



La Plata Gold-Copper VMS Project

High Grade-High Margin | The Right Time in Ecuador

Precious Metals Summit
Beaver Creek, CO,
September, 2016

Forward Looking Statements



This document contains forward-looking statements under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the development potential and timetable of the Rosita project; the timing and amount of estimated future development and exploration; costs of future activities; capital and operating expenditures; success of exploration activities; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: timing and availability of external financing on acceptable terms; unexpected events and delays during construction, expansion and start-up; variations in ore grade and recovery rates; receipt and revocation of government approvals; actual results of exploration and mining activities; changes in project parameters as plans continue to be refined; future prices of metals; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements except in accordance with applicable securities laws.

The technical and scientific information included herein has been reviewed and approved by Laurence Curtis, P.hD, P. Geo., a director of the Company and a qualified person under National Instrument 43-101 of the Canadian Securities Administrators.

La Plata Project – Ticking All The Boxes

- ✓ High grade and high margin deposit
- ✓ Excellent infrastructure
- ✓ Defined permit process
- ✓ Strong community support
- ✓ The right timing in a resurgent Ecuador
- ✓ Significant exploration upside
- ✓ Investing at bottom of the cycle
- ✓ Veteran management team



Veteran Team

Disciplined and Committed to Succeed



Jonathan Goodman
Chairman

- Metaform Investment's founder and majority shareholder of Toachi Mining
- Founded and built Dundee Precious Metals into a leading intermediate producer
- One of Canada's leading mining and resources investors

Laurence Curtis
Founder & Director

- Renowned economic geologist and highly regarded analyst
- Geologist, Entrepreneur, Mine Builder
- Founded and built Intrepid Mines to +\$1 billion market capitalization

Nick Tintor
President & CEO

- Public company and exploration project management for more than 25 years
- Part of Moto Goldmines Canadian team from listing to sale for \$578 m in 2009

Peter Nixon
Director

- More than 30 years in the Canadian investment industry including Dundee Securities
- Deep relationships in the resources sector including directorship at Dundee Precious Metals Inc.

Carolina Vargas
Director

- Career in the Canadian investment banking industry
- Leading analyst in Brendan Wood International rankings from 2009-2011

Julian Barnes
Advisor

- Founder of RSG Global, one of the world's most respected mining consultancies
- Key team member at Dundee Precious Metals from inception
- Founding principal at Metaform Investments

Toachi Mining – New Company | Veteran Team

Share Structure and Ownership



Capital Structure

Issued Shares	38,349,937
Options	2,125,500 ⁽¹⁾
Warrants	9,750,000 ⁽²⁾
Fully Diluted	50,225,437

Shareholders



Management

Total

24.8%

7.8%

32.6%

(1) Options exercise between \$0.25 and \$0.38 to 2018-2021

(2) Warrants exercise at \$0.30 to June 21, 2018



Ecuador – Open For Business

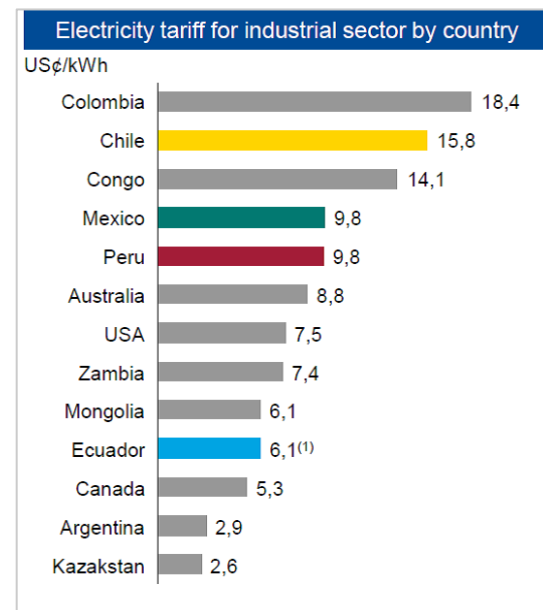
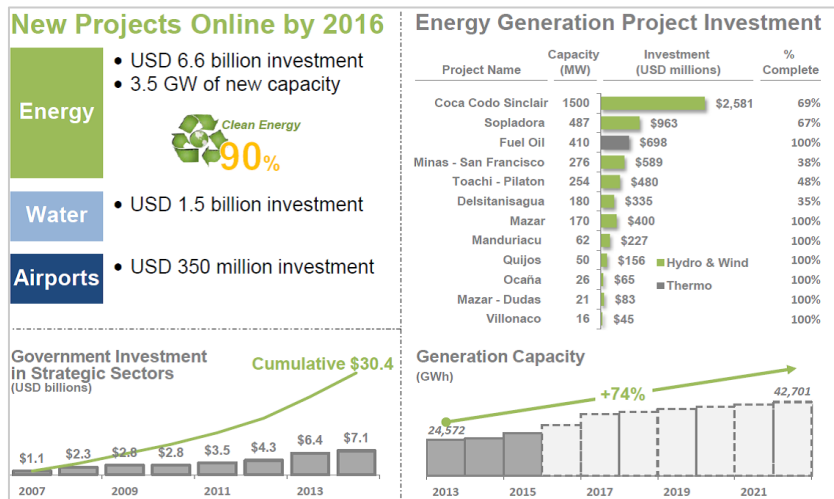
A Focus on Mining Investment



