

**CONFIDENTIAL**



**PEMBRIDGE  
RESOURCES**

## **MARKETING PRESENTATION**

October 2020

**LSE:PERE**

[www.pembridgeresources.com](http://www.pembridgeresources.com)



This presentation has been prepared by Pembroke Resources plc (the "Company") solely for your information. This presentation has not been approved by the United Kingdom Financial Conduct Authority, London Stock Exchange plc or any other regulatory body or authority.

This presentation should not be copied or distributed by recipients and, in particular, should not be distributed by any means, including electronic transmission, to persons with addresses in the United States of America, Canada, Australia, South Africa or Japan, their possessions or territories or to any citizens thereof, or to any corporation, partnership or such entity created or organised under the laws thereof, or any other jurisdiction, where such distribution is unlawful. Any such distribution contrary to the above could result in a violation of the laws of such jurisdictions.

The presentation has not been independently verified and no representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its parent or subsidiary undertakings, or the subsidiary undertakings of any such parent undertakings, or any of such person's respective directors, officers, employees, agents, affiliates or advisers, as to, and no reliance should be placed on, the accuracy, completeness or fairness of the information or opinions contained in this presentation and no responsibility or liability is assumed by any such persons for any such information or opinions or for any errors or omissions. All information presented or contained in this presentation is subject to verification, correction, completion and change without notice. In giving this presentation, none of the Company or any of its parent or subsidiary undertakings, or the subsidiary undertakings of any such parent undertakings, or any of such person's respective directors, officers, employees, agents, affiliates or advisers, undertakes any obligation to amend, correct or update this presentation or to provide the recipient with access to any further information that may arise in connection with it.

This presentation does not constitute or form part of, and should not be construed as, any offer, invitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity. This presentation does not purport to contain all of the information that may be required to evaluate any investment in the Company or any of its securities and should not be relied upon to form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation is not intended to provide complete disclosure upon which an investment decision could be made. The merit and suitability of an investment in the Company should be independently evaluated and any person considering such an investment in the Company is advised to obtain independent advice as to the legal, tax, accounting, financial, credit and other related advice prior to making an investment.

To the extent available, the data contained in this presentation is derived from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein. In addition, certain of the data contained in this presentation come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the data contained in this presentation.

This presentation and the information contained herein is not intended for publication or distribution in, and does not constitute an offer of securities in, the United States or to any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"), Australia, Canada, Japan or South Africa or any other jurisdiction where such distribution or offer is unlawful. The Company has not registered and does not intend to register any securities in the United States or to conduct a public offering of any securities in the United States. Securities may not be offered or sold within the United States without registration, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Subject to certain limited exceptions, neither this presentation nor any copy of it may be taken, transmitted or distributed, directly or indirectly, into the United States, its territories or possessions. Any failure to comply with the foregoing restrictions may constitute a violation of U.S. securities laws. This presentation is only being provided to persons that are (i) "Qualified Institutional Buyers", as defined in Rule 144A under the Securities Act, (ii) institutional "Accredited Investors", within the meaning of Rule 501(a) under the Securities Act, or (iii) non-U.S. persons outside the United States, in compliance with Regulation S under the Securities Act.

This presentation includes forward-looking statements. The words "expect", "anticipate", "intends", "plan", "estimate", "aim", "forecast", "project" and similar expressions (or their negative) identify certain of these forward-looking statements. These forward-looking statements are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which the Company operates. Forward-looking statements include, but are not limited to, exploration and production forecasts, cost and income forecasts, supply and demand of copper, gold and silver and copper, gold and silver price forecasts. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief are based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, the price of anticipated costs of recovery of copper, gold and silver, the presence of and continuity of such minerals and modelled grades and values, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, and others. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, interpretation and implications of drilling and geophysical results, estimates regarding timing of future capital expenditures, and costs towards profitable commercial operations. Other factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, increases/ decreases in production, volatility in metals prices and demand, currency fluctuations, availability of funds, costs of extracting copper, gold and silver, variances in ore grade and recovery rates from those assumed in mining plans, changes in reserves and/or resources, operational risks inherent in mining or development activities and legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, and environmental protection regulations. Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and the Company does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as the result of new information, future events or otherwise, except as required under applicable securities laws.

