



October 2020

# DEVELOPING THE JOSEMARIA PROJECT

CORPORATE PRESENTATION



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





# SHARE STRUCTURE

TSX: JOSE, NASDAQ OMX: JOSE

## KEY FINANCIAL DATA

As of October 1, 2020



Ticker:  
**TSX: JOSE**  
**NASDAQ OMX: JOSE**



Share Price  
**\$0.85**



52 week trading range  
**\$0.31 – \$0.91**



Shares O/S:  
**300.6 M**

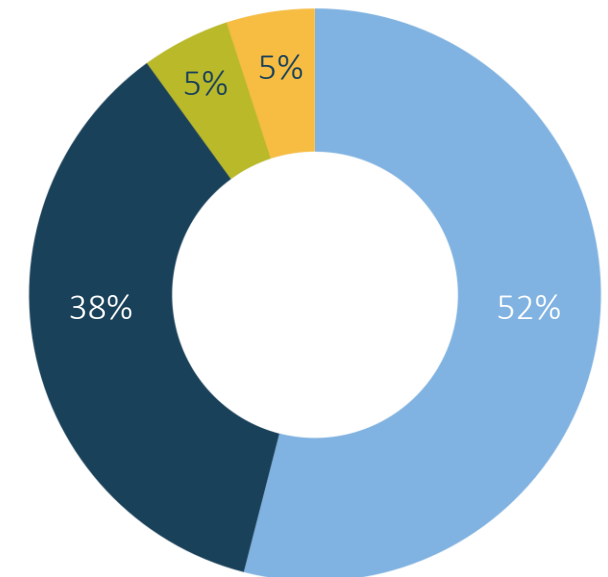


Market Cap  
**C\$255 M / US\$191 M**

## ANALYST COVERAGE – ALL BUYS

|                                |                 |
|--------------------------------|-----------------|
| <b>Canaccord Genuity</b>       | Dalton Barretto |
| <b>Cormark Securities</b>      | Stefan Ioannou  |
| <b>National Bank Financial</b> | Shane Nagle     |
| <b>Pareto Securities</b>       | Johan Spetz     |
| <b>SpareBank 1 Markets</b>     | Vidar Lyngvaer  |

## SHARE HOLDINGS



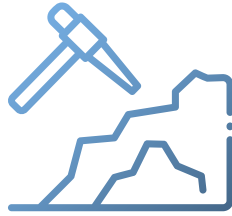
- Lundin Family
- Institutions
- Board & Management
- Other



# JOSEMARIA RESOURCES: COPPER-GOLD PROJECT



San Juan, Argentina  
Pro-Development



One of few  
Advanced Projects



100% Owned  
Feasibility Stage



Large Copper - Gold  
Production Profile





# ARGENTINA – SURROUNDED BY GIANTS







# ARGENTINA – LAND OF GIANT DEPOSITS AND BIG RETURNS



The Lundin Group has been active in Argentina for ~30yrs

## ALUMBRERA

Lundin Group acquisition through public tender  
Developed into top 10 largest copper/gold mines

**1757%** return on investment

## VELADERO

Lundin Group discovery  
One of the largest gold mines in the world.  
Currently owned by Barrick.

**1091%** return on investment

## JOSEMARIA

World class Lundin Group copper/ gold discovery in 2004  
100% ownership of deposit

