

# Executing on Value Creation



TSX: EOX

# Disclaimer

*This presentation contains statements that are forward-looking, such as those relating to results of operations and financial condition, capital spending, financing sources, commodity prices, mineral resources and property evaluation plans and programmes. Forward-looking statements are frequently characterised by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate” and other similar words, or statements that certain events or conditions “may” or “will” occur.*

*Forward-looking statements are based on the opinions and estimates of management at the dates the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The forward-looking statements contained in this document are as of the date of this document, and are subject to change after this date. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Euromax disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

# The Euromax Proposition

<b>Simplicity</b>	Simple Geology, Simple Mining, Simple processing, Simple Logistics = AISC US\$372/oz
<b>Longevity</b>	20+ year Mine Life = cyclical Gold & Copper exposure
<b>Credibility</b>	A Management Team that has done it all before
<b>Support</b>	Comprehensive National, Regional and Local backing Received EIS Approval

All Free Cash Flow Returned to Shareholders

# Project Location



# Macedonia

Government &  
Public Support

GDP USD 11 billion  
Population 2 million

Tax rate 10%  
Excellent infrastructure



Educated workforce  
25% Unemployment

Free Trade  
agreements with  
EU and EFTA

World Bank Ease of  
Doing Business  
6<sup>th</sup> EU, 12<sup>th</sup> World



# Unlocking the Value

May 2012

Former European Goldfields  
Management Team assumes  
Board & Management  
control of Euromax

New Management  
Team injects US\$5 Million  
Cash to execute its plan to  
unlock the value of the  
Ilovica-Shtuka copper-gold porphyry



# Systematic Value Creation

## Measured & Indicated Resources

256.8mt @  
0.32g/t Au (2.6Moz)  
0.21% Cu (1.2Blb)

**AuEq 5.4Moz**

## Proven & Probable Reserve

198.1mt @  
0.32g/t Au (2.01Moz)  
0.21% Cu (898.9Mlb)  
(AuEq 0.66 g/t)

**AuEq 4.11Moz**

- Base Line E & S Data Collation
- EIS Approved
- 30 Year Mining Concession Awarded
- Construction Permit Initiated
- All achieved with US\$30 million of expenditure

- Inferred Resource ✓
- Preliminary Economic Analysis ✓
- M & I Resource ✓
- Pre-Feasibility Study ✓
- P & P Reserve ✓
- Feasibility Study ✓
- Front End Engineering & Design ✓

# Feasibility Study – the Value Defined

## Mineral Reserve

- 2.01 Million oz Gold
- 898.9 Million lbs Copper

Pre-tax NPV<sup>(5%)</sup> US\$ 513m  
IRR: 19.8%

Post-tax NPV<sup>(5%)</sup> US\$ 440m  
IRR: 17.8%

MINE LIFE	20+ YRS
AVG ANNUAL PRODUCTION	83,000oz Au & 16,000t Cu (AuEq 167,000 oz) Conc & Dore – Aurubis Offtake
INITIAL CAPEX (INC. CONTINGENCY)	US\$ 474.3 million
AFTER TAX PAYBACK PERIOD	4.3 YRS
Au ADJ. OP. CASH COSTS / ALL-IN COSTS	US\$ 200/oz / US\$ 372/oz
Cu ADJ.	US\$ 0.54/lb / US\$ 0.93/lb



# Credibility

## Feasibility Study / FEED

- AMEC Foster Wheeler – Plant & Process Design
- DMT / SRK – Mining
- Golder / Skopje University – Tailings
- SGS – Metallurgy
- Tetra-Tech - Geology

## Environmental & Social Impact Assessment

- Baseline Study (Socio-economic Survey)
- ESIA Team: Golder Associates, Schlumberger Water Services & Shtip University
- EPIII, World Bank & EBRD Compliant

World-Class Experts working in partnership with Macedonian Faculties & Institutions



# Simplicity is Key

Simple Geology ✓

Simple Mining ✓

Simple Processing ✓

Simple Logistics ✓



- Resource drilling completed to nominal 50m spacing
- A total of 42,032m have been drilled for 130 drillholes
- Consistent mineralisation and grade throughout

