – *Gold is 90% free within Quartz Vein*

Bjorkdal – Free gold exclusively in quartz.  
No leaching required – gold recovery is  
90% by gravity.

Quartz in drill core

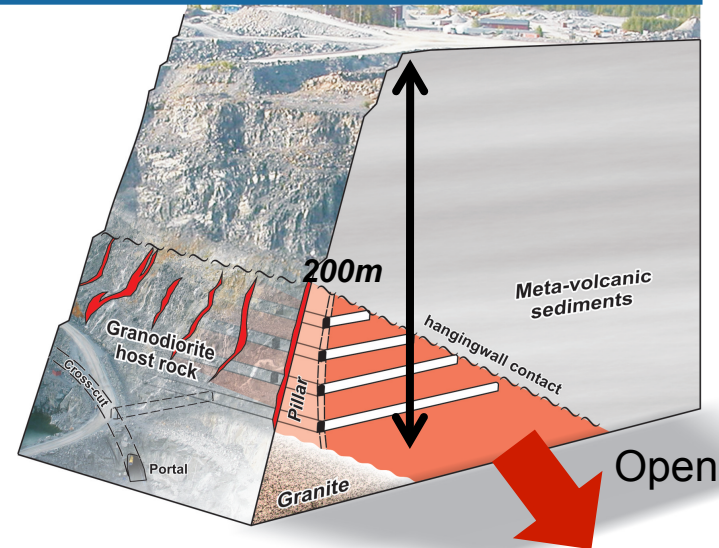


Typical free gold  
within quartz vein



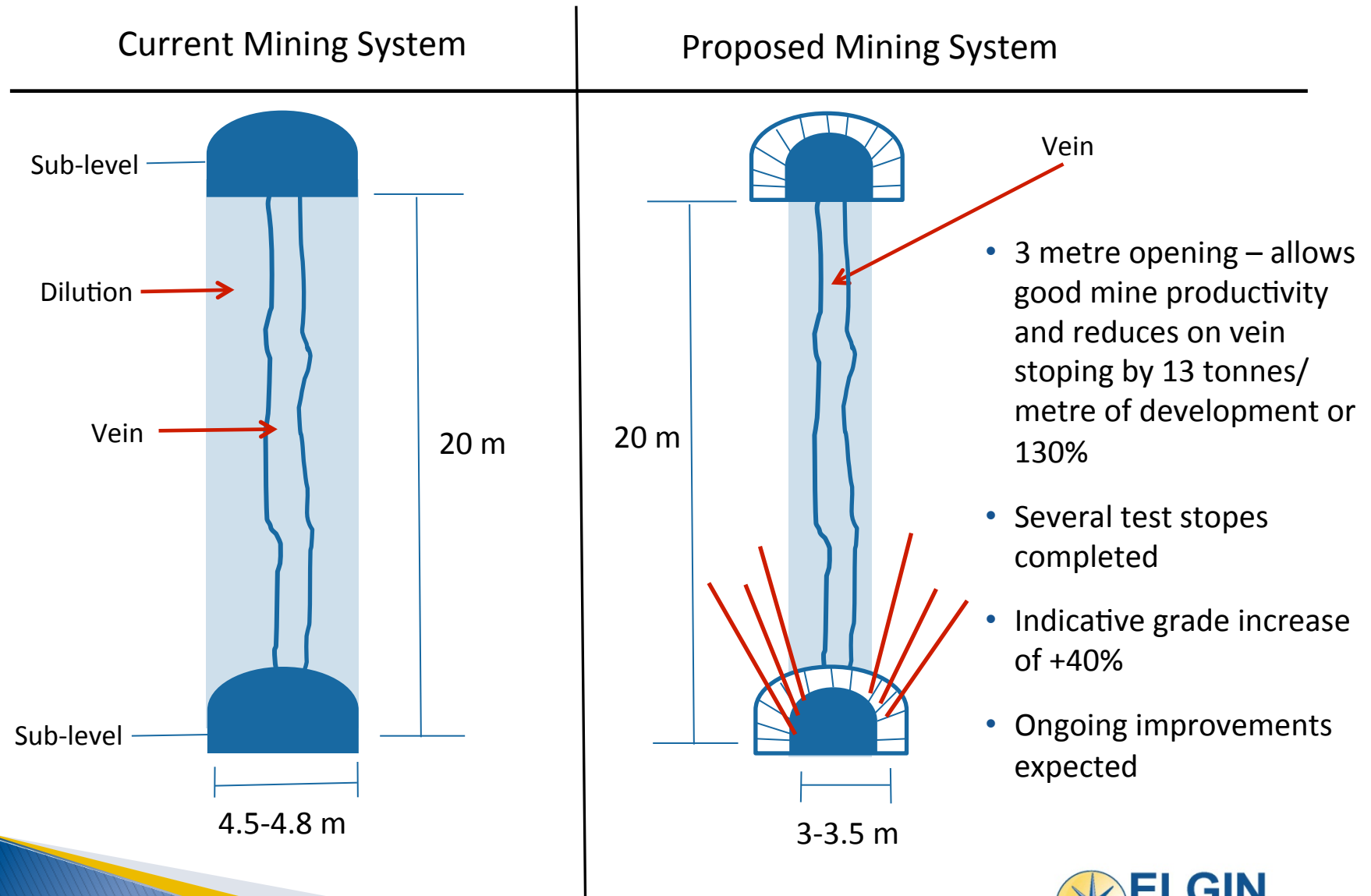
# BJORKDAL GOLD MINE – - Key Operations Focus

