



## An Emerging Mid Tier Gold Producer

March 2020



# Forward Looking Statements

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# Investment Highlights

## The Next Mid Tier Gold Producer

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### **Operating Gold Mine in Argentina**

- Acquired Minera Don Nicolas gold mine, Santa Cruz, providing strong gold production platform in prolific mining region (Desseado Massif)
  - Anticipated mine life in excess of 7 years at approx. 50,000 ozs of annual gold production and an expected average AISC of less than \$1,000/oz
  - Strong upside potential from operational optimization and exploration
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### **Robust Cash Flows to Support Growth**

- Expected to quickly generate meaningful free cash flow after optimization programs take hold to support exploration and additional growth potential
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### **Brazil's next major deposit – Serra Alta**

- World Class, high grade, low cost open pit potential
  - Serra Alta deposit in Brazil targeting to rapidly grow its current 813,000 ounces resource base to over 1.2MM ounces in 2020
  - Independent Scoping study suggests strong economics with low AISC costs
  - Long term regional target of +5.0 million ounces at the Monte Do Carman project
- 

### **Strong Management Team**

- Cerrado's Executive team have a history of asset improvement in Latin America and have successfully executed three significant mineral projects in Brazil from exploration to production
- 

### **The Next Mid Tier Gold Producer**

- Cerrado is positioned to be the next mid tier gold producer with significant growth potential at both of its core assets
  - Targeting a liquidity event in 2020 to accelerate future growth opportunities
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# Objectives and Strategy

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**Cerrado's near term focus is on operational improvements at Don Nicolas while targeting to grow the Serra Alta Resource Base**



**Implement new mine plan and operating strategy at Don Nicolas**



**Recommence exploration at Don Nicolas to expand high grade resources**



**Increase Don Nicolas production to over 50,000 ounces per annum while evaluating other areas to expand production such as heap leaching and underground**



**Commence new drill program at Serra Alta to continue to grow resource base. A 30,000 metre program has been designed to target +2.0 million ounces**

# Minera Don Nicolas Overview



Asset acquired at mid March 2020.



Minera Don Nicolas is located **1,625 kms** southwest of Buenos Aires in Santa Cruz province, Argentina within the highly prospective Deseado Massif; a prolific gold district with numerous large-scale gold mines (Anglo, Newmont, Yamana)



Mining commenced in late 2017 and gold production commenced in mid 2018. Previous owner ramp up progressed slowly leaving significant operational improvement opportunities



Conventional open pit operation with a new 1,000 tpd CIL plant completed in 2017; First gold pour in mid 2018



Over **272,598 Has** of exploration concessions in a highly prospective region near several major gold mines largely unexplored



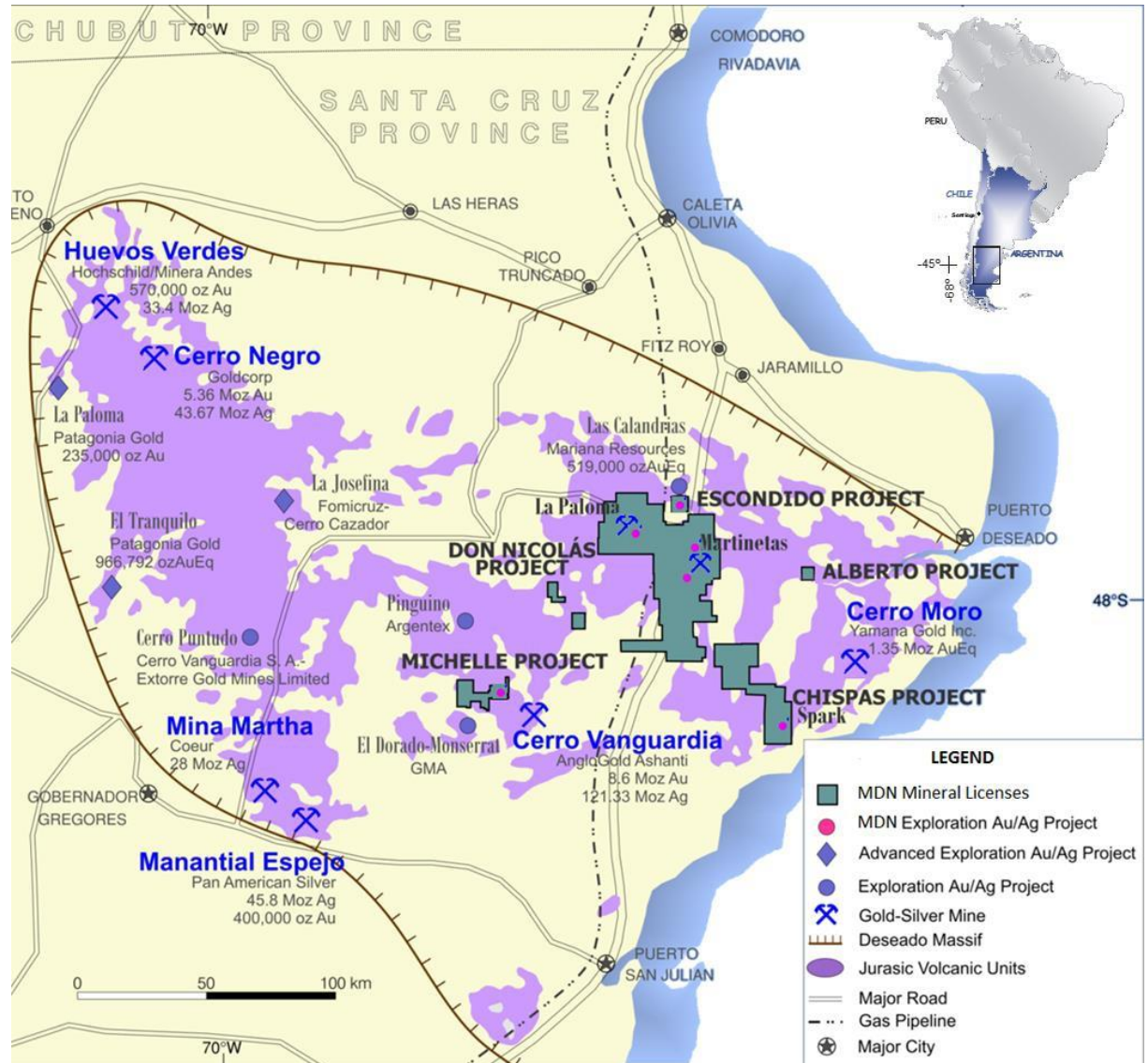
Significant expectation to extend the mine life





# Minera Don Nicolas

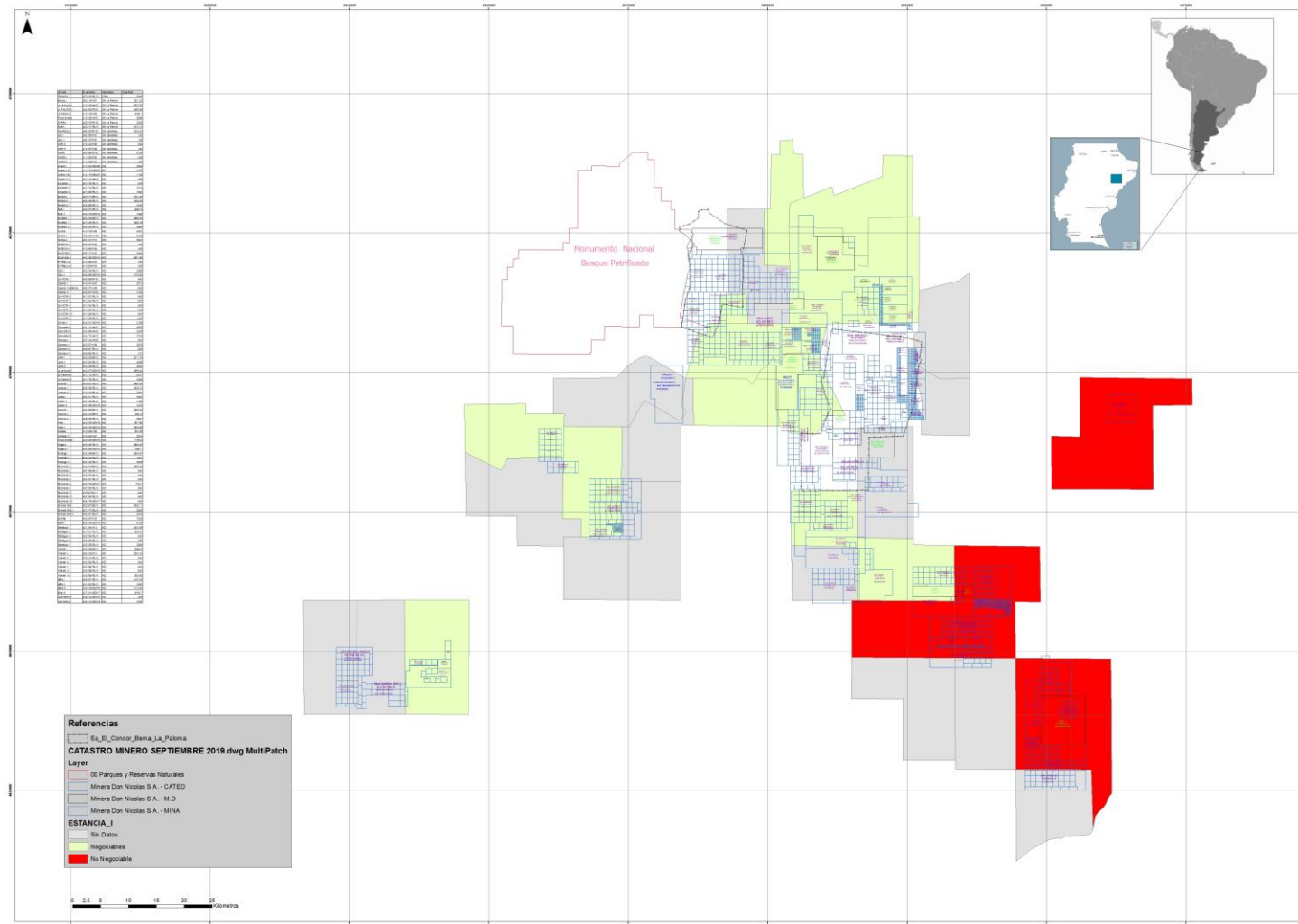
- MDN exploration tenements cover 2,720 square kms; largely under explored
- The Deseado Massif – Consist of a large volcanic terrain containing world class, low sulphidation, epithermal, precious metal deposits
- Key mines/ Companies in the region include:
  - Cerro Vanguardia /AngloGold
  - Cerro Morro/ Yamana
  - Cerro Negro/ Goldcorp
- MDN currently has two mining areas: La Paloma and Martinetas, located approximately 40 km apart.



# Minera Don Nicolas

## Extensive Land Holdings

MDN controls 117 tenements totaling 272,598 hectares; largely under explored



# Overview - Minera Don Nicolas

- Mine construction completed in late 2017 and first production in Q4/18.
- **Targeting production of approximately 50,000 ozs of gold for 7 years based on current reserves**
- AISC forecasted at well below **\$1,000/oz after optimization program**
- Average recovery of 92% for gold and 47% for silver
- Significant expectation to extend the mine life via restarting exploration





# Minera Don Nicolas - Infrastructure

- Close to the large regional centre of Comodoro Rivadavia for logistical and other support
- All infrastructure in place with two mining areas – La Paloma and Martinetas located about 40 km apart. Three pits at Paloma and four at Martinetas
- New 1,000 tpd CIL plant and associated infrastructure located near the Martinetas pits
- Approx. 325 employees/contractors housed in two camps near mine facilities.
- Owner operated mining fleet in place
- Water is sourced from boreholes, with power generated on site from diesel gen sets
- Strong regional support with agreements signed with two nearest communities.
- Mine is subject to royalties : 3% NSR government royalty and 2% NSR to Royal Gold
- Additional 8% Export Duties in Argentina



# Operational Enhancement Opportunities

## Short Term Opportunities

- Review resource base and implement new mine plan to lower stripping and improve grade profile
- Enhance in pit grade control programs, improving mill feed grade by over 50%
- Review all costs and optimize operations such as equipment availability, contractor requirements; reagent sourcing and power options
- Fill the mill and sustain higher throughput – 20% above nameplate has been achieved and is targeted
- Focus on recovery improvements such as use of Knelson circuit – targeting additional 2% at least



## Medium Term Opportunities

- Review Underground mine potential on known down dip ore extensions
- Increase exploration to extend mine life and review longer term expansion potential
- Review potential heap leaching of low-grade stockpiles (.4 - 1.6g/t)



# MDN Resource Base

	Tonnes (000's)	Ore grade		Contained Metal	
		Gold (g/t)	Silver (g/t)	Gold (000's ozs)	Silver (000's ozs)
La Paloma Area	1,830.0	5.05	11.96	297.2	703.8
Martinetas Area	1,165.0	5.33	12.46	199.7	466.7
Combined Total	2,995.0	5.16	12.15	496.9	1,170.1

- Resources are from Internal reports and are **non 43-101** Compliant (**as of Nov 2018 audit report of resources**). Approx 100Kozs have been mined
- Resources support a current **mine life of approximately 9 years** if fully converted
- Current resource base confined to only two known vein regions; multiple target areas have been identified which could support future expansion opportunities, where exploration has been limited
- Significant potential to expand mineralization near surface and at depth as all other mines in the region are now underground