**Current MCap <\$0.02/lb (CuEq reserves)\***

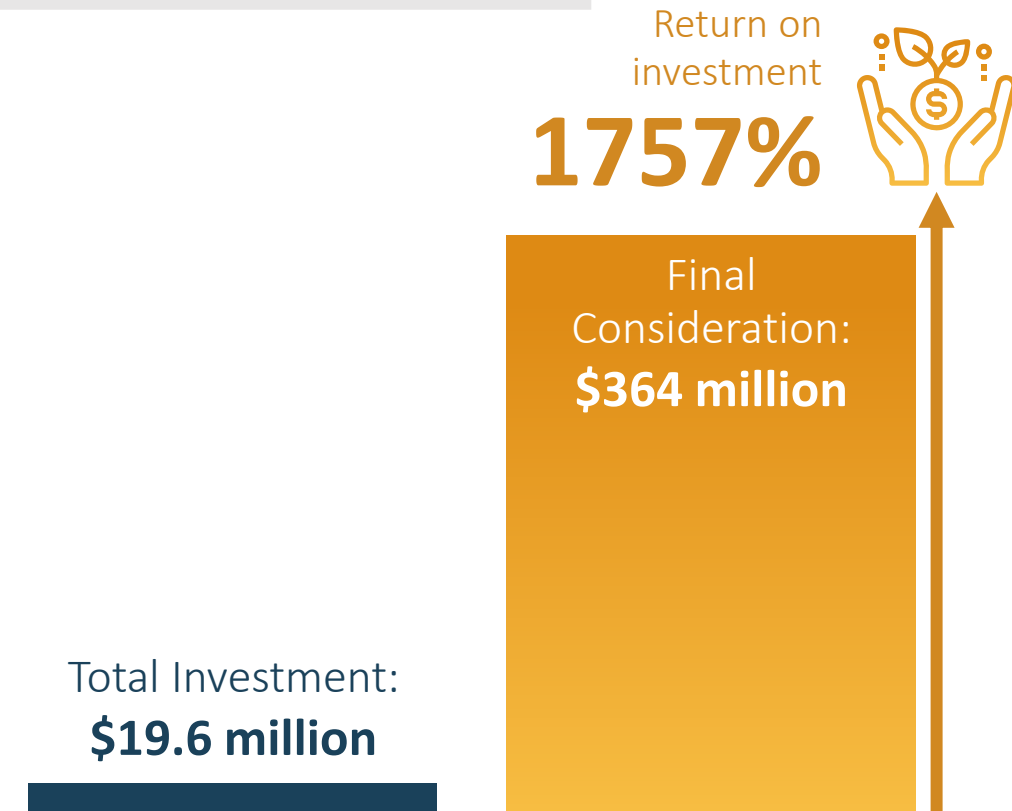


# LUNDIN GROUP PREVIOUS SUCCESS IN ARGENTINA:

## Total Investment vs Final Consideration



**ARGENTINA GOLD**  
(Takeover by Homestake Mining)



**INTERNATIONAL MUSTO**  
(Takeover by Rio Algom and North Limited)

# LUNDIN GROUP LATEST DEVELOPMENT SUCCESS

Lundin Gold's Fruta del Norte Mine is the first western mine to be developed in Ecuador

