FALCO RESOURCES

THE NEXT GREAT UNDERGROUND MINE IN CANADA

CORPORATE PRESENTATION

SEPTEMBER 2018

WWW.FALCORES.COM | FPC:TSXV

CAUTIONARY STATEMENT

Disclaimer

This presentation contains a review of the Company's feasibility study. Viewers are cautioned that the Horne 5 project is at a development stage and that estimates and projections contained herein are based on management's and consultant's reasonable assumptions. Therefore, the work results and estimates herein may be considered to be generally indicative only of the nature and quality of the project. No representation or prediction is intended as to the results of future work, nor can there be any promise that the estimates herein will be confirmed by future exploration, development or analysis, or that the project will otherwise prove to be economic.

In order to access the Horne 5 deposit, Falco must obtain licenses from the third party owning mining concession CM-156-PTB, which may not be unreasonably withheld, but which may be subject to conditions that the third party may require in its sole discretion. These conditions may include the provision of a performance bond or other assurance to the third party and the indemnification of the third party by Falco. An agreement with the third party stipulates, among other things, that licenses shall be subject to reasonable conditions which may include, among other things, that activities at Horne 5 will be subordinated to the current use of the surface lands and subject to priority, as established in such party's sole discretion, over such activities. Any license may provide for, among other things, access to and the right to modify and use the infrastructures owned by the third party, including the Quémont #2 shaft (located on mining concession CM-243 also held by such third party) and some specific underground infrastructures in the former Quémont and Horne mines.

While Falco believes that it should be able to timely obtain the licenses from the third party, there can be no assurance that any such license will be granted, or if granted will be on terms acceptable to Falco and in a timely manner.

The foregoing disclaimer hereby qualifies in its entirety the disclosure contained in this investor presentation.

Factors that could cause actual results to differ materially from these forward-looking statements include the reliability of the underlying assumptions used in connection with the feasibility study and those risks set out in Falco's public documents, including in each management discussion and analysis, filed on SEDAR at www.sedar.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this presentation, which has been prepared by management.

Past performance is no guarantee of future performance and all investors are urged to consult their investment professionals before making an investment decision.

Forward-Looking Statements

Certain information included in this presentation constitutes forward-looking statements, including any information as to our projects, plans and future performance. All statements, other than statements of historical fact, are forward-looking statements. The words "expect", "believe", "anticipate", "will", "intend", "estimate", "forecast", "budget", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

Such factors include, but are not limited to: changes to current estimates of mineral resources; labour availability; litigation; availability of and increased costs associated with contractors and equipment; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits; contests over title to assets; uncertainty with the Company's ability to secure capital to execute its business plans; changes in national and local government legislation in Canada; risk of loss due to sabotage and civil disturbances; and business opportunities that may be pursued by the Company. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

Cautionary Note to U.S Investors Concerning Measured, Indicated and Inferred Resources

This presentation uses the terms "measured," "indicated" and "inferred resources. We advise investors that while those terms are recognized and required by Canadian regulations, the United States Securities and Exchange commission does not recognize them. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.

TSXV:FPC

C$85M
MARKET CAP

~C$6M
CASH & CASH EQUIVALENTS

6.0 Moz AuEq P&P
TOTAL RESERVES

219,000 GOLD OZ
ESTIMATED AVERAGE GOLD ANNUAL PRODUCTION

US$399 PER GOLD OZ
ALL-IN SUSTAINING COST

US$802M
DEVELOPMENT CAPITAL EXPENDITURE

>15 YEARS
INITIAL MINE LIFE

EXPERIENCED SENIOR LEADERSHIP TEAM

EXECUTIVE MANAGEMENT

- **Luc Lessard, President & CEO, Director** ✶
- **Vincent Metcalfe, CFO**
- Ronald Bougie, VP – Eng. & Construction ✶
- Guy Belleau, Mine General Manager
- Claude Léveillée, VP Community Relations & HR
- Helene Cartier, VP – Environment ✶
- Francois Vezina, VP – Mining ✶
- Christian Laroche, VP – Processing ✶
- Anthony Glavac, VP – Controller
- John-Paul McGrath – Project Manager ✶
- Claude Bernier, Exploration Manager
- Sylvain Doire, Environment Manager
- Claude Pilote, Senior Geologist
- Daniel Mathieu – Mechanical Design ✶

BOARD OF DIRECTORS

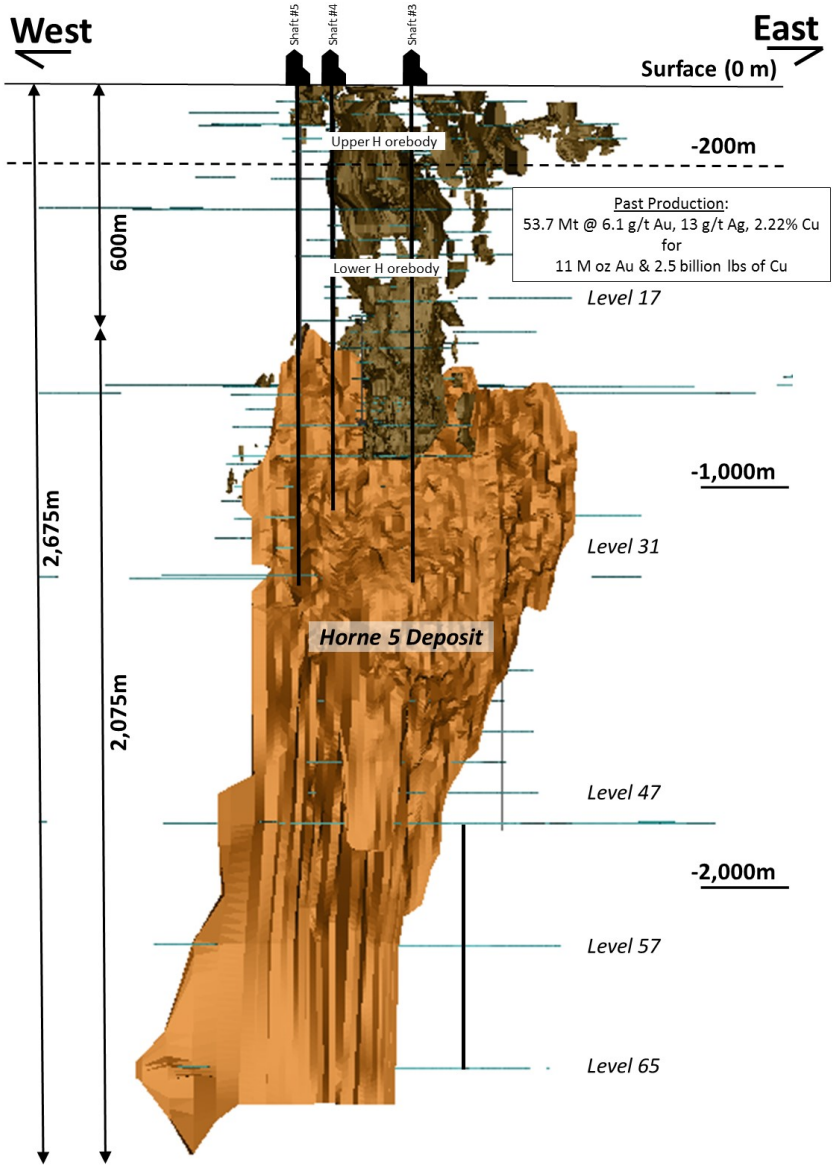
- **Sean Roosen, Chair** ✶
- Mario Caron, Lead Director
- Bryan Coates ✶
- Paola Farnesi
- Claude Ferron
- Chantal Sorel
- John Sabine

✶ Denotes former member of Canadian Malartic development, construction and operating team

HORNE 5 PROJECT| LOCATION

- ★ **Located in Rouyn-Noranda, Québec, Canada**
  - ➢ Access to better & experienced miners due to better work-life balance & conditions
  - ➢ Eliminates the need for a camp
- ★ **Experienced labour pool**
  - ➢ The region of Abitibi produces some of the most experienced miners in the world
  - ➢ Strong presence of experienced mine and technical staff
- ★ **Experienced suppliers**
  - ➢ Access to tier 1 mining equipment suppliers & mining contractors in the world
  - ➢ ~80% of required suppliers & contractors located within 1 hour from project
- ★ **Québec Government**
  - ➢ Strong supporter of the mining industry
  - ➢ Clear permitting process & BAPE process
- ★ **Great infrastructure**
  - ➢ Rail & highway access
  - ➢ Affordable and reliable power source

HORNE 5 PROJECT| MINERALIZATION



★ **Proven & Probable**
80.9M tonnes @ 2.37g/t. equiv.

HORNE 5 PROJECT| MINERAL RESERVES & RESOURCES

PROVEN & PROBABLE

	Tonnes	Au Equivalent g/t	Au g/t	Ag g/t	Cu %	Zn %	Contained Au EQ (mm oz)	Contained Au (mm oz)	Contained Ag (oz)	Contained Cu (mm lbs)	Contained Zn (mm lbs)
Proven	8.4	2.35	1.41	15.75	0.17	0.75	614	368	4,115	31.5	138.9
Probable	72.5	2.37	1.44	13.98	0.17	0.78	5,347	3,247	31,525	271.7	1,246.7
Total P&P	80.9	2.37	1.44	14.14	0.17	0.77	5,961	3,616	35,640	303.2	1,385.6

MEASURED & INDICATED + INFERRED (at C$55 NSR cut-off)

Resource Class	Tonnes (mm)	Au Equivalent g/t	Au g/t	Ag g/t	Cu %	Zn %	Contained Au EQ (000 oz)	Contained Au (000 oz)	Contained Ag (000 oz)	Contained Cu (mm lbs)	Contained Zn (mm lbs)
Measured	9.3	2.59	1.58	16.20	0.19	0.83	770	470	4,824	38.0	168.5
Indicated	81.9	2.56	1.55	14.74	0.18	0.89	6,731	4,070	38,796	325.4	1,599.3
Total M&I	91.2	2.56	1.55	14.89	0.18	0.88	7,501	4,540	43,620	363.4	1,767.8
Inferred	21.5	2.51	1.44	23.04	0.20	0.71	1,736	1,000	15,925	96.3	337.2

Please refer to appendix for Mineral Reserve and Resource notes

HORNE 5 PROJECT| FEASIBILITY STUDY RESULTS

- ✓ **FEASIBILITY STUDY COMPLETED**
  - Focus now shifts towards immediate permitting, development and financing
  - Results confirm the Horne 5 project supports an economically viable, robust, low-grade, high bulk tonnage underground gold mine

- ✓ **ENVIRONMENTAL IMPACT ASSESSMENT (EIA) SUBMITTED TO GOVERNMENT OF QUEBEC FOR APPROVAL**

- ✓ **TARGETED START OF CONSTRUCTION IN 2019, FIRST GOLD EXPECTED IN LATE 2022**

- ✓ **HORNE 5 PROJECT IS AMONG THE LARGEST UNDEVELOPED GOLD PROJECTS IN THE WORLD**
  - Proven & Probable Mineral Reserve – 6.13 million oz AuE
  - 0.9 mt at 2.37 g/t AuEq)

- ✓ **LOW ALL-IN SUSTAINING CASH COST**
  - US$399/oz gold AISC (net of by-products)
  - US$260/oz gold cash costs (net of by-products)

