



# Gryphon Minerals To Merge With Teranga Gold Corporation To Create A Significant West African Growth Company

Precious Metals Conference  
September 2016

ASX: GRY

[www.gryphonminerals.com.au](http://www.gryphonminerals.com.au)

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## Cautionary note regarding reserves and resources

You should be aware that as an Australian company with securities listed on the ASX, the Company is required to report reserves and resources in Australia in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2004 Edition ) (“JORC Code”). Mining companies in other countries may be required to report their mineral reserves and/or resources in accordance with other guidelines (for example, Industry Guide 7 of the U.S. Securities and Exchange Commission (“SEC”). You should note that while the Company’s reserve and resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, and, unless otherwise stated do not comply with (i) National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators and (ii) Industry Guide 7, which governs disclosures of mineral reserves in registration statements and certain reports filed with the SEC. The JORC Code differs in several significant respects from Industry Guide 7. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves, and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. Information contained in this presentation describing the Company’s mineral deposits may not be comparable to similar information made public by Canadian or U.S. companies subject to the reporting and disclosure requirements of Canadian or United States securities laws.

You should not assume that quantities reported as “resources” will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.



# Competent Persons Statement



## **Competent Persons' Statements**

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Sam Brooks who is a member of the Australian Institute of Geoscientists. Mr Brooks has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify 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 Brooks is a full time employee of Gryphon Minerals and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears. Mr Brooks holds a minor interest in the securities of Gryphon Minerals Ltd. This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to the Mineral Resources at the Nogbele and Fourkoura Deposits, is based on information compiled by Mr Sam Brooks who is a member of the Australian Institute of Geoscientists. Mr Brooks has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify 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 Brooks is a full time employee of Gryphon Minerals and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears. Mr Brooks holds a minor interest in the securities of Gryphon Minerals Ltd.

The information in this report that relates to the Mineral Resources at the Stinger and Samavogo Deposits, is based on information compiled by Mr Dmitry Pertel who is a member of the Australian Institute of Geoscientists. Mr Pertel has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify 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 Pertel is a full time employee of CSA Global Pty Ltd and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears. This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to the Ore Reserves, is based on information compiled by Mr Quinton de Klerk who is a member of the Australasian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify 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 de Klerk is a full time employee of Cube Consulting Pty Ltd and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

The information in this report that relates to the Exploration Target at the Company's Banfora Gold Project, Burkina Faso is based on and fairly represents information which has been compiled by Mr Sam Brooks who is a member of the Australian Institute of Geoscientists. Mr Brooks has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify 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 Brooks is a full time employee of Gryphon Minerals and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

# Long Term Upside For Gryphon Shareholders



## Teranga brings:

- Strong balance sheet and US\$58 million in cash<sup>1</sup>
- Sabodala Gold Mine generates significant cash flow and produces approximately 200,000 ounces of gold per annum.
- Significant production & mine development experience



## In addition, Banfora Gold Project enhanced with:

- An opportunity to develop the larger CIL operation
- Ability to fund mine development
- Ability to fund exploration and resource growth

**The combined entity creates a production company with significant growth opportunity and provides Gryphon shareholders an immediate uplift premium**

<sup>1</sup> As published in the Teranga Gold Corporation Management Discussion and Analysis for the three and six months ended June 30, 2016.

# Summary Of The Transaction



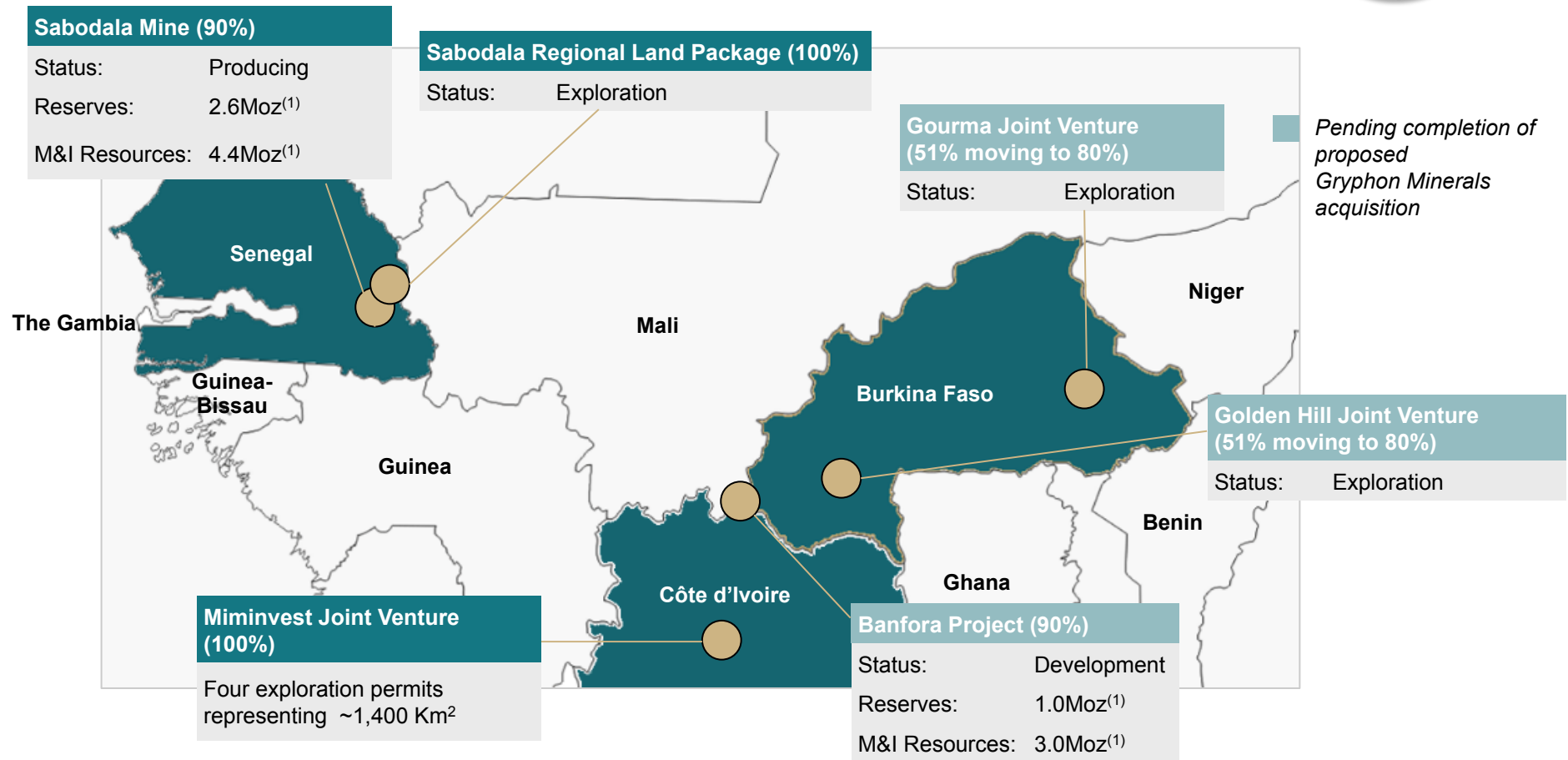
Gryphon Minerals has entered into a Scheme Implementation Agreement with Teranga Gold Corporation (TSX & ASX: TGZ) pursuant to which Teranga will acquire all of the ordinary shares of Gryphon by way of a scheme of arrangement under the Corporations Act between Gryphon and its shareholders.

Key points of the transaction<sup>1</sup>:

- Each Gryphon share will be exchanged for **0.169** common shares of Teranga or ASX-listed CHESS Depositary Interests (CDIs).
- The Transaction values each Gryphon share at **A\$0.206 (today is A\$0.23)**
- The Transaction implies a total equity value for Gryphon of **A\$95 million**
- Offer represents a **70% premium** over the closing price of Gryphon shares on the ASX on 17/6/16, and a **premium of 360% since 1 January 2016**.
- **Votes in by 10.00am (Australian WST) on Wednesday 21 September 2016.**

<sup>1</sup> Based on the closing price of Teranga CDIs on the ASX on 17 June 2016. Refer Scheme Booklet announced on ASX on 17 August 2016.