Current Market Cap:  
**US\$2.13 billion**

Lundin Gold initial  
investment in  
Fruta del Norte:  
**US\$200 million**



Achieved Commercial Production  
2 months ahead of schedule  
and on budget



Award winning ESG and CSR  
with guidance from the  
Lundin Foundation

**LUNDIN GOLD**

Building a leading gold company through  
responsible mining

# COPPER-GOLD RICH



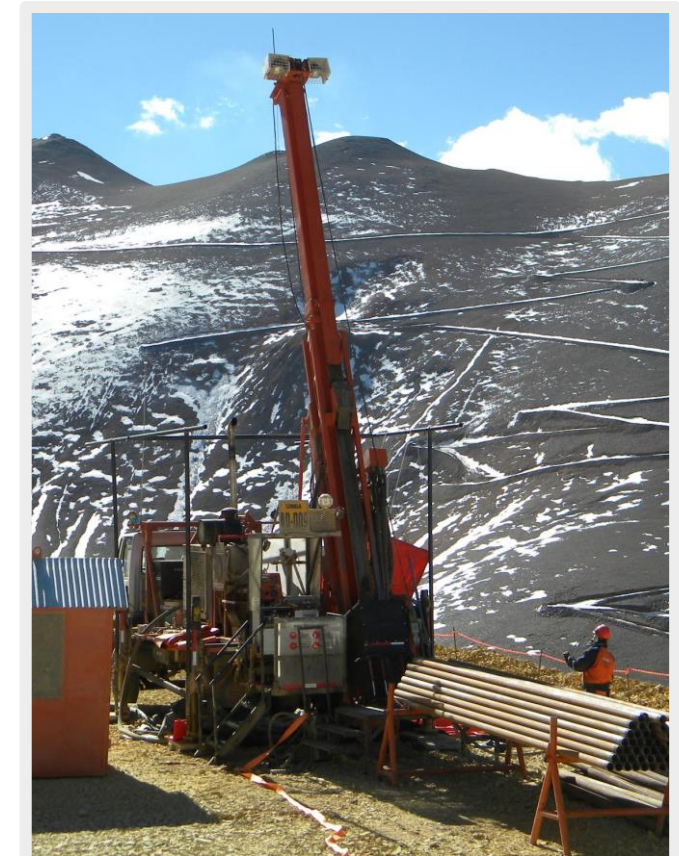
## PFS Completed in Q4 2018

### Probable Reserves

6.5 Billion  
pounds  
Copper

6.5 Million  
ounces  
Gold

29 Million  
ounces  
Silver



A National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) Technical Report, entitled “**43-101 Technical Report, Pre-Feasibility Study for the Josemaria Copper-Gold Project, San Juan Province Argentina**”, dated December 19, 2018, that summarizes the results of the PFS and incorporates the initial mineral reserve statement for Josemaria is available on SEDAR and on the Company’s website (the “Technical Report”). For readers to fully understand the information in this presentation, they should read the Technical Report in its entirety, including all qualifications, assumptions and exclusions that relate to the PFS. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context.



# JOSEMARIA PROJECT ECONOMICS

A copper/gold development opportunity offering impressive returns



Pre-Tax NPV (8%)& IRR

**\$2.9 billion NPV 21.4% IRR**



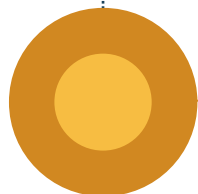
After-Tax NPV (8%) & IRR

**\$2.0 billion NPV 18.7% IRR**



Payback Period (from start of processing)