- Large tonnage and ounces/vertical metre due to multi-vein configuration – low capex development per ounce
- Have commenced procedures in both open pit and underground to reduce ore dilution and increase production
  - Grade control drilling in pit for short term planning – results to date encouraging
  - Hired in pit grade control geologists
  - Successfully completed testing of new underground mining system to reduce longhole stopes from 4.5 metres to 2.0-2.5 metres
  - Purchase stoping and on-vein development equipment (approx. ±8mm) and transition to new mining method
  - During transition: replace current u/g feed with stockpile ore – less ounces but better cash flow
- Costs very levered to grade so improvements will significantly reduce cash costs

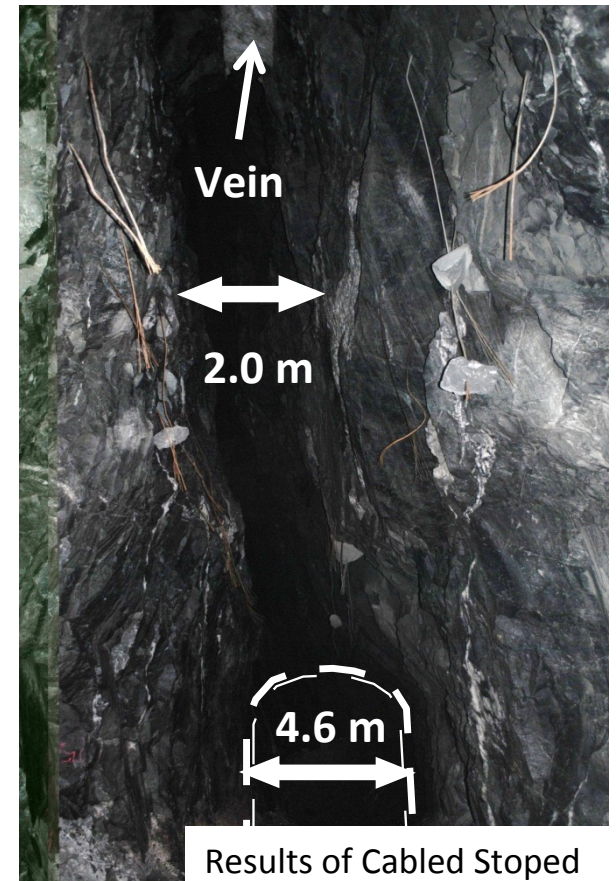
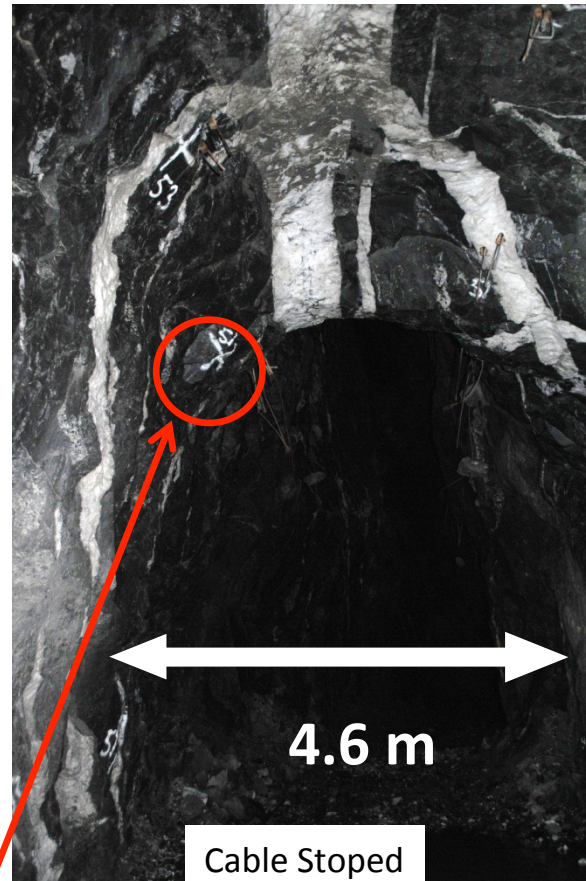