The forward-looking statements in this presentation are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. Other than as expressly required by law or regulation, the Company expressly disclaims any obligation or undertaking to release any updates or revisions to these forward-looking statements to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this presentation or to update or to keep current any other information contained in this presentation. Accordingly, undue reliance should not be placed on the forward-looking statements, which speak only as of the date of this presentation. By accessing a copy of this presentation, you agree to be bound by the foregoing limitations.

# Pembroke Resources plc

---

- ✓ Public company, re-listed on the main market of the London Stock Exchange on 16<sup>th</sup> December 2019 following completion of Minto mine acquisition
- ✓ Has an 11% economic interest holder in Minto Exploration Ltd., which owns and operates Minto mine
- ✓ Major shareholders include its directors, CEO owns 20.7% of shares
- ✓ Market capitalisation at 23<sup>rd</sup> October 2020 was £3.3 million

# Minto Mine, Yukon Canada

- ✓ Minto mine is a high-grade, permitted operating copper-gold mine located in Yukon, Canada, in which Pembroke Resources has an 11% economic interest, with two fellow investors
- ✓ 4,000tpd processing plant, historically produced circa. 18,000t of copper in concentrate per annum, with gold & silver credits, running again now mine has re-started
- ✓ Production re-commenced in October 2019, ramping up to full production in 2021
- ✓ Off-take agreement with Sumitomo covers working capital requirement until copper concentrate is delivered to Japanese port even when the mine is unable to transport the concentrate across the Yukon River in spring and summer
- ✓ Large resource base (21Mt at 1.42% copper)<sup>1</sup> in 250 km<sup>2</sup> of owned claims is expected to add to the current 4-year mine life with no extra processing plant capacity required
- ✓ Experienced mine management and effective cost control make the mine economic despite current challenges



Photos: Minto mine, Pembroke Resources

1. See slide titled "Minto Reserves & Resources" for details

# Overview of Minto

Under Pembridge, Minto has been producing copper since October 2019<sup>1</sup>

## Key Operational Facts

Acquisition: 03 June 2019 (operations were on care & maintenance)

Ownership<sup>2</sup>: 11% economic interest, 100% ownership of voting A shares

Location: Yukon Territory, Canada

Mining type: Underground - modified room & pillar long hole, open stope retreat

Mill capacity: 4,000 tpd

Primary product: Copper (premium concentrate 35-40% contained copper)

By-products: Gold and silver

NSR (Selkirk FN): 0.5% if copper <US\$1.80/lb, 1.0% up to US\$2.50/lb, 1.25% up to US\$3.00/lb, and 1.5% otherwise

Life of Mine: 4 years

Workforce: ~100 employees



Underground mining crew preparing for a production blast in the Minto East mining zone

Photo: Minto mine, Pembridge Resources

1. Minto has produced copper since 2007, except from October 2018 to October 2019 when the mine was on care and maintenance
2. Currently operating on a 2 week on, 2 week off campaign
3. Precious Metals Streaming Agreement with Wheaton Precious Metals. The Stream pays Minto US\$330/oz for Gold and US\$4/oz for Silver. As announced on 08 November 2019, for a period of 14 months, or 11,000 ounces, whichever occurs sooner, the price received by Minto increases to 75% of the LBMA gold price (for example US\$1,075/oz at a gold price of US\$1,500/oz)