# Cerrado's Preliminary Resource Assessment

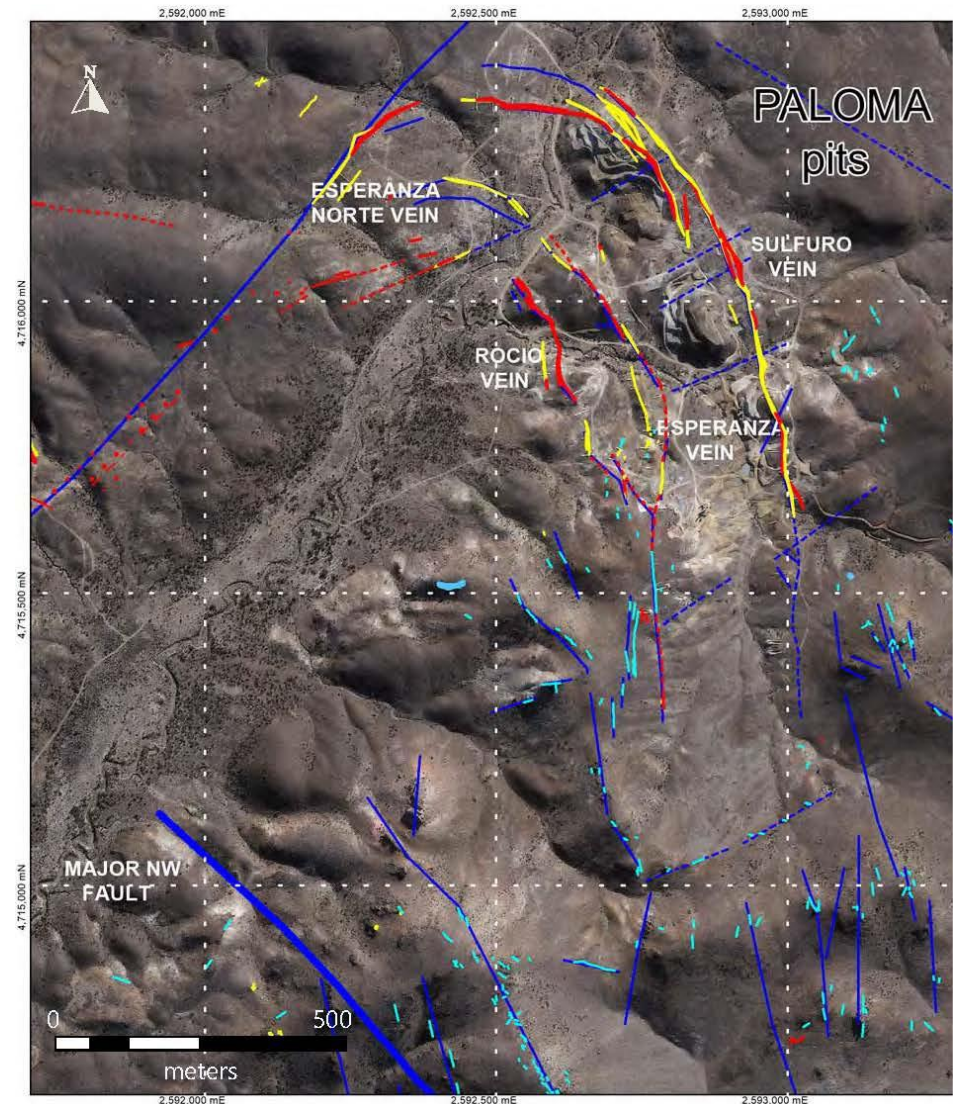
		Tonnage(Kt)	Grade (g/t)	Au (Koz)
<b>Conservative Model</b>	High Grade	2,016.32	5.19	336.42
	Low Grade	647.78	0.96	19.77
	<b>Total</b>	<b>2,659.10</b>	<b>4.17</b>	<b>356.19</b>
<b>Base Case Model (includes Conservative oz)</b>	High Grade	2,972.35	4.62	441.16
	Low Grade	4,095.20	0.81	106.16
	<b>Total</b>	<b>7,067.54</b>	<b>2.41</b>	<b>547.32</b>
<b>Satelite Targets</b>	High Grade	1,674.28	3.86	207.67
	Low Grade	5,963.03	0.69	131.59
	<b>Total</b>	<b>7,637.31</b>	<b>1.38</b>	<b>339.26</b>
<b>Grand Total (Base Case + Satelite)</b>	<b>Total</b>	<b>14,704.85</b>	<b>1.88</b>	<b>886.58</b>

- Cerrado has undertaken a detailed review of the current resources in place at Don Nicolas as reported on Internal Reports and a reinterpretation of the current wire frames provided by MDN for the current mining area's and other satellite resource areas not currently included in the MDN mine plan. It should be noted this resource is not 43-101 compliant and requires additional drilling to confirm and excludes any new exploration work
- Base Case, adjusted for material mined to date vs the MDN resource base (approx. 100K ozs) is inline with the MDN resource.
- Primary high grade satellite targets are Breccia, Baritina, Chulengoi, Clara and Cangrejo. Room to expand these targets with more drilling to quickly add ounces to resource base
- Many targets have no drilling to depth, even in known zones, due to a focus on open pit material only
- Low grade material may be amenable to heap leaching as seen elsewhere in the region



# La Paloma Vein Field

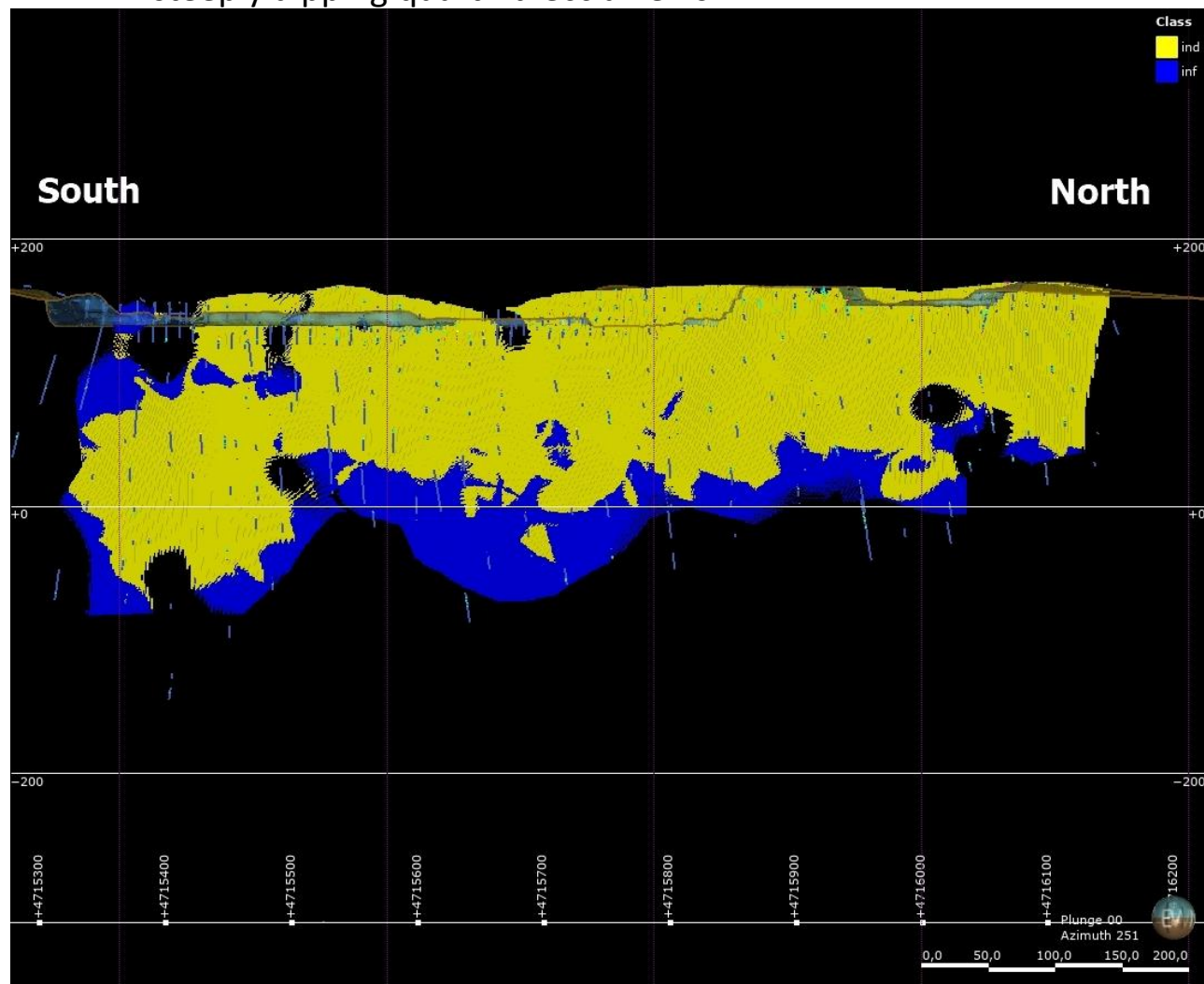
- La Paloma vein field is focused on the Sulfuro-Rocio vein system comprises narrow, arcuate, steeply dipping quartz-breccia veins.
- Gold and silver deposits occur as low sulphidation, epithermal mineralization within sub-vertically oriented quartz-breccia veins.
- The Sulfuro vein is the principal deposit and is represented by a single, well developed quartz vein with a primarily northwest-south southeast orientation.
- The La Paloma veins remain open-ended at depth with >12 kms of cumulative vein strike length.
- Strong brownfield potential as vein field is largely untested outside of the Sulfuro resource.





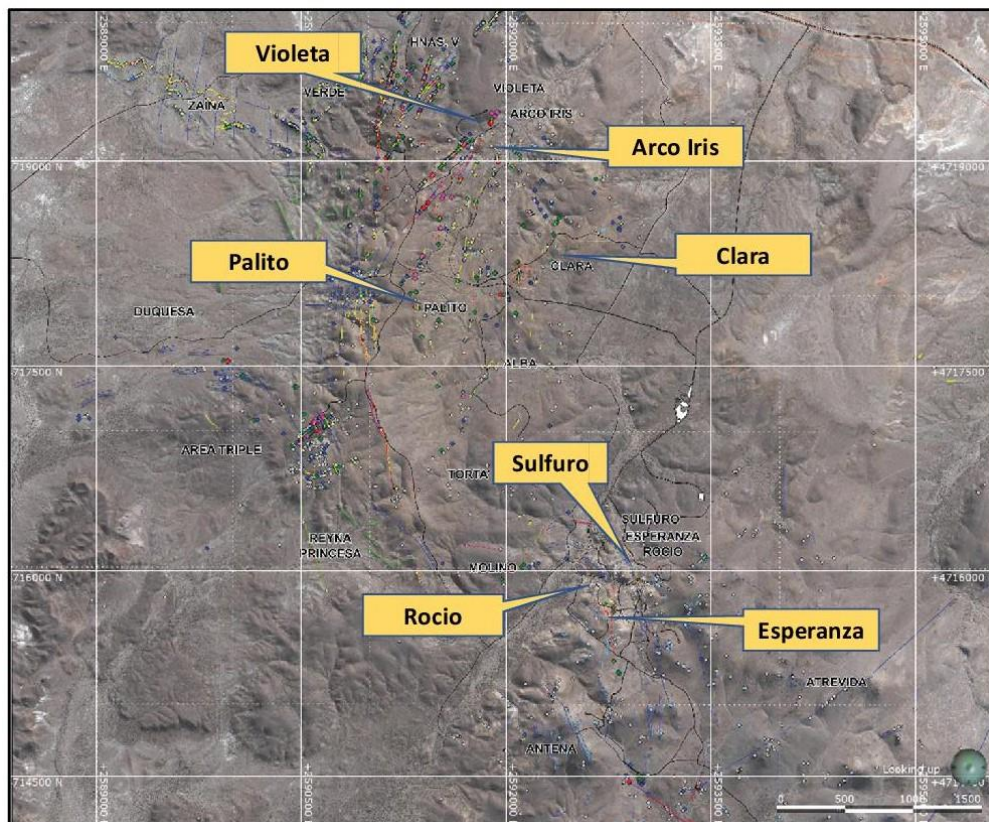
# La Paloma Vein Field

Sulfuro-Rocio vein system comprises narrow, arcuate, steeply dipping quartz-breccia veins.