# BJORKDAL GOLD MINE – Cable Bolting

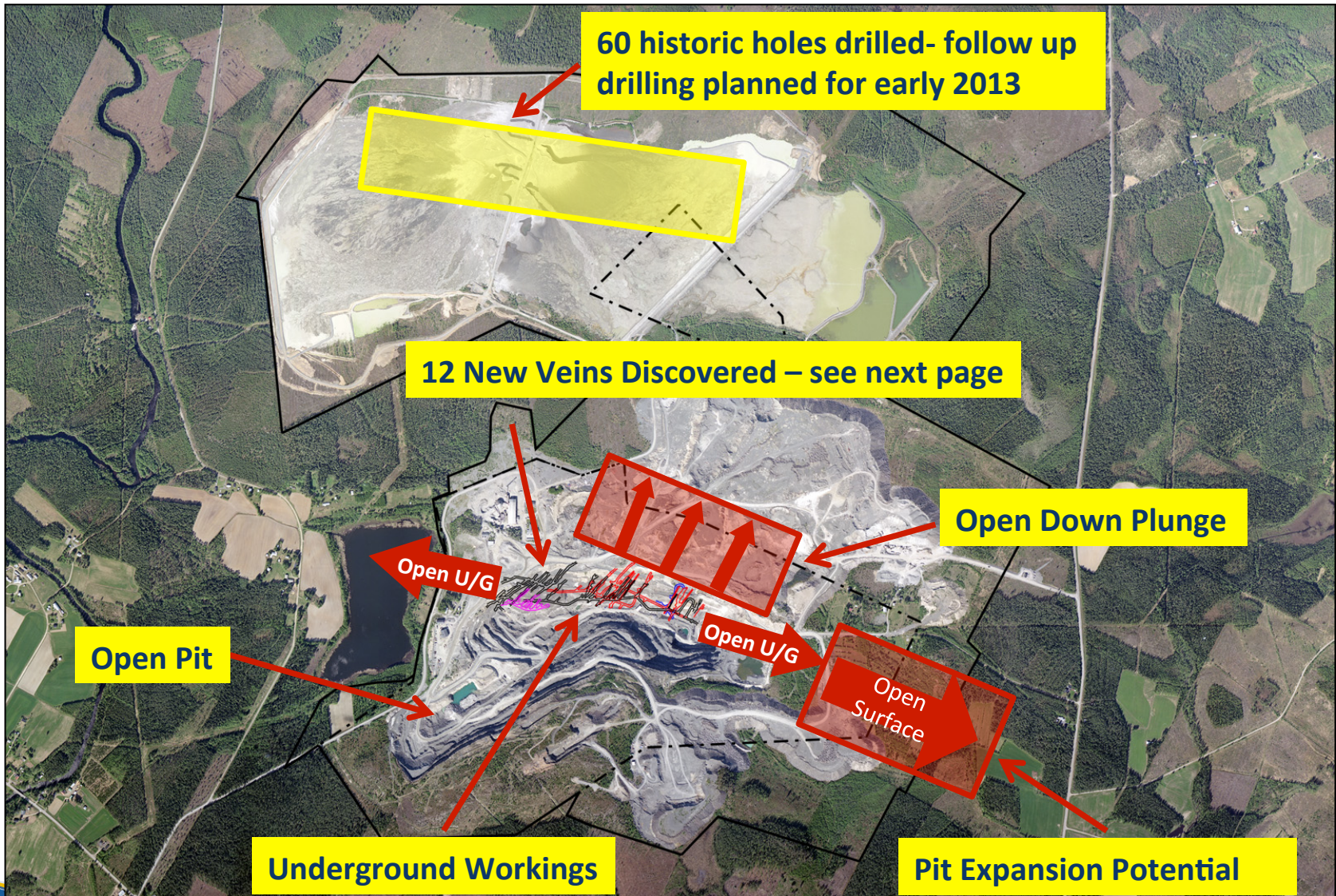


# BJORKDAL GOLD MINE – *Underground Mining Transition*

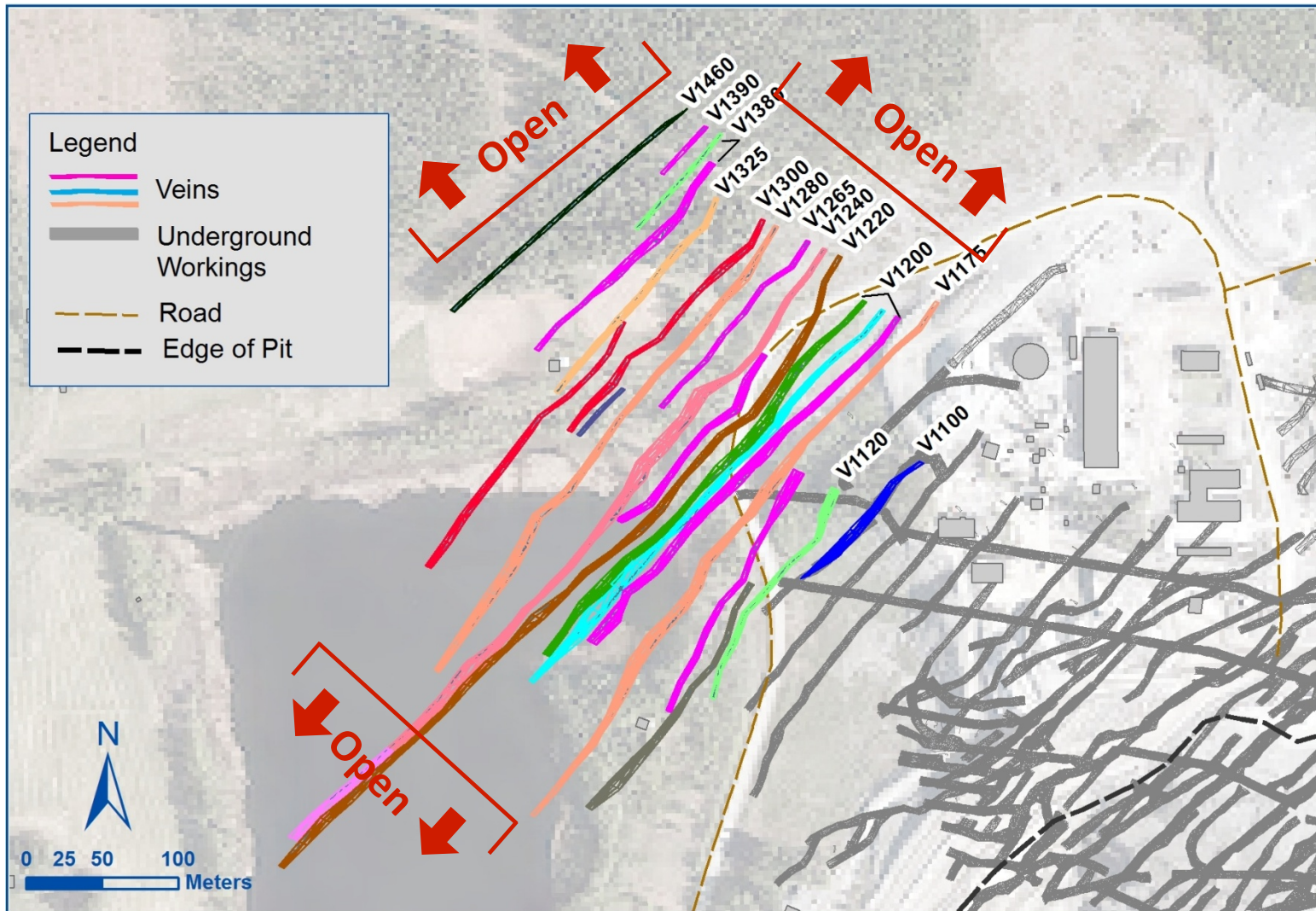


Cable locations

# BJORKDAL GOLD MINE – *Expansion Potential*



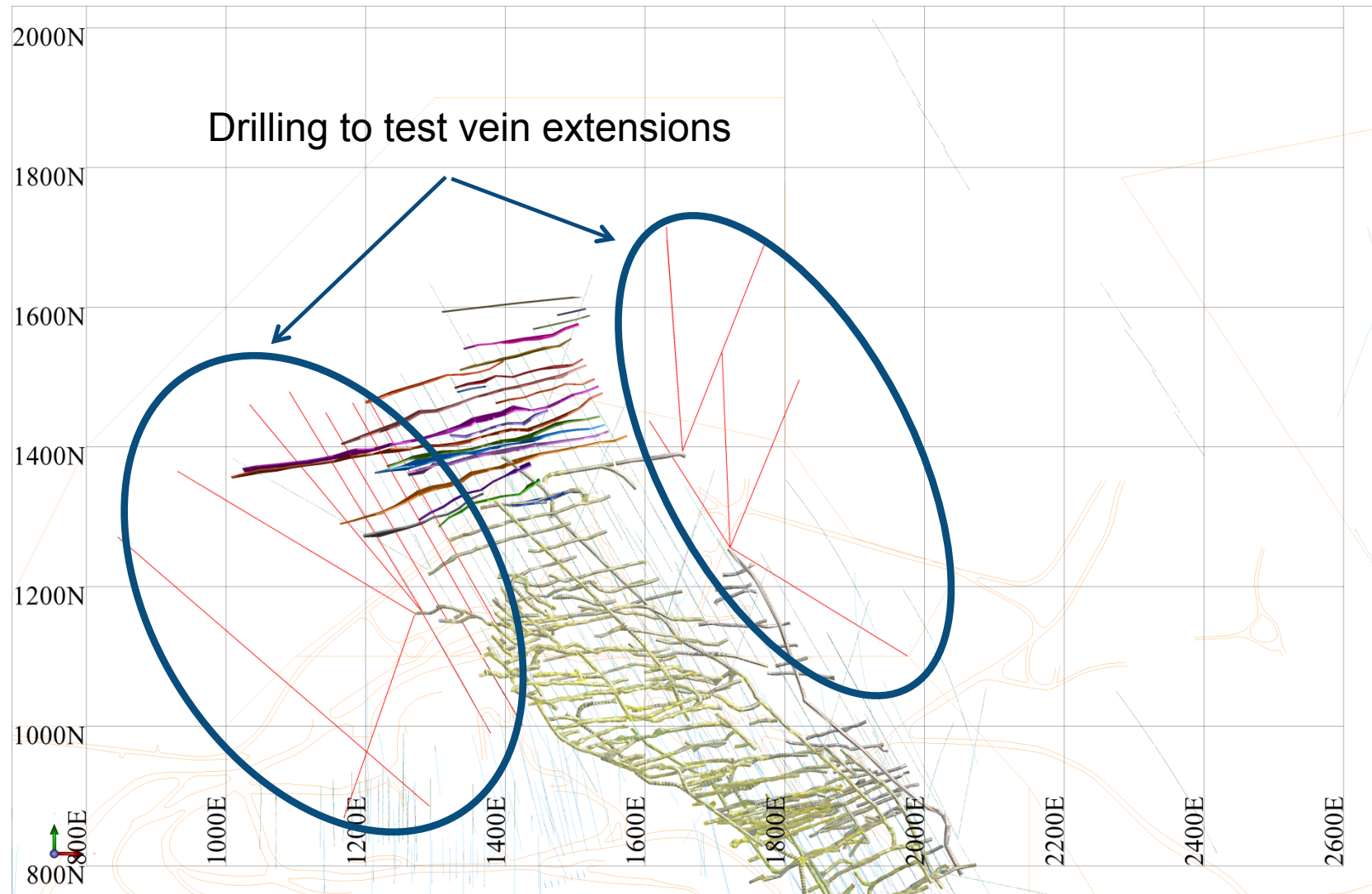
# BJORKDAL GOLD MINE



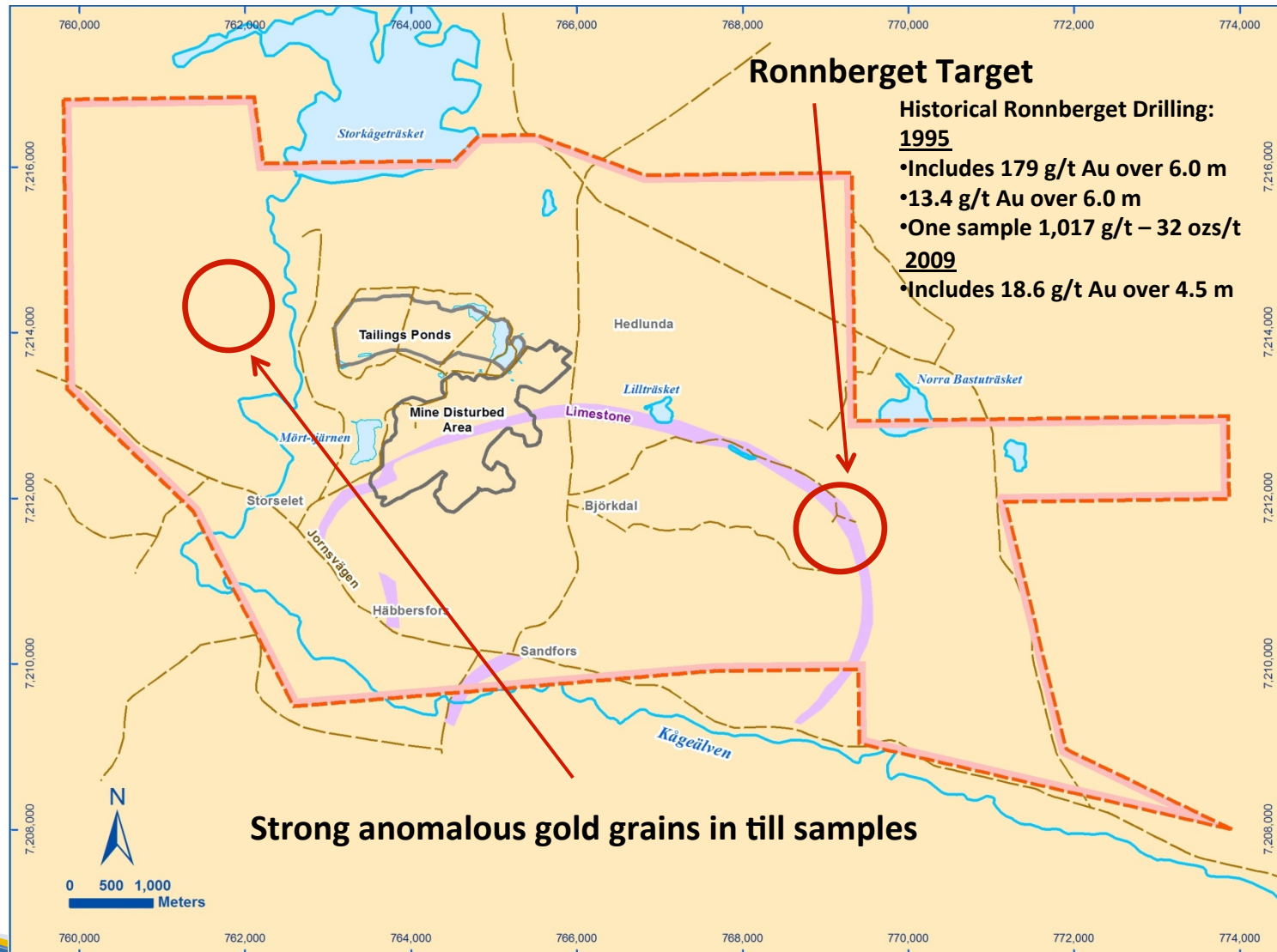
## BJORKDAL GOLD MINE – *Recent Drill Results on 12 New Veins*

HoleID	Length (m)	Au (g/t)
2011-038	3.9	39.15
2012-002	4.0	5.60
2012-002	4.9	6.93
2012-003	3.0	9.08
2011-045	3.0	7.08
2012-006	3.0	6.60
2012-006	4.0	72.49
2012-006 incl.	1.0	227.0
2012-006	6.0	23.99
2012-006 incl.	1.0	127.5
2012-006	4.0	6.14
2011-034	4.0	27.59
2011-034	2.5	12.82
2011-041	4.0	14.37
2011-041	4.0	9.5
2011-041	3.9	13.78
2011-042	4.0	7.78
2001-020	4.0	16.60

# BJORKDAL GOLD MINE – 2013 Drilling – Key to Expansion



# BJORKDAL GOLD MINE – Regional Exploration



# BJORKDAL GOLD MINE – *Expansion Potential*

- Drill sufficient resources/reserves to support 5,000 tpd operation
- Develop long-term mine plan
- Expand mill to 5,000 tpd at estimated cost of \$12 million
- Ramp-up production using stock piles – this pays for mill capex
- First stage u/g ramp up to 3,000 tpd + 2,000 tpd from pit – target 75,000 ozs/annum
- Final transition into 5,000 tpd u/g operations for +100,0000 ozs/annum