Modernizing Mining Laws, Improved Tax Structure, Investing in Infrastructure

- Government initiative to promote investment in mining. Policy shift towards increasing foreign investment. New Mines Ministry created. Lundin Gold leading the resurgence
- Ecuadorian Mining Law of 2009 amended in 2013 with favorable tax base – 22% income tax on small-mid size projects. Total tax rate up to 37% including profit sharing
- Small to mid size mining up to 1,000 tpd – royalties 3%-4%
- No government partnership required.
- Total tax base more favorable than in Mexico ⁽¹⁾
- Ecuador has invested heavily in regional infrastructure projects
- La Plata is located less than 10 km from the new Toachi-Pilaton hydro project
- La Plata will enjoy some of the lowest power costs in the Americas – 66% lower than costs in Colombia

Some of the Lowest Power Costs in the Americas



(1) Wood Mackenzie, "Ecuadorian Mining Tax Regime", PDAC, March 2016

La Plata – Gold-Copper-Silver-Zinc VMS Project



Location

- Located 98 km south of Quito. 85 km on paved highway. Low elevation 1,600 m
- Hydro line to site. Access to hydro power

Exploration History

- La Mina open pit mine 1975-1981. Power line, water at site of former mine
- Cambior 1996-1999. Drilled 8,628 m in 28 holes and completed preliminary resource estimate (non-43-101)
- Cornerstone 2006-2009. Drilled 5,932 m in 17 holes.
- AMEC Scoping Study, 2015

In Country Partnership and Deal Terms



Partnership with Minera Cachabi and Principal Allen Brown – Established in Ecuador

Deal Terms		Key Transaction Elements
Term	4-6 years	<ul style="list-style-type: none">▪ Toachi Mining is the project operator▪ After 4-year earn in period, option to fund feasibility over a two-year extension period to earn additional 5%▪ If project financing of less than \$60 million or more than \$60 million is arranged, Toachi earns additional 5% and 10% respectively
Payments	US\$2 million	
Expenditure	US\$4 million	
Earn-in	60-75%	

High Grade Resources - A Gold-Rich VMS Deposit **TOACHI** MINING

Non 43-101 Inferred Resource Estimate



Tonnes	Au	Ag	Cu	Zn	Pb
914,000	8.01 g	88.29 g	5.01%	6.71%	0.78%

Historic resource estimate. Updated by vendor from Cambior estimate using 50-m polygonal methodology and 2.5 g/t Au equivalent cut off grade. Historic resources provide an indication of potential at the project. Based on 14,568 m of drilling by Cambior and Cornerstone.

