**TSX.V: TSG** 



# Investor Presentation December 2018







DEVELOPING GOLD DELIVERING VALUE

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Mo Srivastava, Vice President of TriStar Gold, is the Qualified Person who supervised the preparation of the technical information contained in this presentation and approves its publication.

### **MANAGEMENT & DIRECTORS**





#### **NICK APPLEYARD PRESIDENT, CEO, DIRECTOR**

• Former CEO of Chaparral Gold; Former Vice President of Corporate Development for International Minerals

### Management

**Directors** 



#### **SCOTT BRUNSDON CHIEF FINANCIAL OFFICER**

• Former CFO of Chaparral Gold, International Minerals and Placer Dome North America



#### **MO SRIVASTAVA VICE PRESIDENT**

• Founder and President of FSS Canada Consultants and Benchmark Six; Advisor to Boards of Directors



#### **MARK E. JONES III CHAIRMAN**

• Founder & Chairman of Brazauro; Founder & Director of Crown Resources; Director of Arequipa Resources; Vice Chairman of Solitario



#### **BRIAN IRWIN CORPORATE SECRETARY**

• Former partner at Dumoulin Black Law Firm; Former Chairman of Ashton Mining



#### **QUINTON HENNIGH**

• President and Chairman of Novo Resources; Former exploration geologist with Homestake, Newmont, Newcrest



#### **CARLOS VILHENA**

• Partner at Pinheiro Neto Advogados (Brazil); International Affairs Officer, Brazilian Mining Association



#### **LEENDERT KROL**

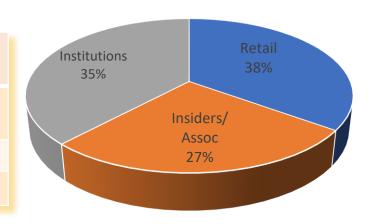
• Director of Victoria Gold and Romarco Minerals; Former Vice President and Director for Newmont

### CAPITAL STRUCTURE



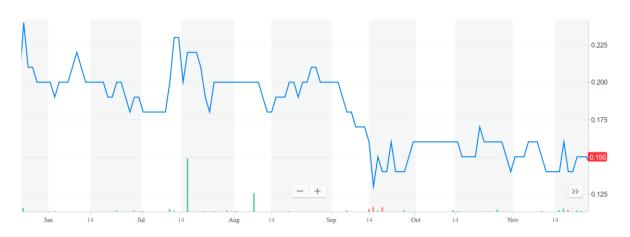
#### As at 23 Nov 2018

Market Capitalization	~\$C 27 million	Shares Issued	178.8 million
Cash	C\$1.2 million	Fully Diluted Shares	215 million
Share Price	\$0.15	Stock Options	15.4 million
52-week Range	\$C 0.11 - 0.33	Warrants	20.2 million



Insiders and Associates aligned with shareholders High quality institutional investors:

- o US Global
- o Gold2000
- o RBC GAM
- o Sun Valley



Analyst Coverage:

**Paradigm Capital - Don Blyth** 

# CASTELO de SONHOS - Project & Geology



#### Size

- 26,750 Ha property 100% owned
- Large gold deposit: 19 km outcrop

#### Geology

- Paleo-placer gold deposit
- Analogous to producing mines:
  - Tarkwa and Jacobina

#### **Preliminary Economic Assessment**

- Resource updated September 2018
- PEA results November 2018 indicate pre-tax IRR of 51% at current gold prices with a low cost base and strong leverage for higher gold prices

### Straightforward Mining

- Mineralization at surface → simple open pit
- Simple metallurgy → up to 98% gold recovery
- Environmentally clean → no sulphides



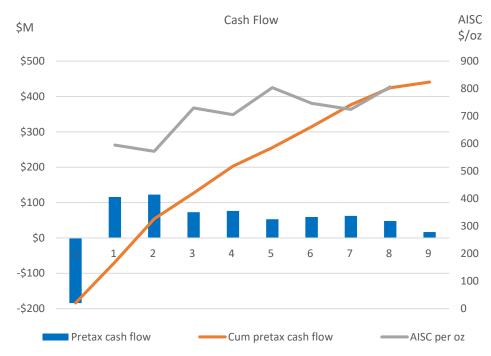
### PRELIMINARY ECONOMIC ASSESSMENT



Open pit contract mining operation utilizing Carbon-in-pulp leaching and conservative 95% recovery.