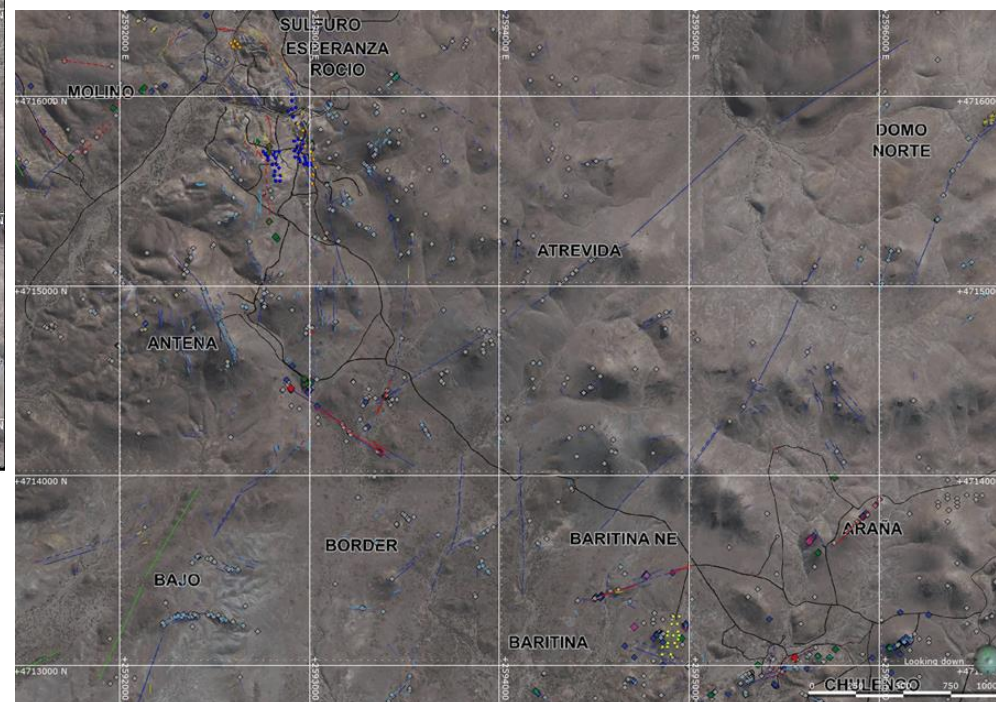


# La Paloma Vein Field

## North La Paloma Vein Targets



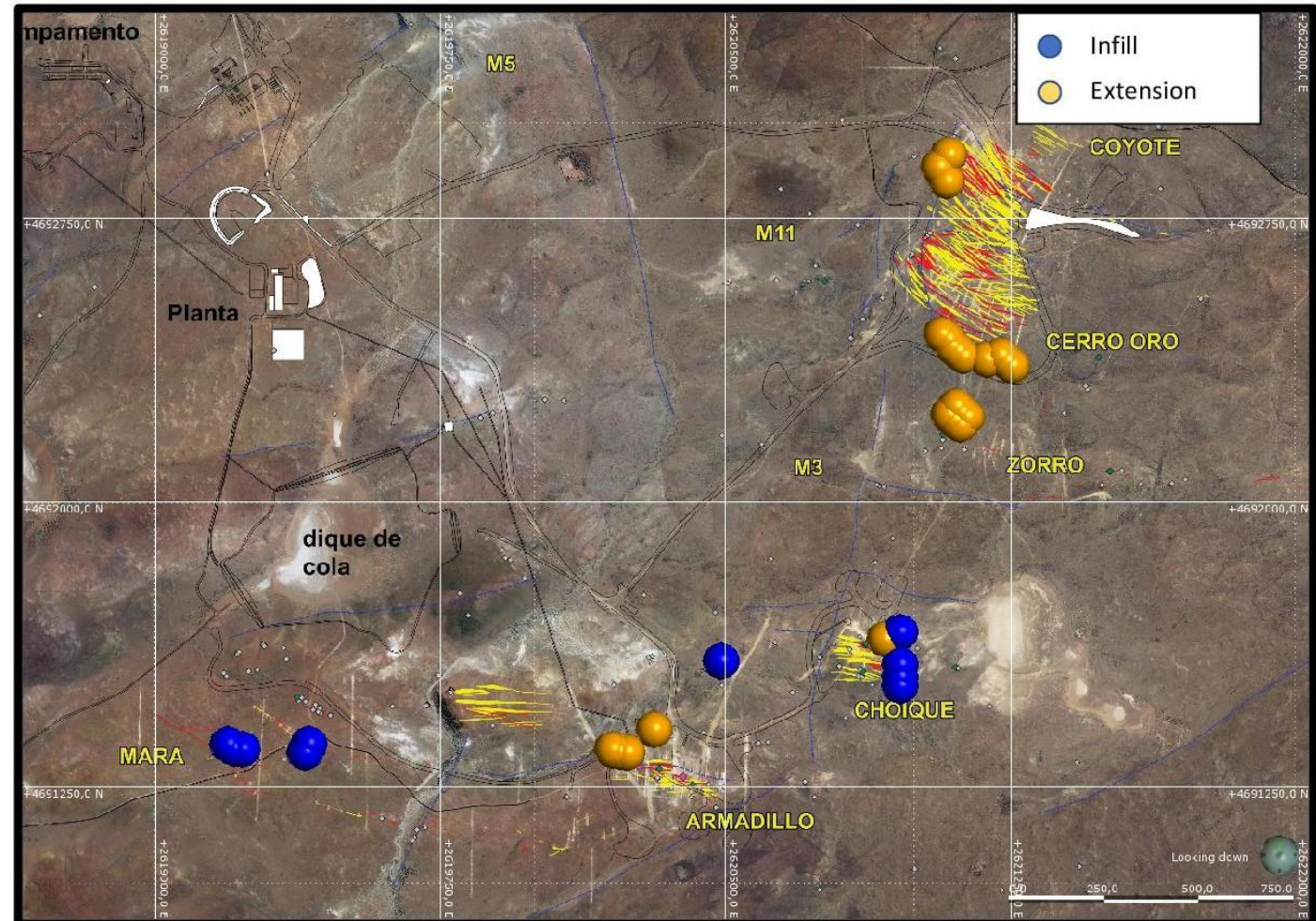
## South La Paloma Vein Targets





# Martinetas Vein Field

- Located 1.5 km from processing plant
- Both the La Paloma and Martinetas epithermal systems are classic “low sulphidation” type deposits.
- Strong structural and lithological control on mineralization reported.
- Vein field is a robust system associated with large gold anomalous footprint.





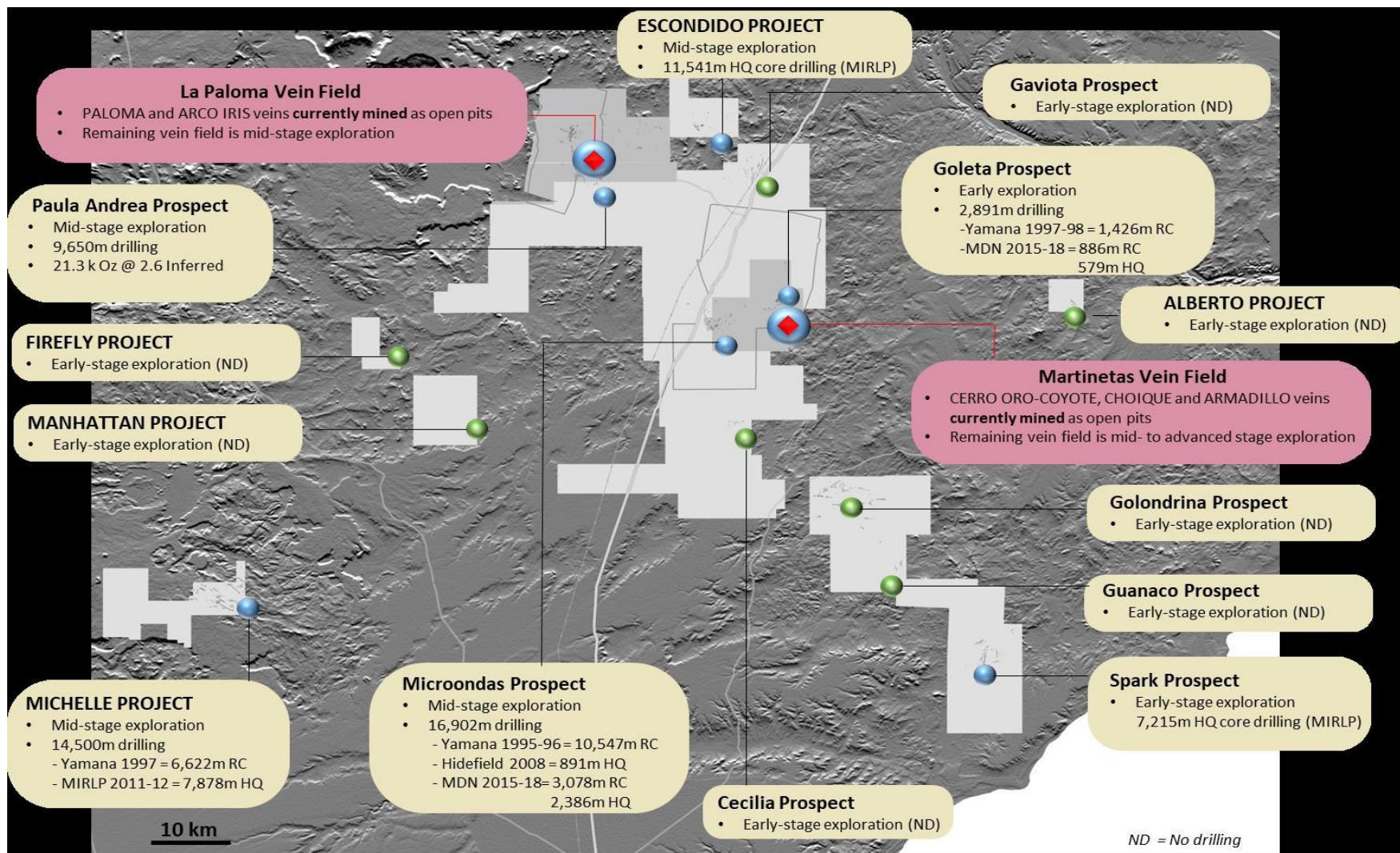
# Exploration - Upside Potential

- Over the past three years exploration work has been minimal as the mine was in ramp up. Cerrado plans to immediately ramp up exploration efforts to define additional resources.
- Mine is currently investigating 12 known targets which are primarily within the La Paloma area.
- Several brownfield exploration targets have been identified which have the potential to expand resources and increase the mine life.
- Nine of the twelve targets are contiguous, which means a good probability of continuity of geology and exploration potential.
- In addition, there is significant high-grade underground potential within the La Paloma area where the predominate Paloma vein system is believed to extend for up to eight kilometers
- Considerable surface exploration work has been completed outlining the potential continuation of the vein system, at depth, along the 8 km trend.





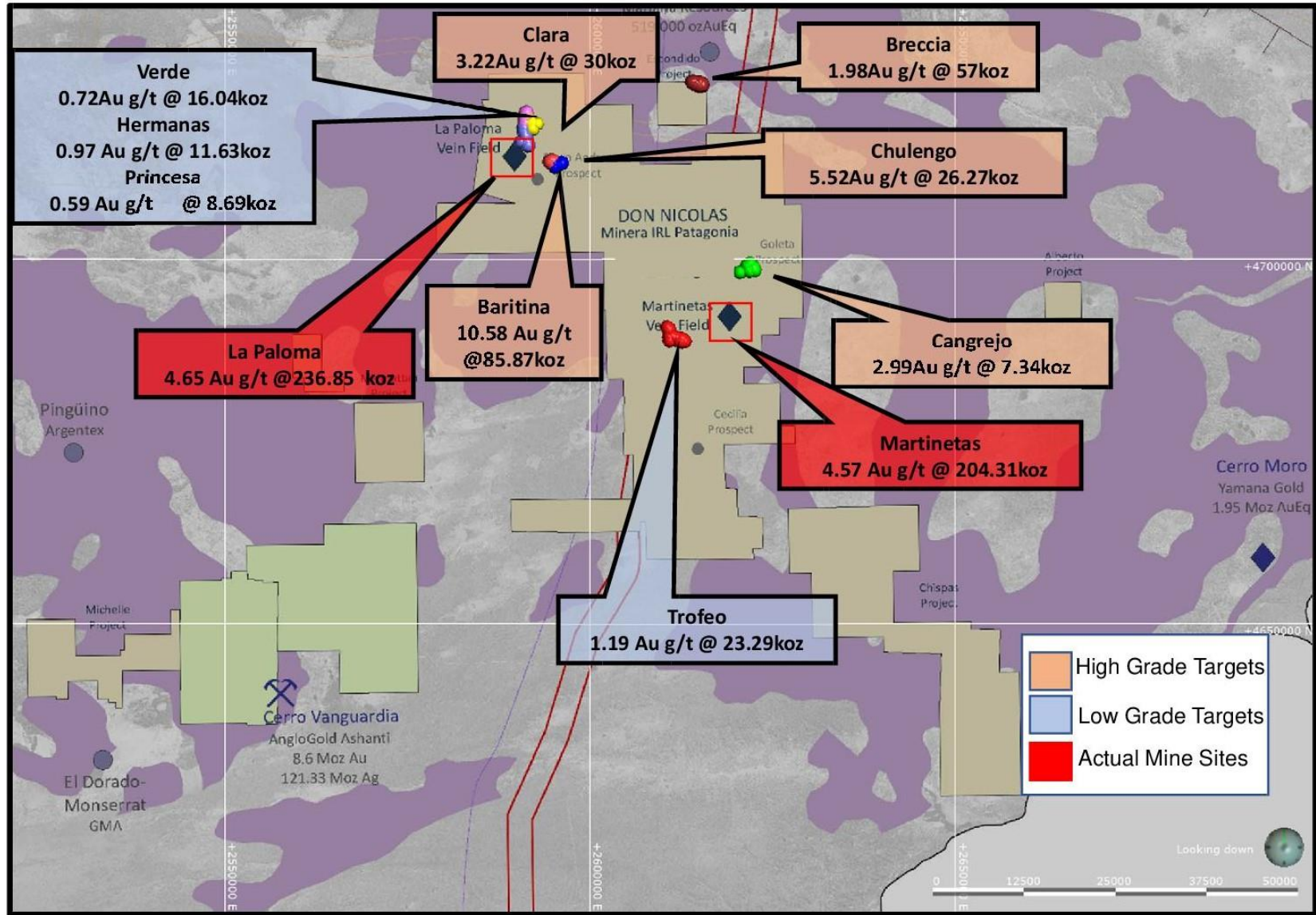
# Regional Exploration Potential





# Minera Don Nicolas

## Numerous High Grade Targets



# Minera Don Nicolas

## Drill Results Highlights

BLOCK	TARGET	DRILL HOLE	COMPOSITE
La Paloma	Baritina	PA-RC17-036	18m @18.14au g/t
La Paloma	Baritina	PA-RC17-037	9.4m @36.81au g/t
La Paloma	Baritina	PA-D17-28	38.7m @9.82au g/t
La Paloma	Chulengo	PA-T13-003	4.6m @6.08au g/t
La Paloma	Chulengo	PA-D16-16	4.1m @7.76au g/t
La Paloma	Chulengo	PA-RC17-038	9m @4.3au g/t
La Paloma	Chulengo	PA-RC16-001	4m @10.27au g/t
La Paloma	Chulengo	PA-T13-005	3.9m @19.73au g/t
La Paloma	Chulengo	PA-RC16-007	10m @14.21au g/t
La Paloma	Chulengo	PA-D16-13	7m @41.24au g/t
La Paloma	CNW - Corredor NW	PA-RC17-048	14m @2.3au g/t
Trofeo	Trofeo	01-009	8m @5.09au g/t
Trofeo	Trofeo	01-020	10m @5.56au g/t
Michelle	Michelle Vein	06-017	4m @28.87au g/t
Martinetas	Armadillo	AR-RC-03	7m @7.47au g/t
Martinetas	Armadillo	AR-RC15OC-050	6m @10.2au g/t
Martinetas	Armadillo	AR-T11-024	12.5m @5.39au g/t
Martinetas	Armadillo	AR-RC15OC-043	6m @12.86au g/t
Martinetas	Armadillo	AR-T12-033	20.6m @3.82au g/t
Martinetas	Armadillo	AR-RC15OC-057	5m @23.22au g/t
Martinetas	Armadillo	AR-T11-024	9.6m @15.28au g/t
Martinetas	Armadillo	02-058C	11.35m @22.98au g/t
Martinetas	Armadillo	AR-RC-12	21m @16.09au g/t