  US$721/oz gold-equivalent AISC
  - US$632/oz gold-equivalent cash cost

- ✓ **LOW CAPEX INTENSITY PER OUNCE**
  - US$243 per gold ounce (net of by-products)

  US$158 per gold-equivalent ounce

HORNE 5 PROJECT| FEASIBILITY STUDY HIGHLIGHTS – US$

	BASE CASE
Pre-Tax NPV (5%) & IRR – US$	$1,012 million NPV 18.9% IRR
Post-Tax NPV (5%) & IRR – US$	$602 million NPV 15.3% IRR
Payback Period (after-tax, start of production)	5.6 years
Life of Mine Gold Production Recovered	3.3 million ozs gold or 5.1 million ozs gold-eq.
Average Annual Metal Production (rounded)	219 koz per year gold 1,752 koz per year silver 67 million lbs per year zinc 16 million lbs per year copper
Mine Life (based on reserves)	15 years
Base Case Metal Prices and Assumed FX – US$	$1,300/oz Au, $19.50/oz Ag, $1.10/lb Zn, $3.00/lb Cu, CAD:US 0.78
Initial Capital – US$	$802 million
LOM Sustaining Capital – US$	$418 million sustaining
LOM Cash Costs & AISC (net of by-products) – US$	$260/oz cash costs $399/oz AISC
LOM Average Process Recovery	88.1% gold, 71.5% silver 72.9% zinc, 75.8% copper

Note: All in US$ otherwise noted, assumes CAD:US 1.28

HORNE 5 PROJECT| MINE DESIGN

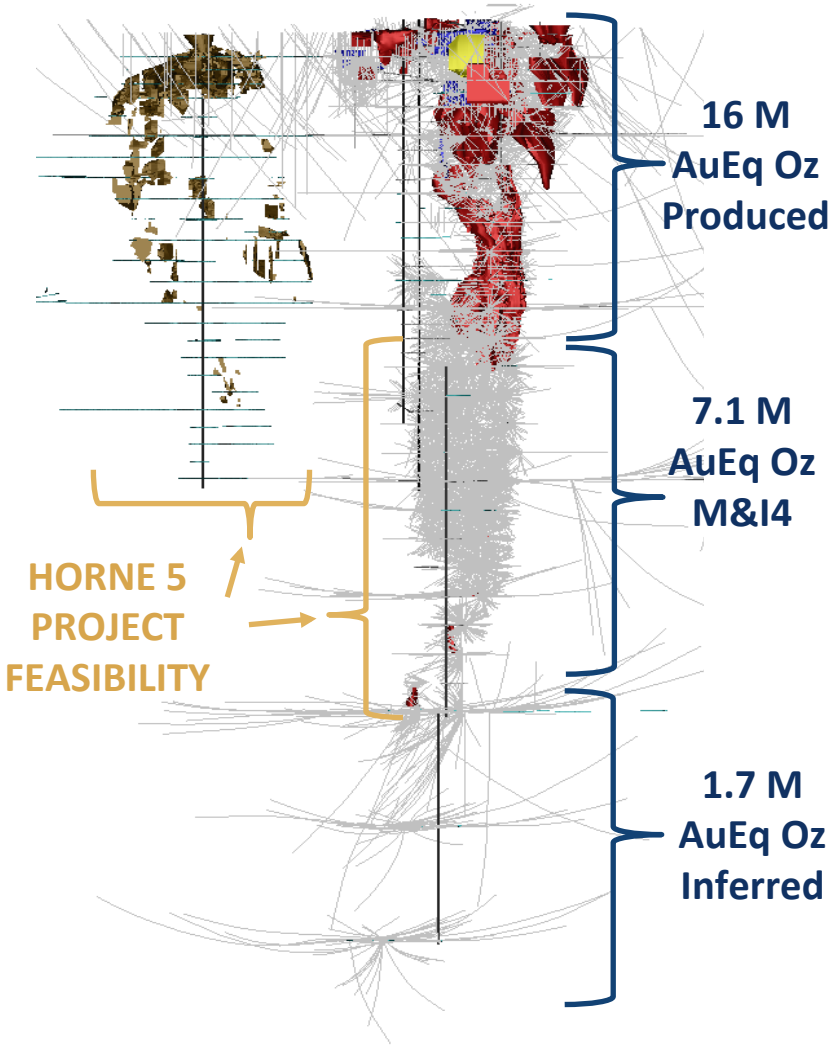
★ **Mine throughput**
- ➢ 15,790 tpd average at steady-state
- ➢ With peak throughput at 16,000 tpd in first 5 years

★ **Mining method**
- ➢ Transverse long-hole stoping
- ➢ Phase 1 – Stope size 40m X 25m X 20m (~69,000 t per stope, 83 stopes per year)
- ➢ Production drilling in ore at 6.5 inches
- ➢ Primary – secondary stope mining sequencing
- ➢ Stope paste backfill to ensure stability
- ➢ Below 3% dilution
- ➢ 95% ore recovery

★ **Quemont Shaft**
- ➢ Use of existing 1,200 metre shaft

★ **Dewatering of old workings required**
- ➢ 11 million cubic meters

★ **<u>Environmentally-friendly disposal</u> of sludges and tailings in dewatered workings and in production stopes**

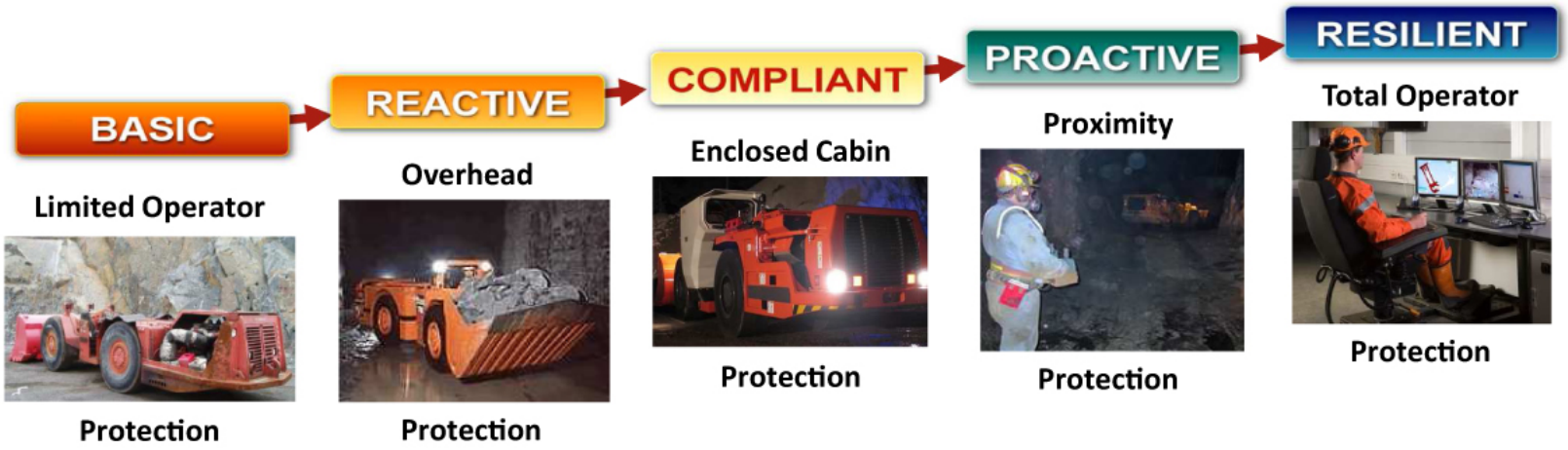


HORNE 5 PROJECT| HIGH LEVEL OF AUTOMATION

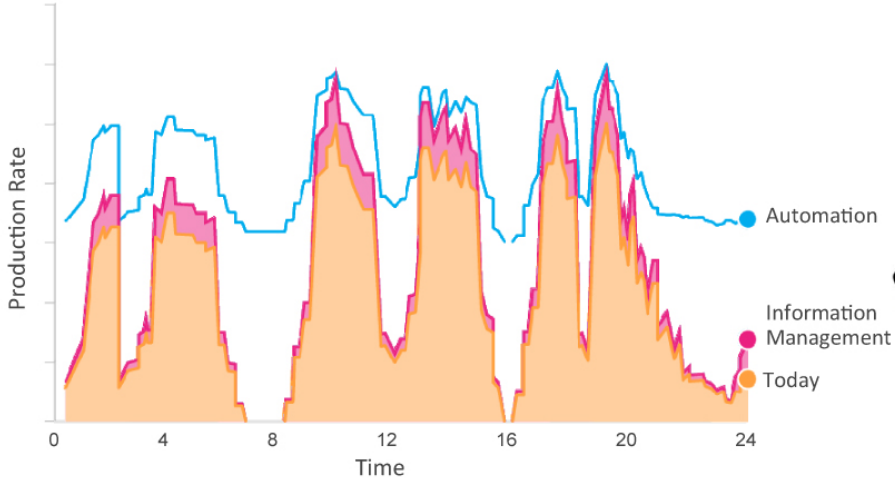
- ★ **STATE-OF-THE-ART OPERATION**
  - ➢ Surface control underground operations:
  - ➢ Hoist – production and services
  - ➢ Teleoperation of loaders
  - ➢ Monitoring and management of ventilation requirements and paste backfill distribution
  - ➢ Water pumping monitoring
  - ➢ Staff & equipment location monitoring
- ★ **HIGH CAPACITY PRODUCTION MINING EQUIPMENT**
  - ➢ Scoop tram: 21 metric tonnes
  - ➢ Haulage truck: 50 metric tonnes
  - ➢ Conveyor system from deposit to Quemont shaft
  - ➢ Ability to operate between working shifts (20h/ day vs 14h/day for a conventional mine)

HORNE 5 PROJECT| HIGH LEVEL OF SAFETY AND PRODUCTIVITY

★ **EHS RISK MANAGEMENT – LHD APPLICATION |** *Equipment as seen through culture ladder*