Results indicate robust economics at current gold prices with a low cost base, and strong leverage for higher gold prices.

- 1.1Moz Gold Produced at base case \$1,250 gold price
- \$441M Cash Flow pre-tax
- 51% IRR pre-tax
- \$319M NPV pre-tax 5% discounted
- 1.9 Year Payback
- \$184M Initial Capex
- AISC \$687/oz



The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the economic results described in the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

### **KEY DEVELOPMENT METRICS**



Tonnes processed (M tonnes)	25
Average Grade (g/t)	1.44
Contained Gold (Koz)	1,158
Overall Strip Ratio (Waste:Processed)	8:1
Processing Rate (tpd)	8,250
Gold Recovery Rate (%)	95%
Average Annual Gold Production (Koz)	130
LoM Gold Production (Koz)	1,100
Mine Life (years)	8.1

#### **Operating Costs**

Mining Cost (US\$/t moved)	\$2.17
Mining Cost (US\$/t processed)	\$19.53
Process Cost (US\$/t)	\$9.99
G&A Cost (US\$/t)	\$0.69
Total Site Operating Cost (US\$/t)	\$30.21
Average LoM AISC (US\$/oz)	\$687

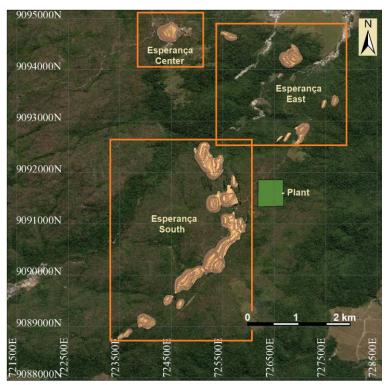
#### **Capital Costs**

LoM Sustaining Capex (US\$M)	\$16
Initial Capex (US\$M)	\$184

Further details regarding the Preliminary Economic Assessment are available on the Company's profile on SEDAR in a press release dated November 16, 2018 titled "51% IRR from PEA at TriStar Gold's Castelo de Sonhos Project".

#### **Project Economics – after tax**

Base Case Gold Price (US\$/oz)	\$1,250
Project IRR (%)	43%
Project NPV, 5% (US\$M)	\$264



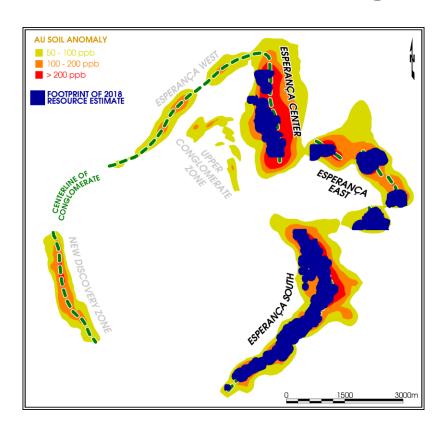
#### Pit Design Parameters

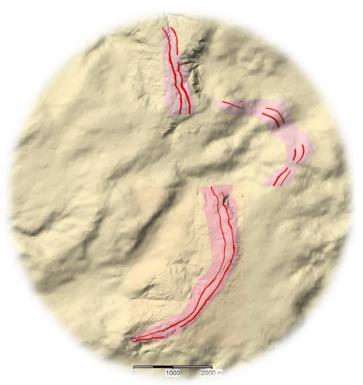
Slope angle 55<sup>0</sup> Bench height 8m Berm width 4m Ramp grade 10%

### **RESOURCE GROWTH**



Indicated – 17.7 Mt @ 1.2 g/t, for 0.7 million oz gold Inferred – 39.8 Mt @ 1.0 g/t, for 1.3 million oz gold