BLOCK	TARGET	DRILL HOLE	COMPOSITE
Martinetas	Mara	02-024	4m @5.73au g/t
Martinetas	Mara	MA-D15-004	4.15m @6.01au g/t
Martinetas	Mara	MA-D15-20	3.96m @14.72au g/t
Martinetas	Zorro	ZO-RC16-007	6m @2.68au g/t
Martinetas	Zorro	ZO-RC16-008	5m @3.72au g/t
Martinetas	Zorro	ZO-RC16-013	9m @2.53au g/t
Martinetas	Zorro	ZO-RC16-006	16m @1.98au g/t
La Paloma	Esperanza	ESP-D17-37	4.4m @8.85au g/t
La Paloma	Esperanza	ESP-D17-31	3m @27.19au g/t
La Paloma	Esperanza	ESP-D17-31	8.65m @11.55au g/t
La Paloma	Esperanza	ESP-D17-31	28.25m @9.48au g/t
La Paloma	Esperanza	ESP-D17-31	28.25m @9.48au g/t
La Paloma	Violeta	VL-RC16-007	4m @4.49au g/t
GOL	Cangrejo VZ	GOL-T13-006	11.1m @2.04au g/t
GOL	Cangrejo VZ	GOL-T13-001	6.4m @3.99au g/t
GOL	Cangrejo VZ	GOL-D15-002	5.8m @11.99au g/t
GOL	Cangrejo VZ	GOL-T13-006	6.1m @24.16au g/t
GOL	Cangrejo VZ	GOL-97PH-032	6m @27.72au g/t
GOL	Cangrejo VZ	GOL-98PH-037	6m @9.65au g/t
Escondido	Breccia Trend	E-D11-053	4.45m @5.98au g/t
Escondido	Breccia Trend	E-D10-002	7.4m @3.82au g/t
Escondido	Breccia Trend	E-D11-052	10.9m @2.75au g/t
Escondido	Breccia Trend	E-D10-003	38.5m @1.94au g/t

Monte do Carmo is a large gold exploration project in Brazil with potential to become a world class high grade-low cost open pit mine

# Why Monte Do Carmo?

**Cerrado's Senior Executive team have successfully executed three significant mineral projects in Brazil**

-  World class high grade (+2 g/t), low cost (AISC \$500) open pit opportunity targeting **+5 million ounces**
-  December 2018 maiden Micon NI 43-101 resources of **813,000 oz Au @1.8 g/t** from 18,000 metres of drilling (every 1 metre drilled = 45 ounces; finding cost less than \$5/ ounce)
-  Large Mining District totaling **52,213 ha** : 5 analogues deposits to current resource at Serra Alta
-  Proposed 30,000 metre drill program **targeting +2 million ounces @ +2 g/t** (cost \$10 million)
-  Excellent topography & local infrastructure: labor, water, power, paved roads
-  Strong local support: no artisanal mining nor NGO issues

# Monte do Carmo Project

## Location Map



### Concessions:

**40km** from Porto Nacional  
(pop. 52,000)

**100km** from Palmas  
(pop. 265,000)



# Monte do Carmo Project

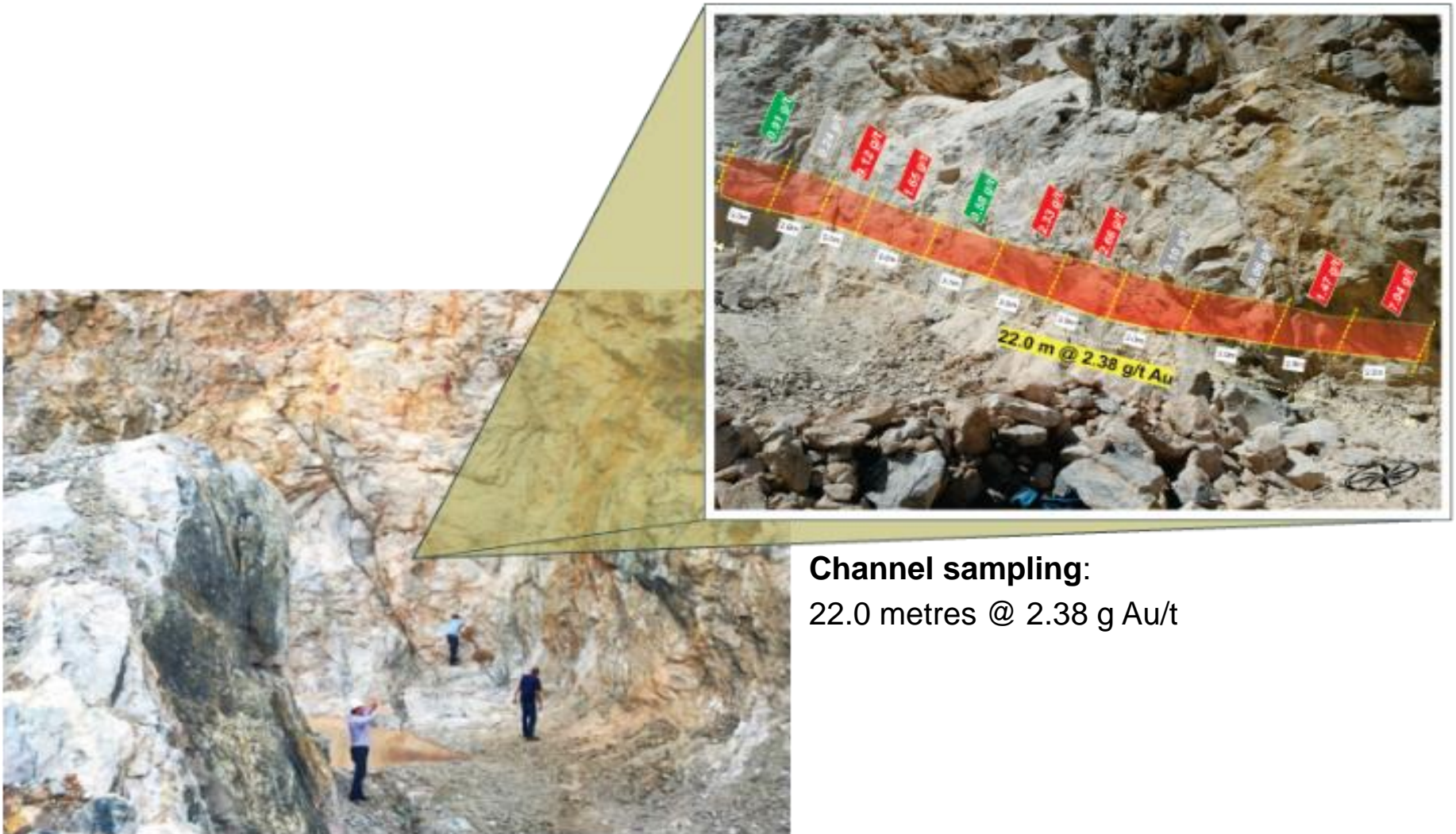
Monte do Carmo town with the Serra Alta deposit in the background.





# Serra Alta

## Surface Ore South Block

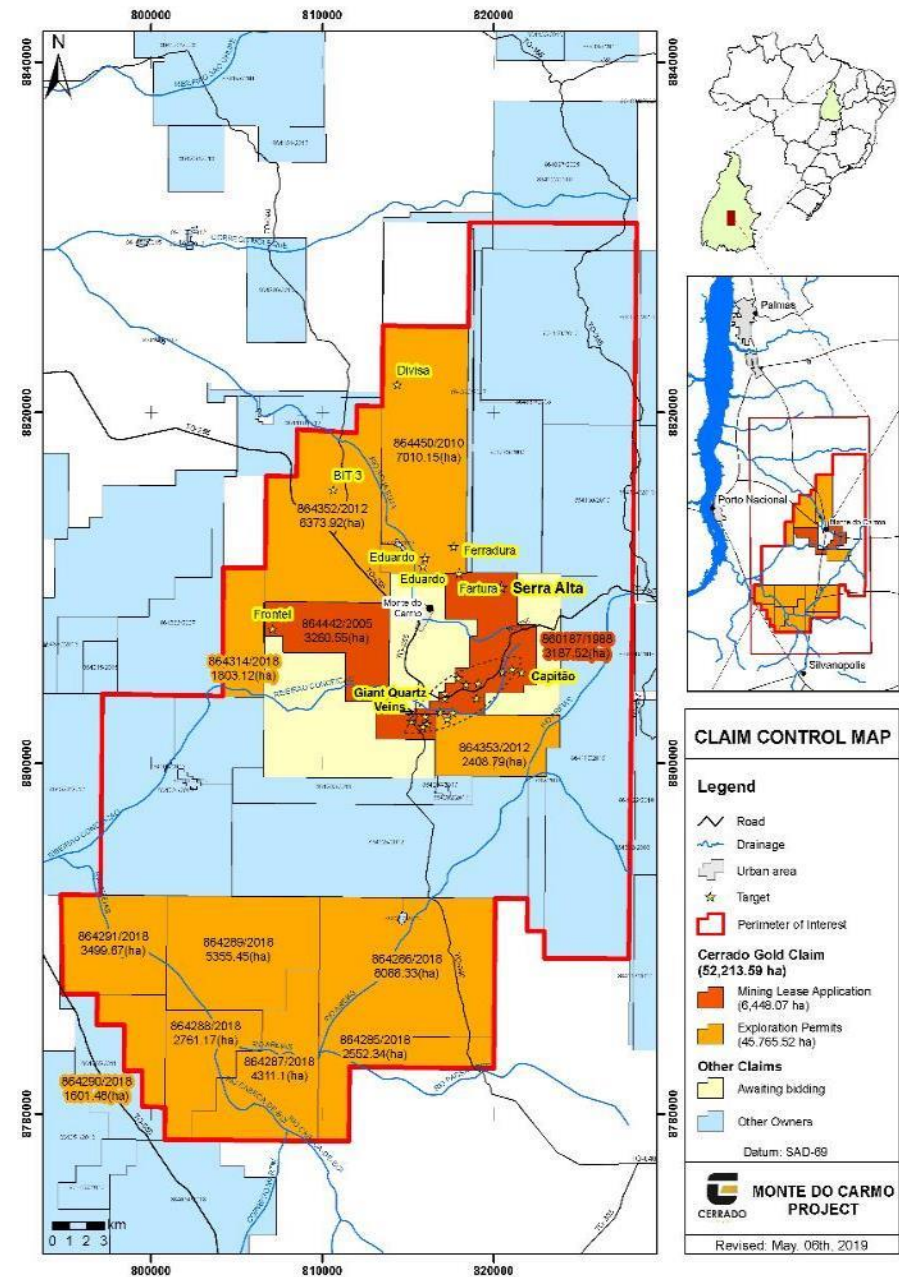


**Channel sampling:**  
22.0 metres @ 2.38 g Au/t

# Serra Alta

## Mineral Properties

13 concessions totaling 52,213 ha's





# Serra Alta

## Mineral Properties

### LEGEND

**PALEOZOIC**  
Permian

**PROTEROZOIC**  
Lower Proterozoic

- Pimenteiras Formation: basal conglomerate, ferruginous Sandstone with micro-conglomeratic horizons
- Diabase Dyke
- Suíte Ipueiras: Medium to coarse grained Granite, light pink, commonly bleached, hydrothermalized and sheared with sulphide rich quartz veinlets
- Acidic volcanic rock
- Quartzite

Rock Sample location

**8.12** Rock&Chip Samples collected by Verena with Au result (g/t)

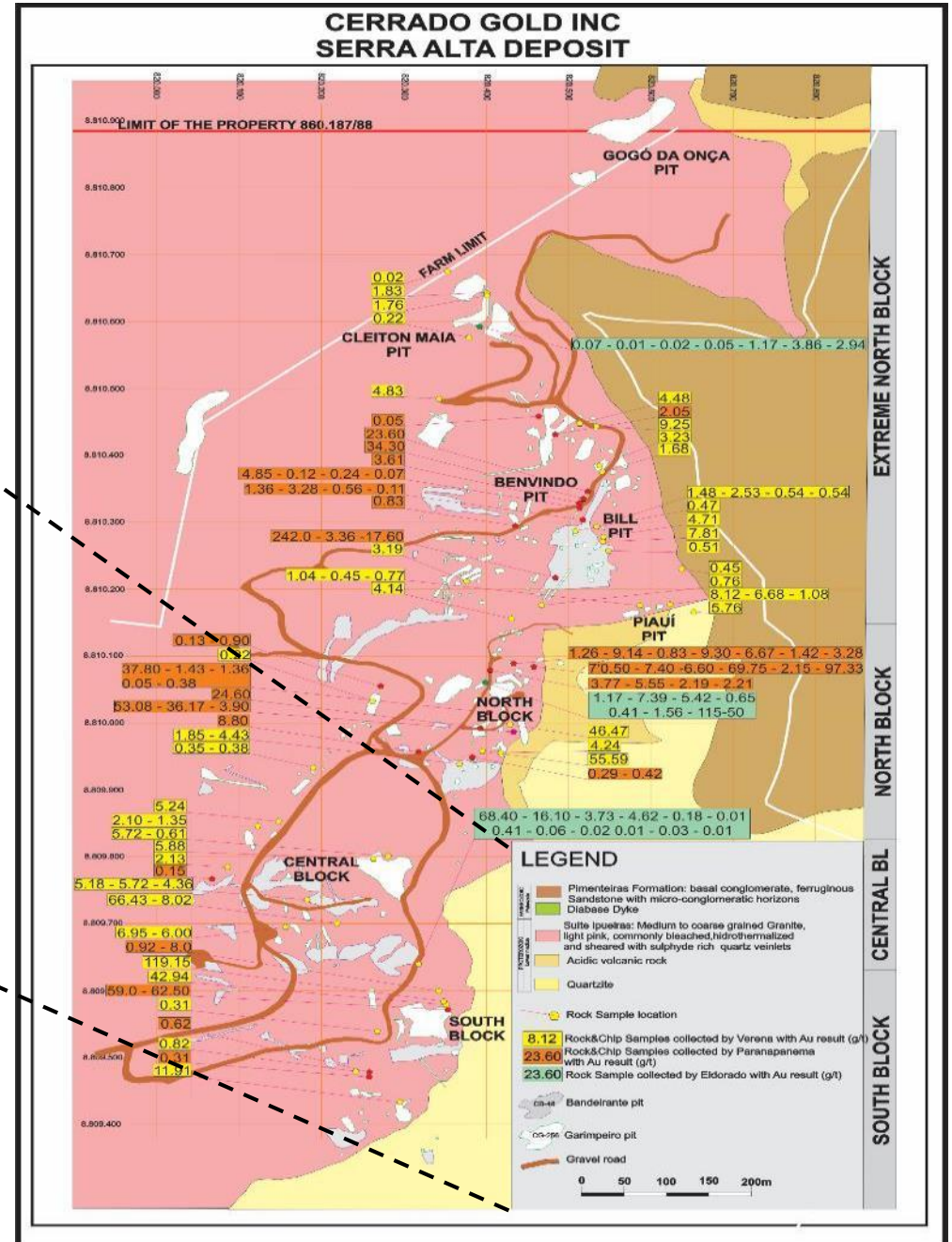
**23.60** Rock&Chip Samples collected by Paranapanema with Au result (g/t)