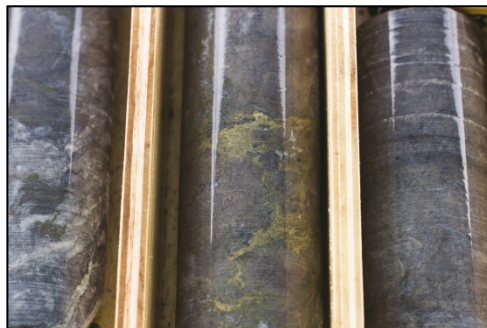


High Grade Intercepts

A record of generating spectacular drill results

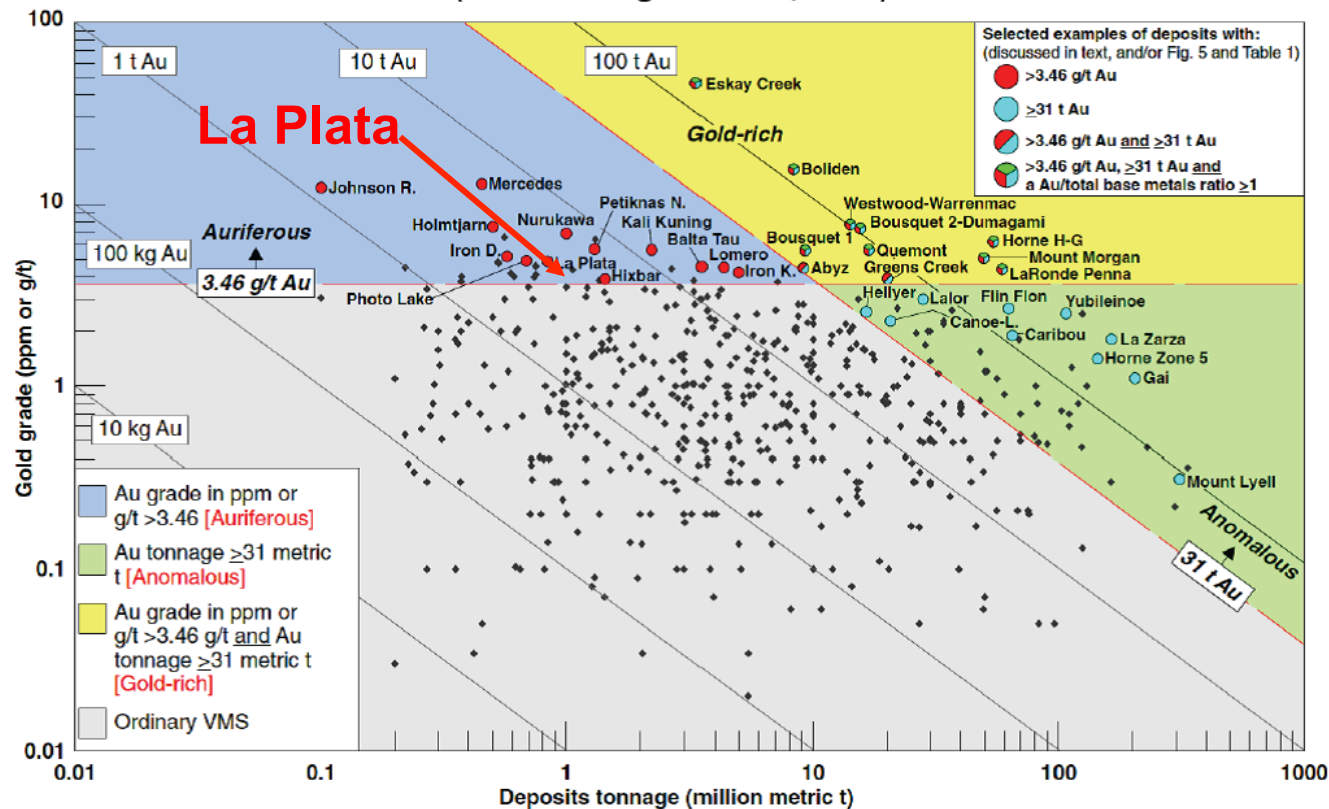
Hole	Intercept (m)	Au (g)	Ag (g)	Cu (%)	Pb (%)	Zn (%)
177-97-17	5.2	15.31	96.1	6.87	0.75	3.44
177-97-20	17.1	10.38	73.8	7.22	0.31	2.77
LP-06-01	8.9	31.7	289	5.86	1.6	18.1
MT-17	3.0	13.9	7.5	5.27	N/A	0.42

Intersections calculated using US\$150 in situ value (based on US\$2.50/lb Cu, US\$0.90/lb Zn, US\$0.80/lb Pb, US\$1200/oz Au, US\$16/oz Ag), 0.5m external dilution, 2m minimum length & 2m maximum internal waste.