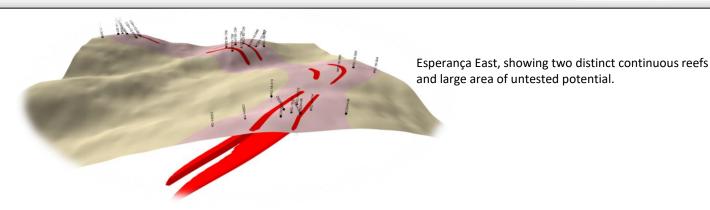


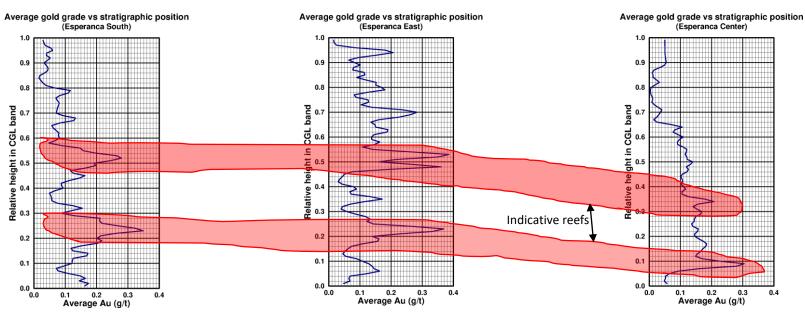


Conglomerate band showing the 2 main reefs

### **REEF CONTINUITY**







There were 2 moments in time where much more gold was deposited into the system, resulting in reefs with higher average grades. This peak deposition can be seen and modeled across the entire 12km's of strike covered by current drilling.

Both reefs in Esperança East are similar stratigraphic positions to Esperança South

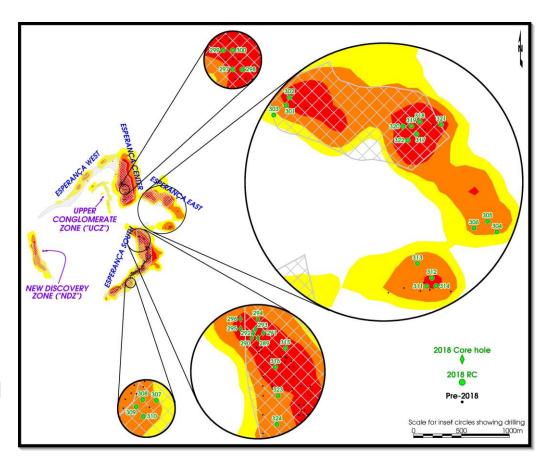
Both reefs in Esperança Center are stratigraphically lower positions to Esperança South and East

### **GROWTH POTENTIAL**



### Resource upside potential

- Esperança South
  - Extend known gold reefs
  - Drill untested reef sections
- Esperança Center
  - Extend drilling
- Esperança East
  - Largest area of potential growth
  - Results so far have exceeded expectations



### Additional exploration targets

- 2 new conglomerate targets identified through soil geochemistry
- Analogous deposits have large underground components, not yet considered here