**3.4 years**



LOM AVERAGE ANNUAL METAL PRODUCTION

**125,000 t Cu | 230,000 oz Au | 790,000 oz Ag**

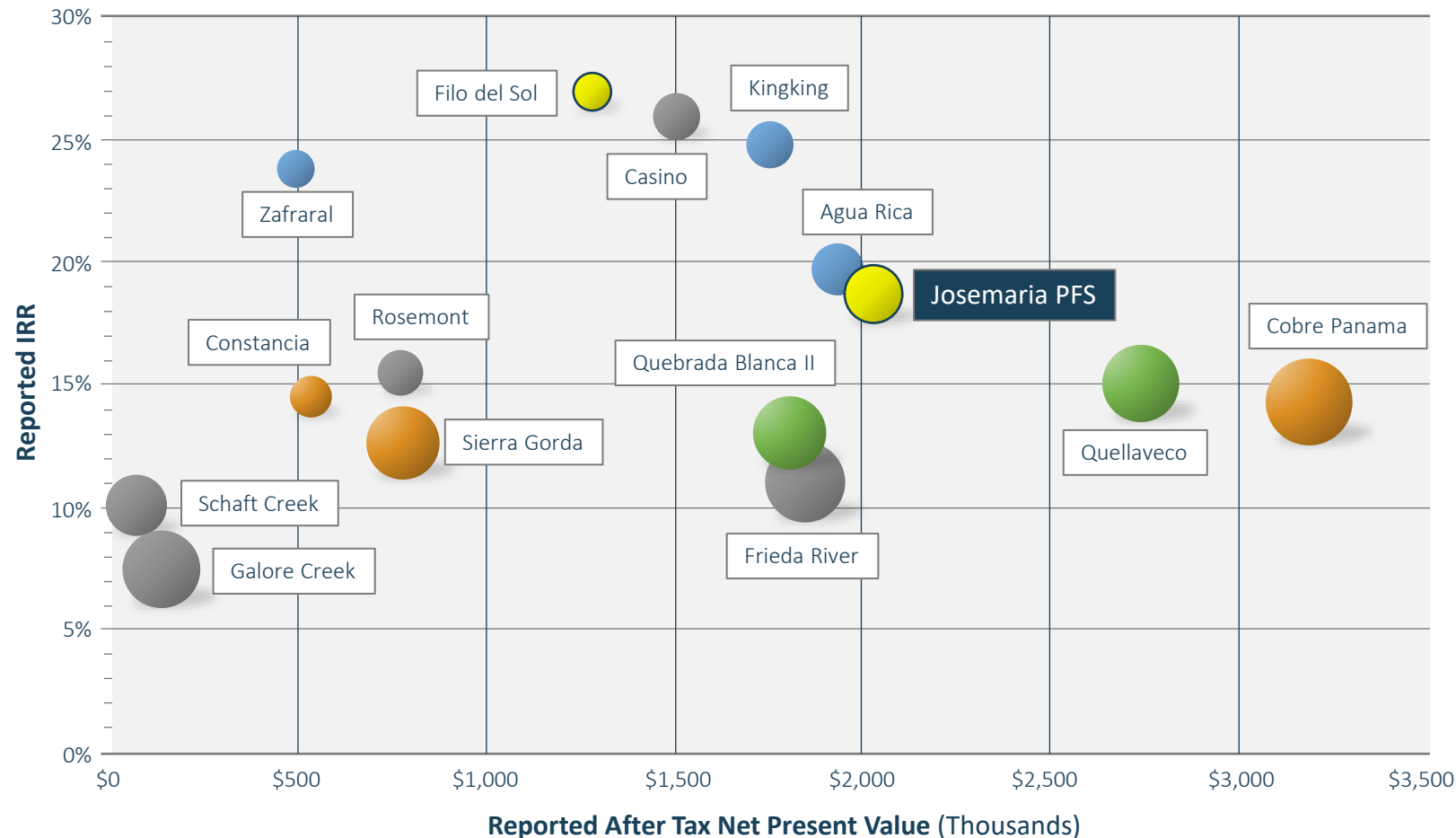


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# JOSEMARIA PROJECT COMPARISON

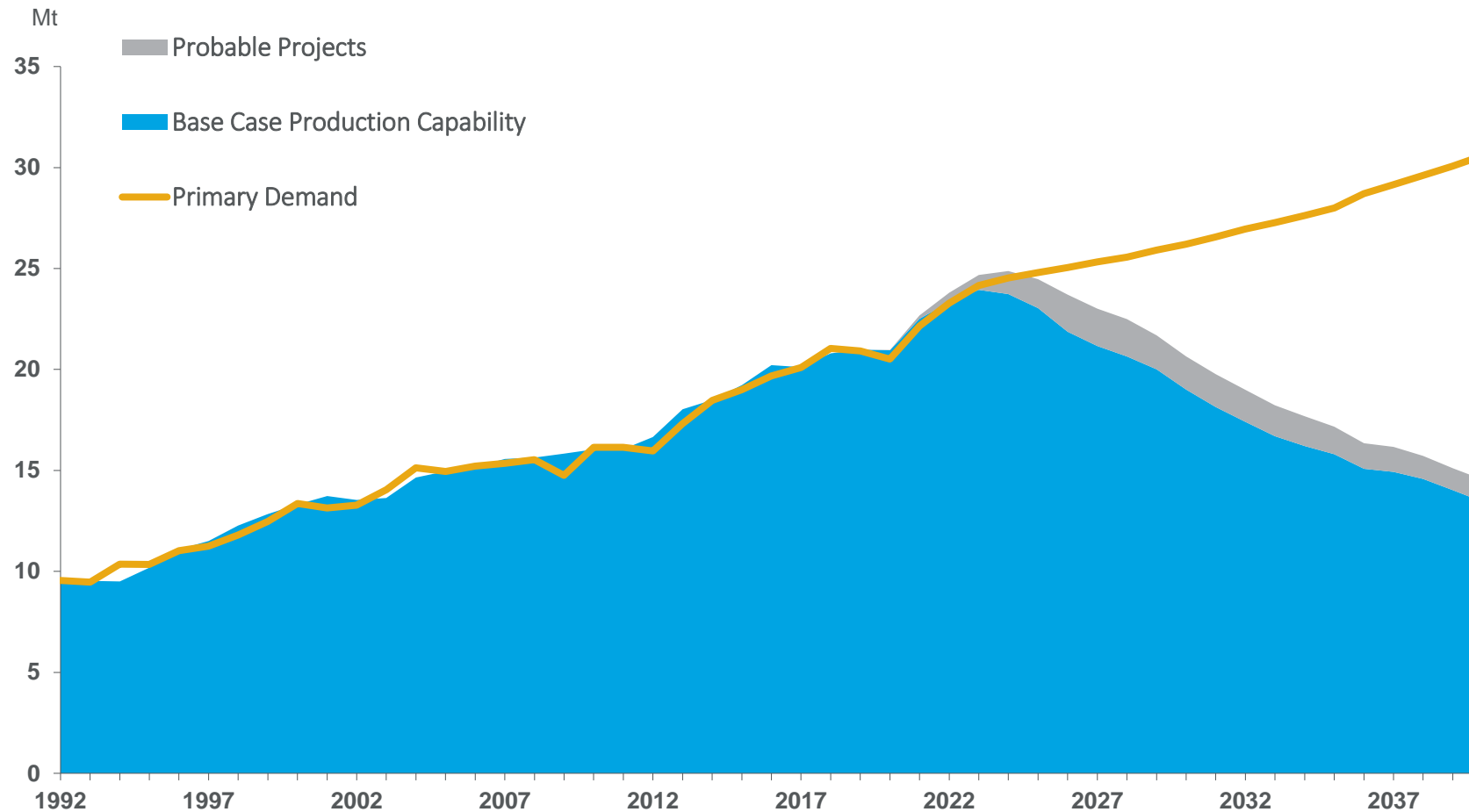
## Project NPV vs IRR vs Capital Comparison Chart