# Minto Reserves & Resources

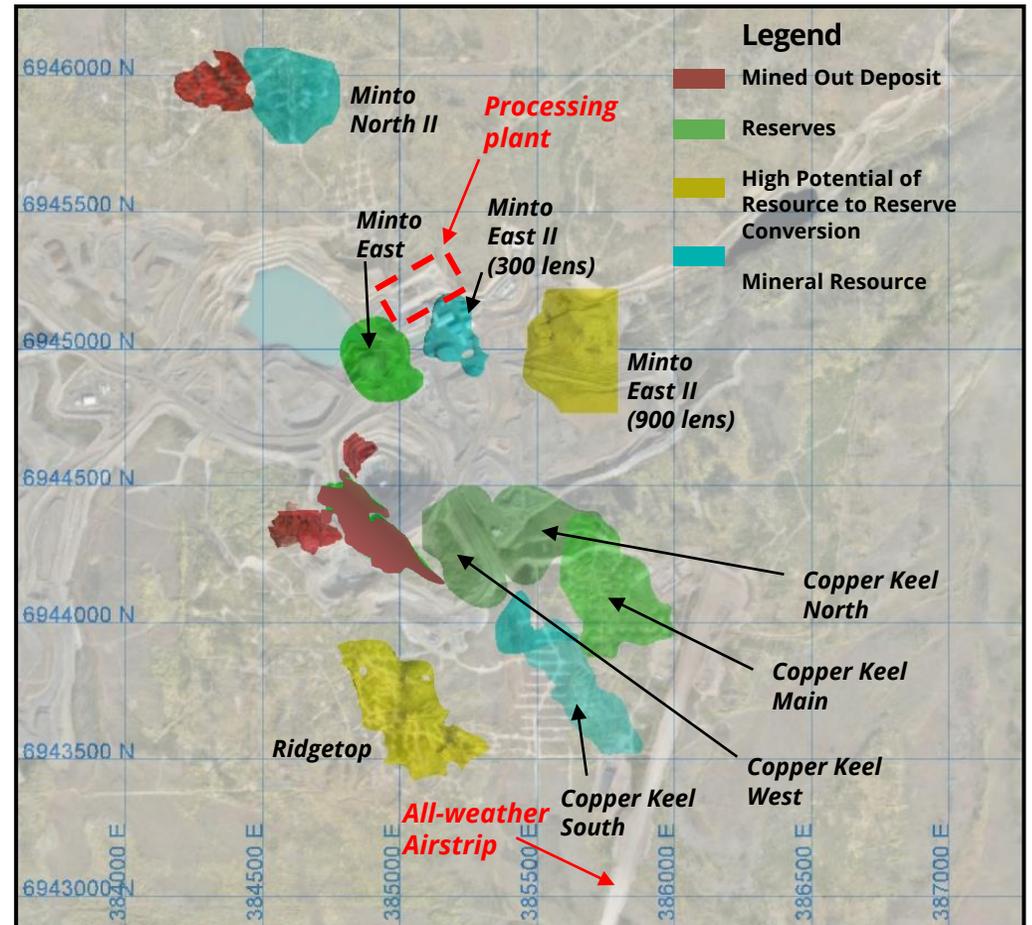
## Overview of Deposits

Identified Mining Zone	Reserves <sup>a</sup>		Measured	Resources Indicated	Inferred
	Proven	Probable			
Minto East <sup>b</sup>		335,000		632,000	109,000
Copper Keel <sup>c</sup>		1,616,000	1,632,000	4,042,000	2,337,000
Minto East 2 <sup>d</sup>				2,778,000	1,889,000
Ridgetop <sup>e</sup>			1,531,000	3,534,000	318,000
Stockpiles <sup>f</sup>	412,000		412,000		
Minto North <sup>e</sup>			221,000	257,000	28,000
Minto North 2					1,419,000
<b>Total</b>	<b>412,000</b>	<b>1,951,000</b>	<b>3,796,000<sup>f</sup></b>	<b>11,243,000</b>	<b>6,100,000</b>

Source: Minto Mine Competent Persons Report, prepared by Aurora Geosciences, June 2019. Mineral resources have been estimated in conformity with generally accepted Canadian Institute of Mining, Metallurgy and Petroleum (CIM) "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with Canadian Securities Administrators' National Instrument 43-101 and using CIM Definition Standards. Note: For classification Ni 43-101 Reserves are included within total Resources