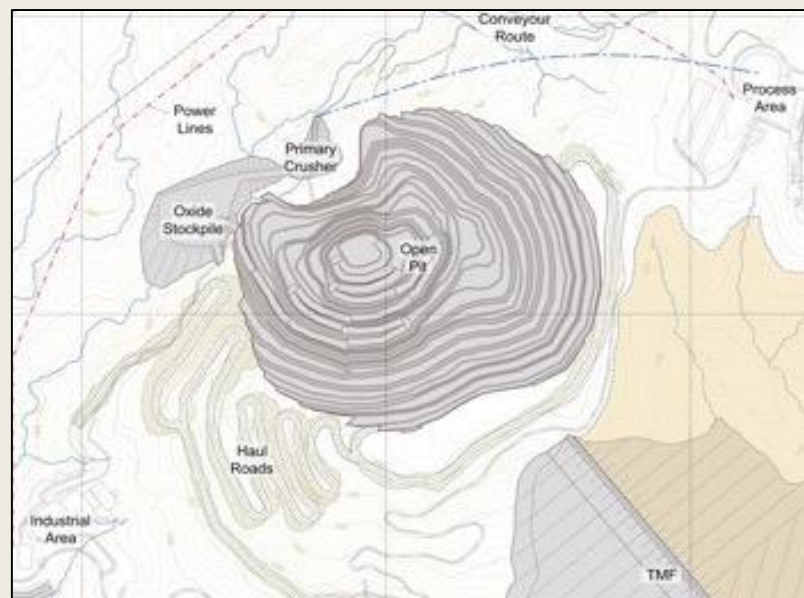


# Simple Mining

- Strip Ratio 1:1 – open pit
- Conventional drilling and blasting together with shovel and trucks supported by a fleet of ancillary equipment
- Two hydraulic shovels with a fleet of up to 19 rigid dump trucks



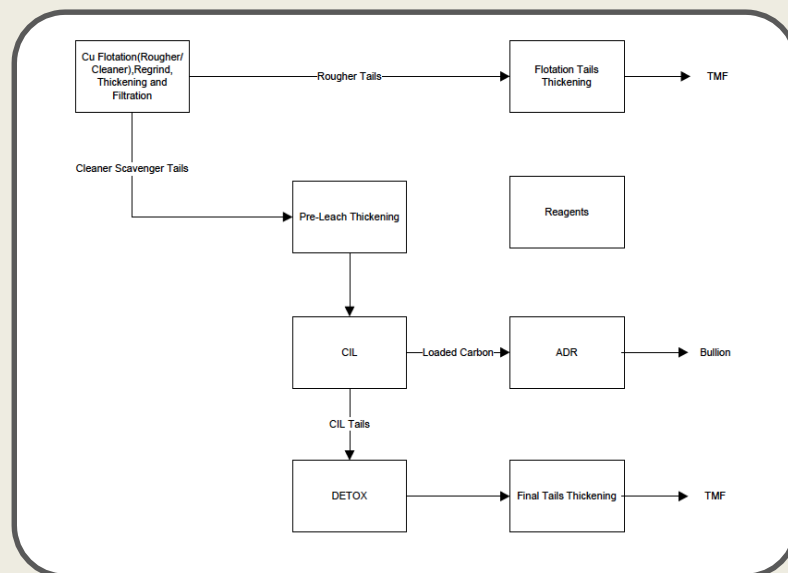
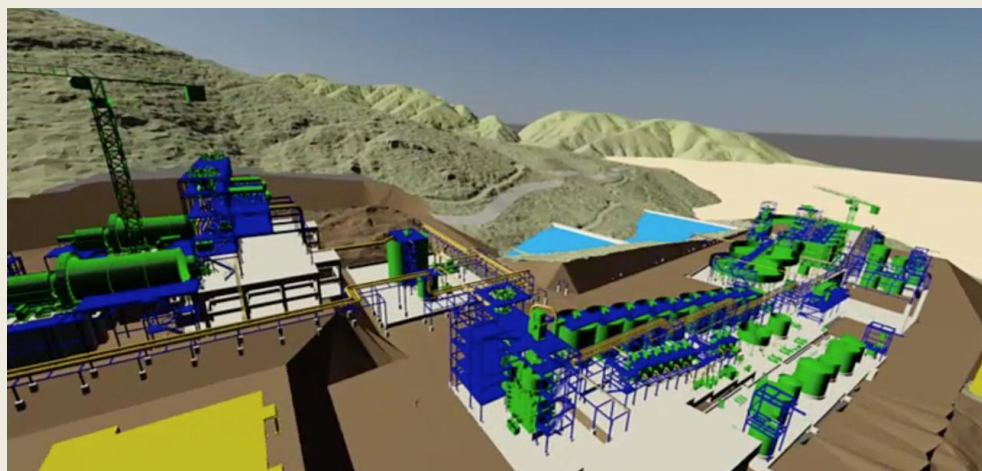
Proven and Probable Reserves					
Classification	Tonnage	Grade		Contained Metal	
		Au (g/t)	Cu (%)	Au (Moz)	Cu (Mlb)
Probable	112.6	0.30	0.19	0.84	355.0
Proven	85.5	0.32	0.22	1.17	543.9
Total P & P	198.1	0.32	0.21	2.01	898.9