- Attractive asset on an NPV and IRR perspective
- One of very few readily developable projects with a clear path to production
- Manageable capital cost reducing risk profile
- 100% ownership



# GLOBAL COPPER PRODUCTION AND PRIMARY DEMAND



Forecast supply deficit  
copper price accretive  
and highlights demand  
for new copper mines to  
be sanctioned

Source: Wood Mackenzie



# FEASIBILITY PROGRAM IN PROGRESS



Field Program Successfully Completed including:



- Reserve definition drilling
- Foundation and In-pit geo-technical drilling
- Condemnation Drilling
- Water well drilling with production scale testing
- Baseline studies
- Regional infrastructure and logistics surveys



Feasibility Study  
Target Completion H2 2020



Feasibility Engineering by **Fluor** led consortium with expert technical input by Knight Piesold, SRK, BGC, Ausenco et.al.



# FEASIBILITY PROGRAM NEXT STEPS

- Completion of Feasibility Study
- Continued Value Optimisation
- Preparation for Basic Engineering
- Environmental and Social Impact Assessment
- Community Engagement
- Continue open dialogue with Local, Provincial and Federal Government



# LEADERSHIP TEAM

Highly capable management team with success in Argentina



Management

## ADAM LUNDIN

President, CEO & Director

Securities professional, with over 10 years experience in international finance and capital markets. Currently Chairman of Filo Mining Corp. and Africa Energy Corp., and a Director of NGEX Minerals.



## BOB CARMICHAEL

VP Exploration

Geological Engineer, P. Eng., joined the Lundin Group in 2006. An expert in near-mine and resource definition exploration activities.



## IAN GIBBS

CFO

Canadian Chartered Accountant, joined the Lundin Group in 2004. Has led several successful M&A's totaling over \$3 billion in revenue. Current Director of Lundin Gold, Africa Oil and Africa Energy.



## ALFREDO VITALLER

Country Manager

Geologist, joined the Lundin Group in 1993 and was on the discovery team for the Veladero gold deposit, as well as Josemaria, Filo del Sol and Los Helados.



## ARNDT BRETTSCHEIDER

VP Projects

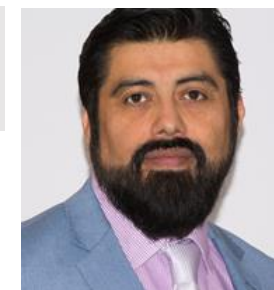
B.Sc. HON, MBA, with over 23 years experience delivering engineering studies and consulting services in North and South America, and on-site project development and operations roles in various gold and copper operations.



## GONZALO RIOS

Director of ESG

Unique and balanced technical and sustainability experience in stakeholder engagement, community development, environmental management, engineering, and health & safety management.





# LEADERSHIP TEAM

A Board with a proven track record of success in developing and operating mines



Board

## ASHLEY HEPPENSTALL Chairman

Former CEO Lundin Petroleum. Instrumental in building Lundin Petroleum into one of the largest independent oil and gas companies in Europe.



## JACK LUNDIN Director

President & CEO, Bluestone Resources. Former Mine Superintendent at Lundin Gold's Fruta del Norte. Mining Engineer, Masters in Mineral Resource Engineering University of Arizona, Bachelor of Science in Business Administration Chapman University.



## RON HOCHSTEIN Director

CEO Lundin Gold and led the acquisition and development of Fruta del Norte. Extensive experience in the mining industry, and over 20 years of involvement with the Lundin Group.



## ADAM LUNDIN Director

Securities professional, with over 10 years experience in international finance and capital markets. Currently Chairman of Filo Mining Corp. and Africa Energy Corp, and a Director of NGEX Minerals.