### **ACCESSIBILITY & INFRASTRUCTURE**





Mining-friendly jurisdiction

Previously disturbed land and good support from local communities

Close to power, federal highway, water and labour

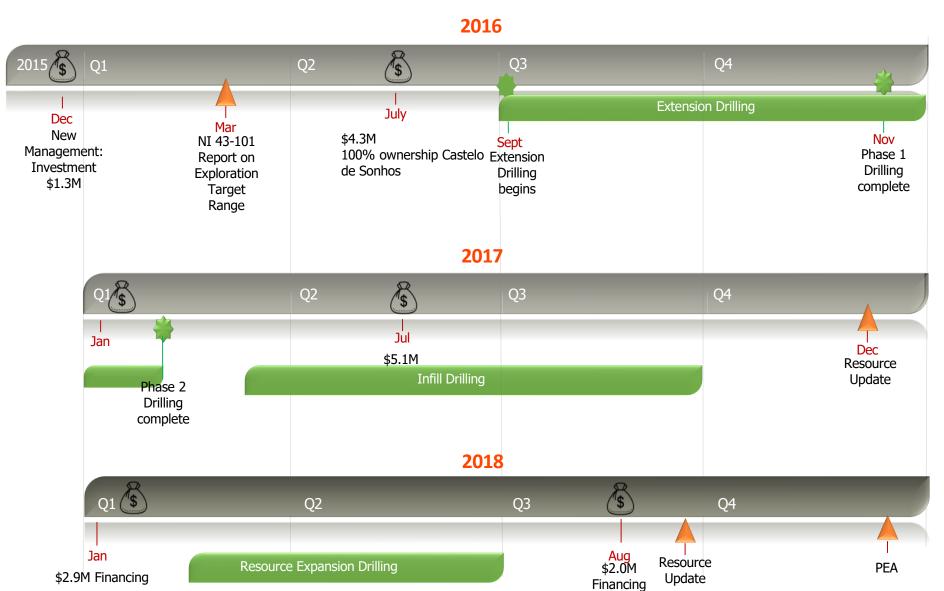






### CDS PROJECT MILESTONES





### **INVESTMENT HIGHLIGHTS**



- Competent management with proven track record
  multiple recent success stories
- Large scale open-pit gold project (19km outcrop) outstanding metallurgical recovery
- Great infrastructure (power, roads, labor force)
- Gold resource has grown by factor of 7 in last three years
- Exceptional Preliminary Economic Assessment
- Further upside potential remains
  - About half prospective target currently drilled
  - o Open at depth
- Established mining jurisdiction in Pará State, Brazil



### **CONTACT INFORMATION**



Headquarters, (U.S.A.)

**Nick Appleyard: President & CEO** 

**Scott Brunsdon: CFO** 

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### **TECHNICAL APPENDIX**





**Esperança Center and camp** 



Portable diamond core rig for limited-access sites



Visible gold in RC-322 23.14g/t



Aerial view of kilometer-scale garimpo trenches



Samples ready for the lab



Seedlings grown on site to rehab drill pads and donate to village

### **CURRENT MINERAL RESOURCE**



				Metal Content <sup>3</sup>
Region	Classification	Tonnage (Mt)	Grade (g/t Au)	(Moz Au)
Esperança South	Indicated	11.8	1.4	0.5
	Inferred	21.7	1.2	0.8
Esperança East	Indicated			
	Inferred	11.8	0.9	0.4
Esperança Center	Indicated	5.9	0.9	0.2
	Inferred	6.3	0.7	0.1
Project Total	Indicated	17.7	1.2	0.7
	Inferred	39.8	1.0	1.3

<sup>&</sup>lt;sup>1</sup> Numbers have been rounded to reflect the precision of Inferred and Indicated mineral resource estimates.

<sup>&</sup>lt;sup>2</sup> The reporting cutoff corresponds to the marginal cutoff for an open pit with operating cost (processing + G&A) of \$US 10/t, metallurgical recovery of 98% and a gold price of \$US 1,200/oz. These are mineral resources and not reserves and as such do not have demonstrated economic viability.

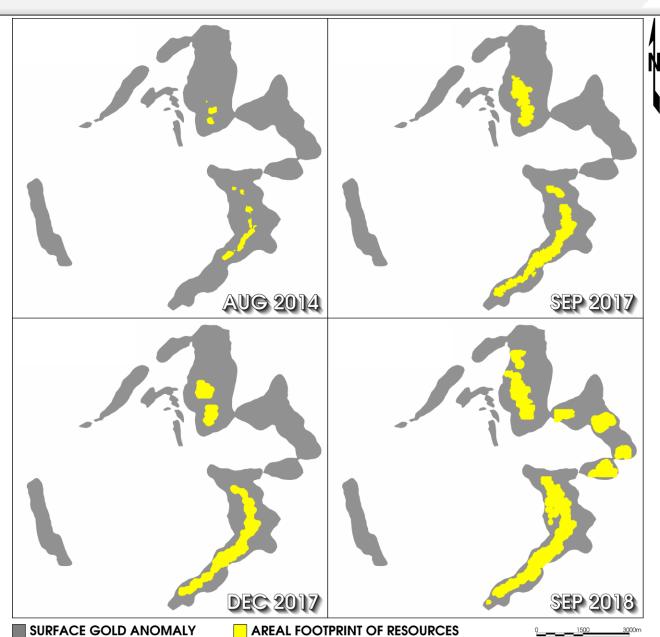
<sup>&</sup>lt;sup>3</sup> The metal content estimates reflect gold in situ, and do not include factors such as external dilution, mining losses and process recovery losses.