# Next Multi-Jurisdictional Mid-Tier West African Gold Company





# Sabodala's Significant Cumulative Cash Flow Over Life of Mine

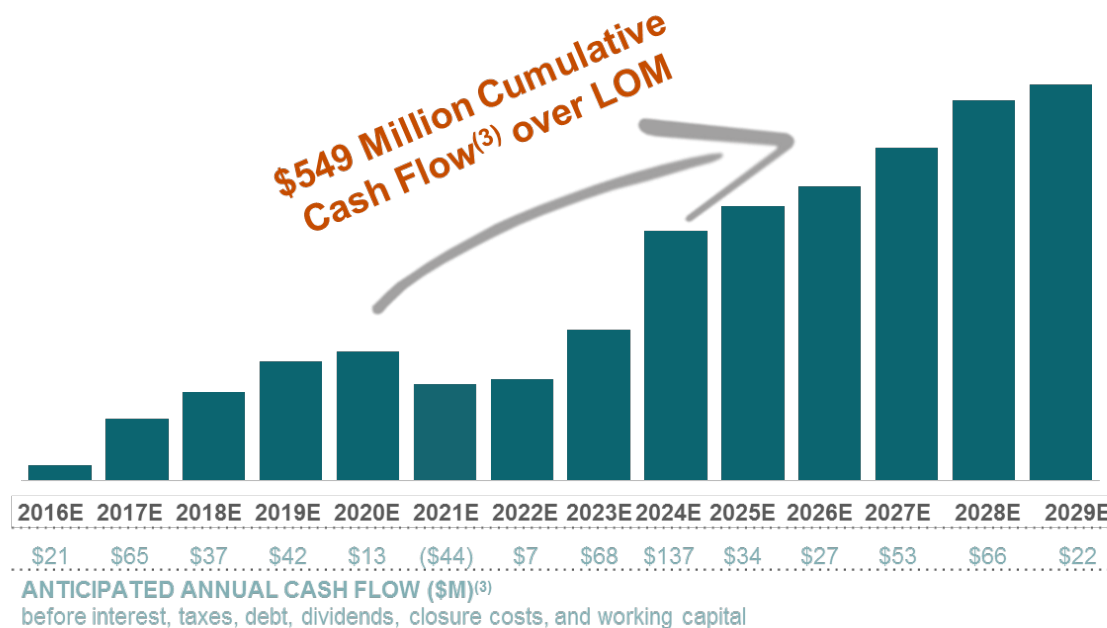


## Low Annual Sustaining Capex

Less than \$10M sustaining capital required on an annual basis

## Generating Ample Cash Flow to Fund Growth

Cash flow expected to total \$549 million<sup>(3)</sup> over life of mine based on current reserves as per NI 43-101 Technical Report – March 2016



High-quality infrastructure requires moderate capex, allowing Teranga to build cash flow over LOM

(3) Refer to Endnote (3) on the last slide

# Burkina Faso | “Land of the honest & upright men”



- Moved from zero gold production to 4th largest gold producer in Africa
- 8 new gold mines operating in the last 6 years
- Under explored & highly prospective
- Strong Government support
- Large representation of international mining companies
- Established precedents for fast permitting and financing in recent mines



## Recent Transactions & Investments in Burkina Faso \$US

\$330 M	Endeavour decision to build Houndé Project
\$250 M	Endeavour take over of True Gold
\$180 M	True Gold pours first gold at Karma Mine
\$170 M	Semafo take over of Orbis Gold
\$150 M	Yaramoko mine developed by Roxgold
\$75 M	Semafo bought deal to fund BFS
\$25 M	Youga mine purchased by MNG



## 3.6Moz Banfora Gold Project

Easy access, abundant water, grid power access, +100 person camp





## 3.6Moz Banfora Gold Project      Strong Local Support

- Community demonstration village approved for housing relocation associated with development of the Banfora Project.
- International Finance Corporation (IFC) 5% shareholders in Gryphon.





# Banfora Gold Project → Moving Towards Development



## Currently underway:

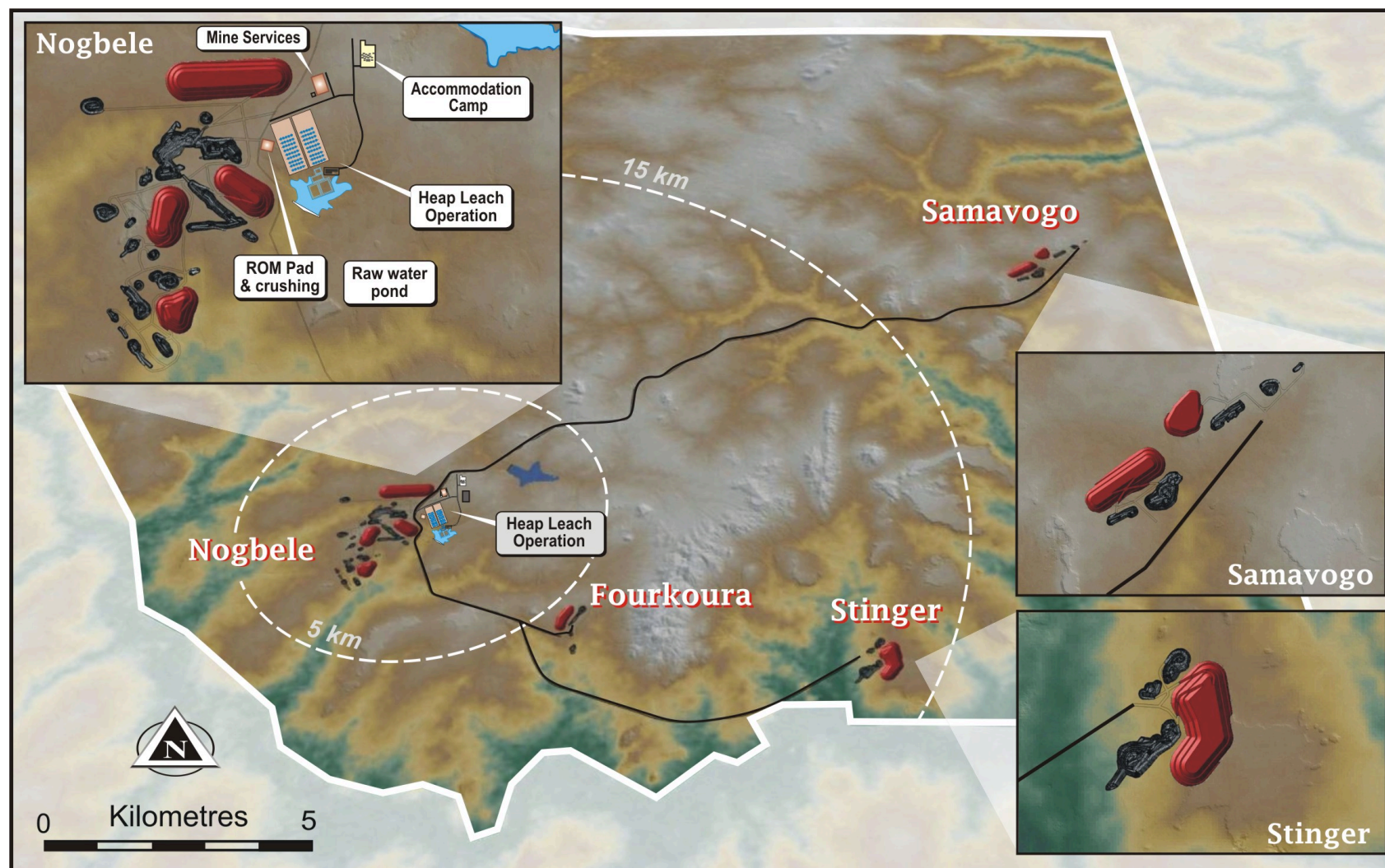
- Drilling targeting high grade oxide for early mine feed- results Q4/Q1 2017
- Engineering optimization works for a larger CIL operation - Q4/Q1 2017
- Cost reductions on capital & operation costs since the previous BFS - Q4/Q1 2017
- Tendering for EPCM contractors – Q1 2017
- Drilling near mine exploration targets - Q4/Q1 2017
- Updated CIL BFS – Q2 2017
- Decision to mine - Q2 2017