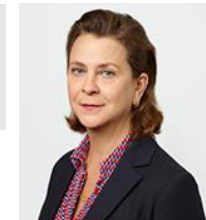
## WOJTEK WODZICKI Director

CEO NGEX Minerals and former CEO of Josemaria Resources and Filo Mining. Ph.D Geology; 30 years international exploration experience.



## CHRISTINE BATRUCH Director

VP Corporate Responsibility Lundin Petroleum. Lawyer with extensive international environmental, social, governance, and sustainability experience



## PAUL CONIBEAR Director

Former CEO Lundin Mining. Engineer with over 35 years of experience in the mining industry. Joined the Lundin Group over 20 years ago.



## LUKAS LUNDIN Strategic Advisor

Has been responsible for various resource discoveries, including the multi-million ounce Veladero gold deposit. Mr. Lundin has also led numerous companies through very profitable business acquisitions and mergers.



## PABLO MIR Strategic Advisor

Senior partner of a Chilean law firm. Has advised mining companies on the exploration, development, financing, construction, and acquisitions of mining projects in Chile, Argentina, and around the world..



# THE LUNDIN FOUNDATION - OUR ESG DIFFERENTIATOR

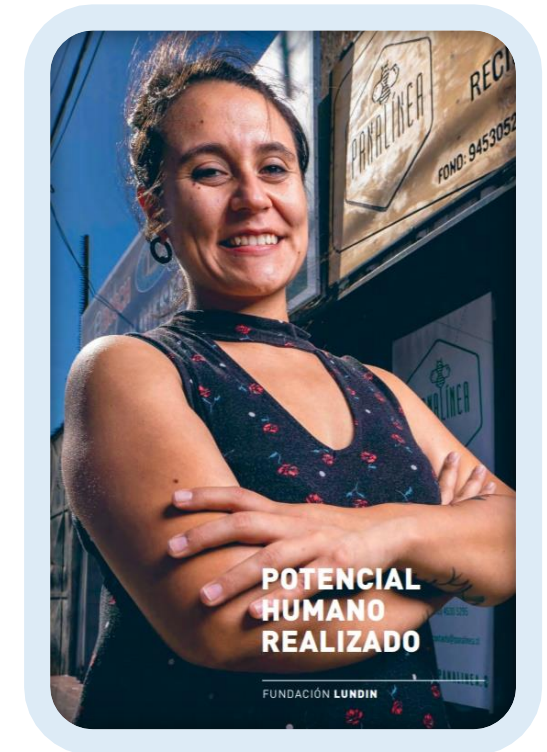
- A Canadian corporate foundation whose purpose is to position Lundin Group companies as the resource developers of choice, resulting in stronger communities.
- Support provided to Lundin Group companies:
  - Elevating ESG performance and guiding toward best practices
  - Designing and implementing appropriate strategic social investments at site level

## Social Investment Areas

- Education & Skills Training
- Economic Diversification
- Local Supplier Development
- Social & Environmental Innovation

## Select Results and Recognition (2019)

- 37 initiatives in 12 countries:
  - 2,700 local jobs
  - 700 local businesses (with \$55 million in revenue)
  - 540 community members trained
- UN Global Compact SDG Leadership (Can & Ecuador)
- Green Virtue Award (Honduras) UNDP/GEF for work with artisanal miners
- Upstream Oil & Gas Awards (Kenya) for local content and innovation