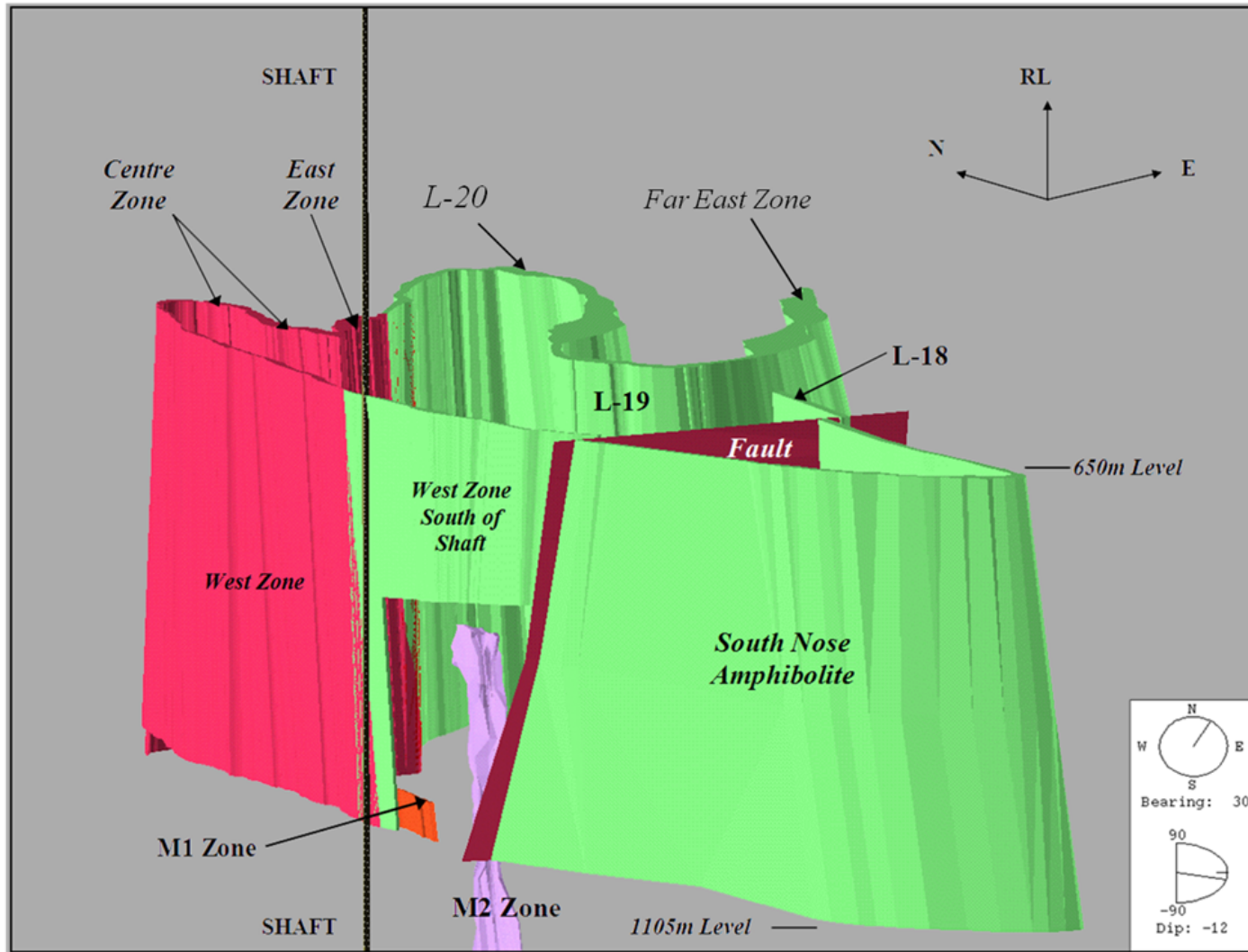
# DEVELOPMENT ASSET – *Lupin Gold Mine*

## Project Highlights:

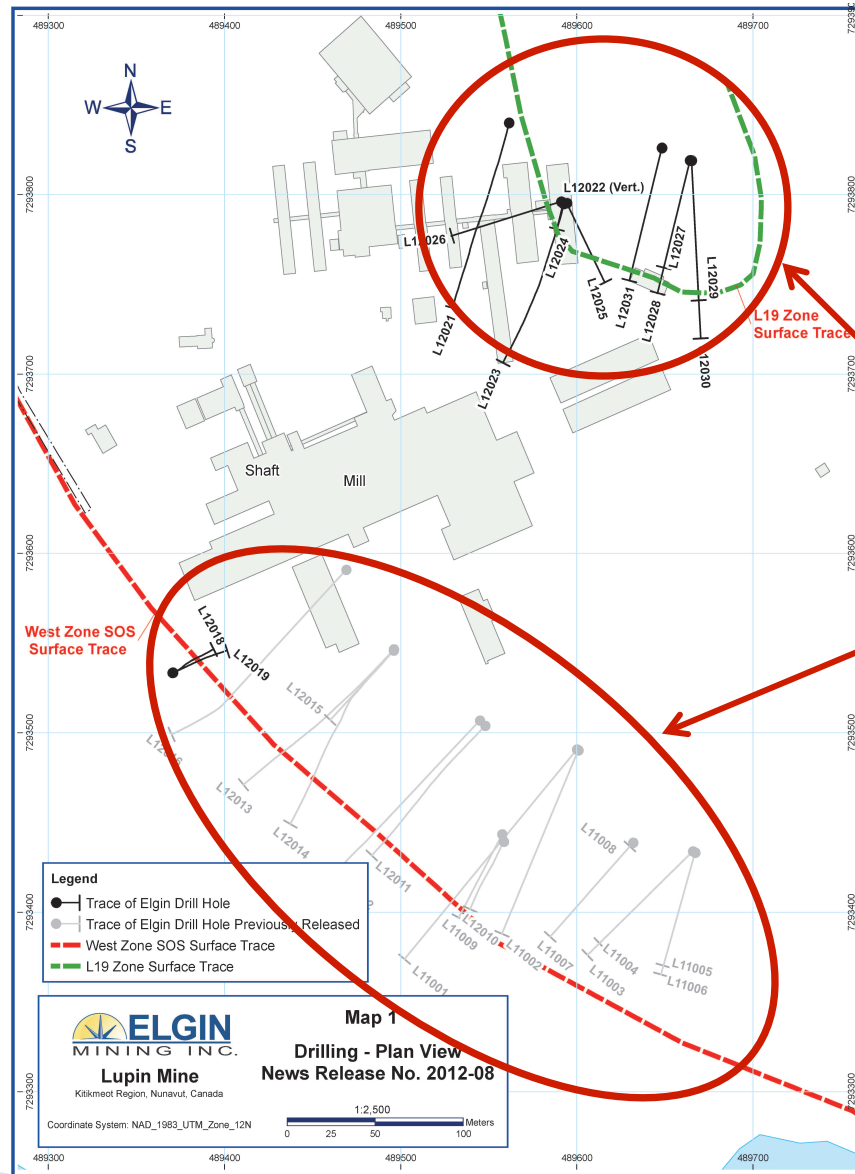
- Historical production of 3.35 MMoz over 20 year mine life at a head grade of 9 g/t Au
- Mine closed due to prevailing low gold price environment
- Permits remain in place and all infrastructure maintained since shutdown
- Historic resources exclude the South of Shaft zone where drilling is ongoing to establish a new NI 43-101 resource estimate, the high grade M1 & M2 zones and ongoing resources at depth
- Internal studies show potential restart at 1,000tpd
- On-site mill and infrastructure allow potential rapid ramp up to production at low capex
- Good exploration potential – no exploration since mid-90's currently drilling several regional targets