★ **MORE, CHEAPER & SAFER TONNES WITH INFORMATION AND AUTOMATION**

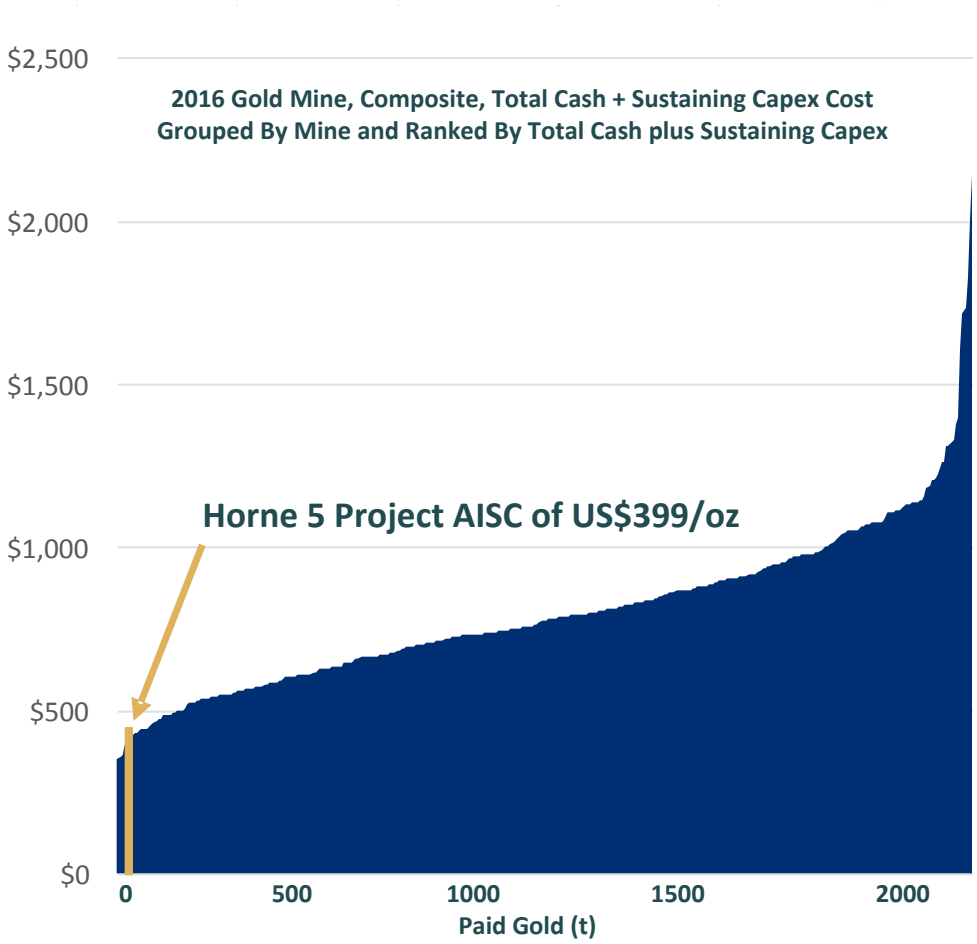


HORNE 5 PROJECT| LOW ALL-IN SUSTAINING COST, A TOP QUARTILE ASSET

Cash Cost Summary (US$)

Mining	$241
Processing	$392
Tailings and Water	$97
G&A	$55
Smelting and Refining	$150
Royalties	$37
By-Product Credit	($710)
Sustaining	$127
Closure	$10
Total AISC	**$399**
Pre-Production Cost	$243
All-In Costs	**$643**

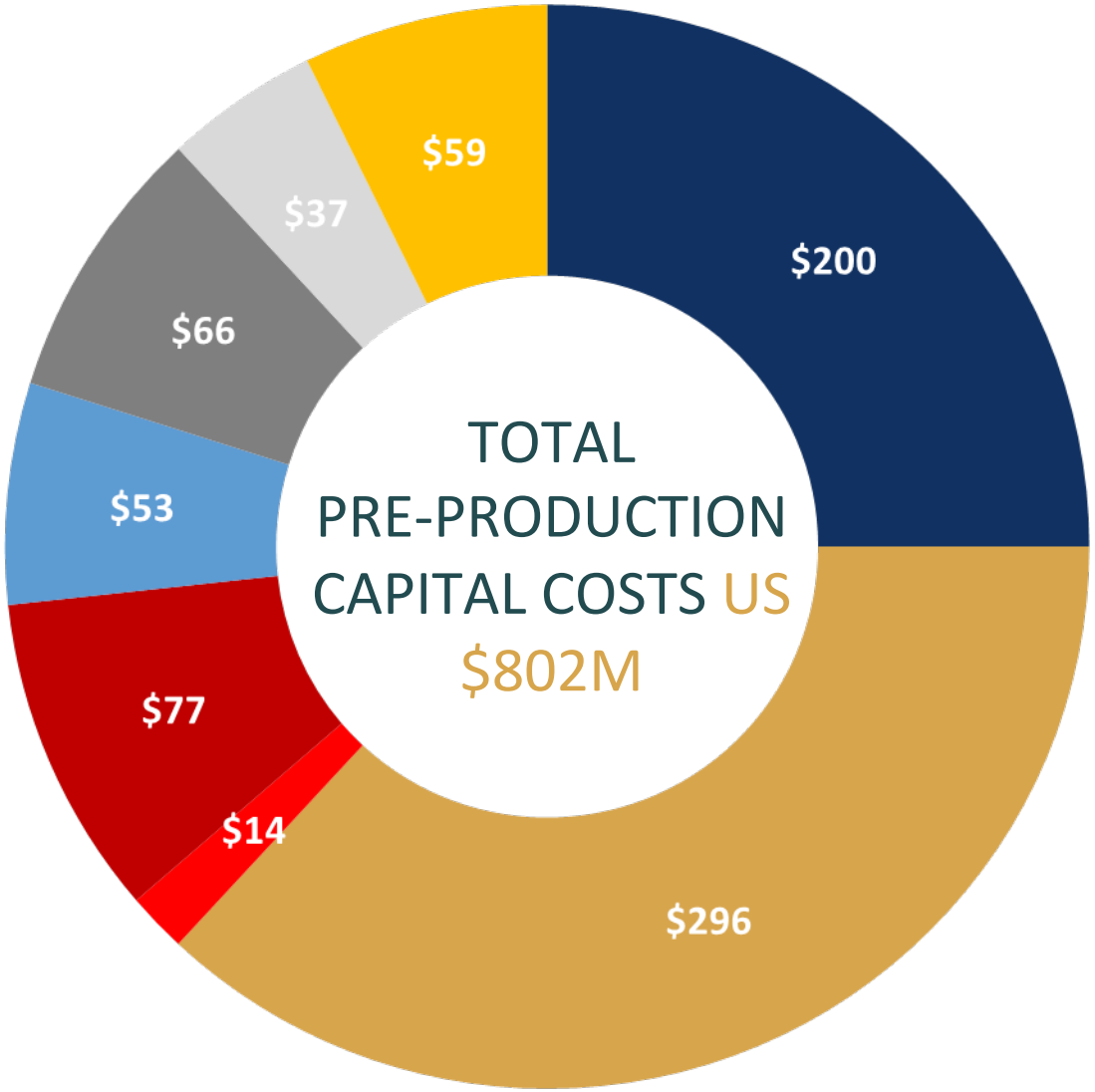
2016 Gold AISC Cost Curve



Source: Wood Mackenzie Ltd. and BMO Capital Markets
Note: Amounts may vary du to rounding

- All-in Sustaining Costs are presented as defined by the World Gold Council ("WGC") less Corporate G&A
- All-in Costs are represented as: (AISC + Capital Costs) / total gold recoverable ounce

HORNE 5 PROJECT| CAPITAL COST



- Mining
- Processing Plant
- Electrical and Communication
- Site Infrastructure
- Tailings and Water Management
- Indirects
- Owner's Costs
- Contingency

Note: Amounts may vary due to rounding.

HORNE 5 PROJECT| SILVER STREAM FUNDING

★ **INVESTMENT BY OSISKO**

- **$140.5 M or C$180 M** Silver Stream Funding
  - **$19.5 M** on closing
  - **$15.6 M** on receiving all necessary material third-party approvals, licenses, rights of way, and surface rights
  - **$27.3 M** on receipt of all material permits required for the construction of a mine on the Project, a positive construction decision for the Project, and raising a minimum of $100 million in equity, joint venture or any other non-debt financing for the construction of the mine
  - **$46.9 M** upon the total projected capital expenditure for the Project having been demonstrated to be financed; and
  - An optional fifth deposit of **$30.3 M** at the sole election of Osisko to increase the stream percentage, payable concurrently with the fourth deposit

★ **KEY SILVER STREAM TERMS**

- Osisko will purchase 90% of the refined silver from Horne 5, and up to 100% on the payment of the fifth deposit.

- **Ongoing payment:** Osisko will pay the Company **20%** of the spot price of gold on the day of delivery, subject to a maximum payment of US$6 per ounce.

Note: See June 18, 2018 press release for additional details

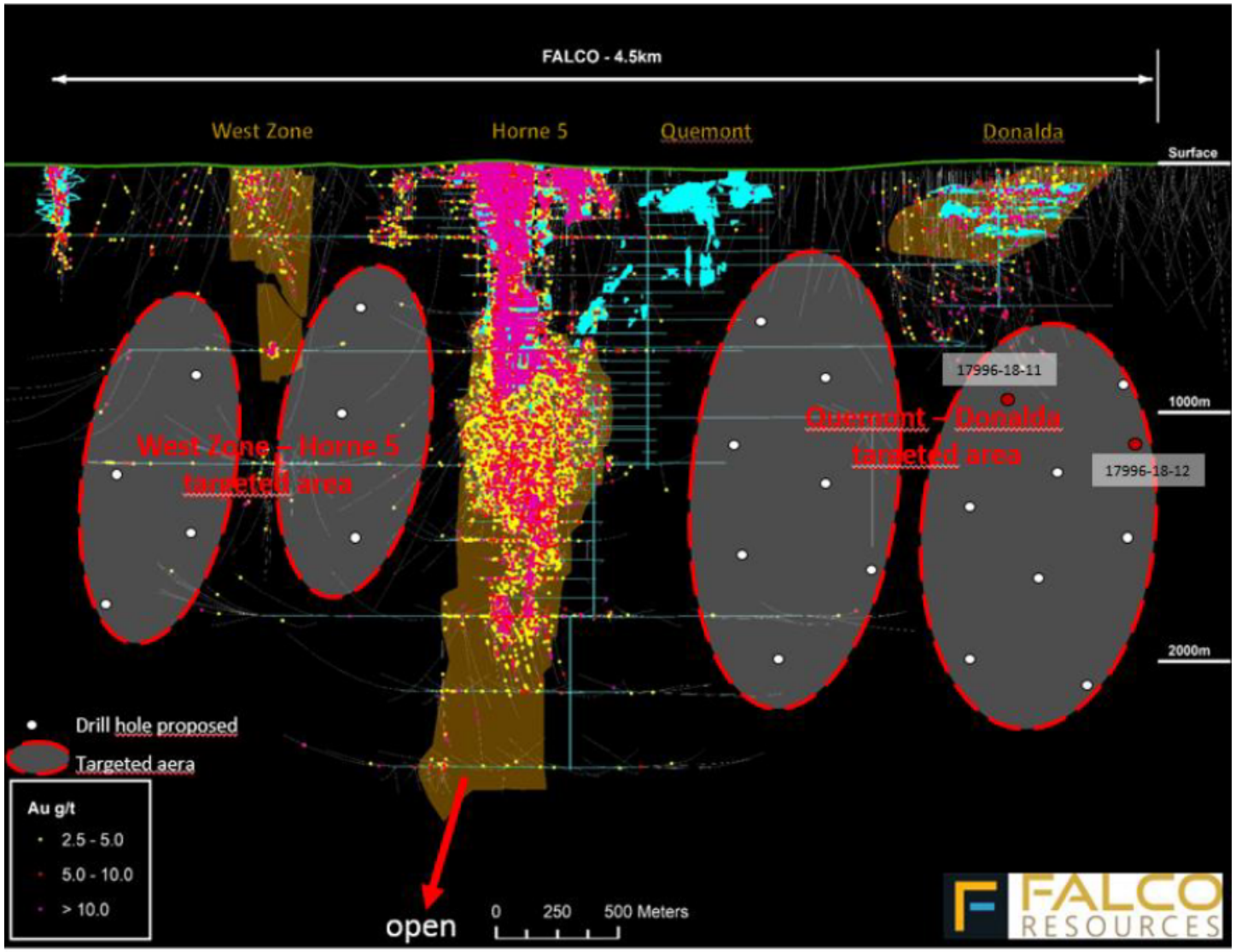
HORNE 5 PROJECT | **RELOCATION PROGRAM COMPLETED**

- ★ Construction was completed in less than 12 months and within budget of $22.5M.
- ★ Falco transferred the Quemont Pavilion to the School Board on June 29, 2018.
- ★ Significant involvement of Falco in the community of Rouyn-Noranda.