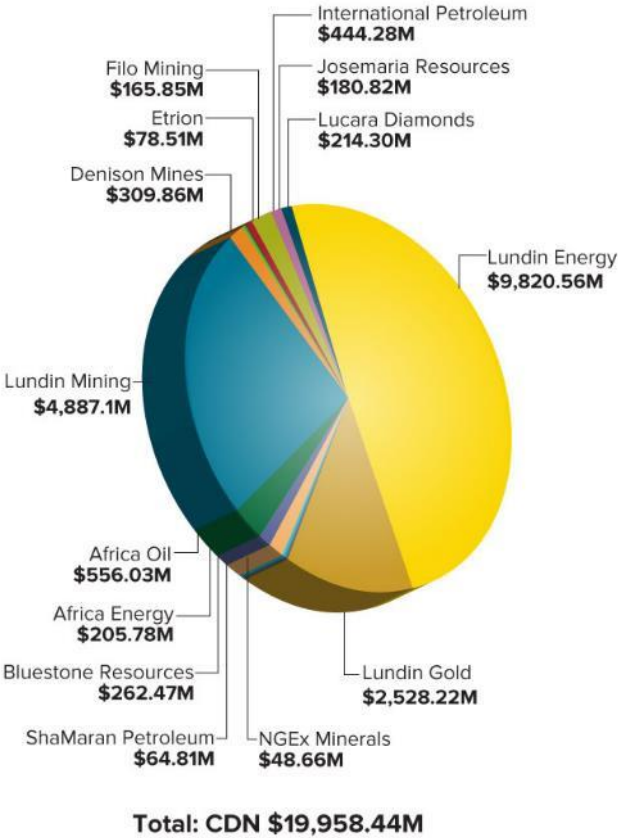


[www.lundinfoundation.org](http://www.lundinfoundation.org)



# LUNDIN GROUP OF COMPANIES

A Core shareholder with a global footprint







# CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements made and information contained herein in the presentation constitutes “forward-looking information” and “forward-looking statements” within the meaning of applicable securities legislation (collectively, “forward-looking information”). Generally, this forward-looking information can frequently, but not always, be identified by 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, conditions or results “will”, “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative connotations thereof. All statements other than statements of historical fact may be forward-looking statements.

Forward-looking statements contained in this presentation include statements regarding pathway to a premium valuation; pathway to construction; the results of the Pre-Feasibility Study (“PFS”) at its 100% owned Josemaria Project in San Juan province, Argentina, including, but not limited to the anticipated capital and operating costs, sustaining costs, net present value, internal rate of return, payback period, process capacity, average annual metal production, average process recoveries, anticipated mining and processing methods, proposed PFS production schedule and metal production profile, anticipated construction period, anticipated mine life, expected recoveries and grades, anticipated production rates, infrastructure, social and environmental impact studies, availability of labour, tax rates and commodity prices that would support development of the Josemaria Project; potential value creation, including potential net asset value by project state; proposed next steps regarding feasibility and permitting; the key goals and objectives for Josemaria Project; timing for additional metallurgical testwork. In addition, information concerning mineral resource and mineral reserve estimates and economic analyses are also forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining, if a mineral deposit were developed and mined.

Forward-looking information and statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding, among other things, favourable equity markets, global financial condition, present and future business strategies and the environment in which Josemaria will operate in the future, including the price of commodities, anticipated costs, ability to achieve goals (including, without limitation, timing and amount of production), the ability to obtain or maintain permits; mineability and marketability; exchange and interest rate assumptions; labour and materials costs; assumptions underlying mineral reserve and mineral resource estimates; assumptions made in the economic assessment estimates, including, but not limited to, geological interpretation, grades, metal price assumptions, metallurgical and mining recovery rates, geotechnical and hydrogeological assumptions, capital and operating cost estimates, and general marketing, political, business and economic conditions; results of exploration activities; ability to develop infrastructure; assumptions made in the interpretation of drill results, geology, grade and continuity of mineral deposits; and that activities will not be adversely disrupted or impeded by exploration, development, operating, regulatory, political, community, economic and/or environmental risks.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including significant increases or decreases in metal prices and the speculative nature of exploration; failure of exploration efforts to expand mineral reserves and mineral resources; uncertainty regarding production estimates; unexpected changes in business and economic conditions; inaccuracies and uncertainties in mineral reserves and mineral resources estimates; the ability to arrange financing on favourable terms, or at all; the timely receipt of regulatory approvals, permits and licenses; risks related to carrying on business in an emerging market, such as possible government instability, civil turmoil and economic instability; economic developments in Chile and/or Argentina that negatively impact the Corporation; local opposition to mining; risks associated with exploration and development activity; risks related to implementation of the proposed spin-out, including, without limitation, inability to obtain required approvals; changes in interest and currency exchange rates; volatility in the price of gold, silver and copper; results of current and future exploration and development activities; results of pending and future economic and feasibility studies; potential for litigation; unanticipated delays; and those the risks, uncertainties and other factors identified in Josemaria’s periodic filings with Canadian securities regulators, including the Company’s Annual Information Form available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