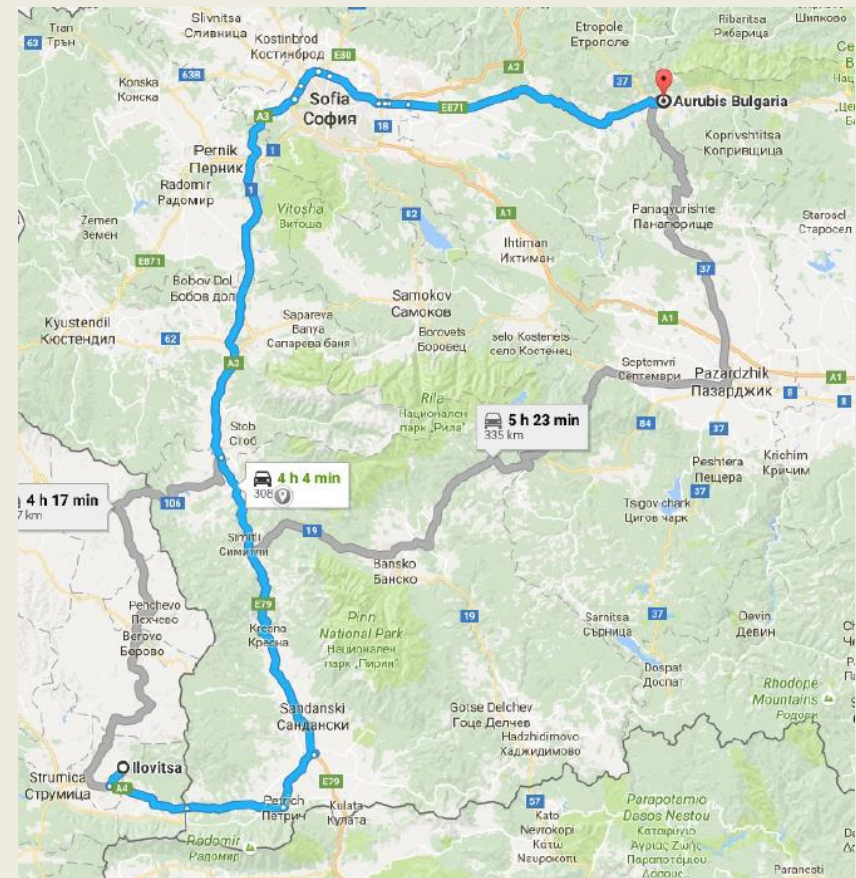
# Simple Processing

- 10Mt pa throughput
- Primary gyratory in pit crusher with conveyor from pit to plant
- SAG mill with two ball mills
- Bulk flotation - produces clean concentrate of 24% Cu & 24g/t Au
- CIL on scavenger tails to on-site doré