HORNE 5 PROJECT| PROJECT SCHEDULE

ACTIVITIES	START	COMPLETION
Feasibility Study		COMPLETED
Environmental Impact Assessment	Q2-2016	COMPLETED
Detailed Engineering	Q4-2017	Q2-2021
Mine Dewatering	Q4-2019	Q4-2021
Head Frame & Hoist Room Construction (Mine Dewatering and Rehabilitation Phase)	Q2-2019	Q1-2020
Quemont #2 Shaft Rehabilitation	Q1-2020	Q2-2021
Public Audiences - “BAPE”	Q2-2019	Q3-2019
Permit for Project Construction		Q1-2020
Process Plant Construction	Mid-2020	Q4-2022
Preproduction Mine Development	Q3-2021	Q2-2023
First Mineralized Material from Mine		Q2-2023
Production achieved in Mine (Phase 1)		Q3-2023
Process Plant Commissioning	Q2-2023	Q2-2023
Process Plant Ramp-Up		Q3-2023
Process Plant Commercial Production		Q4-2023
Surface TMF Operations	Q2-2025	

HORNE 5 PROJECT| 2018 DONALDA AND QUEMONT EAST TARGETS



Source: Company websites

CAPITAL SUMMARY & SHAREHOLDER REGISTRY

CAPITAL STRUCTURE (AS OF MAY 28, 2018)	
Shares Outstanding (basic)	189,195,976
Stock Options	10,310,258
Warrants	11,493,500
Shares Outstanding (fully diluted)	210,999,734
Share Price	C$0.45
Market Capitalization (basic)	C$85.0
Cash Position	**~C$6 Million**

SHAREHOLDER REGISTRY	
Osisko Gold Royalties	12.7%
Tocqueville	8.6%
Government of Quebec	4.9%
RBIM	1.8%
Old Mutual	1.5%
CIBC Asset Management	1.0%
Caisse de Depot du Quebec	1.0%

Source: Factset, Bloomberg, public filings and Company estimates

FALCO RESOURCES| WE ARE READY !!!

OBSERVATION: WHAT IS LEFT IN THE ABITIBI 10 YEARS FROM NOW?

- ★ Dearth of sizable gold projects

HORNE 5 PROJECT:

- ★ Long-life & Low AISC: >15 years of life with upside & < $399/Au Oz AISC
- ★ State-of-the-art project: A true mine of the future
- ★ Strong exploration upside
- ★ Ideal project location:
  - ★ Infrastructure
  - ★ Strong Labour Pool
  - ★ Strong Government Support
- ★ Strong & Experienced Team to Advance the Project

BUILDING THE NEXT GREAT CANADIAN MINING COMPANY

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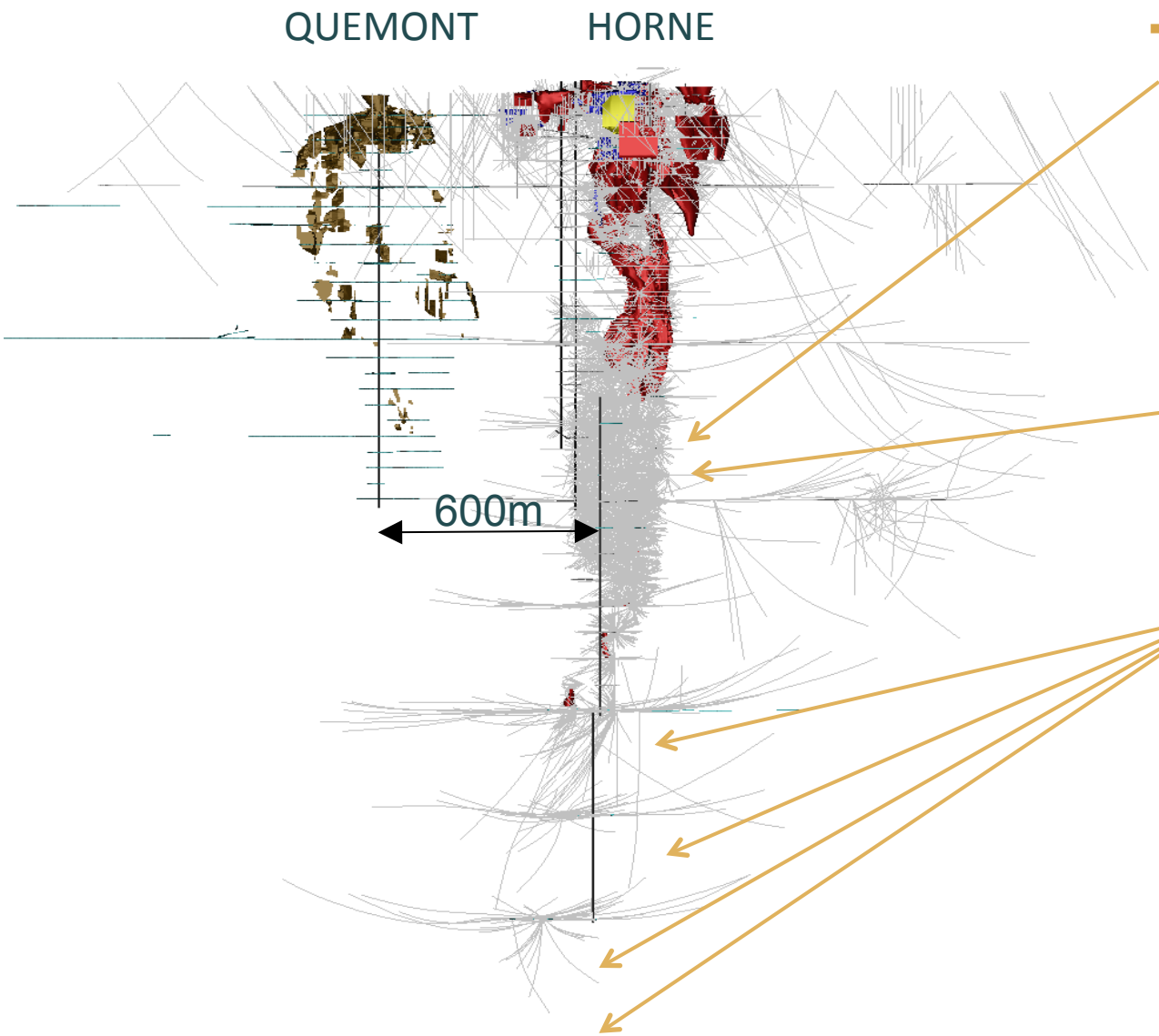
APPENDIX

Appendix A – *Additional Information*

Appendix B – *Resource & Modeling Notes*

HORNE 5 PROJECT | HISTORICAL DRILL DENSITY

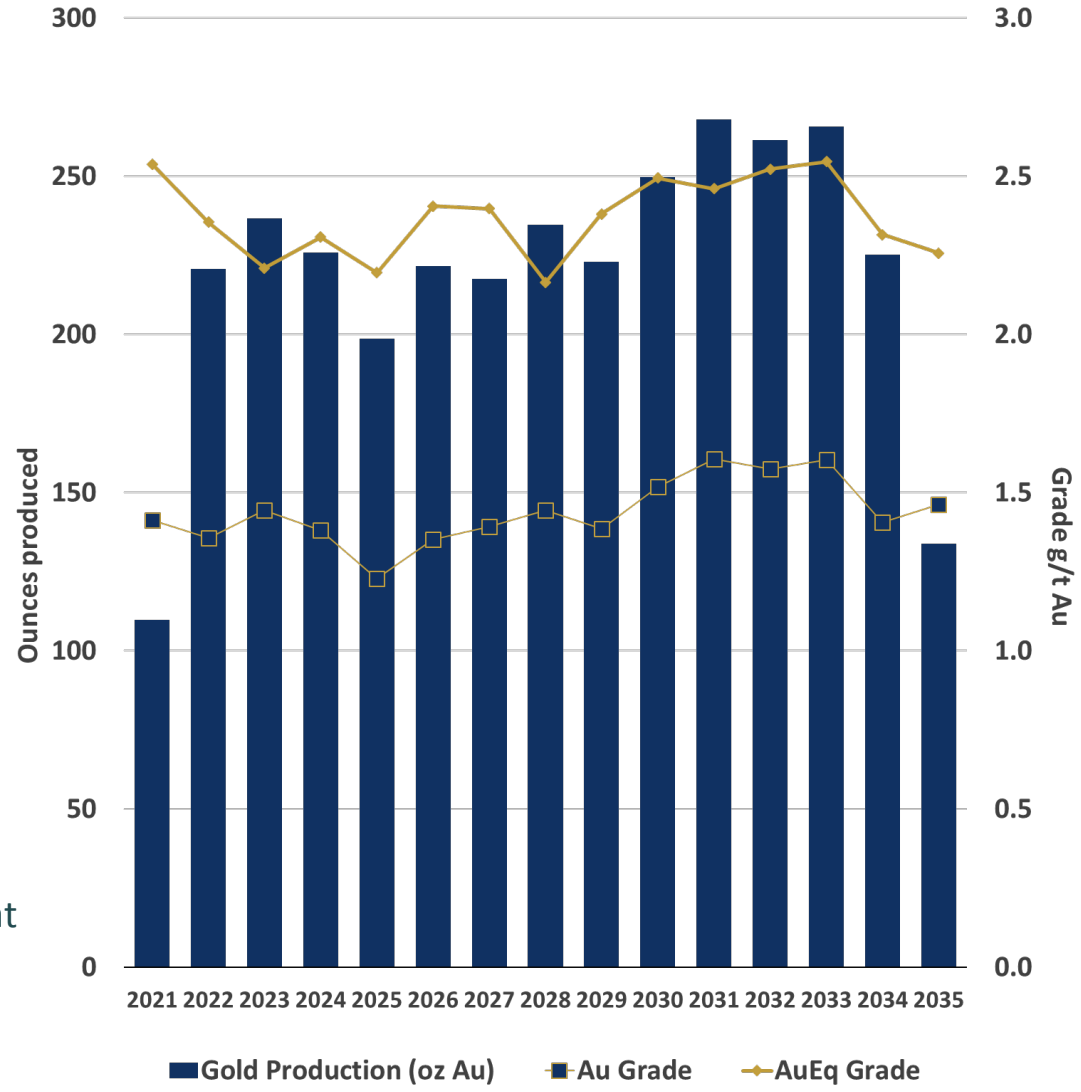


- **Exceptional Drill Density**
  - 4,384 underground drill holes at 15 m spacing (305,788m) drilled by Noranda
  - Very high confidence in historical drilling
  - Great upside at Depth – limited drilling vs. upper area