## 3.6Moz Banfora Gold Project

Shovel Ready



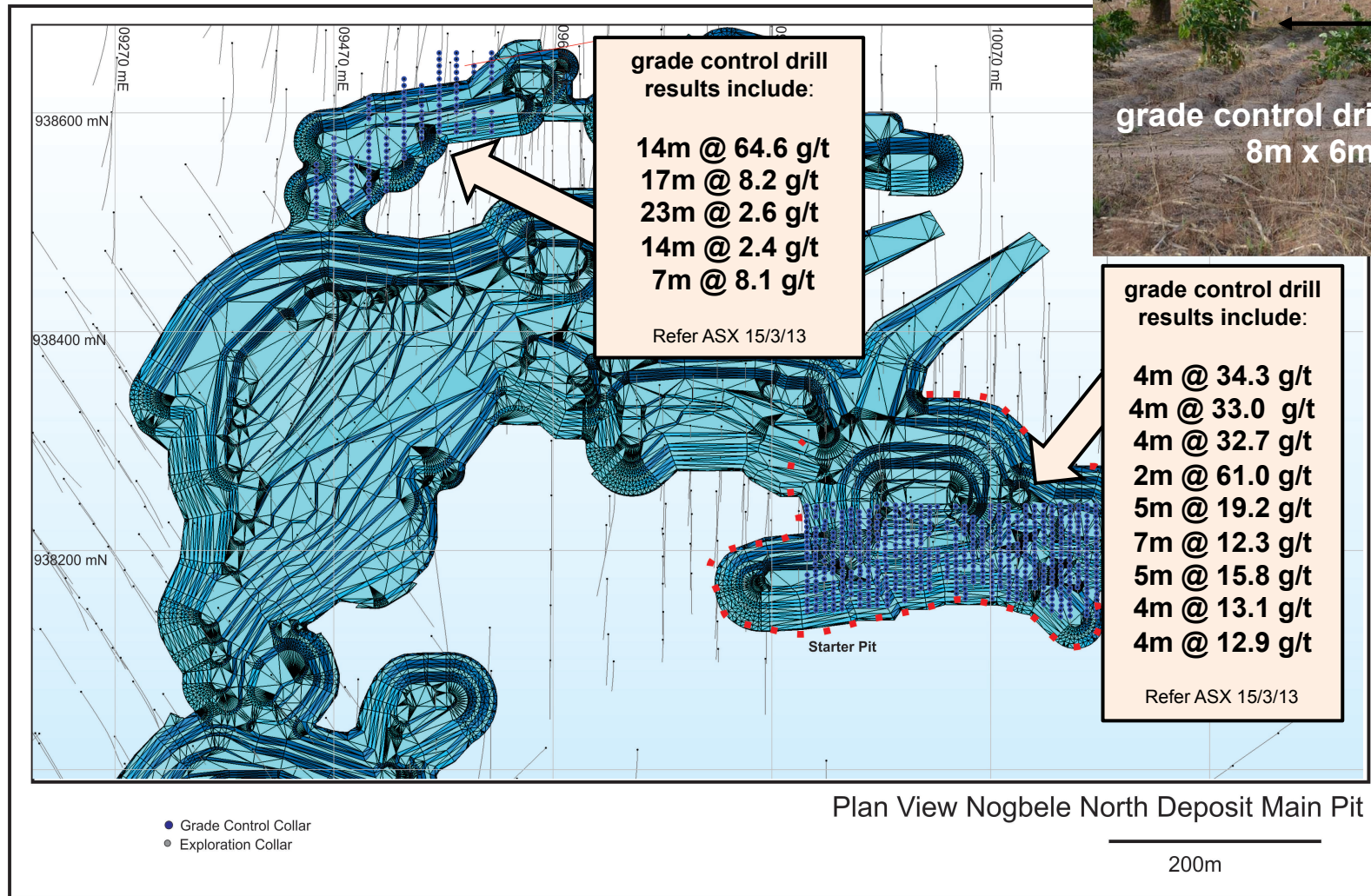
**Further discoveries easily trucked to centralized mill**





### 3.6 Moz Banfora Gold Project      Shallow & High Grade

- Grade control drilling on 8 metre x 6 metre grid provides high confidence
- 90% of resource drilled to only 150 metres depth - Open
- Outcrops at surface for open pit mining