**23.60** Rock Sample collected by Eldorado with Au result (g/t)

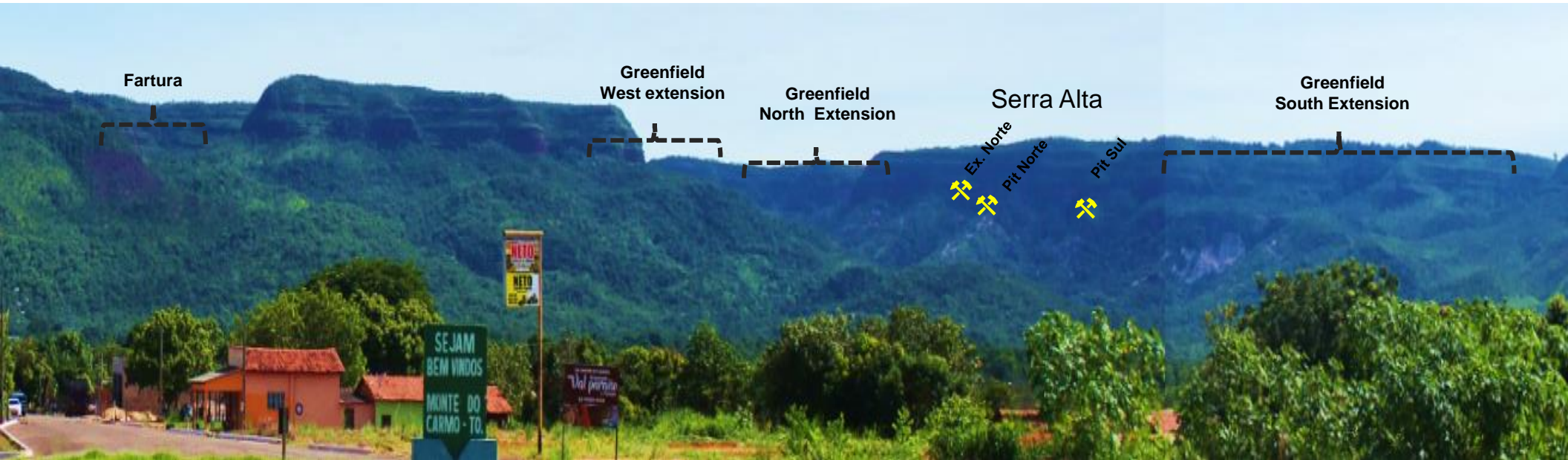
CB-48 Bandeirante pit

CG-256 Garimpeiro pit

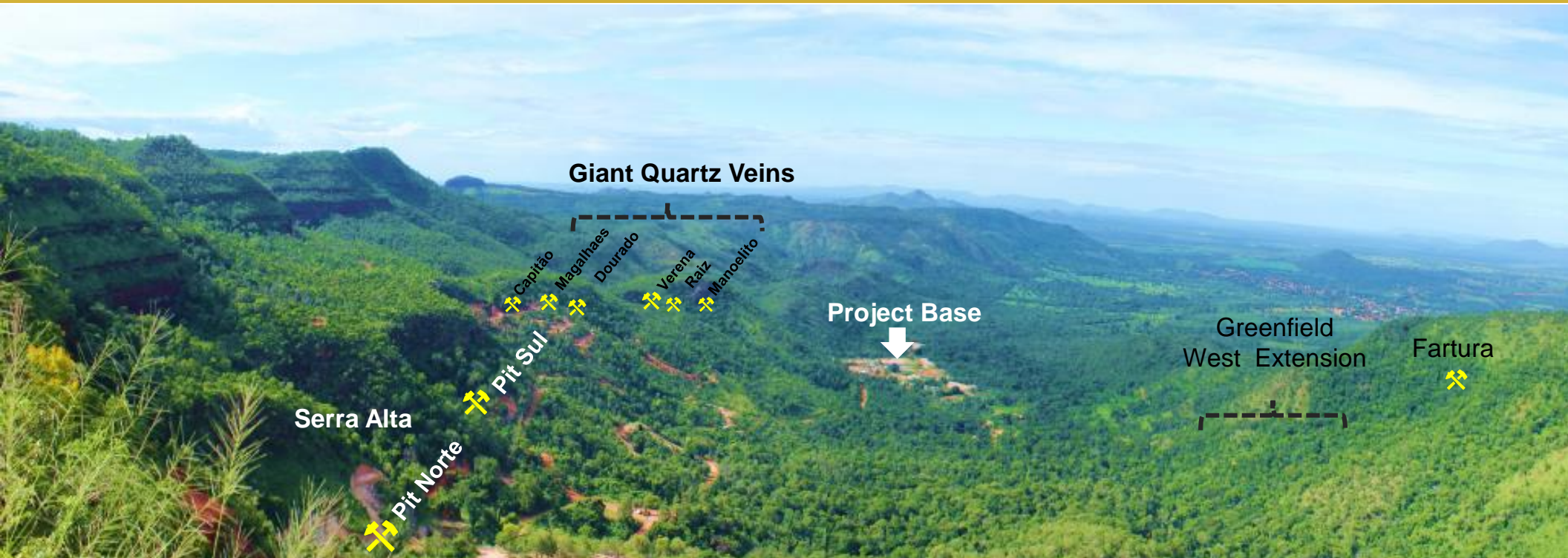
Gravel road







Monte do Carmo Project – Panoramic view ( Northeast )



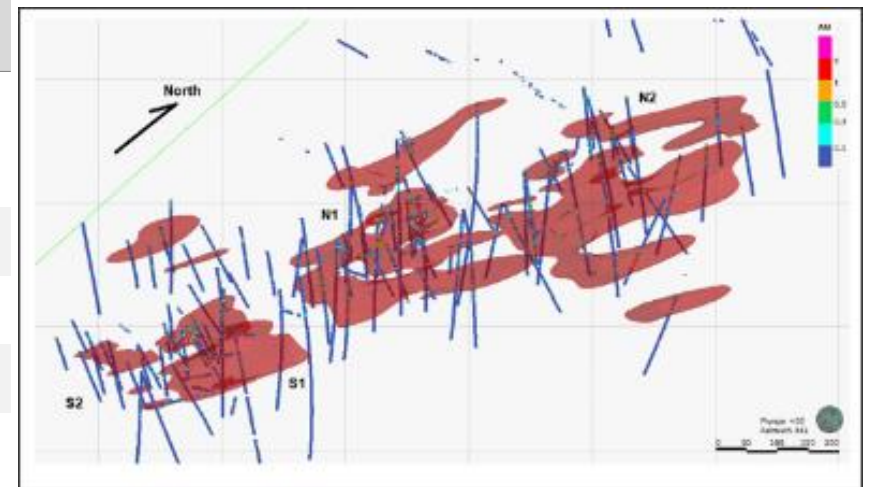
Monte do Carmo Project Panoramic View (South)

# SERRA ALTA

## Current 43-101 Resource Base

**Serra Alta** is Cerrado's primary target with a high grade, shallow mineralization, open pittable geological resource only.

Cut-off (g/t)	Tons(000)	Au g/t	oz(000)
UNCUT	24,252	1.08	841
0.25	17,911	1.42	816
<b>0.49</b>	<b>13,234</b>	<b>1.79</b>	<b>762</b>
0.70	10,298	2.13	706
1.00	7,285	2.67	625
1.50	4,588	3.53	520



\*Serra Alta NI\_43-101 Resource completed by Micon International December 2018

- Historical mining at Serra Alta dates back to the 17<sup>th</sup> century with artisanal production in the 80's and more recent bulk sampling operation (2012-2017) which provided the existing on-site infrastructure.
- Abundance of historical small scale mining pits throughout the property
- 5 lookalike analogue prospects to Serra Alta being explored currently (Ferradura, Fartura West, Fartura, Sucuri & Capitao)



# Independent Scoping Study (1):

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Cerrado Gold recently commissioned **PEK** of Brazil to exercise an independent Scoping Study using **MICON's** resource report 43-101 compliant.

**This Scoping Study is non 43-101 compliant and should not be used as sole source for an investment decision**

## HIGHLIGHTS OF BASE CASE @ US\$1,200 oz/ Au

- **Six-year** mine life
- Waste/ore: **7/1**
- Met recovery: **93.95%**
- **AISC: US\$ 516.12 / oz**
- **643,181 oz production**
- 107,000 oz per year avg.
- 1.72 g/t head grade
- 86,644,000 t waste

# Independent Scoping Study (2):

## PRODUCTION COSTS:

• Open pit mining cost/ore:	USD 1.51/t	• Fixed cost:	USD 1.00/t
• Open pit mining cost/waste:	USD 1.26/t	• G&A (\$/t of ore):	USD 5.50/t
• Processing cost:	USD 10.78/t	• OPEX (AISC):	<b>USD 27.16/t</b>

## FINANCIALS:

- Initial CAPEX: **USD 149,842,000**
- Sustaining CAPEX: **USD 5,557,000**
- Closure cost: USD 9,041,00

### BEFORE TAXES USD (\$'000s)

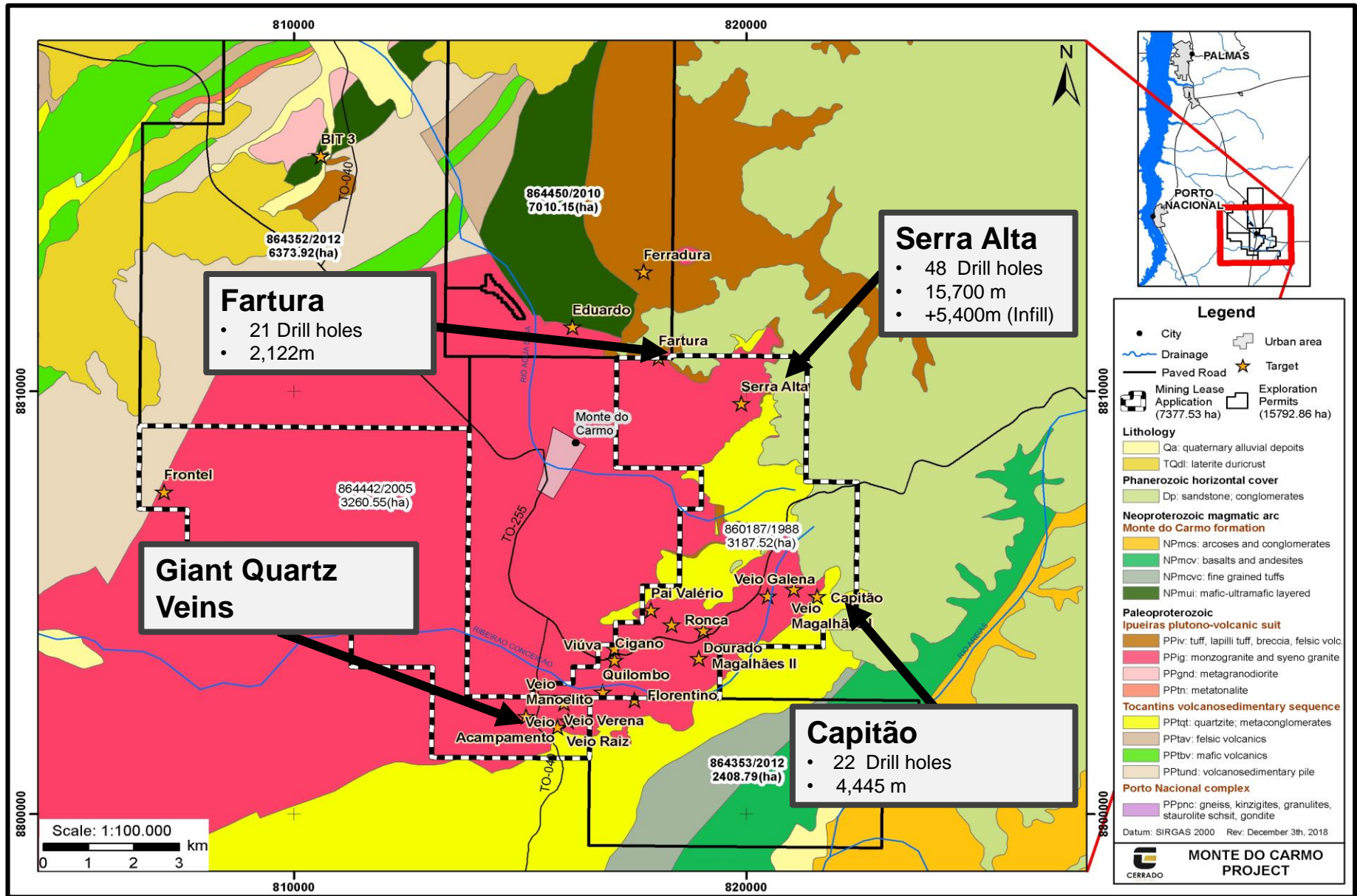
- NPV @ **5%** 195,349
- NPV @ **10%** 142,208
- NPV @ **15%** 100,344
- IRR **34.8%**