A VMS Deposit with High Gold Grades

Gold Grade versus Tonnage for VMS Deposits – *Gold Enriched Deposits*
(Mercier-Langevin et al., 2011)



Gold-Rich VMS deposits = >3.46 g/t Au, > 31 t Gold – **Horne, Quemont, BDL**

Auriferous VMS deposits = Au grade >3.46 g/t or Gold g/t $>$ Base metals wt%

Anomalous VMS Deposits = > 31 t Gold – **Horne #5**

- Significant gold grades
- Gold values $>45\%$ of total gross metal value per tonne
- One of the highest grade VMS deposits in the world
- Significant expansion potential via exploration

High NSR per Tonne – Driving Value



La Plata Gold-Copper-Silver-Zinc VMS Project Robust NSRs in a High Commodity Cycle

Historic Resource Scenario						
		Gold (g)	Copper (%)	Silver (g)	Zinc (%)	Lead (%)
Tonnes	914,000	8.01	5.01	88.29	6.71	0.78
Historic Mill Recoveries		74%	88%	81%	77%	80%
NSR/Tonne ⁽¹⁾						\$543



Program Objectives

- Double resources from historic 900,000 tonnes to target 1.8 million tonnes
- Wide mineralized envelopes allow for lower cut-off grade and tonnage increases
- Apply 65% of grades in historic resource scenario



Target Resource Scenario						
		Gold (g)	Copper (%)	Silver (g)	Zinc (%)	Lead (%)
Tonnes	1,800,000	5.21	3.26	57.39	4.36	0.51
Historic Mill Recoveries		74%	88%	81%	77%	80%
NSR/Tonne ⁽¹⁾						\$352.99

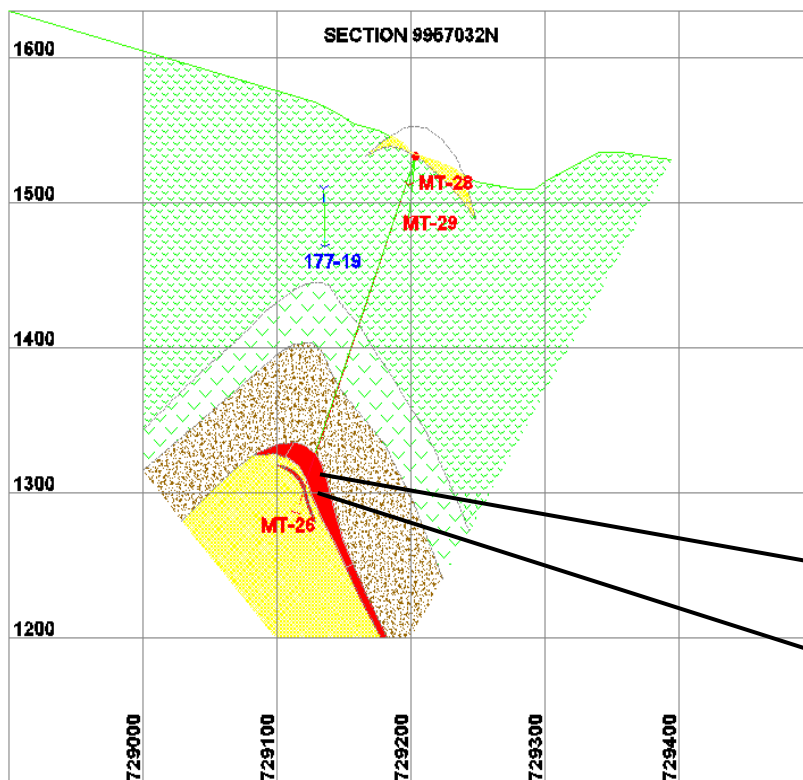
(1) Estimated NSR per tonne after smelter charges and 4% royalty.