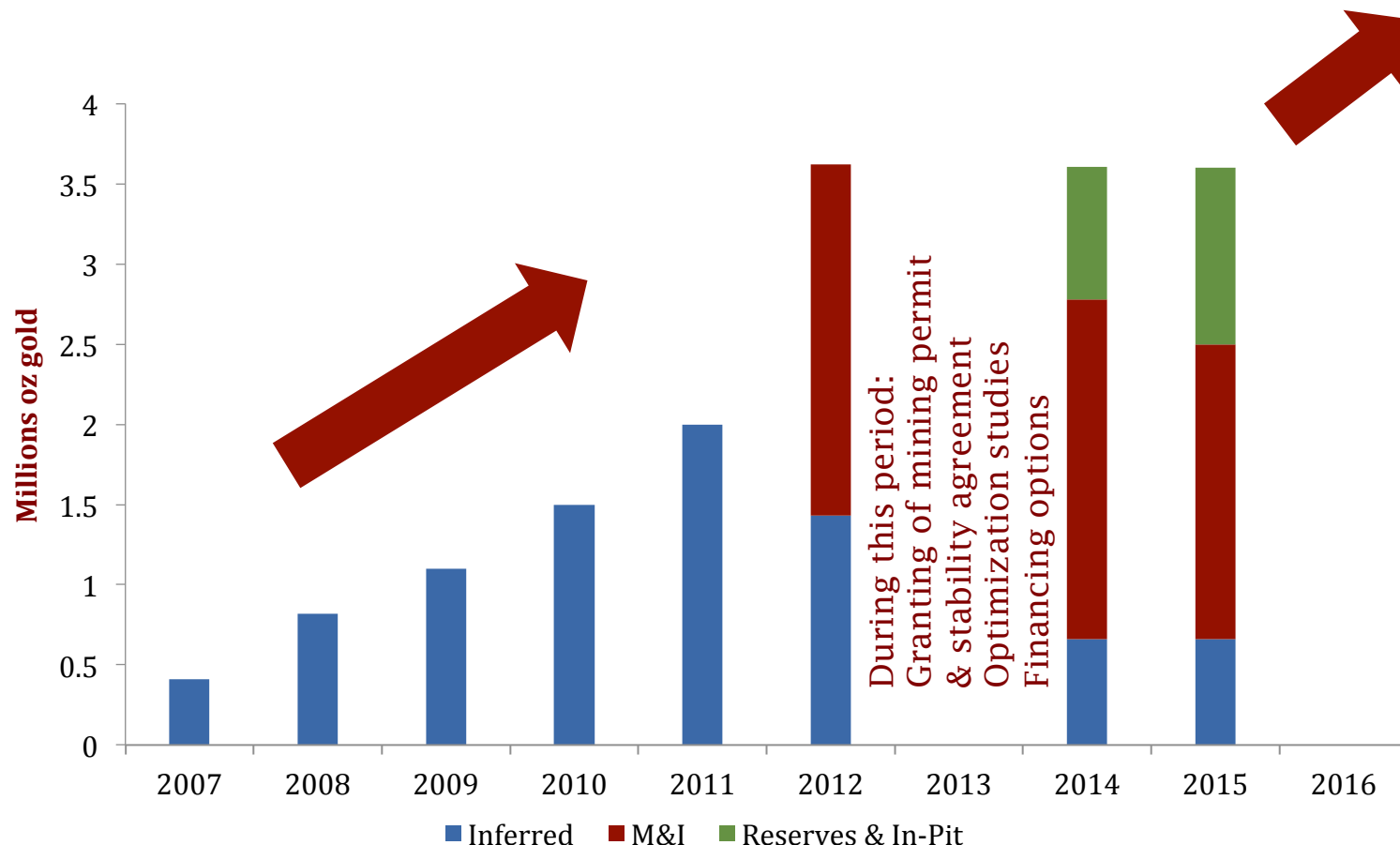


# 3.6Moz Banfora Gold Project

## Growth Potential



**A significant multi-million oz gold discovery that will continue to grow**



### Additional upside through:

Drilling of M&I to Reserves

Step out drilling around open pit designs

Multiple shallow oxide targets

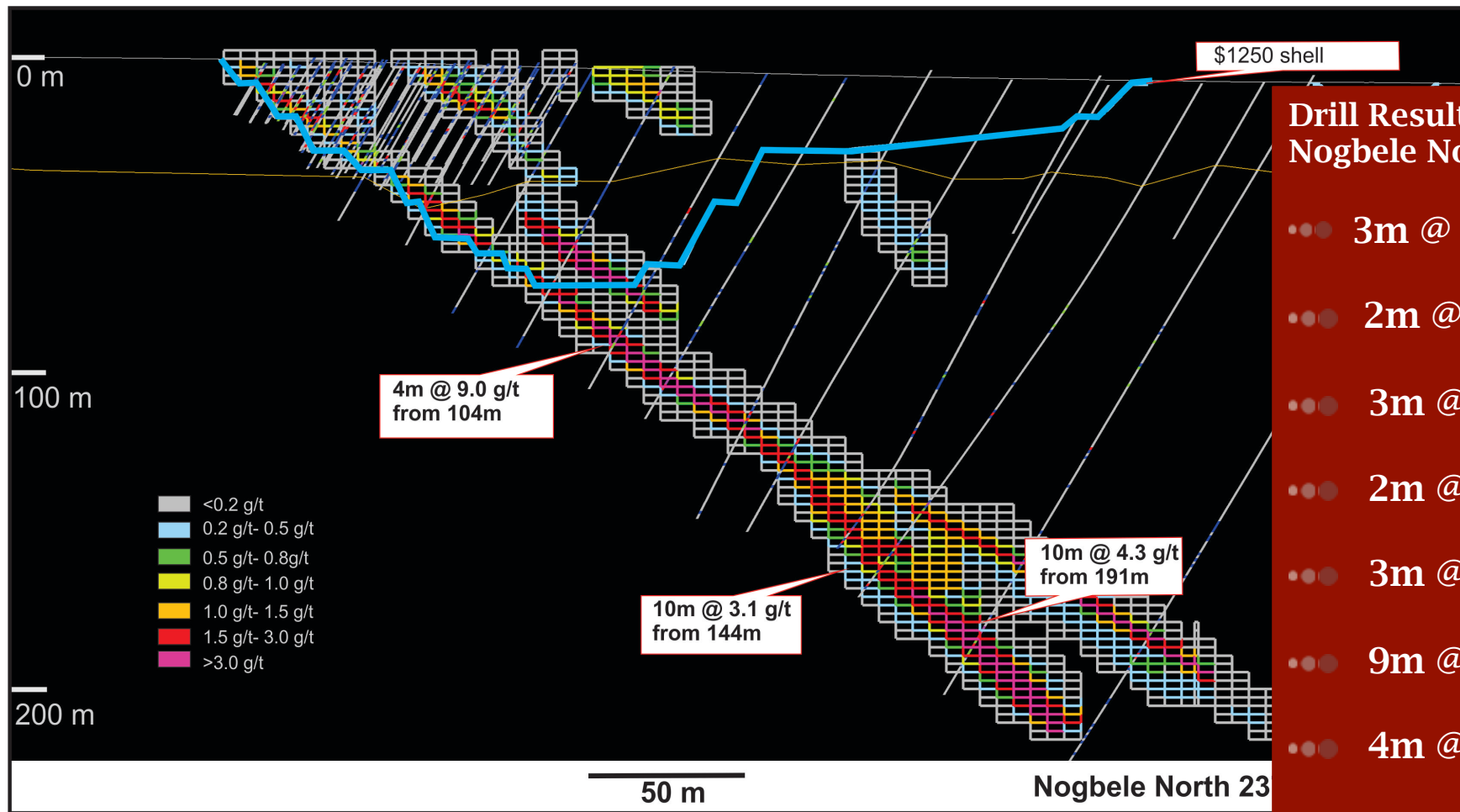
High Grade Underground Exploration Target  
3.5 to 4.5Mt @ 5 to 7g/t  
for 560k to 1Moz gold

Note 1: The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to allow for the estimation of a Mineral Resource, and it is uncertain whether further exploration will result in a Mineral Resource at the target. Refer ASX Release on 18 April 2016 for further details.



## 3.6Moz Banfora Gold Project

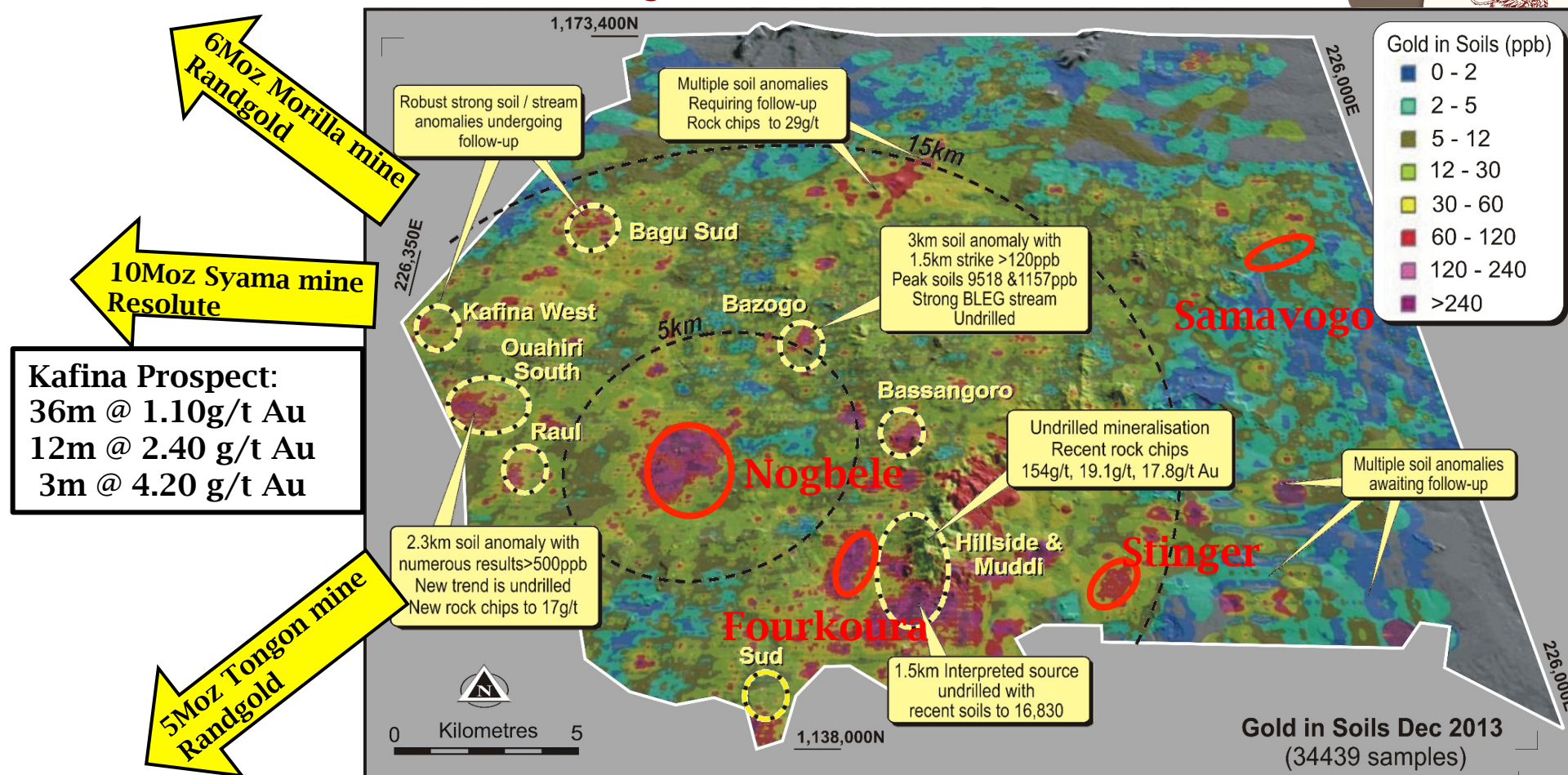
### Future Underground Opportunity



#### Drill Results from Nogbele North include:

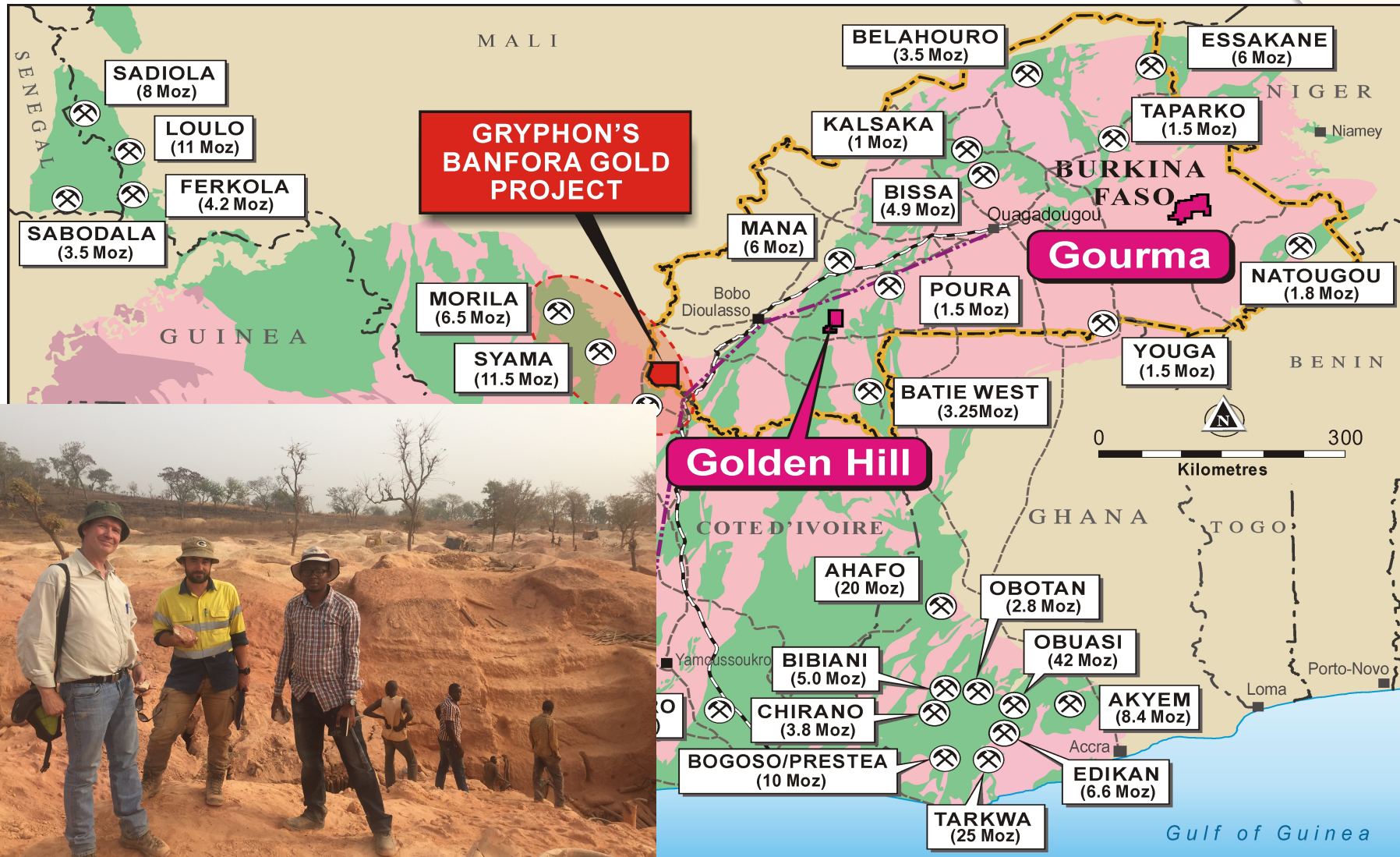
- 3m @ 34.2g/t Au
- 2m @ 120g/t Au
- 3m @ 10.8g/t Au
- 2m @ 94.3g/t Au
- 3m @ 8.8g/t Au
- 9m @ 16.g/t Au
- 4m @ 9.5g/t Au