HORNE 5 PROJECT| LIFE OF MINE GOLD PRODUCTION

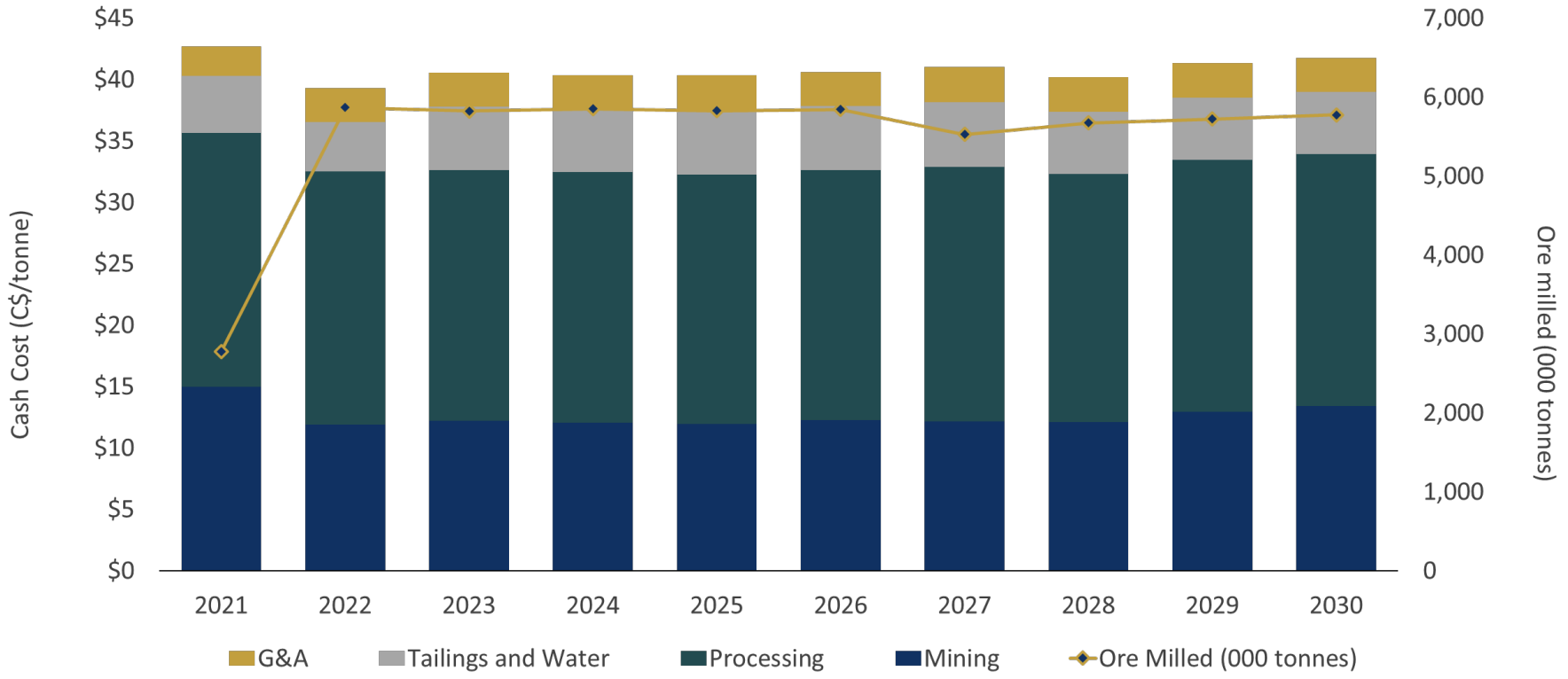
LIFE OF MINE

- ★ **Contained gold: 3.7 mm ozs**
- ★ **Recovered gold: 3.3 mm ozs**
- ★ **Annual gold production: 219,000 ozs**
- ★ **Steady-state production: 234,000 ozs**
- ★ **Head Grade:**
  - ➢ Gold equivalent : 2.37 g/t
  - ➢ Gold : 1.44 g/t
- ★ **Peak Year Production (2030-2034)**
  - ➢ 5 year avg. : 254,000 gold ozs
  - ➢ Peak in 2031 : 268,000 gold ozs
- ★ **Grade improves as the production reaches the deeper portions of the Horne 5 deposit**
  - ➢ HG_F zones currently in Inferred Resources and *not included* in Feasibility holds 2.8 million tonnes at 3.38 Au g/t
- ★ **Gold equivalent production metrics**
  - ➢ 338,000 AuEq ounces per year
  - ➢ 5.1 mm AuEq recovered ounces

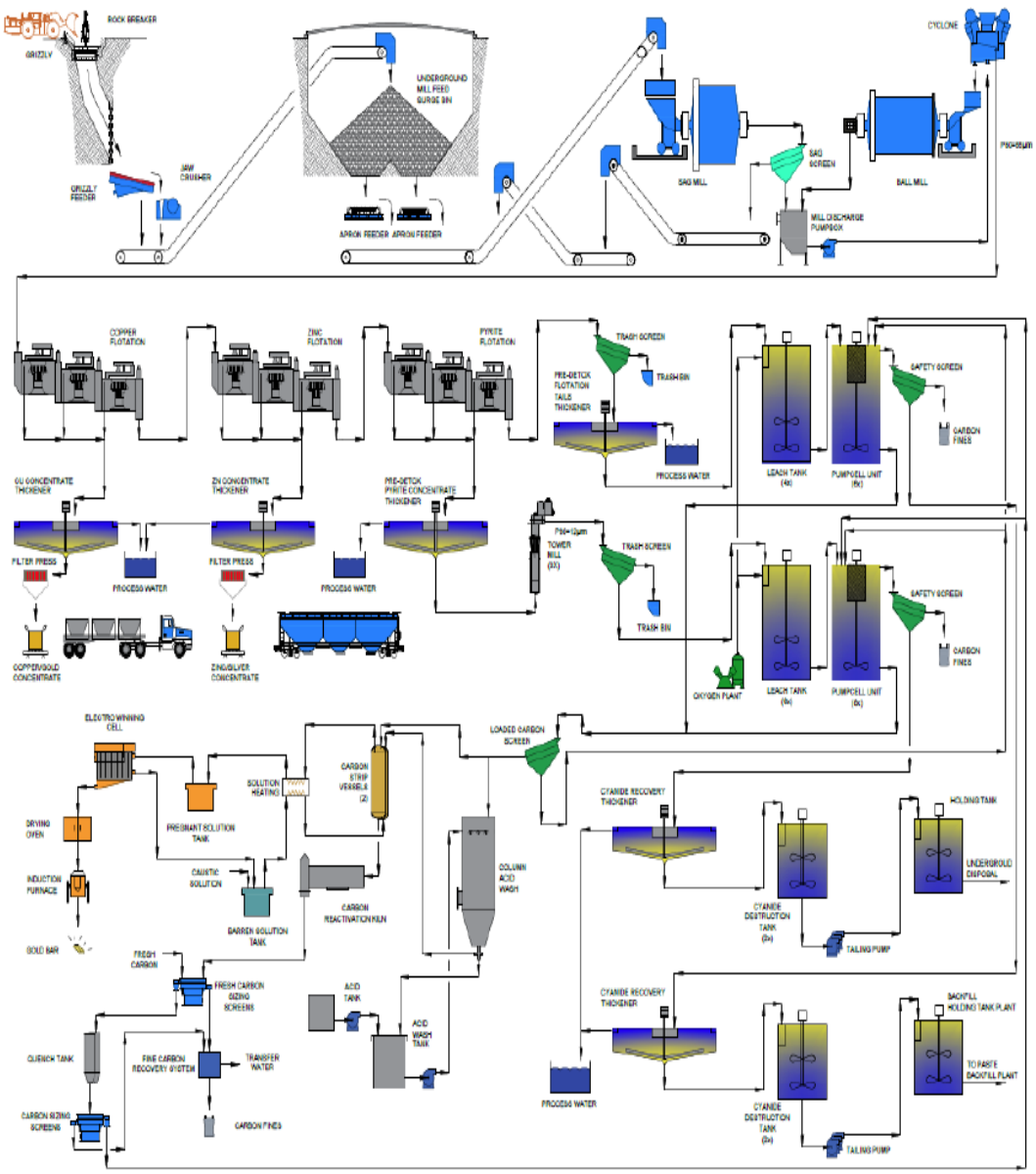


HORNE 5 PROJECT| OPERATING COSTS – C$ per tonne

Cash Cost (C$/tonne)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Mining	$14.99	$11.91	$12.22	$12.03	$11.97	$12.27	$12.14	$12.12	$12.94	$13.39
Processing	$20.66	$20.63	$20.40	$20.42	$20.30	$20.33	$20.72	$20.16	$20.51	$20.51
Tailings and Water	$4.62	$4.02	$5.17	$5.16	$5.29	$5.24	$5.27	$5.07	$5.07	$5.06
G&A	$2.41	$2.74	$2.76	$2.74	$2.75	$2.75	$2.90	$2.83	$2.81	$2.78
Total Per Tonne Cost	**$42.68**	**$39.30**	**$40.56**	**$40.36**	**$40.32**	**$40.58**	**$41.03**	**$40.19**	**$41.33**	**$41.75**
Ore Milled (000 tonnes)	2,774	5,867	5,821	5,852	5,828	5,842	5,527	5,673	5,721	5,775