### AFTER TAXES USD (\$'000s)

- NPV @ **5%** 162,293
- NPV @ **10%** 114,657
- NPV @ **15%** 77,078
- IRR **30.7%**

# Monte do Carmo

## Regional Geology & Proposed Drill Program





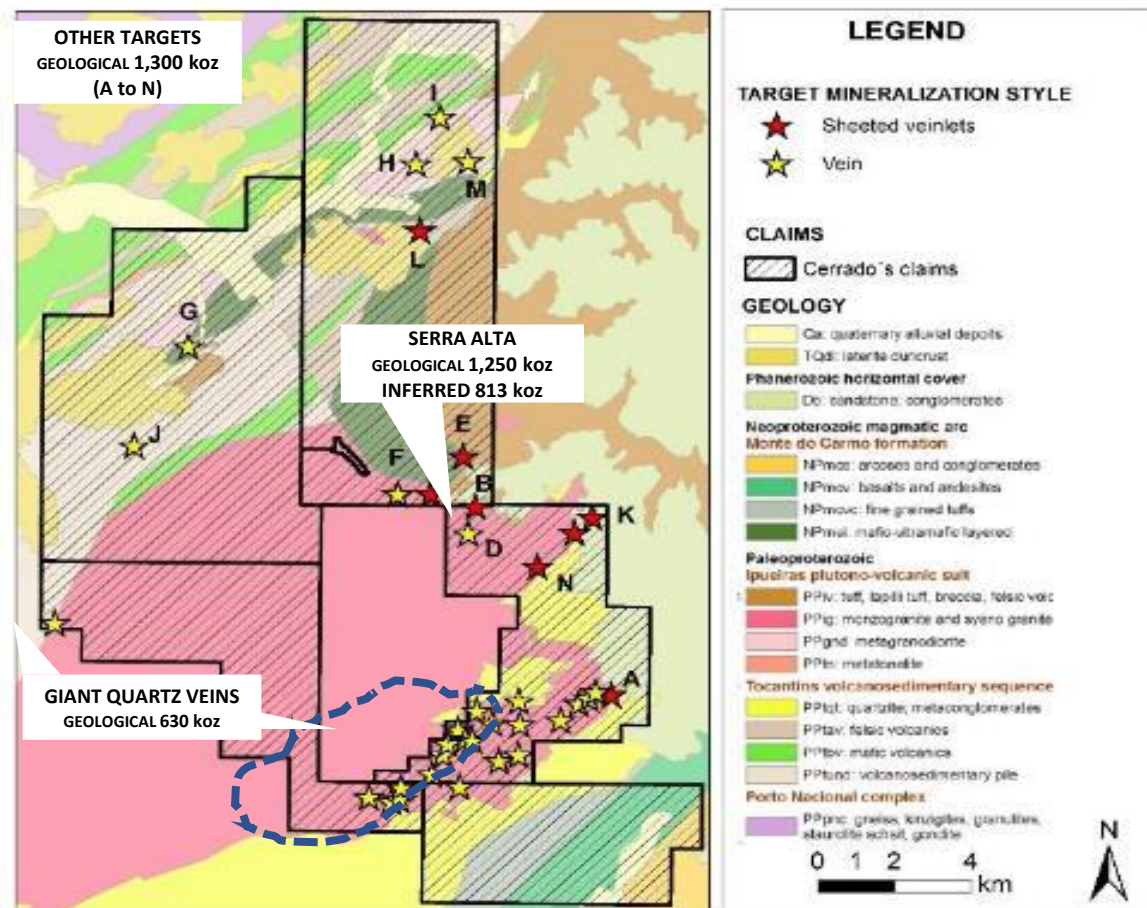
# Phase 3 Exploration Program

## Targeted Ounces (Cost USD \$10 million)

Target	Drilling Strategy	DDH(m) Deposit Type	Total Oz per Target
<b>SERRA ALTA</b>	<b>INFILL</b>	<b>5,400 SHEETED VEINS</b>	<b>156,600</b>
SERRA ALTA	STEP OUT	1,126 SHEETED VEINS	
SERRA ALTA	SOUTH EXTENSION	2,796 SHEETED VEINS	
SERRA ALTA	NORTH EXTENSION	3,005 SHEETED VEINS	
SERRA ALTA	EAST EXTENSION	5,597 SHEETED VEINS	
SERRA ALTA	DOWN DIP EXTENSION	1,233 SHEETED VEINS	
SERRA ALTA	LOW ANGLE DDH	2,050 SHEETED VEINS	
<b>SERRA ALTA</b>	<b>TOTAL EXPLORATORY</b>	<b>15,700</b>	<b>706,500</b>
<b>CAPITAO</b>	<b>NORTH AND SOUTH EXTENSION</b>	<b>4,445 SHEETED VEINS</b>	<b>200,025</b>
<b>FARTURA</b>	<b>EXPLORATORY</b>	<b>2,122 SHEETED VEINS</b>	<b>95,490</b>
<b>OTHER TARGETS</b>	<b>TOTAL EXPLORATORY</b>	<b>3,333</b>	<b>149,985</b>
<b>TOTAL DRILLING</b>		<b>31,000 SUB TOTAL(Oz):</b>	<b>1,152,000</b>
		<b>INFERRED RESOURCES AS OF DEC 2018(1):</b>	<b>642,420</b>
		<b>GRAND TOTAL</b>	<b>1,951,020</b>

# CURRENT RESOURCES AND BLUE SKY POTENTIAL OUNCES

	Mineralization Style	Strike (m)	Width (m)	Dip (m)	Grade (g/t)	Oz(000)
<b>SERRA ALTA TARGET - NI 43-101</b>						
Resources	Sheeted	1300	41	100	1.80	813
<b>SERRA ALTA TARGET</b>						
Extensao North/East	Sheeted	600	55	100	1.80	500
Extensao East (deeper ore)	Sheeted	900	37	100	1.80	500
Extensao South	Sheeted	400	50	100	1.80	250
						1,250
<b>OTHER TARGETS</b>						
A - Capitão	Sheeted	620	50.00	100	1.61	474
B - Fatura	Sheeted	300	80.00	100	1.73	347
C - Fatura W	Sheeted	300	50.00	100	1.73	217
D - Fatura Sul	Vein	100	20	100	1.73	29
E - Ferradura	Sheeted	300	26	100	1.60	104
F - Eduardo	Vein	300	4	100	1.60	16
G - Bit-3	Vein	400	17	100	1.99	113
H - VE-3	?					
I - Divisa 2	?					
J - Bit-3 Sul	?					
K - Gogó da Onça	Sheeted					Evaluation pending
L - Ferradura Norte	?					
M - Divisa Sul	?					
N - Shear Sul	Sheeted					
						1,300
<b>GIANT QUARTZ VEINS TARGET</b>						
Giant Quartz Veins (16)	Vein	300	3.00	50	2.50	261
Giant Quartz Veins (4)	Vein	350	3.00	50	2.50	40
Giant Quartz Veins (10)	Vein	500	4.50	50	2.50	329
						630
						3,993

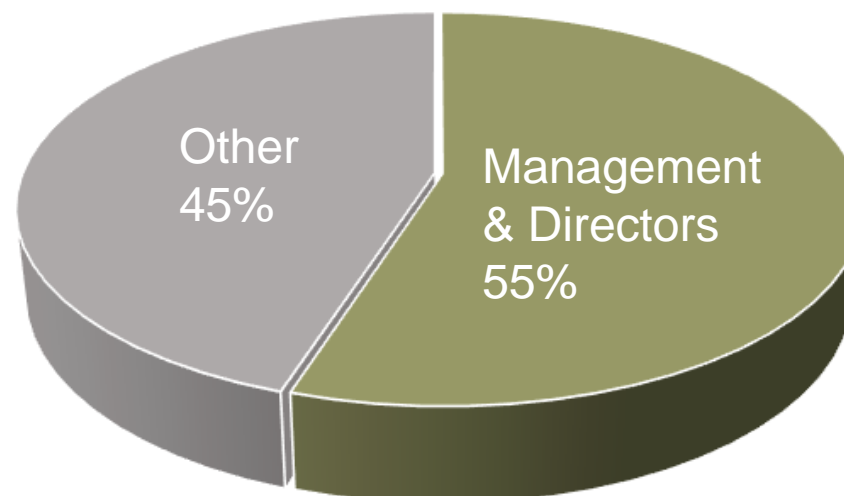


# Capital Structure

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Shares Outstanding	42.7M
Warrants @ USD \$0.20, 2 years	2M
Options @ USD \$0.20, 2 years	4M
<b>Total Fully Diluted</b>	<b>48.7M</b>

## Ownership Breakdown





# Management & Directors

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## **Mark Brennan**

CEO, Co-Chairman & Founder

Mr. Brennan is currently Executive Chairman of Ascendant Resources Inc. Prior to Co-Founding Ascendant, he was the President and Chief Executive Officer of Sierra Metals Inc., a multi-mine polymetallic producer, from April 2015 to March 2017. He was the President and Chief Executive Officer of Largo Resources Ltd., a greenfield to production mining company, from March 2005 to March 2015. He was the Co-Founder of Brasoil do Brasil Exploracao Petrolifera S.A., a private oil and gas producing exploration Corporation in Brazil. In addition, he has been President of Linear Capital Corporation, a private merchant bank, since February 1998. He is a Founder and a director of James Bay Resources Limited since November 2007.

## **Stephen Shefsky**

Co-Chairman & Founder

Mr. Shefsky is the Chief Executive Officer and President of James Bay Resources Limited. Mr. Shefsky was the co-founder of Brasoil do Brasil Exploracao Petrolifera S.A., a private oil and gas producing and exploration company operating in Brazil since 2006. Mr. Shefsky is the President and Chief Executive Officer of Cancap Investments Limited, a private merchant bank providing venture capital and project financing for private and public companies, since 1985. From 1996 to August 2007, Mr. Shefsky held the positions of the President and Chief Executive Officer of Verena Minerals Corporation (TSXV:VML), a minerals exploration company with a focus on precious metal properties in Brazil (currently Belo Sun Mining Corp., TSXV:BSX). Mr. Shefsky is also a former Executive Chairman of Castle Resources Inc. (TSXV:CRI). Mr. Shefsky is currently the Lead director of Ascendant Resources Inc. Mr. Shefsky was a founder of Silver Bear Resources Inc. (TSX:SBR).

## **Cliff Hale-Sanders, MBA, CFA**

President

Mr. Hale Sanders is one of the founding partners in the formation of Ascendant Resources Inc. and its acquisition of the company's flagship operating El Mochito mine from Nyrstar NV in 2016. Mr. Hale Sanders' career has spanned approximately 20 years in the capital markets industry working as a leading Base Metals and Bulk Commodities research analyst in Canada working at RBC Capital Markets, TD Securities, CIBC World Markets and Cormark Securities. During this period, Mr. Hale Sanders visited and reviewed numerous mining operations and corporate entities around the world. Mr. Hale-Sanders holds a B.Sc. in Geology and Chemistry, an MBA from McMaster University and is a CFA Charterholder.

# Management & Directors

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## **Rohan Hazelton, CPA, CA**

CFO

Mr. Hazelton is a Chartered Professional Accountant with over 20 years of international finance experience including 15 years in the mining sector. He was formerly Vice President, Strategy at Goldcorp Inc. where he held a variety of roles including Vice President Finance, Chief Financial Officer of Mexican Operations and Corporate Controller. He holds a B.A. in Applied Mathematics and Economics from Harvard University.

## **Kurt Menchen**

COO & Director

Mr. Menchen is the past-President of Operations, Brazil, of Largo Resources Ltd, and has over 42 years of experience operating and managing mining projects, including over 20 years as General Manager at the Jacobina Gold project in Bahia State, Brazil. His prior experience also includes Anglo American's Vaal Reefs underground gold mine in South Africa and De Beers Diamonds in Angola. Mr. Menchen holds a degree in mining engineering from the Federal University of Rio Grande do Sul, Brazil.

## **Robert Campbell**

VP Exploration & Director

Mr. Campbell is an exploration geologist with over 42 years experience in mining and exploration industry through Canada, United States and Latin America. He has worked for a number of major mining companies, most notably Noranda and Lac Minerals. He is currently and has been with Largo Resources since its inception in November 2003 as Vice President of Exploration. He has also held other senior management positions such as Vice President of Exploration for Apogee Minerals Ltd.

## **Maria Virginia Anzola**

Corporate Counsel

Ms. Anzola has over 20 years of experience advising companies in the extraction industry. In her role as General Counsel, Ms. Anzola provides leadership and direction on all legal matters involving Ascendant and its operations. As Corporate Secretary, she is responsible for all matters relating to the Board of Directors, its committees, and the overall implementation of corporate governance best practices. Prior to joining Ascendant in 2017, Ms. Anzola served as Assistant General Counsel for Primero Mining Corp, and prior to that she served as Senior Counsel for Hudbay Minerals Inc. In addition, Ms. Anzola served as Consultant to the Tax Group of Borden Ladner Gervais LLP for over two years. Prior to moving to Canada, Ms. Anzola spent 11 years in private practice in her home country of Venezuela, mostly advising international companies engaged in the oil and gas business. Ms. Anzola has been called to the BAR in Ontario and Venezuela and has an LL.M from the University of Michigan, Ann Arbor and from Osgoode Hall Law School.

# Management & Directors

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## **Elmer Prata Salomão**

Director

From 1990-1995, Mr. Salomão served as General Director of Brazil's National Department of Mineral Production, DNPM, the federal agency in charge of administration of mineral concessions and the implementation of Brazilian mining policy. Mr. Salomão is founder and now managing director of well recognized GEOS-Mining Services Ltda., originally incorporated in 1974, and is now managing director of EPS Consulting Ltda., a solely owned mining consulting company.

## **Jad Salomão**

Founder & Director

Mr. Salomão has 42 years of experience in mineral exploration & mining and project evaluation with both major and Junior company in Brazil and Canada. He has managed several base metals projects (in special massive sulphides and sedimentary copper), precious metals (gold, PGM), diamonds, Industrial minerals (Ilmenite) and gem (Emerald, Alexandrite) projects. He is presently a major shareholder of the company Monte Sinai Mineração Ltda., which holds the Serra Alta project. Together with his partner, Oscar Neto, Mr. Salomão founded Verena Mineração Ltda - which became a junior mining company listed in the Toronto Stock Market in Canada from 1996 through 2010 – Verena Minerals Corporation (VMC) – which is now known as Belo Sun Mining Corp. Mr. Salomão and Mr. Oscar Neto are credited with the discovery and definition of the Belo Sun Volta Grande deposit; a deposit with over 6 million ounces of gold.

## **Oscar Neto**

Founder & Director

Mr. Neto worked as a field and project geologist for Billiton between 1980 to 1985 exploring for base metals in volcano-sedimentary environments in the states of Goiás and Pará. He also worked for BP Minerals in the state of Rondonia as a mine geologist at the Potosi Mine, 14 de Abril and Serra da Onça Mines, directly in charge of the mining operations. He also worked as Chief Project geologist for Master Incosa Engenharia S/A in gold exploration in the state of Pará. In late 1985, working with Brazilian geologist, Jad Salomão, Neto started exploration for gold in the state of Tocantins, Brazil. In mid-1986, founded the company Verena Mineração Ltda. and started accumulating an extensive portfolio of gold in the municipalities of Porto Nacional, Natividade and Conceição, state of Tocantins, Brazil. Between 1988 and 1994, participated of several negotiations with major companies – RTZ (1989), Paranapanema (1991), Bank of Bahia (1993) and TVX (1994) – which spent close to US\$5 million on these properties. In 1996, together with his partner, Jad Salomão, Mr. Neto founded Verena Mineração Ltda - which became a junior mining company listed in the Toronto Stock Market in Canada from 1996 through 2010 – Verena Minerals Corporation (VMC) – which is now known as Belo Sun Mining Corp. Mr. Neto and Mr. Salomão are credited with the discovery and definition of the Belo Sun Volta Grande deposit; a deposit with over 6 million ounces of gold.