# 3.6Moz Banfora Gold Project Multiple Untested Targets



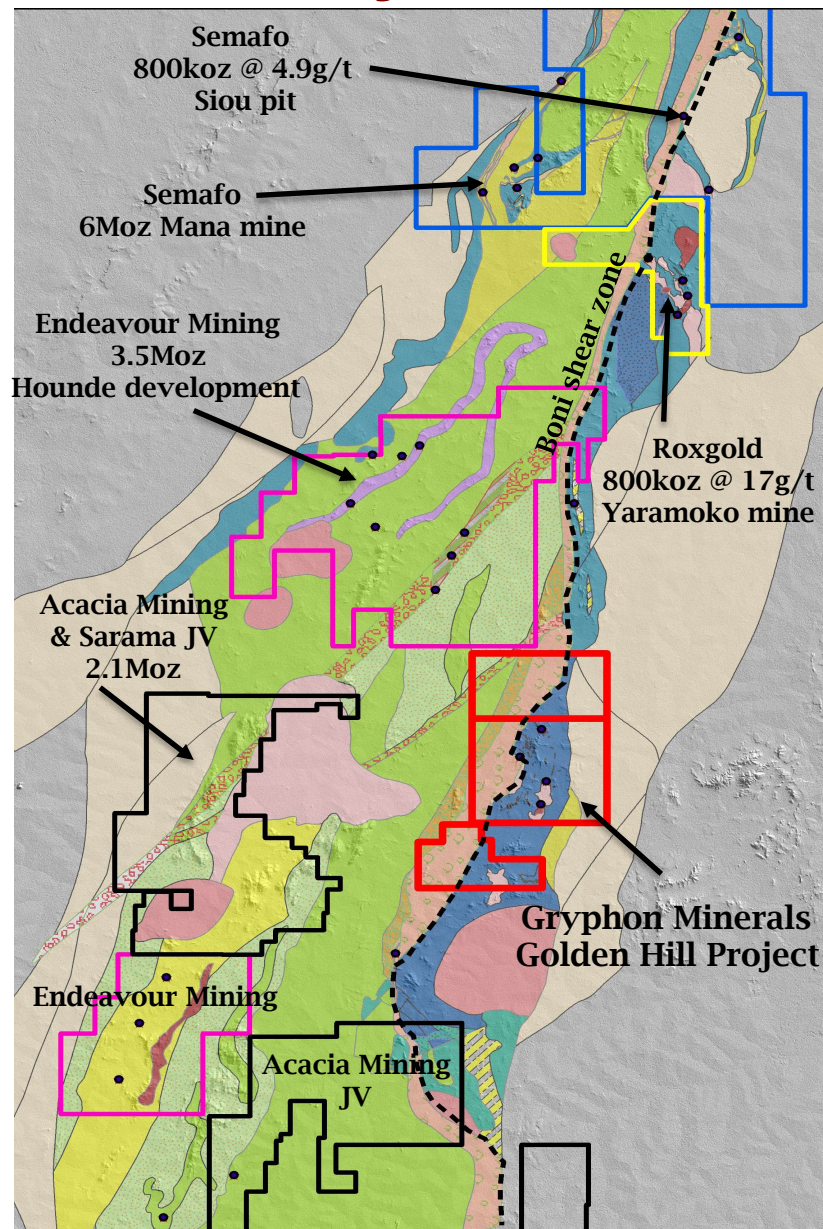


# Gryphon's Burkina Faso Exploration Projects



Golden Hill

# Burkina Faso Joint Venture | Golden Hill Project



- Gryphon earning-in Joint Venture up to 80%
- Highly prospective Houndé Belt, Burkina Faso
 

Semafo	6Moz	Mana mine
Semafo	800koz@4.9g/t	Siou mine
Endeavour	3.5Moz	Houndé development
Roxgold	800koz@17g/t	Yaramoko mine
Acacia	2.1Moz	JV (Sarama)
- Gryphon's Golden Hill drill results include:
  - 2m @ 168.80g/t gold from 22m
  - 2m @ 98.40g/t gold from 4m
  - 2m @ 58.90g/t gold from 2m
  - 2m @ 53.14g/t gold from 24m
  - 22m @ 12.35g/t gold from 22m



# Corporate Overview



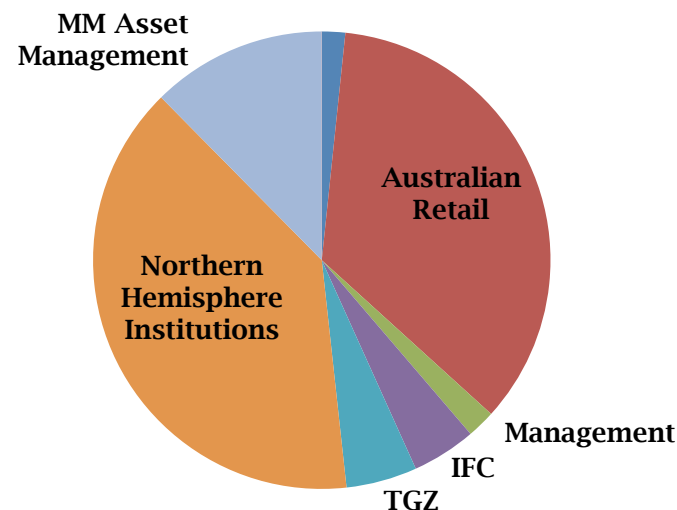
## Capital Structure & Cash Position

ASX Code	GRY
Shares	423M
Performance Rights	11M
Current Share Price <sup>1</sup>	A\$0.22
Fully Diluted Market Capitalisation	A\$95M
Top 20 Shareholders	56%
Cash & Investments <sup>2</sup>	A\$15M

## 1 year GRY share price



## World Class Shareholder Base



## Board of Directors

**Chairman**  
Mel Ashton

**Managing Director**  
Mr Steve Parsons

**Non-Executive Directors**  
Mr Didier Murcia  
Mr Bruce McFadzean

<sup>1</sup> Share price at 9 September 2016.