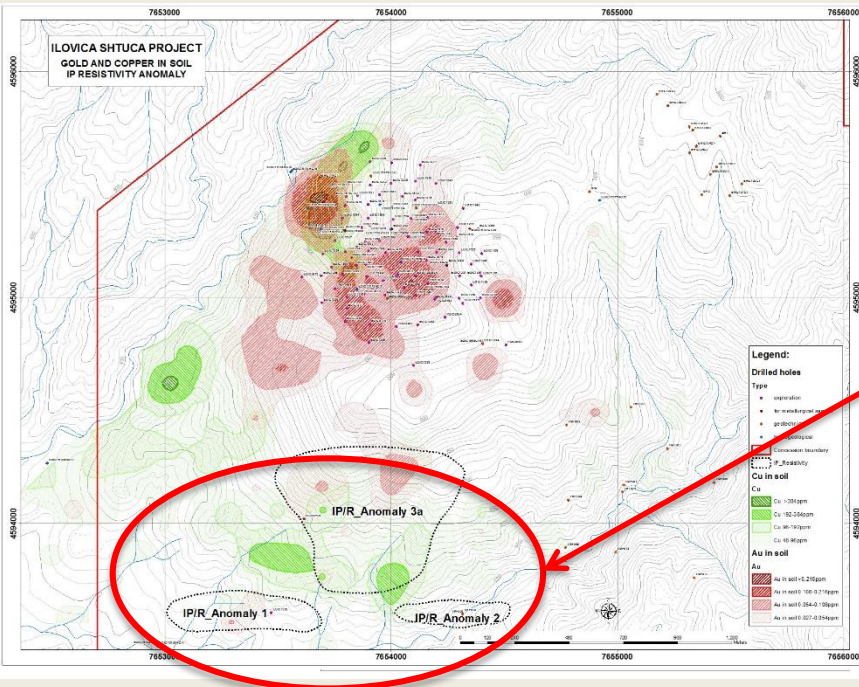


# Simple Logistics

- Road Transportation (A3 Motorway) directly to the Pirdop smelter at costs of US\$26.4 per tonne of concentrate
- 60,000 – 100,000 tpa concentrate production using 30t trucks
- 300km / 4-5 hour Journey time

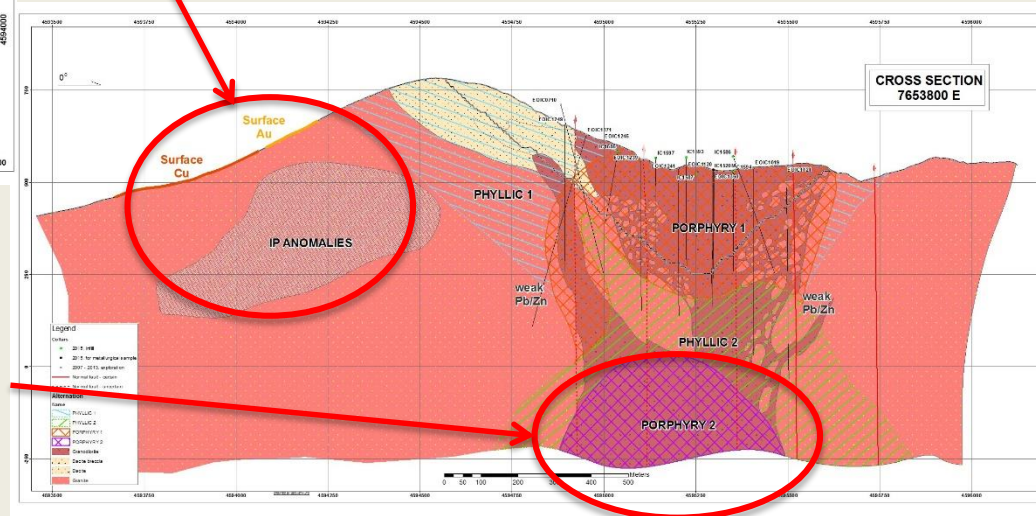


# Near Mine Exploration Upside



## Shallow Epithermal Targets:

- IP anomalies – high chargeability
- Coincident with soil geochemistry anomalies in Cu & Au
- No significant drilling



## Deep Porphyry Target:

- Alteration overprint of main porphyry
- Strong geochemical vectors (Pb/Zn at depth)
- General magnetic high from deeper potassic core
- Not drill tested



# A Wealth of Experience

## Steve Sharpe, President & CEO

- +30 years in investment banking, focused on the mining sector in Europe & The Americas.
- Senior management positions at European Goldfields, Canaccord, Endeavour Financial, Standard Bank, and NM Rothschild & Sons Ltd.

## Varshan Gokool, CFO

- Extensive project finance experience.
- Corporate and banking background, including European Goldfields, Treasurer at Katanga Mining Limited, Vice President in Societe Generale's Mining Finance team.

## Patrick Forward, COO

- +25 years global experience in project development and execution: exploration, managing engineering studies up to detailed engineering, operational management.
- Qualified Person for NI 43-101 reporting.
- Formerly VP head of projects at European Goldfields.