# Investment Summary

- The acquisition of Minera Don Nicolas provides immediate exposure to gold production and near term free cash flow.
- Gold prices appear well supported with a bias to the upside given the current geopolitical atmosphere and economic concerns
- Significant operational improvements expected to deliver robust EBITDA margins and FCF via new mine plan, grade control and mill enhancements
- Acquisition price is well below replacement value and below similar market comparables
- Exploration potential at Serra Alta set to establish a new major gold region
- Combination with Cerrado's existing asset creates a new mid tier gold producer with significant growth potential at an attractive price



# APPENDIX:

# Monte do Carmo

## Regional Geology

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- Volcanic Sedimentary Sequence of Upper Proterozoic age, intruded by large granite body of Lower Proterozoic age.
- Gold mineralization is associated with hydrothermally altered and sheared granite, locally rich in sulphides (Pyrite, Galena, Sphalerite and Chalcopyrite).
- Gold mineralization is associated with granite cupola similar to the intrusion related deposits of Kinross' Fort Knox Deposit, Alaska and orogenic gold deposits similar to Alamos Gold's Young Davidson deposit and Lakeshore Gold's Thunder Creek & Hwy-144 deposits in Ontario.
- Over 150 gold showings in the region.
- Airborne geophysics anomalies interpreted by Rio Tinto
- The Serra Alta Deposit and 5 other targets are all within the 52,213 ha property boundary and has potential for large size gold deposits to establish a true mining district

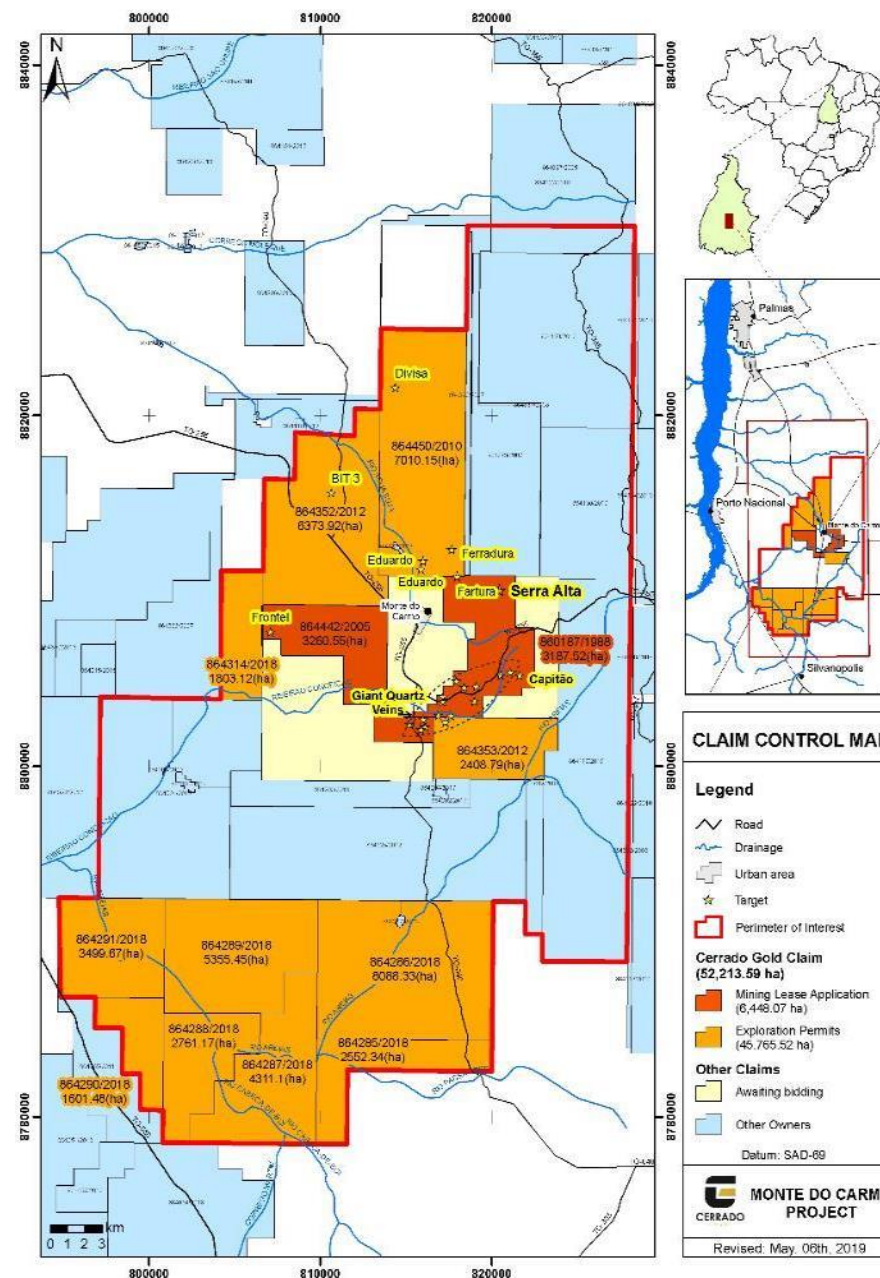




# Monte do Carmo

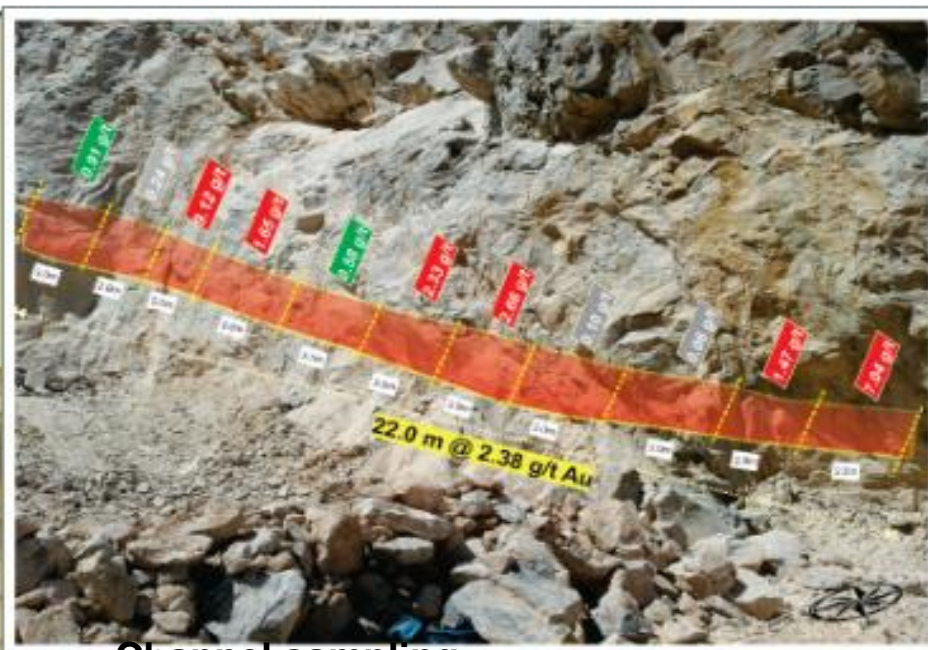
## Mineral Properties and History

- 13 concessions totaling 52,213 ha's
- ~60,000 tonnes of open pit ore processed from 2012 to 2017 using small Pilot Plant for bulk sampling.
- Small scale production calculated grade averaged over 2.0 g/t.
- USD\$23M+ spent historically on past geological and metallurgical work.
- Historical work included airborne geophysical survey, geological mapping and sampling, over 2,000m of channel sampling and 4 campaigns drilling 149 holes (14,575m).
- Easy access to high-grade mineralization; hilly topography with limited tree cover.
- Abundance of historical small scale mining pits (garimpeiro workings) throughout the concession area
- The Serra Alta deposit is the current focus area



# Serra Alta

## Surface Ore South Block



**Channel sampling:**

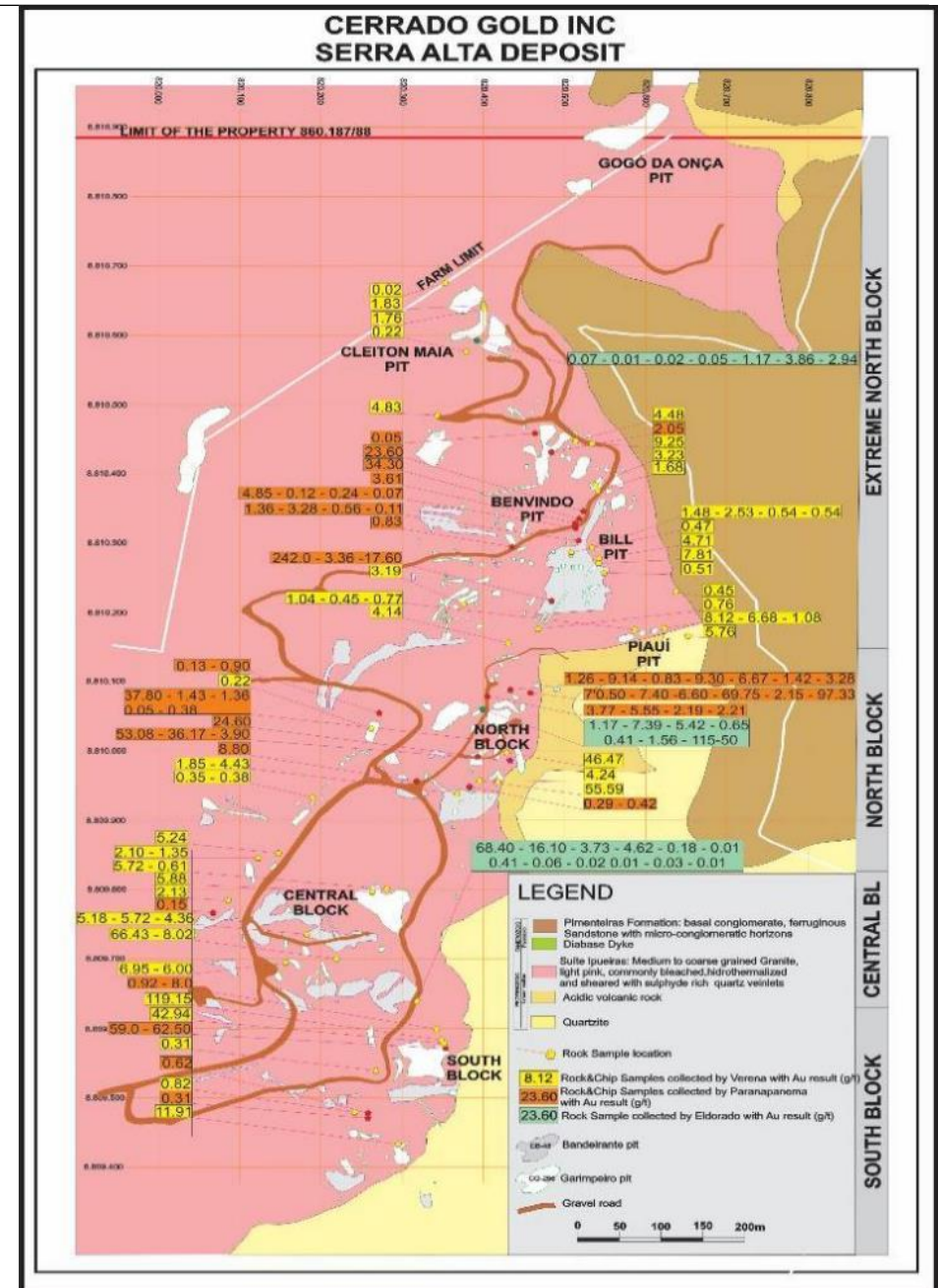
22.0 metres @ 2.38 g Au/t



# Serra Alta Deposit

## Local Geology

- The property was extensively mined by the Portuguese in the 17th century, many Garimpeiro's workings
- Gold mineralization is associated to hydrothermally altered and sheared granite, rich in sulphides;
- Over 40 ore shoots were mapped in the at South – Central and North Blocks.;
- The mineralization proceeds under the quartzite and under the sediments as well;
- The ore shoots vary in thickness from 1m to up to 60m at grades up to 15g/t.
- The mineralized intervals vary from 13m to 82m in thickness with grades from 0.37 to 1.85 g/t



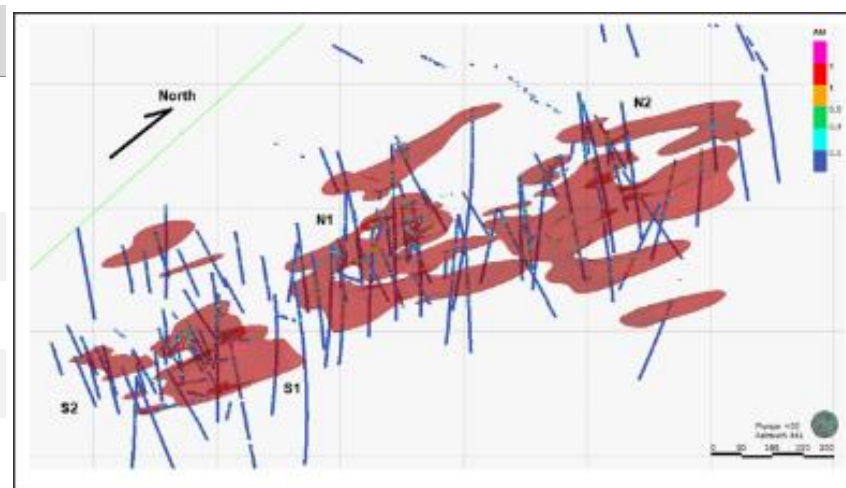


# SERRA ALTA

## Current 43-101 Resource Base

**Serra Alta** is Cerrado's primary target with a high grade, shallow mineralization, open pittable geological resource only.