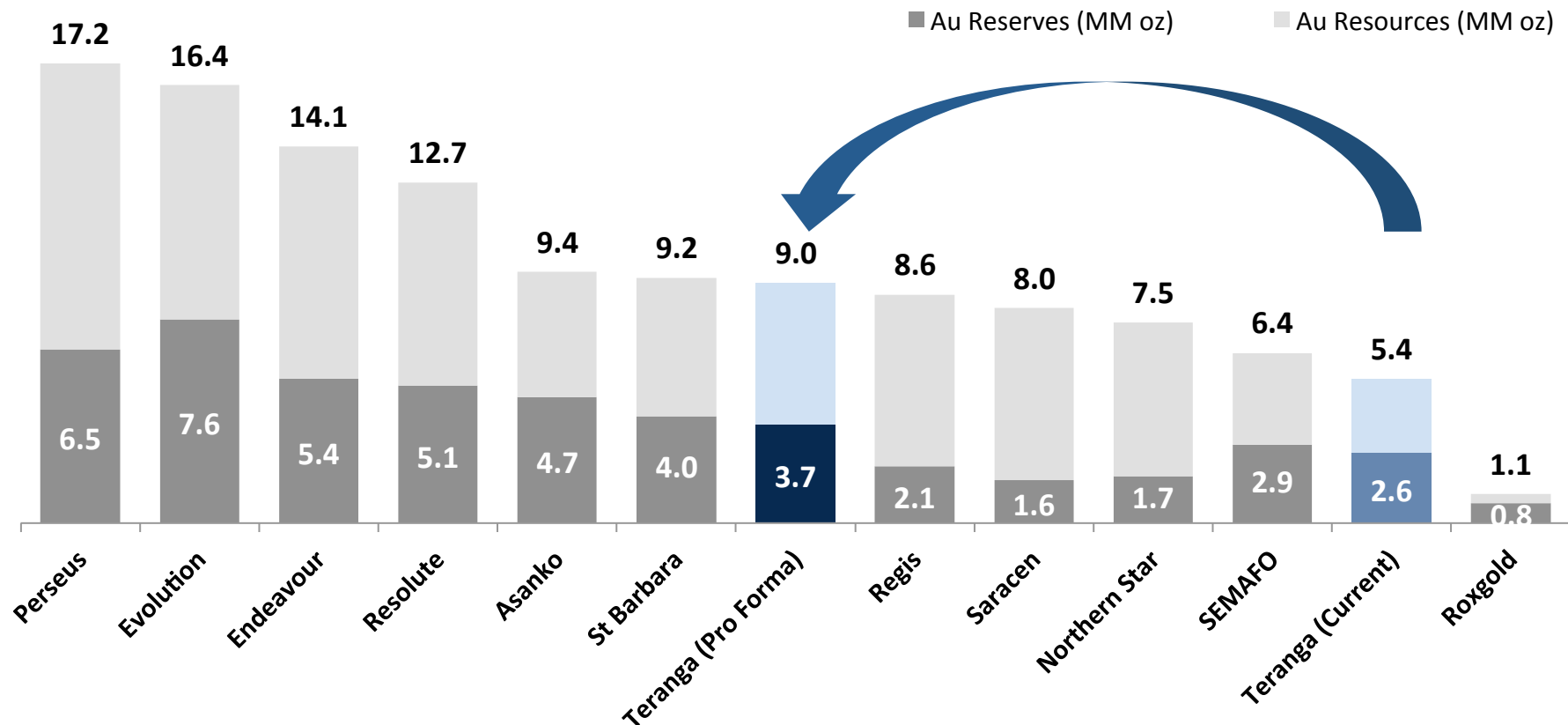
<sup>2</sup> Includes listed investments.



# Peer Comparables Of The Combined Company



## Attributable Au Eq. Reserves & Resources (MM oz) <sup>(1)</sup>



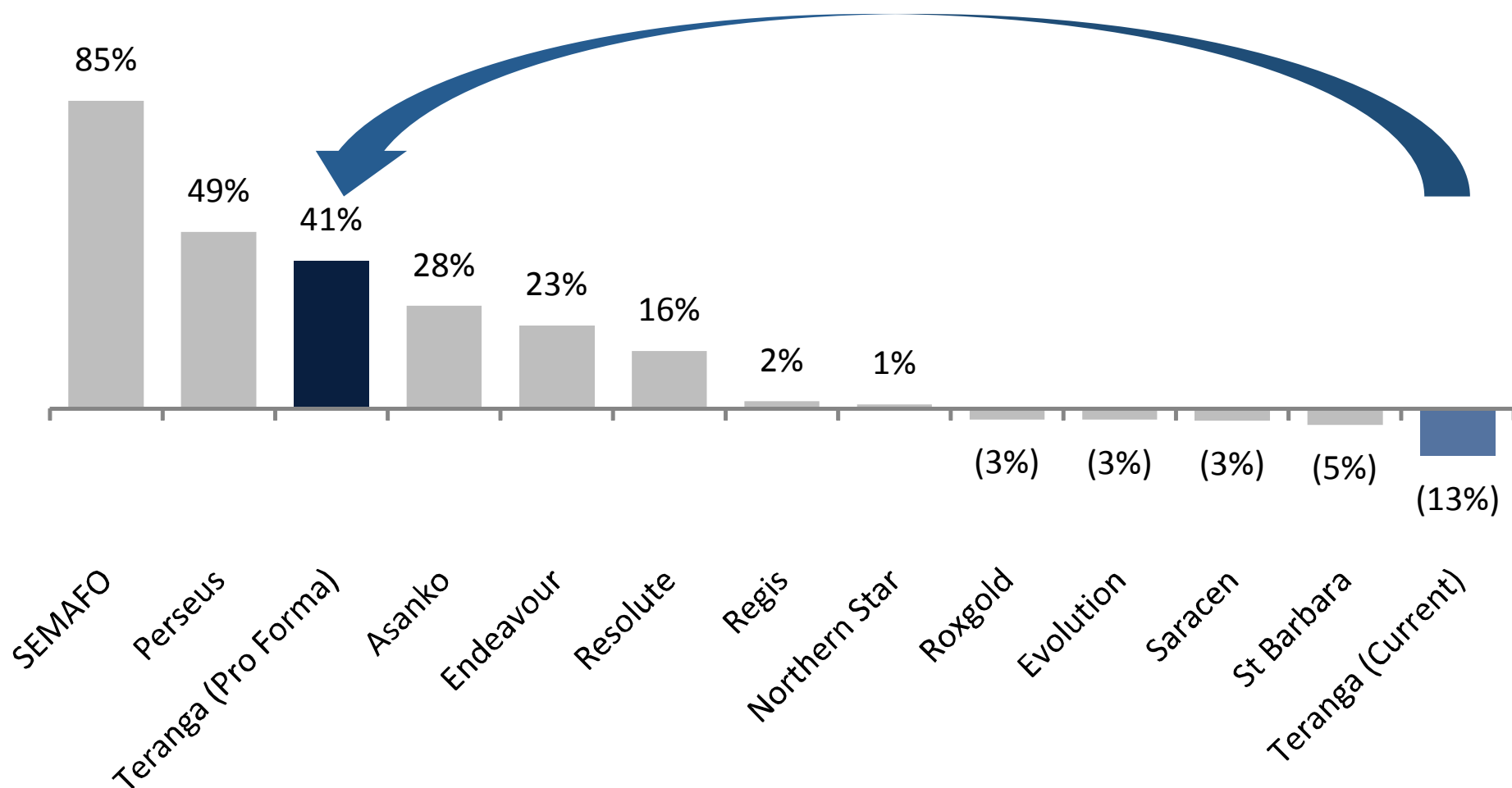
Source: Maxit Capital: FactSet, company disclosure and analyst estimates.

Note (1) : Au Eq. figures calculated using long-term consensus metal prices. Resources inclusive of reserves. Gryphon and Teranga Gold published Reserves and Resources. Refer Endnote 1 and 2.