# LUPIN GOLD MINE – Zones



# LUPIN GOLD MINE – WZSOS and L19



Shallow Drilled

## LUPIN GOLD MINE – *Drill Results*

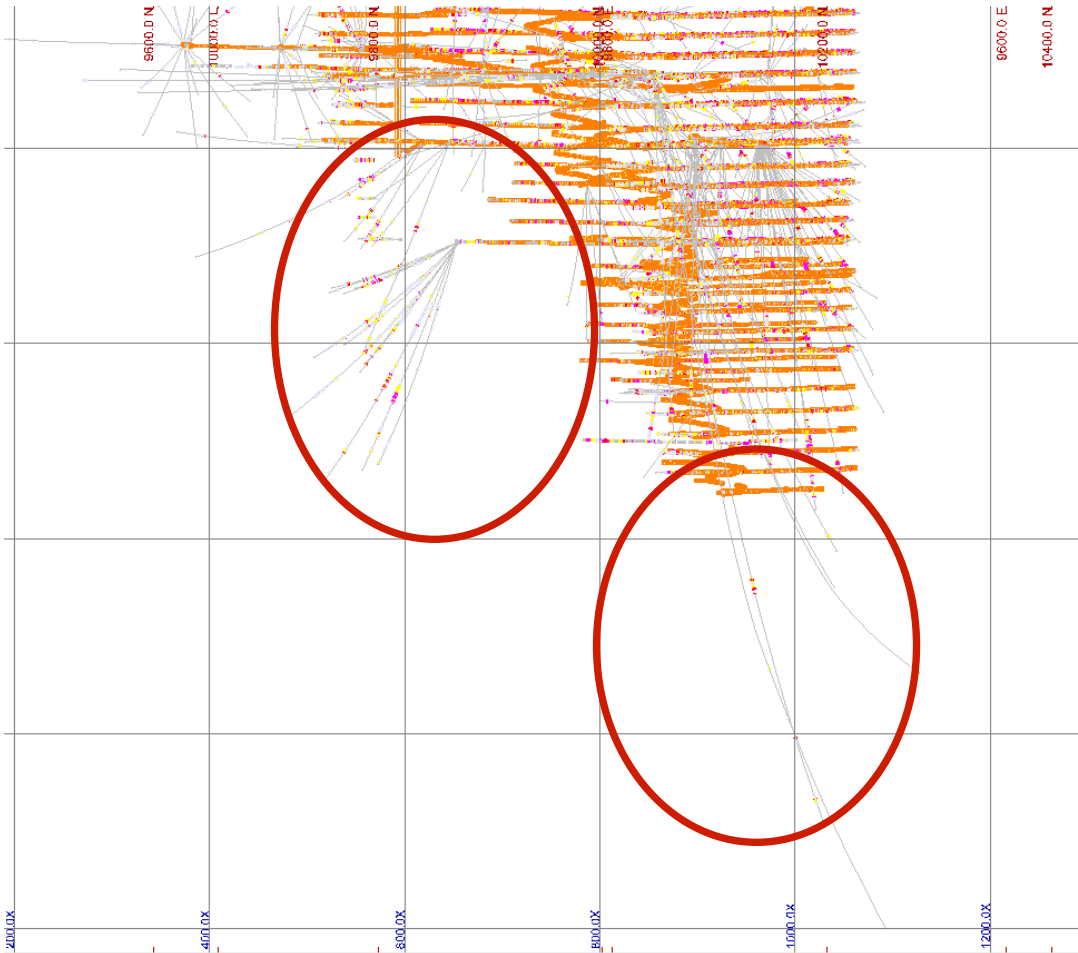
HoleID	From (m)	To (m)	Length (m)	Au (g/t)
L11002	152.09	153.30	<b>1.21</b>	<b>19.09</b>
L11003	111.38	114.58	<b>3.20</b>	<b>21.66</b>
L11009	69.79	71.32	<b>1.53</b>	<b>10.01</b>
L12016	153.13	155.21	<b>2.08</b>	<b>12.23</b>
L12018	2.26	7.36	<b>5.10</b>	<b>22.45</b>
L12019	3.12	5.08	<b>1.96</b>	<b>11.10</b>
L12021	91.31	92.31	<b>1.00</b>	<b>15.20</b>
L12024	111.33	112.37	<b>3.01</b>	<b>12.07</b>
L12025	48.36	56.88	<b>8.52</b>	<b>10.34</b>
L12027	97.00	112.18	<b>15.18</b>	<b>5.58</b>
Incl.	109.00	110.57	<b>1.57</b>	<b>14.33</b>
L12027	117.45	124.57	<b>7.12</b>	<b>4.97</b>
Incl.	118.20	120.00	<b>1.80</b>	<b>15.57</b>