Cut-off (g/t)	Tons(000)	Au g/t	oz(000)
UNCUT	24,252	1.08	841
0.25	17,911	1.42	816
<b>0.49</b>	<b>13,234</b>	<b>1.79</b>	<b>762</b>
0.70	10,298	2.13	706
1.00	7,285	2.67	625
1.50	4,588	3.53	520



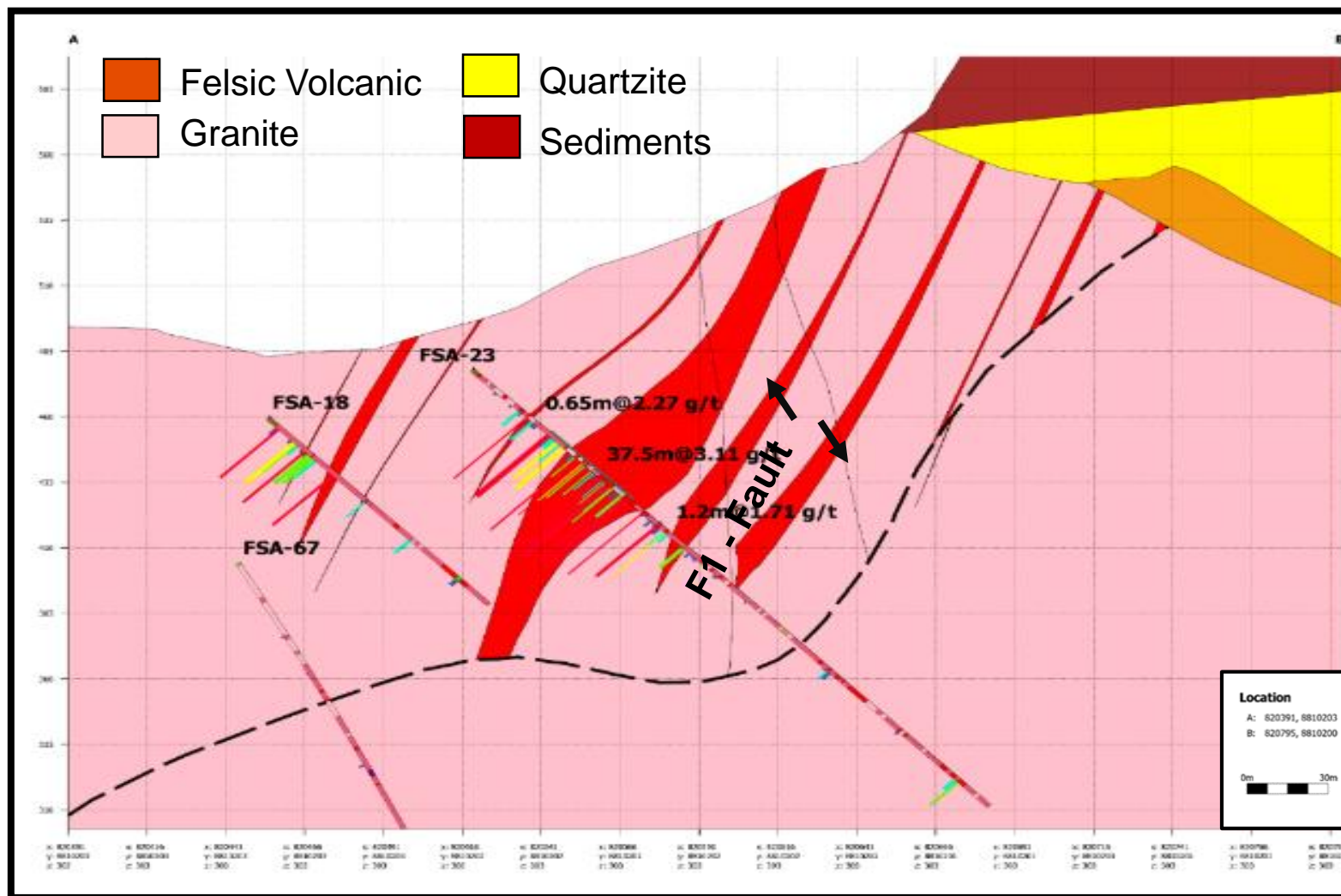
\*Serra Alta NI\_43-101 Resource completed by Micon International December 2018

- Historical mining at Serra Alta dates back to the 17<sup>th</sup> century with artisanal production in the 80's and more recent bulk sampling operation (2012-2017) which provided the existing on-site infrastructure.
- Abundance of historical small scale mining pits throughout the property
- 5 lookalike analogue prospects to Serra Alta being explored currently (Ferradura, Fartura West, Fartura, Sucuri & Capitao)

# Serra Alta Deposit

## Cross Section North Block

- Drill hole FSA-23 intercepted the best mineralized composite (67.75 m @ 1.85 g Au/t) encountered to date in the area.



# Serra Alta Deposit

## North & South Blocks



**SOUTH BLOCK**



**NORTH BLOCK**



**ORESHOOTS MODEL**



**TYPICAL QZ VEINLETS  
WITHIN ORE ZONES**



# Serra Alta

## Mineralization

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Sheared Granitic ore with sulphide rich quartz, chlorite veining.

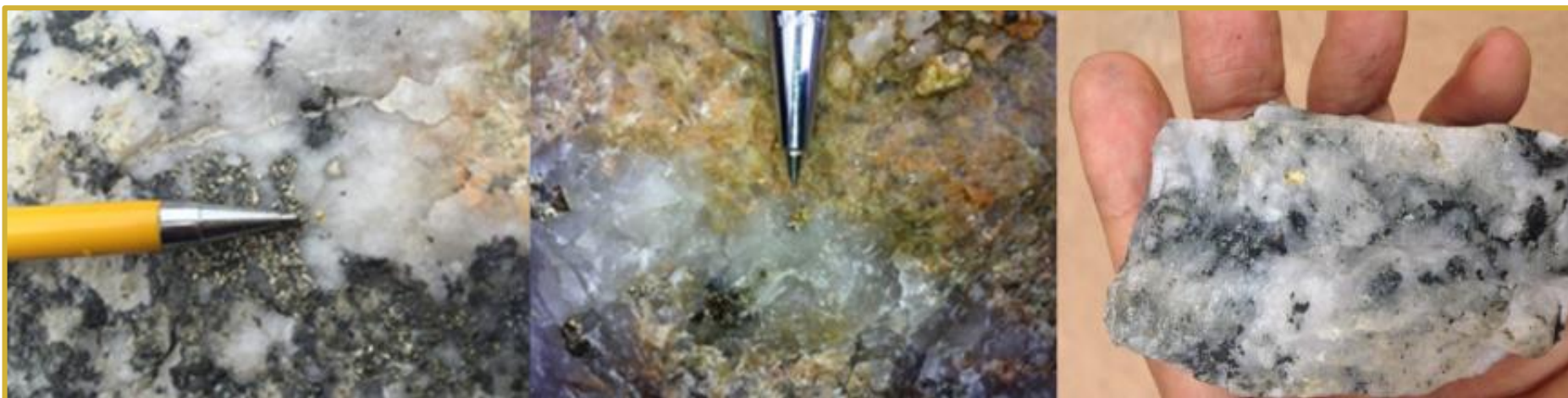


Sulphide rich ore

# Serra Alta

## Style of Mineralization

Abundant coarse visible gold associate with quartz chlorite veining and sulphides (pyrite, sphalerite and galena)



Ore with visible gold



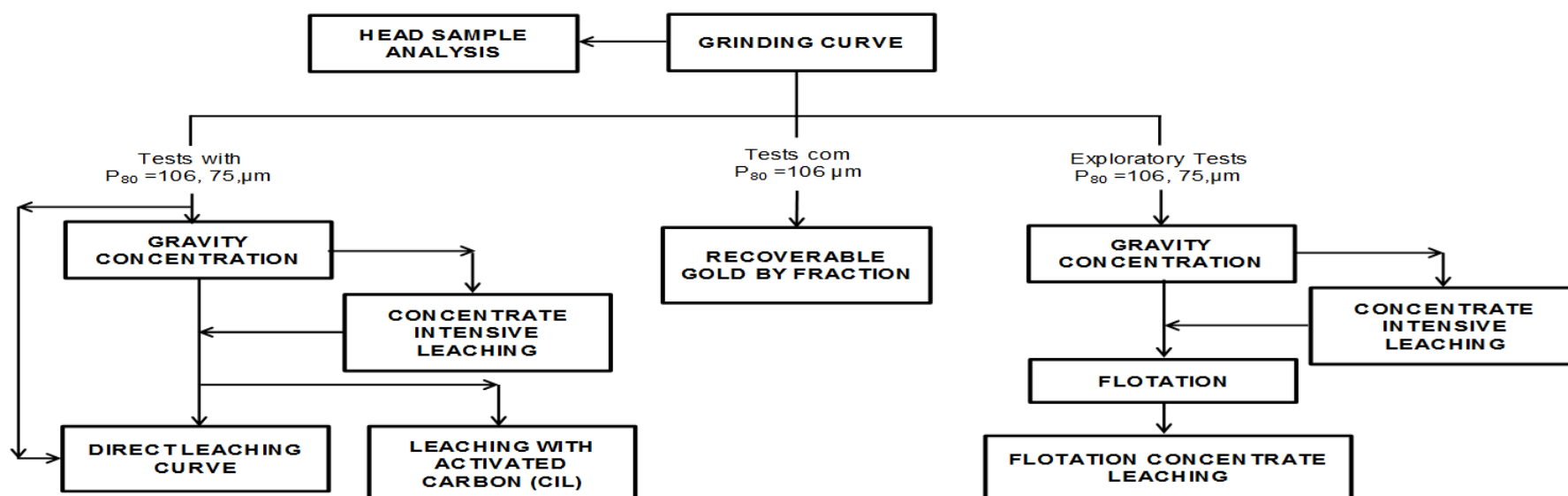
Coarse gold in the panning



# Serra Alta

## Metallurgical Test Work

- The ore indicates free milling
- The best gold recoveries were achieved with the ore milled to  $P_{80} = 75 \mu\text{m}$
- Recoveries obtained:
  - Direct leaching (I) 97,2%
  - Gravity concentration and leaching + tailing leaching (II) 98,9%
  - Gravity concentration and leaching + tailing flotation + leaching (III) 97,4%





# Potential Mineralization Extensions

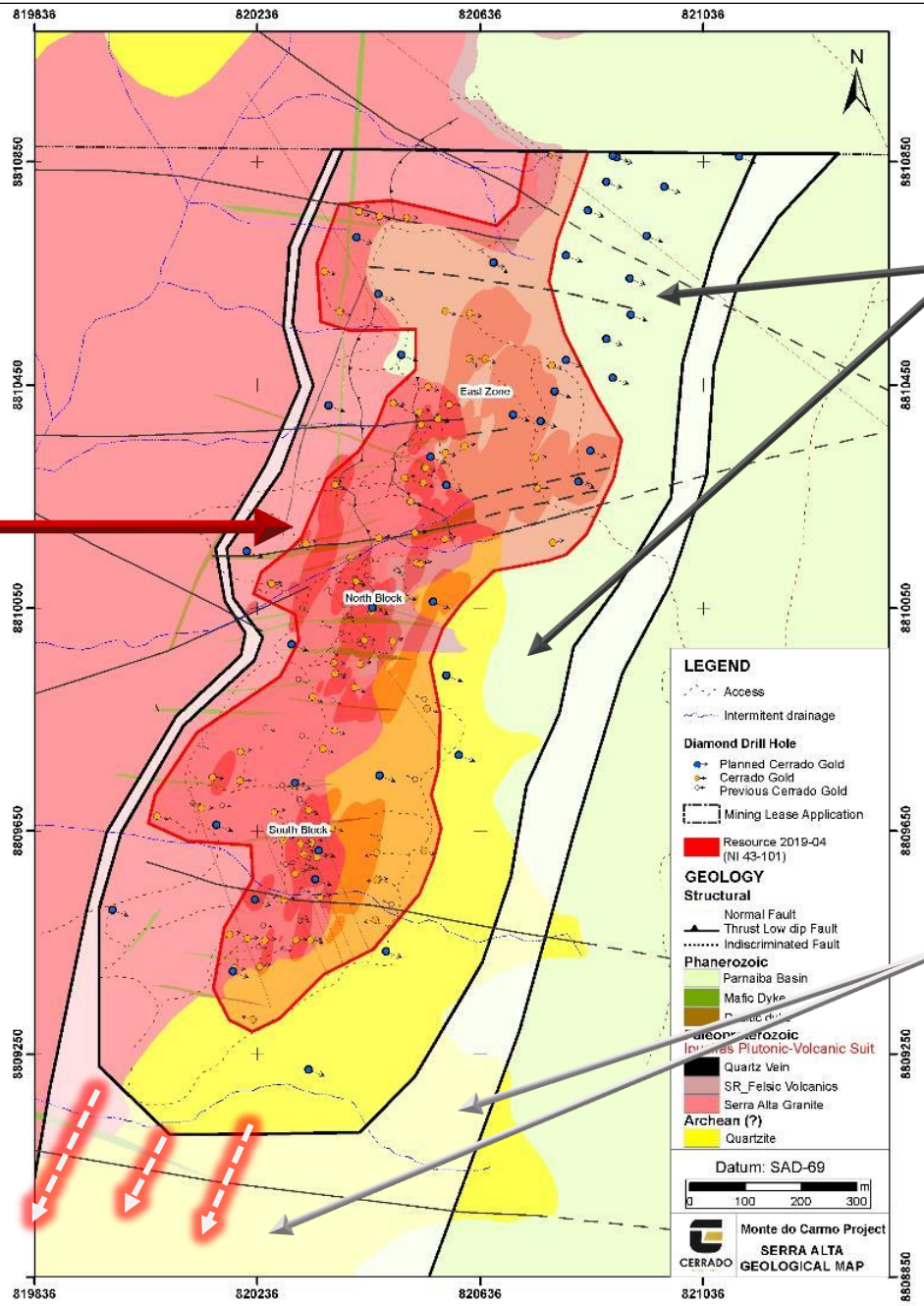
## Serra Alta

**Current NI 43-101  
1300m – 813 koz**

**Planned Drill Hole**

**Planned  
Drill hole Area  
706 koz targeted**

**Potential  
South/East  
Extension  
480 koz**





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