# Peer Comparables Of The Combined Company



## 2017-19 Au Attributable Production Growth (%)



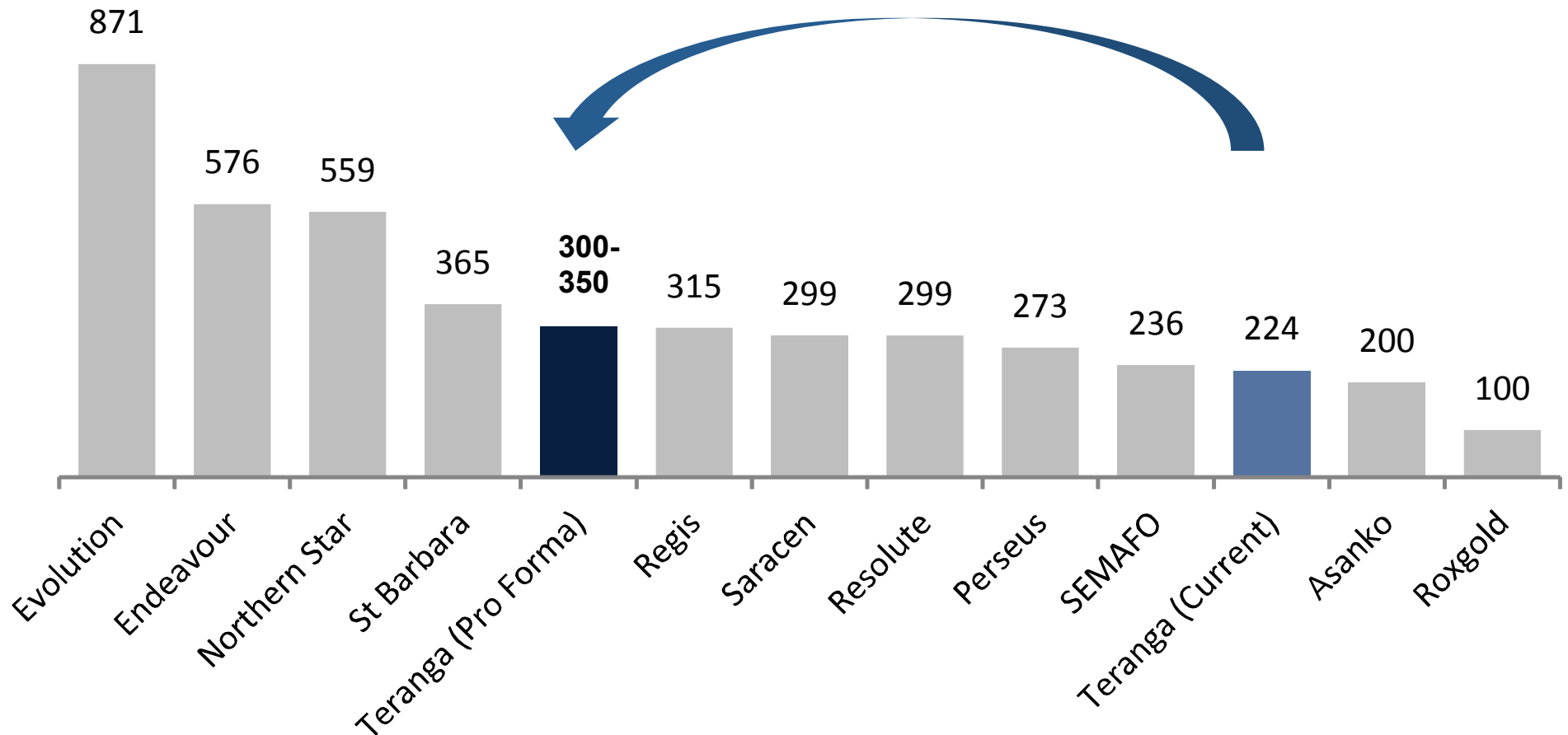
Source: Maxit Capital: FactSet, company disclosure and analyst estimates.

Note (1) : Au Eq. figures calculated using long-term consensus metal prices. Resources inclusive of reserves. Gryphon and Teranga Gold published Reserves and Resources. Refer Endnote 1 and 2.

# Peer Comparables Of The Combined Company



## Anticipated Au Production (k oz)



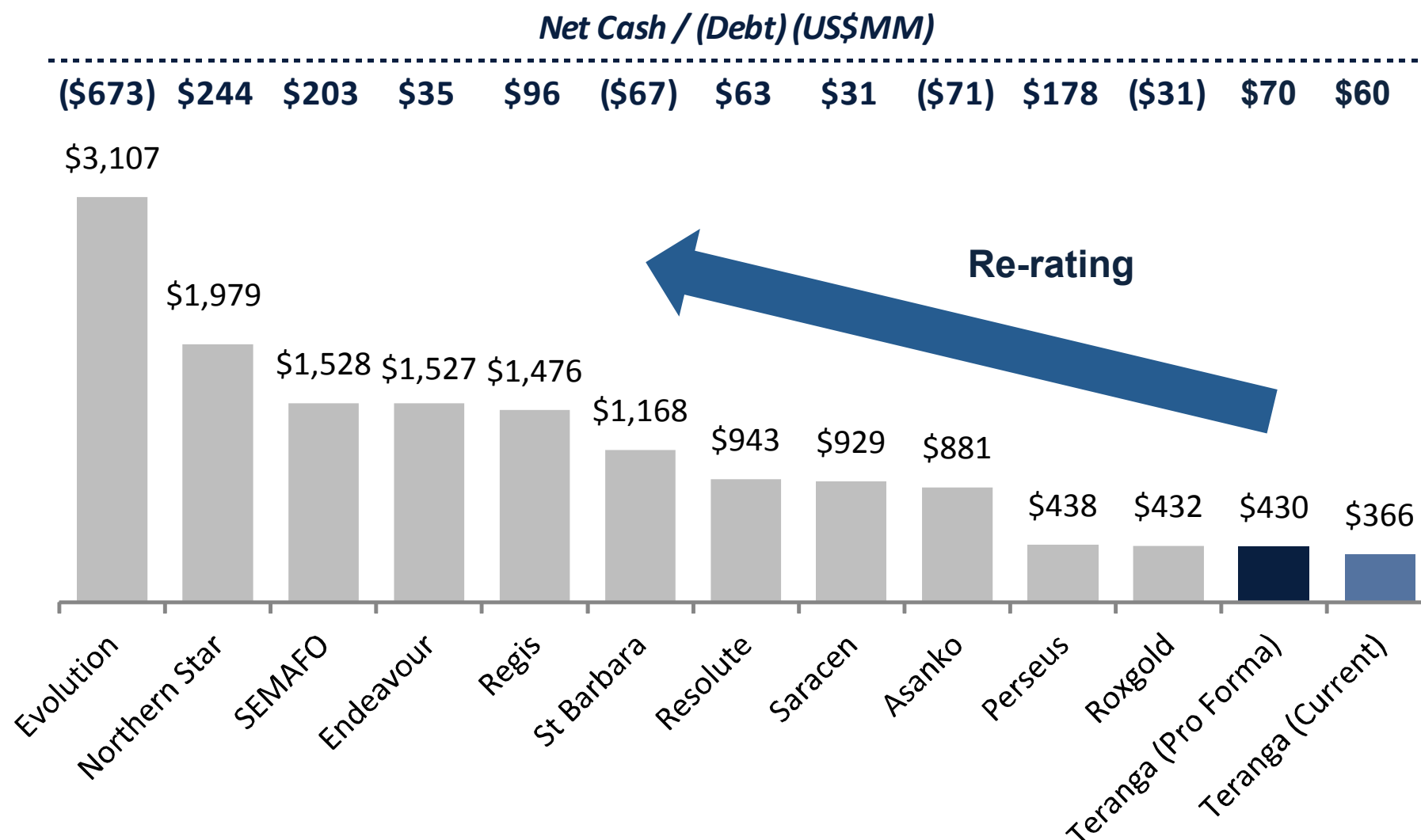
Source: Maxit Capital: FactSet, company disclosure and analyst estimates.

Note (1) : Au Eq. figures calculated using long-term consensus metal prices. Resources inclusive of reserves. Gryphon and Teranga Gold published Reserves and Resources. Refer Endnote 1 and 2.

# Peer Comparables Of The Combined Company



## Market Capitalization & Net Cash / (Debt) (US\$MM)



Source: Maxit Capital: FactSet, company disclosure and analyst estimates.

Note (1) : Au Eq. figures calculated using long-term consensus metal prices. Resources inclusive of reserves. Gryphon and Teranga Gold published Reserves and Resources. Refer Endnote 1 and 2.



**Thank You**

**Appendix Follows**



# Corporate Social Responsibility

## Targeting the worlds highest standards

In addition to Environmental and Social studies as part of the BFS, Gryphon is actively involved in supporting the local community through various initiatives.

Gryphon has a full-time Burkinabe community manager to liaise with the local community in its efforts to engage effectively with all project stakeholders.

Some of Gryphon's recent initiatives include:

- The sponsorship and development of a Banfora based weekly radio program
- The supply of hospital equipment to local clinics
- Nogbele village waterbore - benefiting a community of 1,200 people
- Women's group market garden - contributing to the support of 50 families

In addition, in the last 12 months, Gryphon has made donations of furniture, equipment and books to a primary school in Niankarodougou; supported tree planting for World Environmental Day; purchased an ambulance; given advanced driver training to ambulance drivers in the local district; and repaired local roads and bridge infrastructure.



# Corporate social responsibility

## Targeting the worlds highest standards



**Wheelchairs for children program initiated in 2013.**  
160 wheelchairs have been shipped from Perth to Burkina Faso.

With support from the Board and the generous team at  
“Wheelchairs For Kids” ([wheelchairsforkids.org](http://wheelchairsforkids.org)) in Perth,  
Western Australia who fabricated the units.



# Appendix 1

## Banfora Gold Project | 3.6 Million Ounces of Gold



**Table: Mineral Resource Estimate**

Lower cut (g/t)	Measured			Indicated			Measured + Indicated			Inferred			Total		
	Tons (Mt)	Grade g/t Au	Gold (Moz)	Tons (Mt)	Grade g/t Au	Gold (Moz)	Tons (Mt)	Grade g/t Au	Gold (Moz)	Tons (Mt)	Grade g/t Au	Gold (Moz)	Tons (Mt)	Grade g/t Au	Gold (Moz)
0.3	9	1.1	0.3	76	1.2	2.9	86	1.2	3.2	19	1.1	0.7	105	1.2	3.9
<b>0.5</b>	<b>7</b>	<b>1.4</b>	<b>0.3</b>	<b>60</b>	<b>1.4</b>	<b>2.7</b>	<b>67</b>	<b>1.4</b>	<b>3.0</b>	<b>16</b>	<b>1.3</b>	<b>0.7</b>	<b>83</b>	<b>1.4</b>	<b>3.6</b>
1.0	3	2.3	0.2	29	2.1	1.9	32	2.1	2.2	8	1.9	0.5	40	2.1	2.6
1.5	2	2.9	0.2	16	2.8	1.4	18	2.8	1.6	4	2.6	0.3	22	2.8	1.9

Footnote 1: Refer to Appendix Three of ASX release 04/02/2014 Rounding applied at 2 significant figures.