Metal Price Assumptions: Au: \$1,250, Cu: \$2.25, Ag: \$16.00, Zn: \$1.10, Pb: \$1.00.

Operating Cost Assumptions: Op. cost/tonne: \$110. Based on comparable costs at the El Roble VMS underground mine in Colombia. Reported operating costs of US\$94.70/tonne in Q3 2015 for a 650 tpd operation

La Plata – Deposit Type

- Paleocene Noranda/Kuroko-type gold-rich polymetallic VMS
- Massive and disseminated sulphide lenses hosted in fold limbs and axes along contact between dacites and basalt flows
- High grade lenses average 5 m-6 m true widths

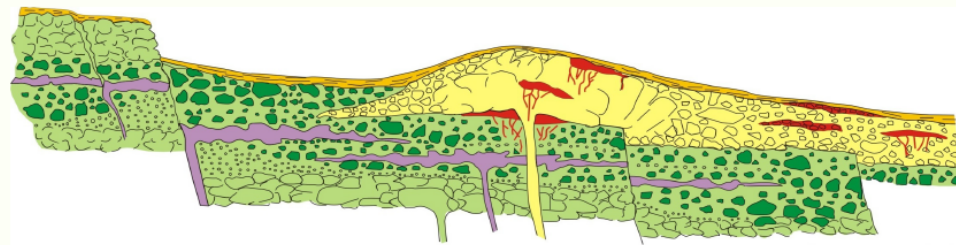


High gold, copper, zinc and silver grades are characteristic of the deposit

18.4m @ 5.11g/t Au, 33.37g/t Ag, 0.78% Cu, 0.0% Pb, 5.57% Zn

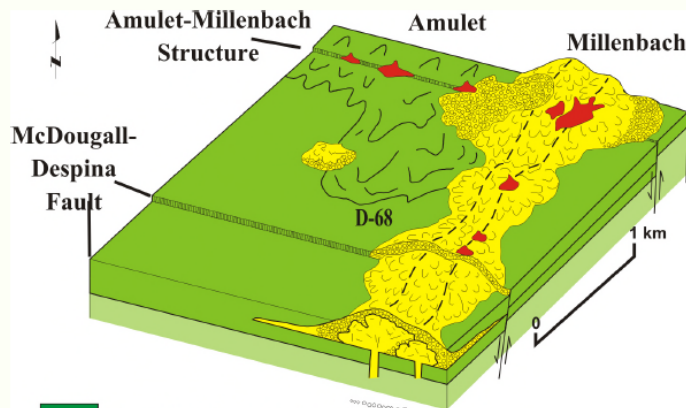
2.6m @ 10.05g/t Au, 43.6g/t Ag, 8.93% Cu, 0.0% Pb, 13.03% Zn