- a. Resource to reserve conversion between 50% and 66%, excluding backfill. Backfill study to commence in H1 2020
- b. Minto East is the current mining area, expected to be depleted in Q4 2020 as well as Copper Keel
- c. Resource & reserves by sub-category of Copper Keel (Main, West, North & South) not available
- d. Minto East 2 pending water license approval, expected 2021
- e. Ridgetop and Minto North are Open Pit resources. Study underway to convert into underground resources & reserves
- f. It is assumed circa 187kt are potentially economical

**M&I Resources: 15.0 Mt @ 1.40% Cu, 0.5g/tAu, 5g/t Ag**  
**P&P Reserves: 2.4 Mt @ 1.68% Cu, 0.6g/tAu, 6g/t Ag**



# Yukon Territory, Canada Overview

A proven and politically stable mining jurisdiction with >\$1bn invested in recent years

## Mining in Yukon

- ✓ Ranked **#9 out of 91 jurisdictions** by Fraser Institute for Investment Attractiveness<sup>1</sup>
- ✓ Mining, quarrying and oil and gas account for **~13% of Yukon's GDP**<sup>2</sup>



- ✓ \$360M Yukon Resource Gateway Project announced by Federal Government, upgrading over 650km of road access to mineral rich areas<sup>3</sup>

1. Fraser Institute's Annual Survey of Mining Company, 2018. Published in February 2019.  
 2. Yukon Economic Outlook April 2017. Yukon Department of Finance. Data for 2015  
 3. Publicly available news articles  
 4. Various regulatory announcements of the companies listed

## Active Companies in Yukon<sup>4</sup>

1.  **GOLDCORP**
  - Purchased Kaminak Gold Corporation and principal asset Coffee for C\$530M
  - Committed C\$674M of capital for construction
2.  **WHITE GOLD CORP**
  - Purchased the properties from Kinross for C\$45M
  - Fully funded exploration budget of C\$13M spent during 2019
3.  **AGNICO EAGLE**
  - Ownership of 19.9% of White Gold Corp for a total investment of ~C\$24.8M
4.  **Phoenix Global Investment**
  - Acquired Yukon Zinc's Wolverine zinc and silver mine from for an undisclosed figure
5.  **Victoria GOLD CORP**
  - C\$369M capital spend with C\$505M funding package including debt facility, royalty and equity
  - Further \$30m provided in funding to complete construction phase of Eagle mine, which started production in Q3 2019

# Pembroke Board

Highly qualified leadership team

## Board of Directors



**Gati Al-Jebouri, B.Eng ACA**

**Chairman & Chief Executive Officer**

- **30 years experience in managing operations & audit/consulting**
- Managing Director of LUKOIL Mid East Upstream
- CEO/CFO of LUKOIL International Trading & Supply Co
- Head of Audit and Accounting of KPMG Bulgaria



**Guy Le Bel, M.Sc MBA**

**Director**

- **30 years of strategy, finance & mine planning experience**
- CEO/CFO of Golden Queen Mining
- Business Development of Quadra FNX / KGHM
- VP Project Evaluations of Capstone Mining Corp.



**Frank McAllister, B.Sc MBA**

**Director**

- **Over 50 years of mining industry experience**
- CEO & Chairman of ASARCO
- CEO & Chairman of Stillwater Mining

## Future Growth Objectives

- Bring Minto mine to full capacity in 2021 and prove life of mine at 4 years with drilling survey
- Exploration with drilling and magnetic surveys to turn resources into economically viable reserves, aiming at least to double the life of Minto mine to at least 8 or more years
- Identify new projects that are not strategic to present owners, getting value from them as a low-cost operator and looking to develop opportunities for growth in them, looking primarily at copper opportunities in Africa, North America and other prospective regions



LSE:PERE  
[www.pembridgeresources.com](http://www.pembridgeresources.com)