For the Heap Leach studies a lower cut off of 0.5g/t gold has been used - highlighted above

Refer to ASX release 04/02/2014. Gryphon confirms that it is not aware of any new information or data that materially affects the information in the said announcement and all material assumptions and technical parameters underpinning the Resource estimate continue to apply.



# End Notes

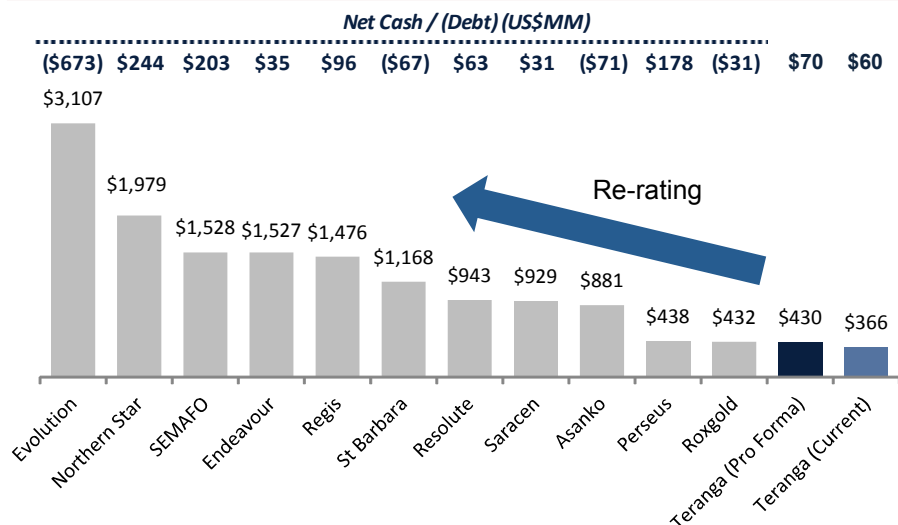


1. Teranga Gold's Mineral Reserves and Mineral Resources estimates as at 31 December, 2015 as per their Company disclosure. For more information regarding Teranga Gold's Mineral Reserves and Resources and related notes, please refer to Teranga Gold's December Quarter and Year-end 2015 Report accessible on the Teranga's website at [www.terangagold.com](http://www.terangagold.com).
2. The Mineral resources are as per Gryphon Minerals 2Mtpa Heap Leach Feasibility Study (JORC) released August 4, 2014. Despite the most recent Gryphon Reserve Estimate for the Banfora Gold Project of 826,000 ounces (17.4 Mt at 1.5 g/t) based on a lower capital cost heap leach processing option, Teranga has stated in the press release dated June 19, 2016, and in the Scheme Booklet announced on the ASX on August 17, 2016 and re-confirmed herein that Teranga's preferred development path for the Banfora Gold Project will be based on an optimized CIL flowsheet. The Proven and Probable Mineral Reserve estimate of 1 million ounces included in Teranga's June 19, 2016 press release and herein is based on Gryphon's CIL feasibility study Mineral Reserve estimate of 1.05 million ounces (16.7 Mt at 1.95 g/t) issued in January 2013. A number of relevant factors have changed since this estimate was issued by Gryphon Minerals in 2013, and as such and benefitting from an optimization study to be completed by Teranga, Teranga anticipates updating the feasibility study and the resource and reserve estimates in the first half of 2017. Complete information is available on Gryphon's website at [www.gryphonminerals.com.au](http://www.gryphonminerals.com.au).
3. Sabodala's cash flow is the Life of Mine net cash flow based on Teranga's most recent 43-101 Technical Report ("43-101 plan") filed on TSX in March 2016, before income taxes, interest, debt repayments, closure costs, dividends and working capital.

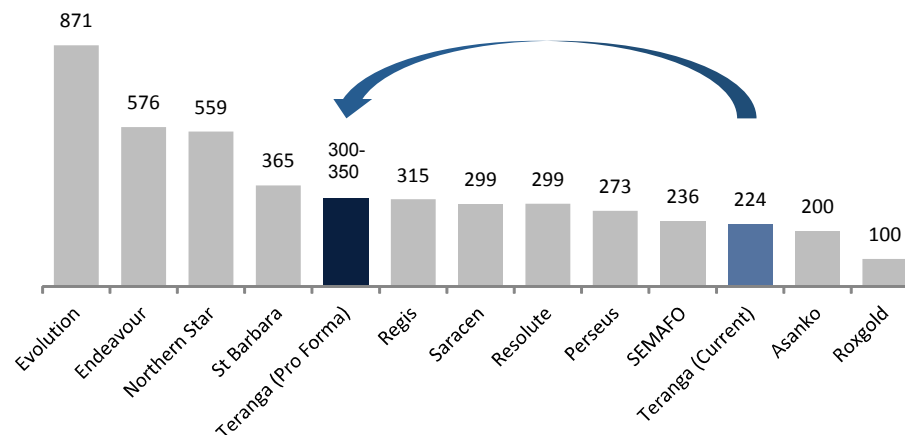
# Peer Comparables Of The Combined Company



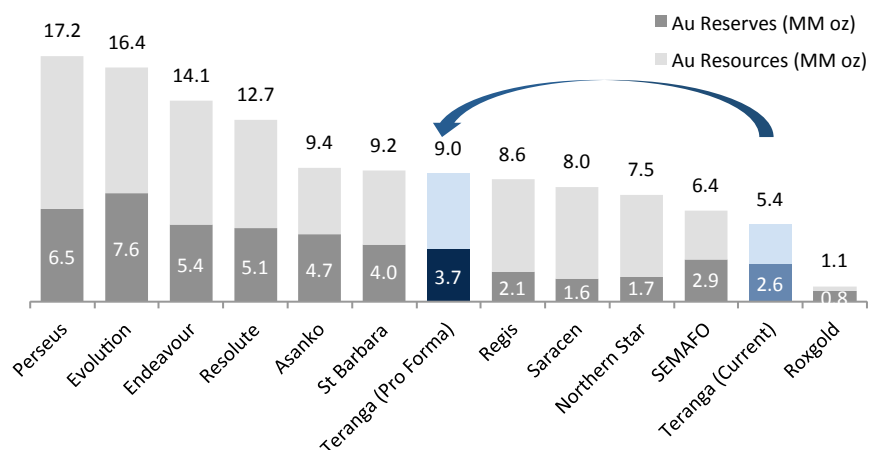
## Market Capitalization & Net Cash / (Debt) (US\$MM)



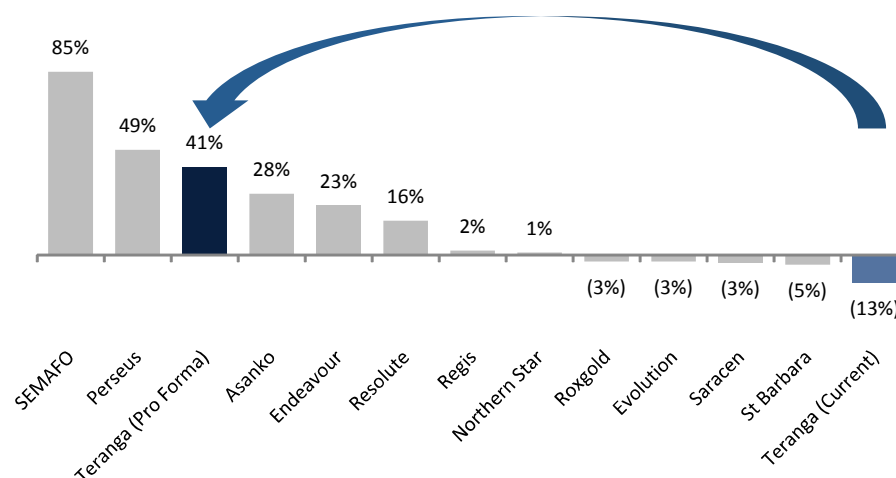
## Anticipated Au Production (k oz)



## Attributable Au Eq. Reserves & Resources (MM oz) <sup>(1)</sup>



## 2017-19 Au Attributable Production Growth (%)



Source: Maxit Capital: FactSet, company disclosure and analyst estimates.

Note (1) : Au Eq. figures calculated using long-term consensus metal prices. Resources inclusive of reserves. Gryphon and Teranga Gold published Reserves and Resources. Refer Endnote 1 and 2.