## Martyn Konig, Non-Executive Chairman

- +30 years' experience in banking and commodities.
- Non-Executive Director of New Gold Inc. New Gold Inc. and Chairman of Nyrstar.

## Tim Morgan-Wynne, Non-Executive Director

- Previously CFO at European Goldfields and Director of Resources and Energy Group at HSBC Bank plc.
- Experience in financing projects: Europe, North America, Africa.

## Randy Matkaluk, Non-Executive Director

- CFO of privately owned oil and gas company Capio Exploration Ltd.
- Director at Triangle Petroleum Corp.

## Bill Abel, Non-Executive Director

- +40 years of senior professional experience at major international mining companies.
- Specialty in operations, management and project development and implementation.

## Raymond Threlkeld, Non-Executive Director

- +30 years' experience in mineral industry.
- Currently Executive Chairman of Newmarket Gold Inc., Non-Executive Director of New Gold Inc.



# Construction Financing Plan

## Rationale:

Arrange 100% + Debt Financing, so that the optimal capital structure can be discretely selected to maximize the return per share

Debt Finance  
US\$ 400 million

Contractor Subordinated  
Debt US\$ 125 million

- US\$ 240 million UFK Guaranteed Project Finance (Libor + 3.5% ,12 Yr Tenor Initial DD Complete)
- US\$ 50 million Equipment Leasing (Terms Agreed)
- US\$ 110 million ECA Finance Available (Engineering, plant, etc.)

Total Debt Financing available:  
Feasibility Study Capex:

US\$ 525 million  
US\$ 475 million

# Cashflow Profile – Returning The Value

Production				
	Years	1-5	6-10	11-23
Avg Annual Production	Au (oz/yr)	103,000	90,800	67,700
	Cu (t/yr)	20,800	16,800	13,300
	Total AuEq (oz/yr)	212,000	179,800	137,700
Cash Flows by Period (Au US\$ 1220 /oz, Cu US\$ 2.90 /lb)				
	Years	1-5	6-10	11-23
Average Annual Operating Cashflow Post Tax		\$112 million	\$84 million	\$24 million
Total Operating Cashflow Post Tax		\$560 million	\$420 million	\$323 million

Food for thought: EOX Market Cap C\$50 million

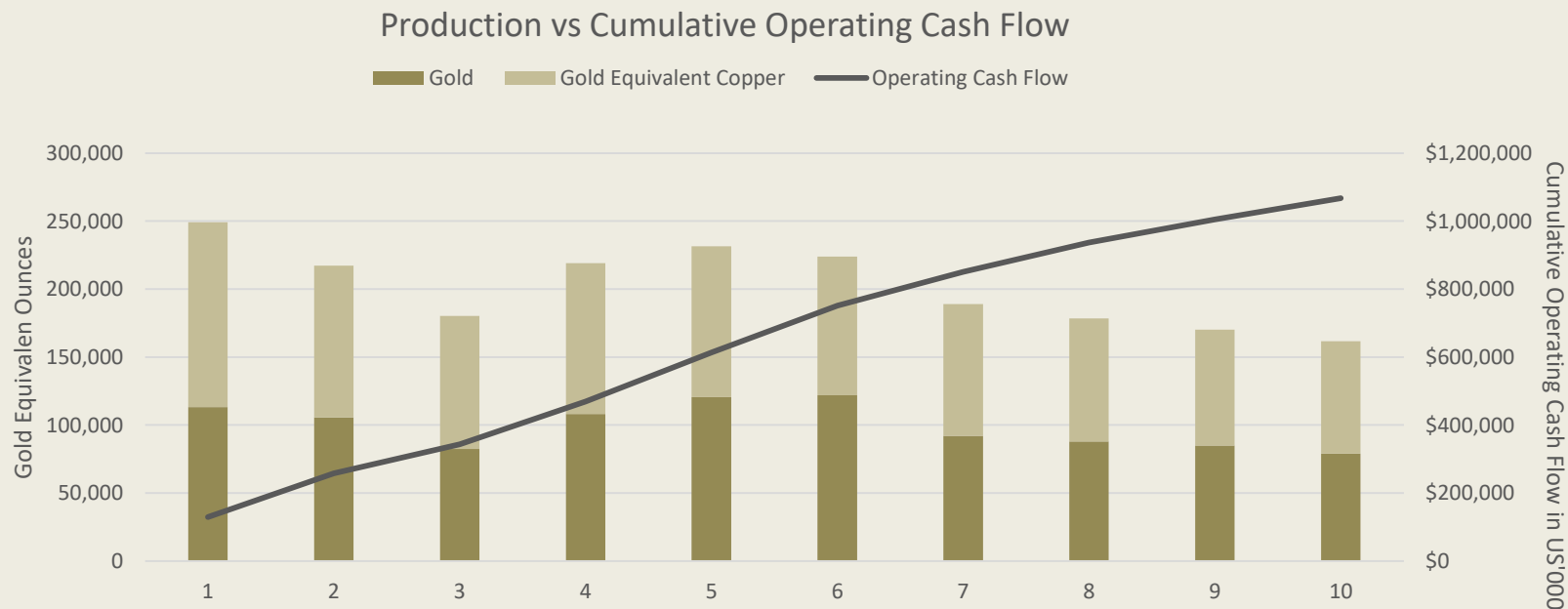
Average Annual Operating Cashflow yrs 1-5 = US\$112 million per annum