<sup>&</sup>lt;sup>4</sup> TriStar is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing or political factors that might materially affect these mineral resource estimates.

<sup>&</sup>lt;sup>5</sup> TriStar intends to file an independent NI 43-101 Technical report within 45 days in support of this new mineral resource estimate.

## **RESOURCE GROWTH**





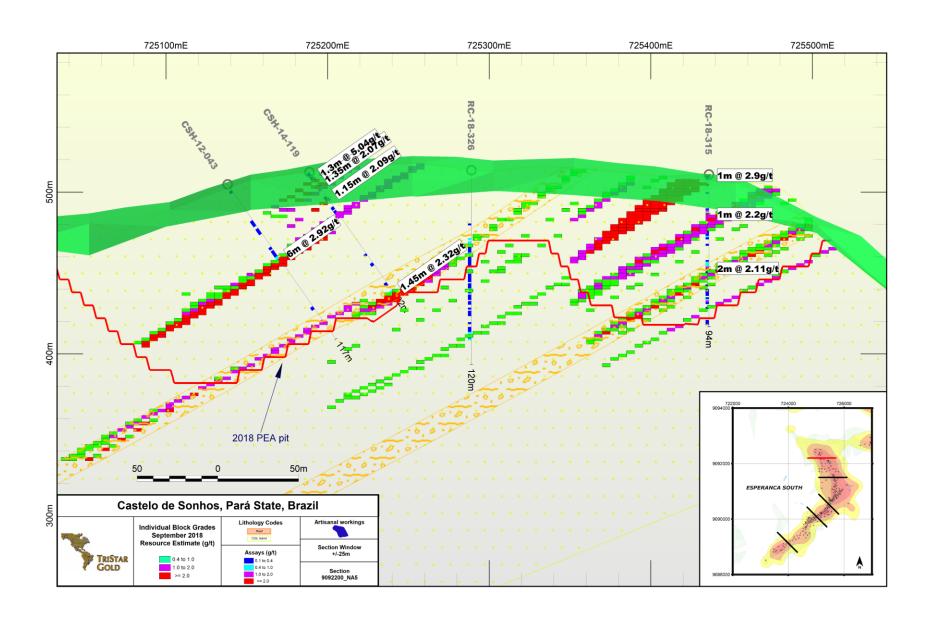
### METALLURGICAL RESULTS



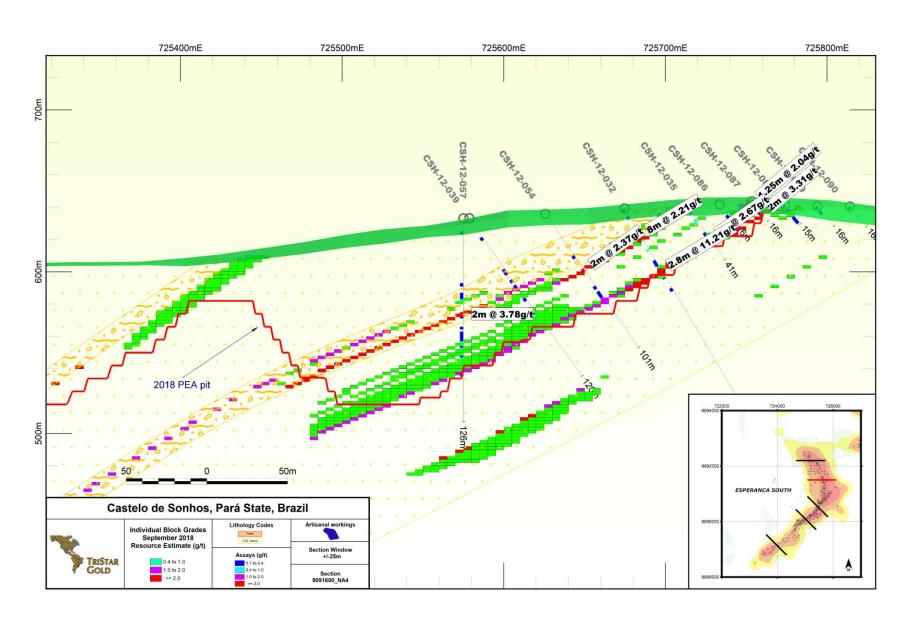
Metallurgical parameter	
Abrasion Index (Ai)	0.33-0.37
Bond Work Index (Bwi)	13.5–13.7
Head Grade Tested (g/t)	1.3
Overall Recovery at 150 μm	98 %
Reagent Consumption - Cyanide (kg/t)	0.16
Reagent Consumption - Lime (kg/t)	0.5
P(80)	Gold recovery
250 microns	93%
150 microns	98%
105 microns	98%
75 microns	98%