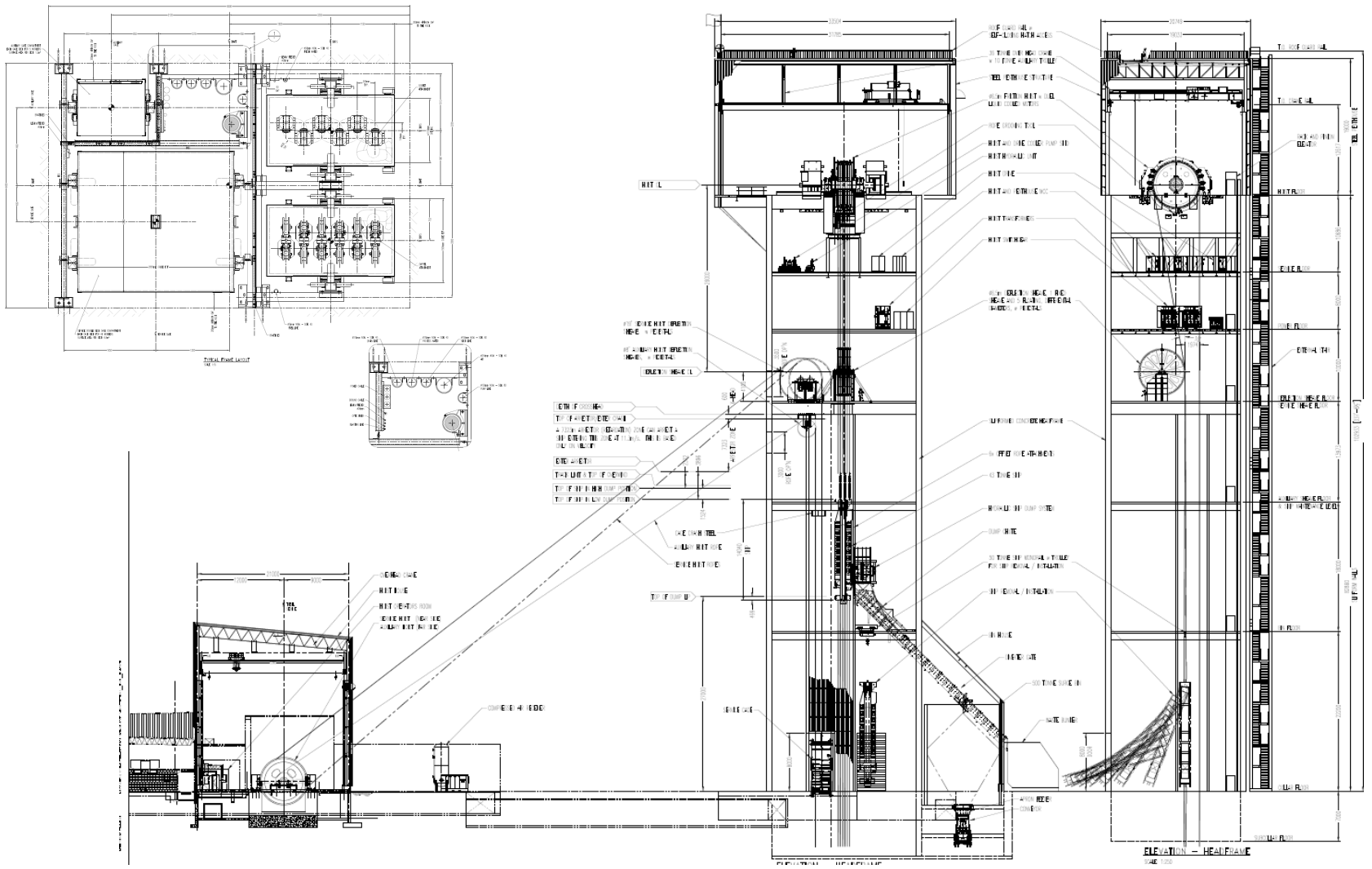


HORNE 5 PROJECT| PROCESS FLOW SHEET

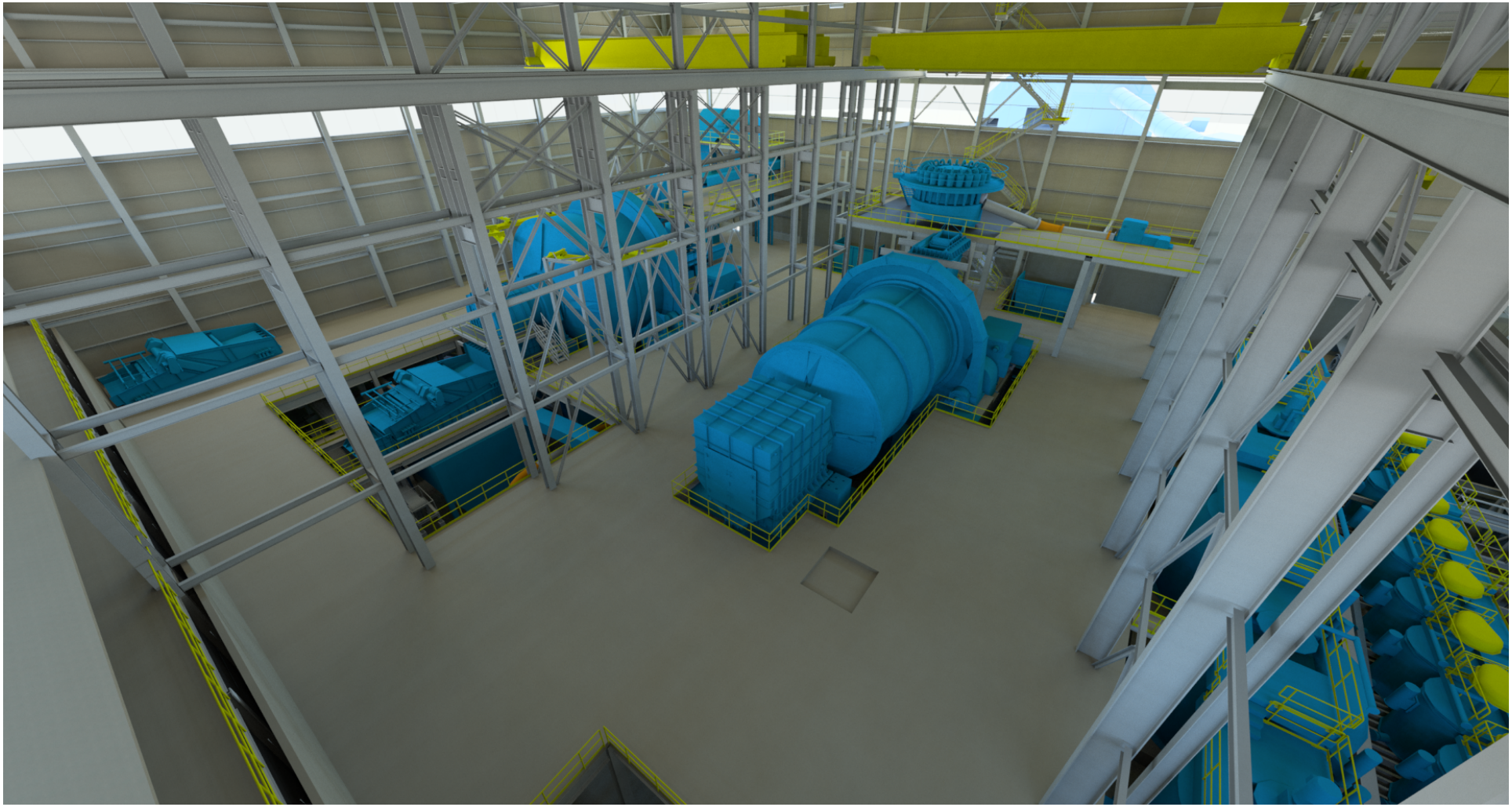


- ★ **Semi-Autogenous-Ball milling-Crushing**
  - ➢ 15,790 tpd facility
  - ➢ 92% of mill availability
- ★ **Flotation & thickening section divided in three circuits dedicated to recovering copper, zinc and pyrite concentrates**
- ★ **Pyrite concentrate will require a finer grind to achieve improved gold recovery by cyanide leaching/CIP**
- ★ **Paste Backfill Capacity**
  - ➢ 60% paste backfill plant availability
- ★ **Cyanide destruction circuit**
- ★ **Process Products**
  - ➢ 16% Copper concentrate (+/- 130 tpd)
  - ➢ 52% Zinc concentrate (+/- 200 tpd)
  - ➢ Ag-Au ingot
- ★ **Stockpile live capacity is 12 hours. (8,000 t)**