# Value Gap: TSX Listed and Construction Ready

Market Capitalization C\$51M or \$US39M

Operating Cash Flow US\$107M average, Yr 1-10

Multiple: OCF / MC = 2.8x in each of years 1-10



# Corporate Information

## Capitalization

## Overview

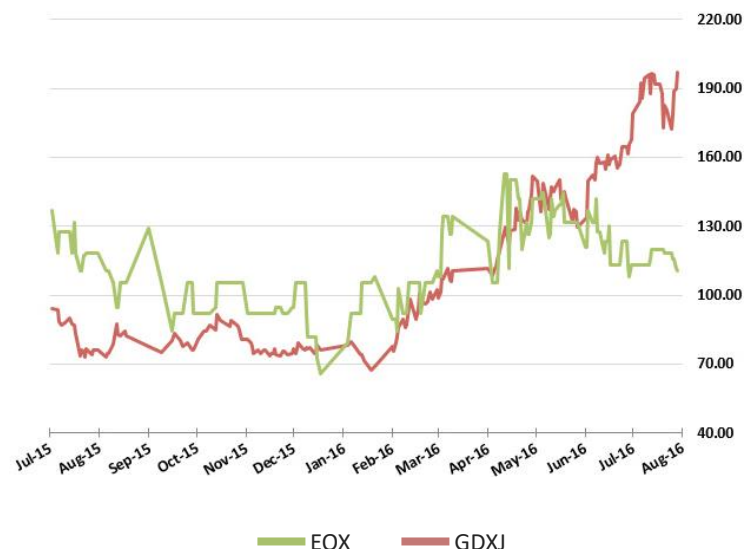
Market cap	C\$ 58.4 M
Closing price (22 Sep 16)	C\$ 0.50
52 Week High	C\$ 0.62
52 Week Low	C\$ 0.21
Shares Basic	116.8 M
Shares Fully Diluted	176.9 M

## Major Shareholders

## Holding

EBRD	19.9%
Richard Griffiths	19.1%
Richmond Capital	11.7%
Investec Bank Plc	7.9%
Management	7.1%

## Share price against Market Vector Junior Gold Miners Index



## Research Coverage:

CIBC, Peel Hunt, Echelon Wealth Partners, Edison



# Euromax: Executing on Value Creation at Ilovica-Shtuka

<b>Simplicity</b>	Simple Geology, Simple Mining, Simple processing, Simple Logistics = AISC US\$372/oz
<b>Longevity</b>	20+ year Mine Life = cyclical Gold & Copper exposure
<b>Credibility</b>	A Management Team that has done it all before
<b>Support</b>	Comprehensive National, Regional and Local backing Received EIS Approval

All Free Cash Flow Returned to Shareholders

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

**Steven L C Sharpe**

President & CEO

E: [ssharpe@euromaxresources.co.uk](mailto:ssharpe@euromaxresources.co.uk)

**Varshan Gokool**

Chief Financial Officer

E: [vgokool@euromaxresources.co.uk](mailto:vgokool@euromaxresources.co.uk)

**Pat Forward**

Chief Operating Officer

E: [pforward@euromaxresources.co.uk](mailto:pforward@euromaxresources.co.uk)