Cyclical Volcanism – Leads to Multiple VMS Lenses







**Flin Fon,
Manitoba**

Gibson et al., 2005



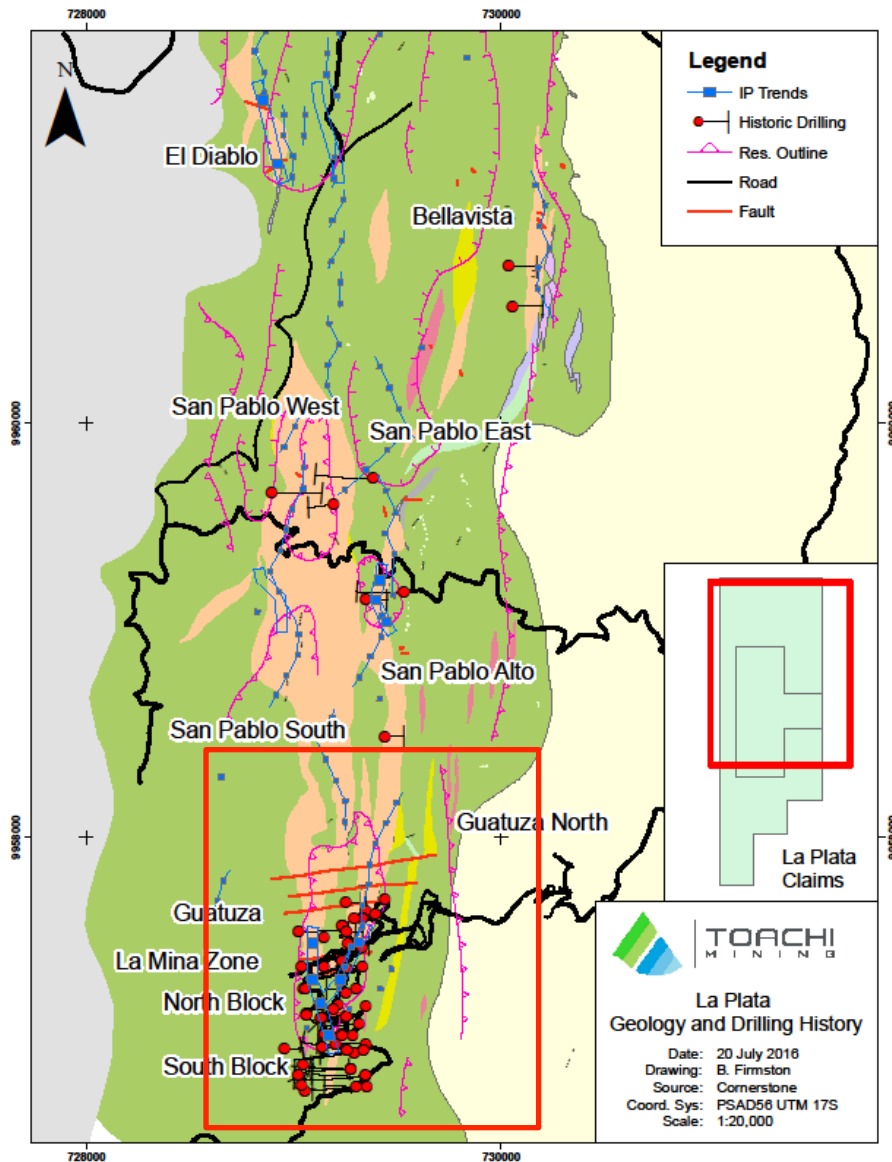
**Millenbach Deposit,
Noranda**

Gibson, 1990;2005

-  Amulet Andesite Fm
-  Millenbach Rhyolite Fm
-  Millenbach Andesite Fm
-  Amulet Upper Member
Silicified andesite

- VMS deposits rarely occur in isolation
- Favorable stratigraphy can host multiple lenses
- Spatially located laterally and stacked
- La Plata hosts multiple targets for VMS discovery