Details available in the February 27th 2017 press release entitled "Tristar Reports Results of Castelo de Sonhos Metallurgical Tests".

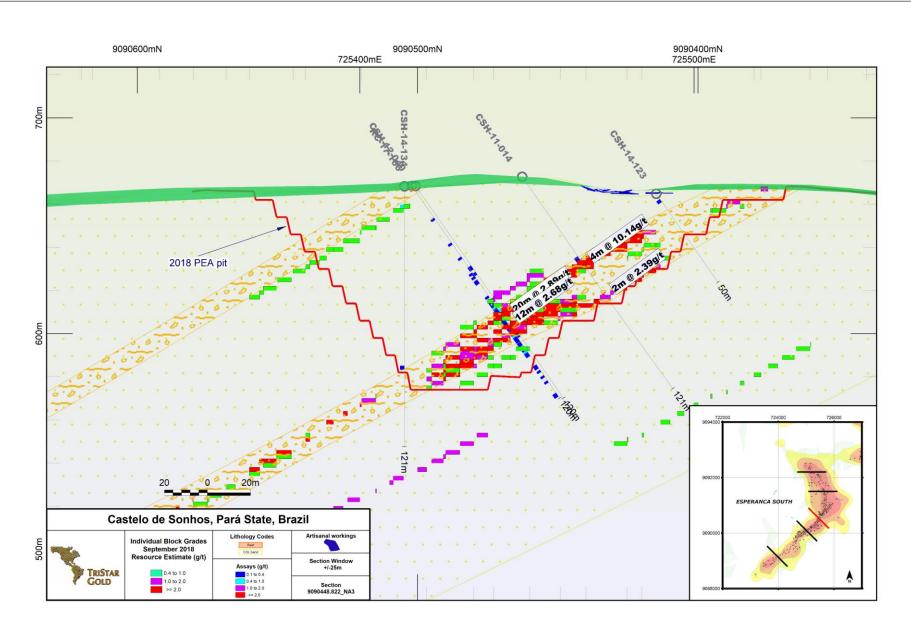