# LUPIN GOLD MINE – *Proposed Project Schedule*

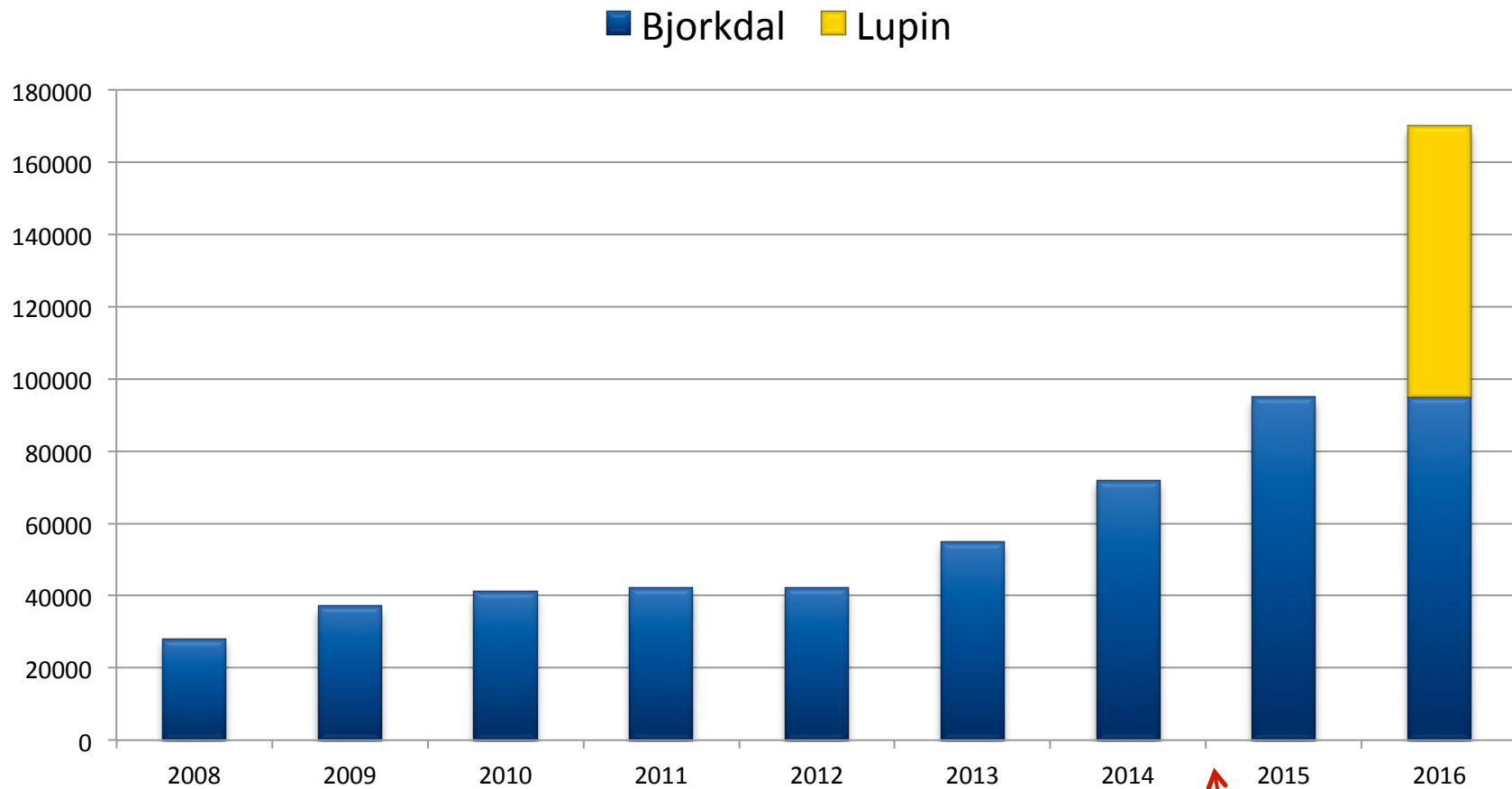
	2013				2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Purchase and Deliver Limited Mine Fleet	■											
Open U/G and Examine Ramp Shaft and Infrastructure		■	■									
Continue Mill Rehab		■	■									
Complete Preliminary Economic Assessment			■	■								
Ship Fuel and Supplies for 2014 Campaign					■							
Reserve Drilling WZSOS						■	■	■				
Continue Mill Upgrades and Rehab Gensets						■	■	■				
Finalize Reserves and Mine Plan							■	■				
Order 2015 Bulks								■				
Winter Road Shipments									■			
Production Ramp-up									■	■	■	
Full Scale Production												■

# LUPIN GOLD MINE – *Depth Potential*



Length (m)	Au (g/t)
16.96	15.83
3.03	31.89
14.65	11.22
8.05	16.57
3.65	14.81
2.54	14.91
24.30	13.84
2.75	15.03
1.51	16.08
1.05	13.92

# ELGIN MINING – Gold Production Profile



Potential Mill Expansion

ELG: TSX



# SUMMARY

**Production + Cash Flow**

**Low Risk Growth – No Lupin Downside**

**Excellent Exploration Upside**

**Attractive Valuation**

**Management/Board with Successful Track Record**