Significant Exploration Potential

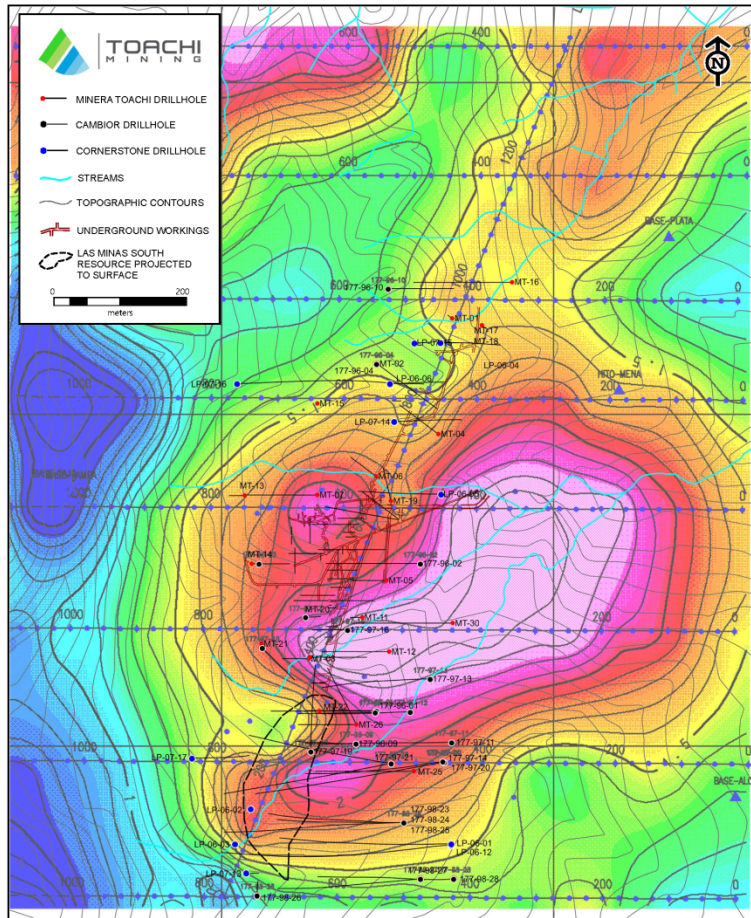


- +9 km of favourable geology along strike
- Guatuzza target 150 m N of La Mina and possible deposit extension
- Guatuzza intersection 6.84 m| 6.97% Cu| 0.99 g Au
- 14 defined Au-Cu-Ag-Zn exploration targets
- Targets defined by coincident geology, geophysics geochemistry and at times, surface mineralization
- Immediate potential proximal to main VMS lenses
- New interpretive studies by Toachi including reprocessed gravity analysis
- Data mining generated six new, discrete targets
- Kidd Creek target potential underpinned by Noranda-scale VMS district

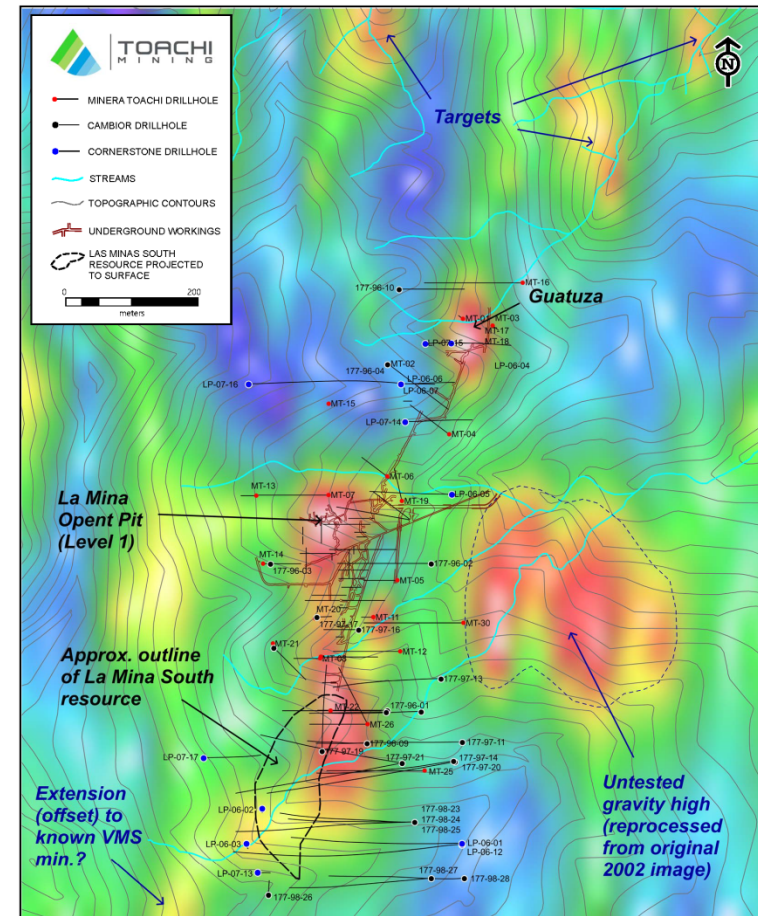
Reprocessed Gravity Data – A New Look



Gravity Data - 2002



Reprocessed Improved Resolution - New Targets



2016-2017 Program Objectives



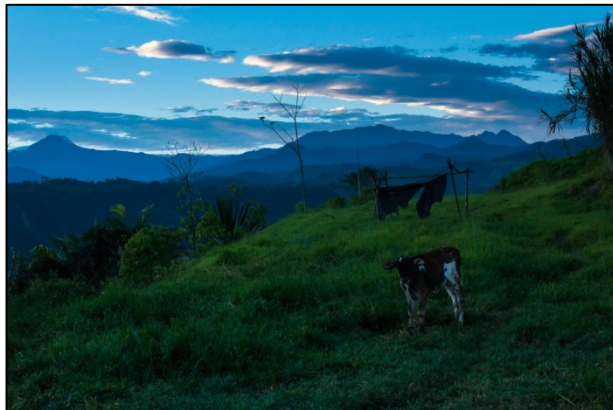
4,000-Metre First Phase Drill Program Underway