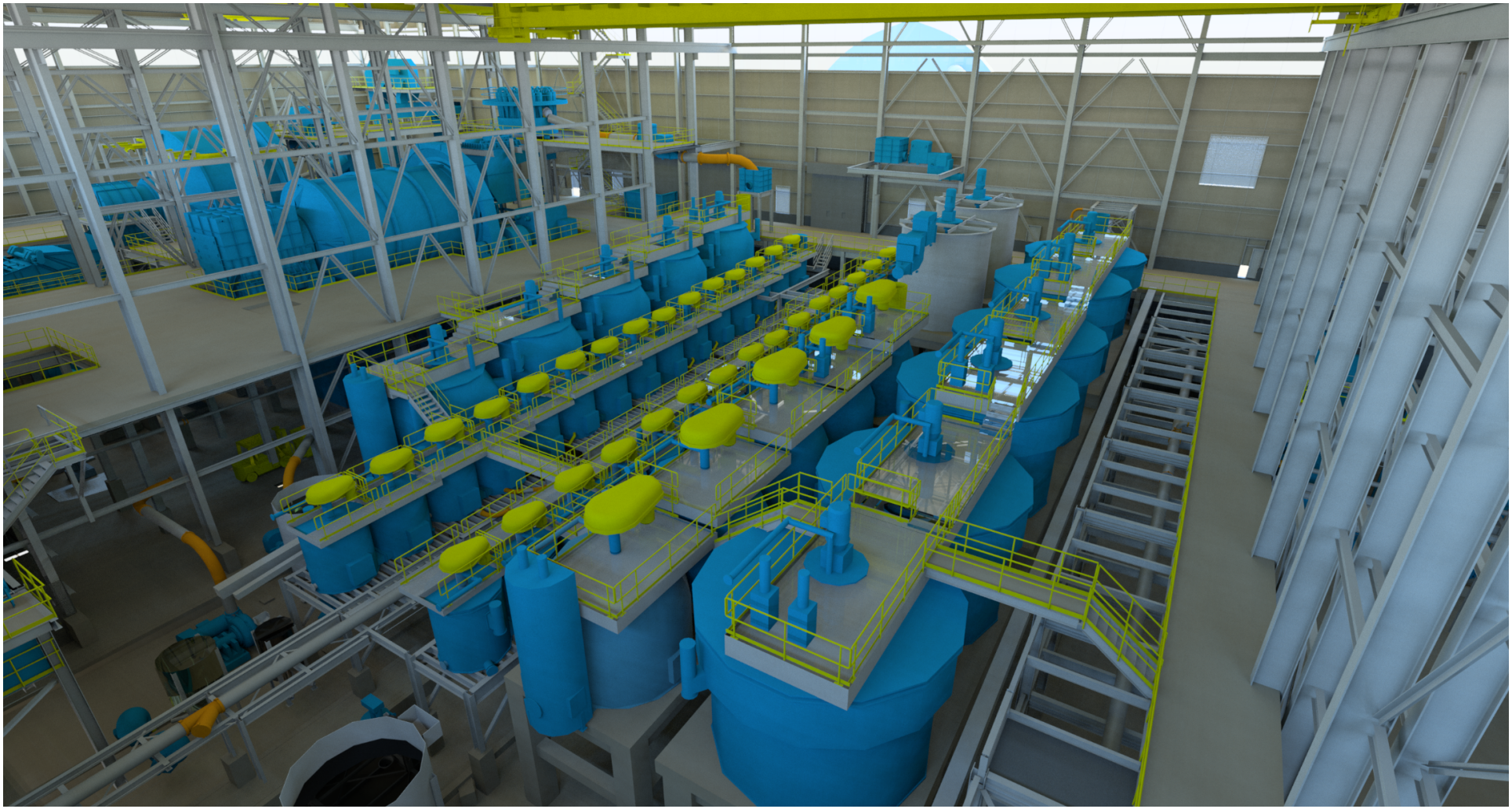
HOISTING | **FS HOISTING & SHAFT**



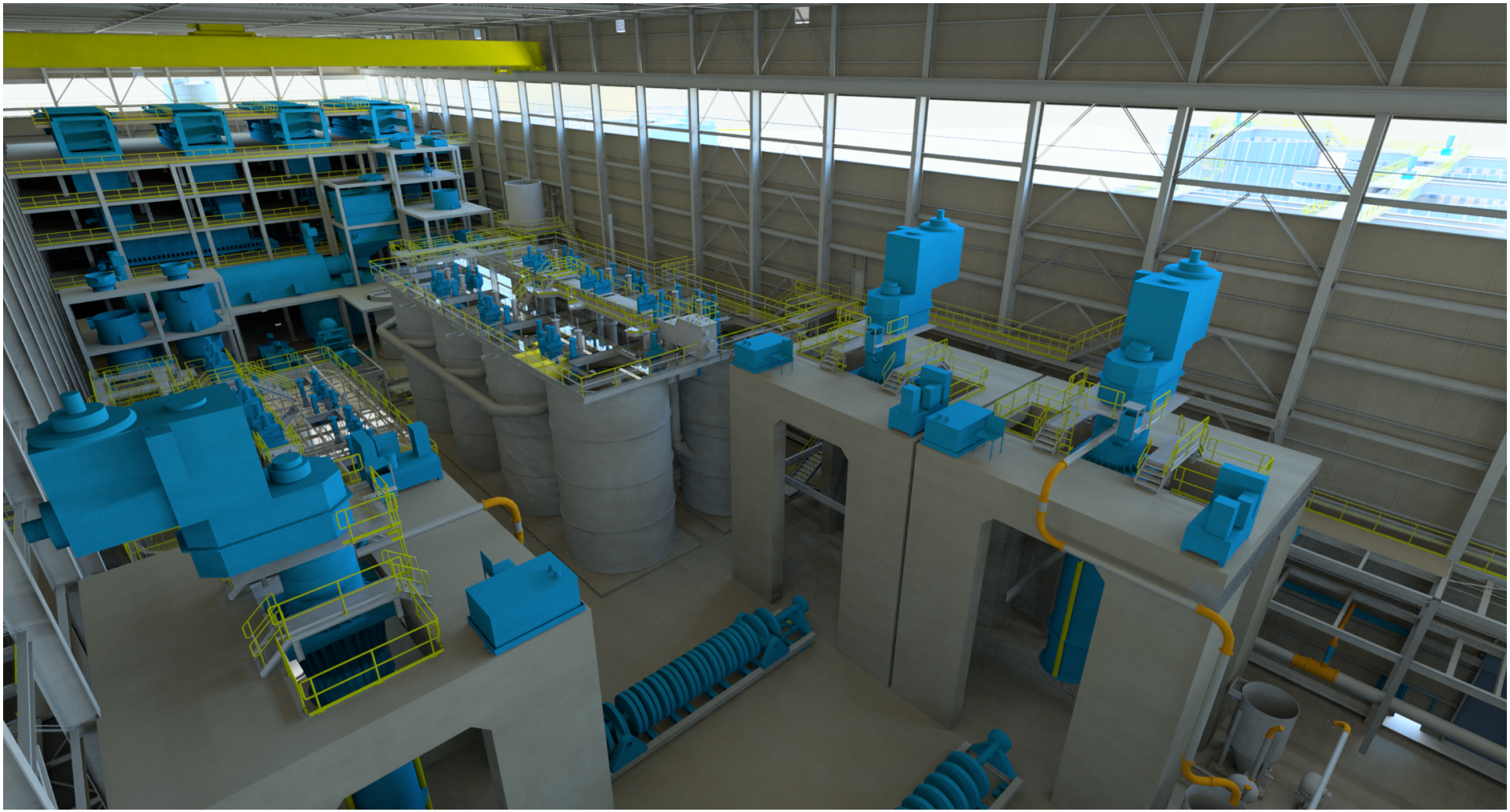
PROCESSING | **SAG & Ball Mill with Cyclone Cluster**



PROCESSING | Overall Flotation Tank



PROCESSING | **Regrind Mill**

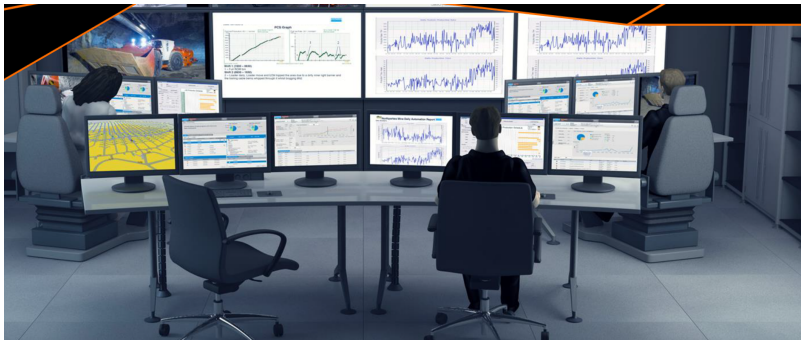


PROCESSING | Carbon in Pulp

HORNE 5 PROJECT| Mining Fleet

UNDERGROUND MOBILE EQUIPMENT	
Item	Total
Scoop 17 Tons	3
Scoop 17 Tons (Spare)	1
Mine Truck 60 Tons	4
Jumbo 2 Booms Automated	4
Bolting Machine	4
Bolting Machine Spare	1
Scoop 21 Tons	4
Scoop 21 Tons (Spare)	1
Mine Truck 60 Tons (Phase 3)	2
Production Drill Automated	4
Production Drill Automated (Spare)	1
Cable Drill + Bolt	2
Shotcrete Machine (wet)	2

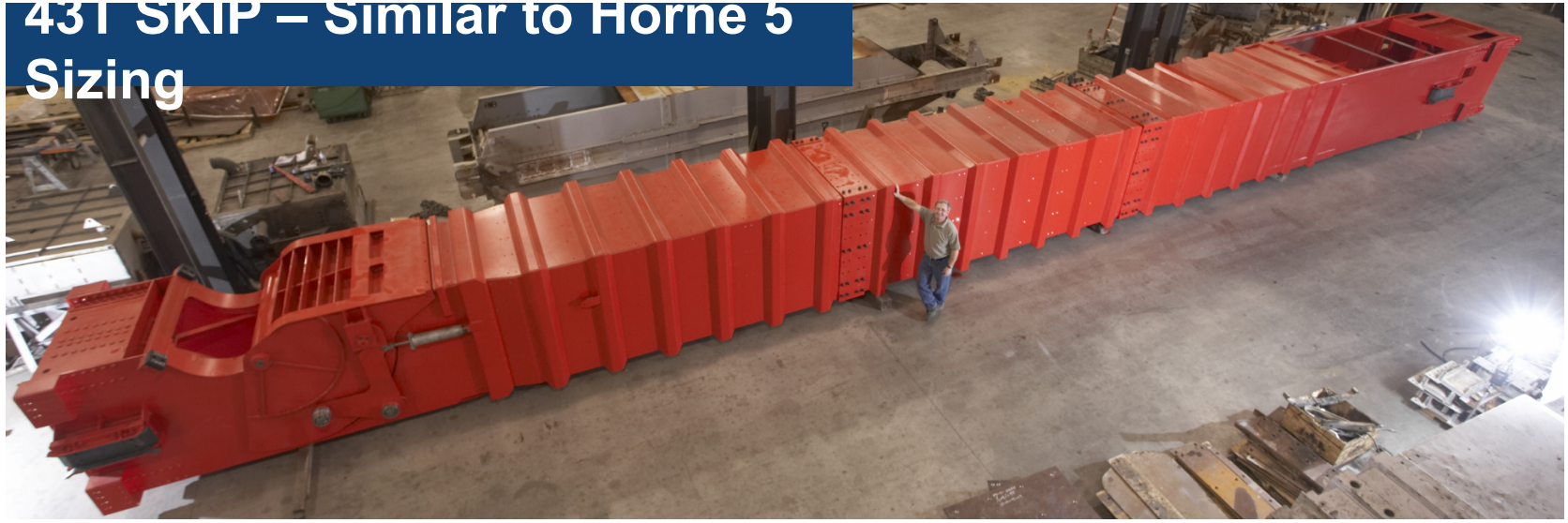
REMOTELY CONTROLLED FROM SURFACE



HORNE 5 PROJECT| HOISTING COMPARABLES

Project	Potash Corp	Ukraine KJRK Phase 1	Ukraine KJRK Phase 2	Horne 5 Phase 1	Horne 5 Phase 2
Depth (m)	1,200	1,340	1,800	1,200	1,800
Speed (m/s)	18-20	19	19	18	18
Operating Hours	19-20	22	22	19	19
Skip capacity (t)	40-65	50	50	43	39.4
Productivity (tpd)	25,000-30,000	22,050	17,640	23,200	16,550

43T SKIP – Similar to Horne 5 Sizing



HORNE 5 PROJECT| FEASIBILITY STUDY

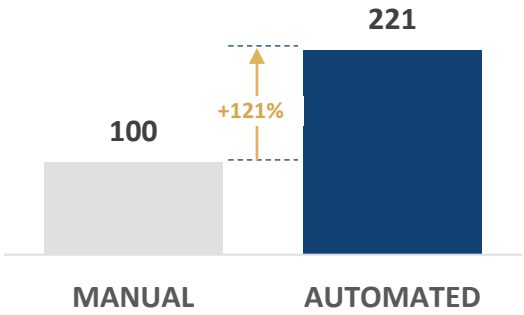
		FEASIBILITY
Pre-Tax NPV (5%) – US$ IRR		$1,012 million NPV 18.9% IRR
Post-Tax NPV (5%) – US$ IRR		$602 million NPV 15.3% IRR
Payback Period (after-tax)		5.6 years
Life of Mine Gold Production		3.3 million oz gold
Mine Life		15 years
Initial Capital		$802
Sustaining Capital (million)		$418
Closure Cost (million, net of salvage value)		$33
Metals Prices and FX Assumed	Gold	$1,300/Au oz
	Silver	$19.50/Ag oz
	Copper	$3.00/Cu lb
	Zinc	$1.10/Zn lb
	FX	1.28
LIFE OF MINE METRICS		
Annual Production	Gold	219 koz
	Silver	1,752 koz
	Copper	16 mm lbs
	Zinc	67 mm lbs
Operating Cost per tonne (C$/t)		C$41.00/ tonne
Cash Cost per gold ounce		$260/ Au oz
AISC per gold ounce		$399/ Au oz
All-In Cost per gold ounce (CAPEX+OPEX)		$643/ Au oz
Recovery	Gold	88.1%
	Silver	71.5%
	Copper	75.8%
	Zinc	72.9%

HORNE 5 PROJECT| PROVEN AUTOMATION

★ VALUE SUMMARY

KIDD MINE – CANADA
AUTOMINE® LOADING – LITE

LOADER PRODUCTIVITY
INDEXED

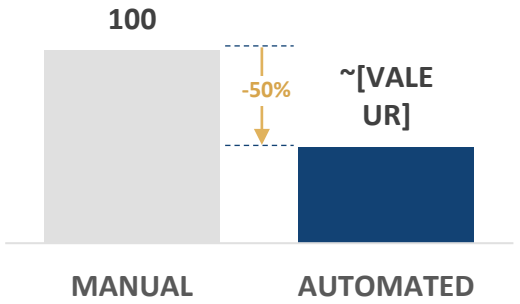


IMPROVED UTILIZATION RESULTING IN:

- 121% increased daily loader output on production levels
- 52% increased daily loader output on transfer levels

FINSCH MINE – SOUTH AFRICA
AUTOMINE® HAULING – FLEET

COST PER TON
INDEXED



HIGHER HAULING SPEED & UTILIZATION RESULTING IN:

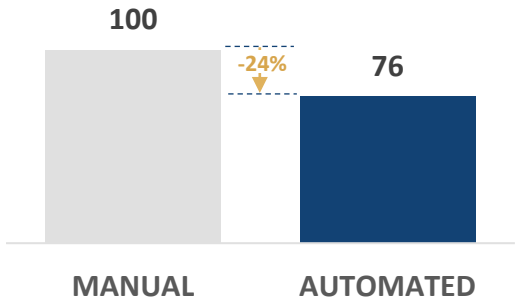
- 7 trucks instead of 10

LOWER OPERATING COST:

- 2 operators per shift instead of 10
- 60% lower maintenance costs
- 35% increase in equipment economical lifetime

NORTHPARKES – AUSTRALIA
AUTOMINE® LOADING – FLEET

COST PER TON
INDEXED



IMPROVED UTILIZATION RESULTING IN:

- 23% increased daily loader output

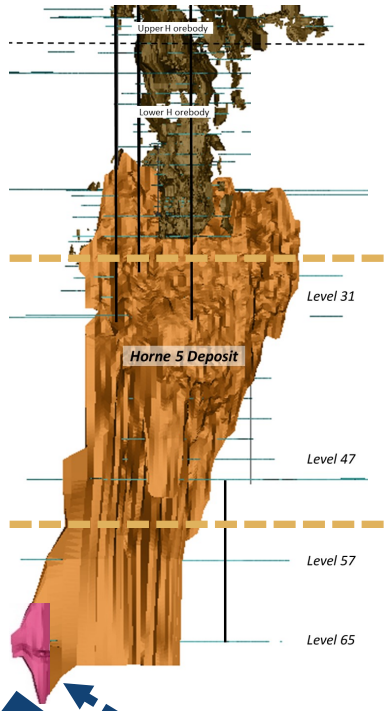
LOWER OPERATING COST:

- 3 operators per shift instead of 7

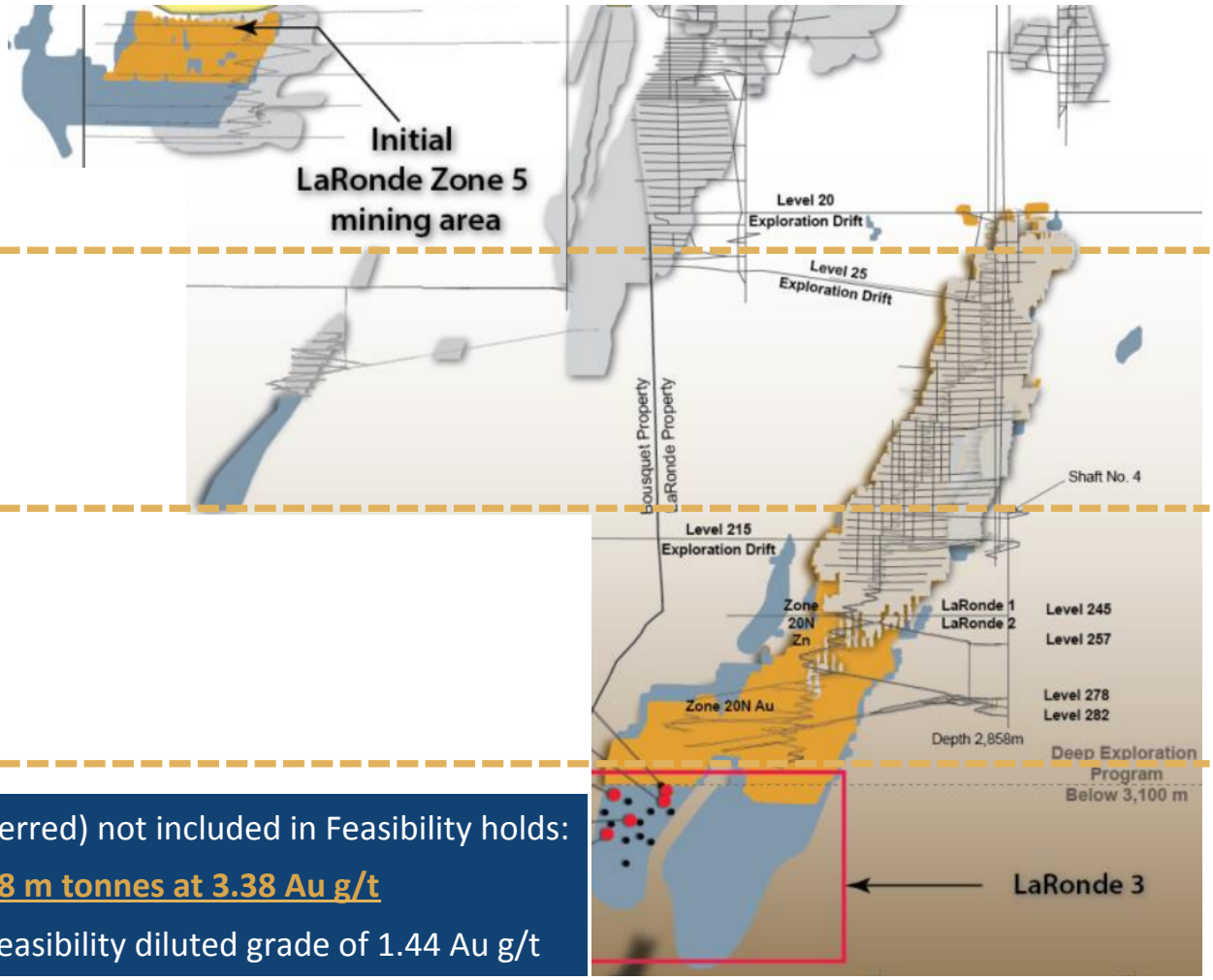
MORE STABLE AND CONTINOUS PRODUCTION

HORNE 5 PROJECT| DEEP EXPLORATION POTENTIAL (VS. LA RONDE)

Horne 5 Project



La Ronde Complex (Agnico Eagle)



Open

Open

HG_F zone (Inferred) not included in Feasibility holds:

2.8 m tonnes at 3.38 Au g/t

VS. current Feasibility diluted grade of 1.44 Au g/t

Source: Company websites

Appendix B – *Mineral Resource Estimates & Modeling Notes*

RESOURCE ESTIMATE NOTES

1. The effective date of the mineral resource estimate is July 25, 2017. The Independent QP for the Mineral Resource Estimate as required by National Instrument 43 101 is Carl Pelletier, P. Geo., B.Sc., employee of InnovExplo.
2. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
3. While the results are presented undiluted and in situ, the reported mineral resources are considered by the QP to have reasonable prospects for economic extraction.
4. These estimates include six low-grade gold-bearing mineralized envelopes.
5. The main low-grade gold-bearing mineralized envelope includes six high-grade gold-bearing zones, one high-grade copper-bearing zone, one high grade zinc-bearing zone, and three high-grade silver-bearing zones. Note that these high-grade zones may overlap each other.
6. Mineral resources were compiled at NSR cut-offs of (in C$) $40, $45, $50, $55, $60, $65, $70, $75, $80, $85, $90, $95 and $100 per tonne for sensitivity purposes.
7. The official base case mineral resource is reported at a $55 per tonne NSR cut-off.
8. The appropriate NSR cut-off will vary depending on prevailing economic and operational parameters to be determined.
9. NSR estimates are based on the following assumptions: Exchange rate of C$1.00 /0.78 US$; Metal prices as follows: gold $1,300/oz, silver $19.50, copper $2.90/lb, zinc $1.10/lb (inspired from a long-term analyst consensus price forecast study); Net recoveries are variable in function of grade of each commodity. Smelting cost (including transportation) of C$6.52 per tonne (based on the cost mine service, as well as a non-public smelter contract obtained from one of the proposed destinations and talks with transport providers).
10. Gold equivalent calculations assume these same metal prices.
11. Inferred Mineral Resources are separate from Indicated Mineral Resources.
12. The quantity and grade of reported Inferred Mineral Resources are uncertain in nature and there has not been sufficient work to define these Inferred Mineral Resources as Indicated or Measured Mineral Resources. It is uncertain if further work will result in upgrading them to an Indicated or Measured mineral resource category.
13. The mineral resource was estimated using Geovia GEMS 6.8. The estimate is based on 5,980 diamond drill holes (483,254 m) of which 4,141 cut mineralized zones for a total of 178,150 m of core within these zones. For silver, the estimate also uses the results of an exhaustive metallurgical test comprising 2,112 diamond drill holes assayed for silver over a total length of 75,540 metres. A minimum true thickness of 7.0 m was applied, using the grade of the adjacent material when assayed, or a value of zero when not assayed. Only the silver interpolation in the Inferred mineral resources does not use the material when not assayed.
14. The estimate database also contains 14,799 channel samples for a total of 23,791 m from historically sampled drifts. Channel sample data was only used for distance to composite criterion for mineral resource classification purposes.
15. 91% of density values were estimated using historical iron assay drill hole data and Falco density data for an average of 3.41 g/cm3. The interpolation method uses three passes for the ENV_A and HG_A to HG_F zones. 8% of the density values were fixed at 2.88 g/cm3 for ENV_B to ENV_E due to the scarcity of the data. 2.88 g/cm3 represents the median of the available data. 1% of density values were fixed at 2.67 g/cm3 for ENV_F due to the scarcity of the data and to adequately characterize this quartz-rich zone.
16. Compositing was done on drill hole sections falling within the mineralized zones (composite = 3.0 m). Tails shorter than 0.75 m were not generated.
17. Mineral resources were evaluated from drill holes using an ID2 interpolation method in a block model (block size = 5 x 5 x 5 m).
18. High-grade capping was done on raw assay data and established on a per zone basis for gold (Au g/t): (HG_A: 35; HG_B: 35; HG_C: 25; HG_D: 35; HG_E: 25; HG_F: 35; ENV_A: 35; ENV_B: 25; ENV_C: 25; ENV_D: 20; ENV_E: 35; ENV_F: 25) and for silver (Ag g/t): SG_HG:100; HG_D: 165; HG_F: 165; ENV_A_SG_Low: 110; ENV_B: 100; ENV_C: 100; ENV_D: 100. Capping grade selection is supported by statistical analysis. No capping was applied to the Cu and Zn data based on statistical analysis.
19. The reported Mineral Resources are categorized as Measured, Indicated and Inferred. The Inferred category is only defined within the areas where blocks were interpolated during pass 1 or pass 2 in areas where continuity is sufficient to avoid isolated blocks. The Indicated category is only defined by blocks interpolated in areas where the maximum distance to the closest drill hole composite is less than 25 m for blocks interpolated in passes 1 and 2. The Measured category is only defined by blocks classified as Indicated and within sufficient proximity to sampled drifts (< 15m). The average distance to the nearest composite is 6.97 m for the Measured mineral resources, 10.01 m for the Indicated mineral resources and 40.10 m for the Inferred mineral resources.
20. Tonnage estimates were rounded to the nearest hundred tonnes. Any discrepancies in the totals are due to rounding effects. Rounding practice follows the recommendations set forth in Form 43-101F1.
21. CIM definitions and guidelines were followed in estimating mineral resources.
22. InnovExplo is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the mineral resource estimate.
23. Metal contained in ounces (troy) = metric tonnes x grade / 31.10348. Calculations used metric units (metres, tonnes and g/t). Metal contents are presented in ounces and

Appendix B – *Mineral Reserve Estimates Notes*

RESERVE ESTIMATE NOTES

1. The QP, as defined below, for the Mineral Reserve estimate is Mr. Patrick Frenette (InnovExplo).
2. Estimated at $2.15/lb Cu, $1.00/lb Zn, $1,300/oz Au and $18.50/oz Ag, using an exchange rate of C$1.00:US$0.77, cut-off NSR value of C$55.00/t. Metallurgical recoveries and other parameters for the November 2016 MRE are shown in Chapter 6 of the Feasibility Study.
3. Mineral Reserve tonnage and mined metal have been rounded to reflect the accuracy of the estimate and numbers may not add due to rounding.
4. Mineral Reserves presented include both internal and external dilution along with mining recovery. The external dilution is estimated to be 2.3%. The mining recovery factor was set at 95% to account for mineralized material left in the margins of the deposit in each block.