Estimates of Mineral Reserves and Mineral Resources - Information regarding reserve and resource estimates has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies. The terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” used in this presentation are Canadian mining terms as defined in accordance with NI 43-101 under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014. While the terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are recognized and required by Canadian regulations, they are not defined terms under standards of the United States Securities and Exchange Commission. Under United States standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve calculation is made. As such, certain information contained in this presentation concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the United States Securities and Exchange Commission. An “Inferred Mineral Resource” has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It cannot be assumed that all or any part of an “Inferred Mineral Resource” will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into Mineral Reserves. In addition, the definitions of “Proven Mineral Reserves” and “Probable Mineral Reserves” under CIM standards differ in certain respects from the standards of the United States Securities and Exchange Commission. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Non-IFRS Measures - This presentation refers to certain financial measures, such as pre-production capital costs, initial capital expenditures, sustaining capital expenditure, closure costs, C1 cash costs, payback period, undiscounted after-tax cash flow, and net present value, and other financial metrics which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. In the mining industry, these are common performance measures but may not be comparable to similar measures presented by other issuers. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company’s performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Qualified Persons - The disclosure of scientific and technical information regarding the Company’s properties in this presentation was prepared by or reviewed Bob Carmichael, B.A.Sc., P.Eng., who is the Qualified Person as defined by NI 43-101. Mr. Carmichael is Vice President, Exploration for the Company.

Technical Reports - For details on data verification, sample, analytical and testing results and further details regarding methods used to estimate mineral reserves in respect of the Josemaria property, refer to the technical report entitled “43-101 Technical Report, Pre-Feasibility Study for the Josemaria Copper-Gold Project, San Juan Province Argentina”, dated December 19, 2018 available on SEDAR.

THIS STATEMENT AND INFORMATION SPEAKS AS OF THE DATE OF THE PRESENTATION. ALTHOUGH JOSEMARIA BELIEVES THAT THE EXPECTATIONS REFLECTED IN SUCH FORWARD-LOOKING STATEMENTS AND/OR INFORMATION ARE REASONABLE, UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS SINCE JOSEMARIA CAN GIVE NO ASSURANCE THAT SUCH EXPECTATIONS WILL PROVE TO BE CORRECT. EXCEPT AS REQUIRED UNDER APPLICABLE SECURITIES LEGISLATION, THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE THIS FORWARD-LOOKING INFORMATION.



# JOSEMARIA MINERAL RESERVE STATEMENT

|          | Tonnes | Grade  |          |          |           | Contained Metal |              |              |
|----------|--------|--------|----------|----------|-----------|-----------------|--------------|--------------|
|          | (Mt)   | Cu (%) | Au (g/t) | Ag (g/t) | CuEq. (%) | Cu<br>(B lbs)   | Au<br>(M oz) | Ag<br>(M oz) |
| Probable | 1,008  | 0.29   | 0.21     | 0.92     | 0.41      | 6.5             | 6.5          | 28.8         |

- Mineral Reserves have an effective date of 20 November 2018. The Qualified Person for the estimate is Mr. Robert McCarthy, P.Eng.
- The Mineral Reserves and Resources in this presentation were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- The Mineral Reserves is based on a pit design which in turn aligns with an ultimate pit shell selected from a Whittle™ pit optimization exercise. Key inputs for that process are:
  - Metal prices of \$2.95/lb Cu, \$1,225/oz Au; \$19.00/oz Ag;
  - Mining cost of \$1.80/t ore and waste at a reference elevation of 4180 m, plus cost adjustments of \$0.016/t/10m bench above reference and \$0.025/t/10 m bench below reference;
  - Processing cost of \$3.60/t ore milled;
  - General and administration cost of \$0.80/t milled;
  - Pit slope angles varying from 42 to 46 degrees; and
  - Process recoveries are based on grade. The average recovery is estimated to be 85% for Cu, 65% for Au and 66% for Ag;
  - CuEq. was calculated using total payable revenue from all metals in the mine plan, converting to copper, and back calculating for grade based on life of mine average copper recoveries and payables;
- Mining dilution is estimated to be 5%;
- Ore loss is assumed to be 1%;
- The Mineral Reserve has an economic cut-off, based on Net Smelter Return, of \$4.95/t for prime mill feed;
- There are 711 Mt of waste in the ultimate pit. The strip ratio is 0.71 (waste:ore)
- All figures are rounded to reflect the relative accuracy of the estimate. Totals may not sum due to rounding as required by reporting guidelines.

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