La Mina Deposit Resources

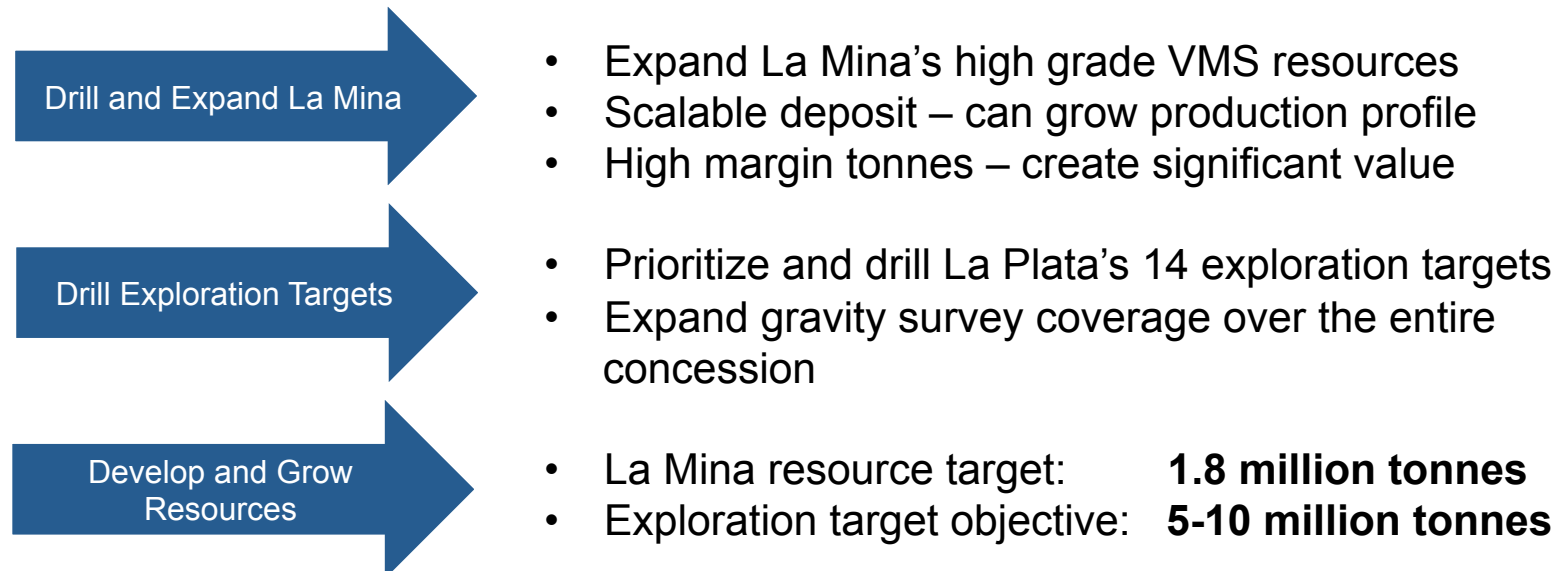
- Verify, infill and confirm the historic drill database
- Test for deposit expansion at depth

Exploration Target Drilling

- Drill test prioritized exploration targets
- 14 exploration targets provide significant upside



Modest Investment | Significant Returns



Toachi Mining La Plata VMS Project	2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Structural Analysis								
Drilling								
Metallurgy Optimization								
43-101 Resource Study								
Environmental Baseline								
Engineering & PEA Study								

Summary



- High grades and high NSR/tonne in a gold-rich VMS project
- Excellent exploration potential to add to historic resources
- Good community relations and social operating license
- Strong in-country partner in Ecuador
- 4,000 m drill program in progress - started August, 2016
- Exploration objective +10 million tonnes creates significant value