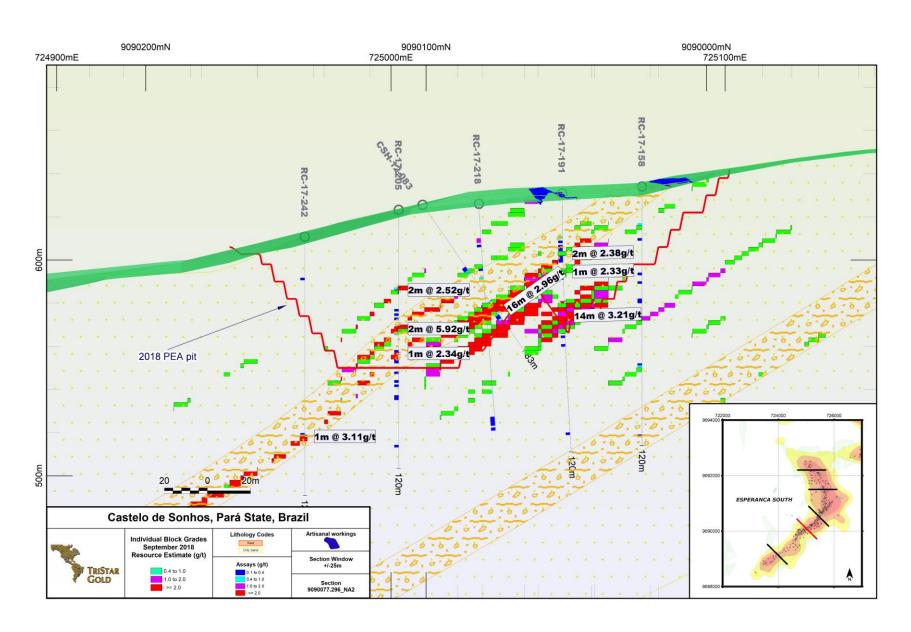




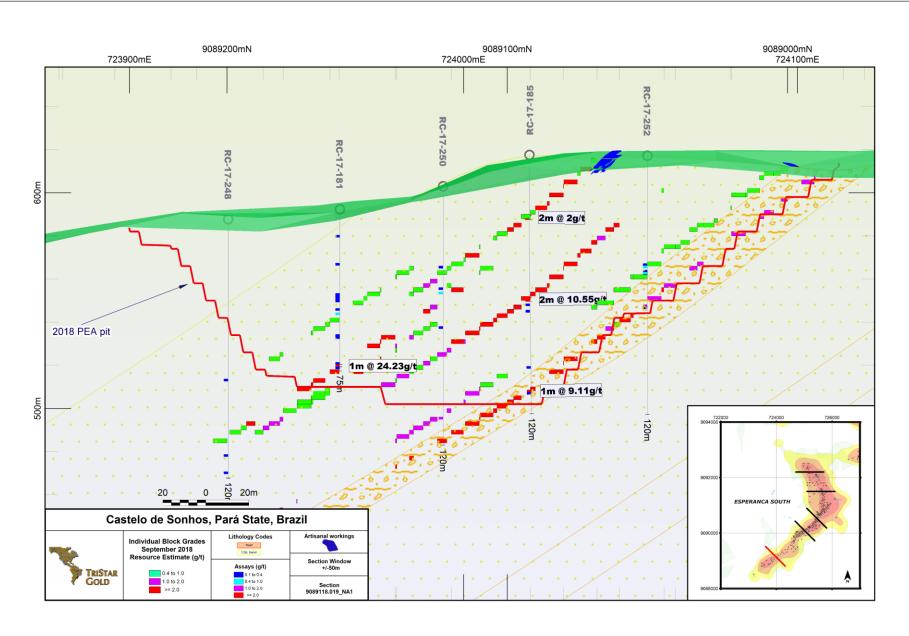






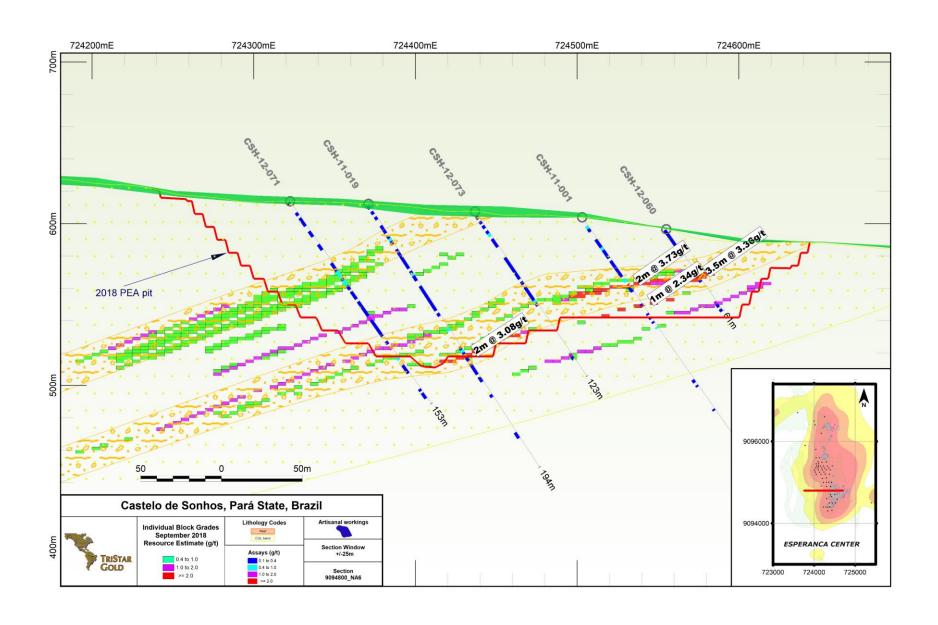






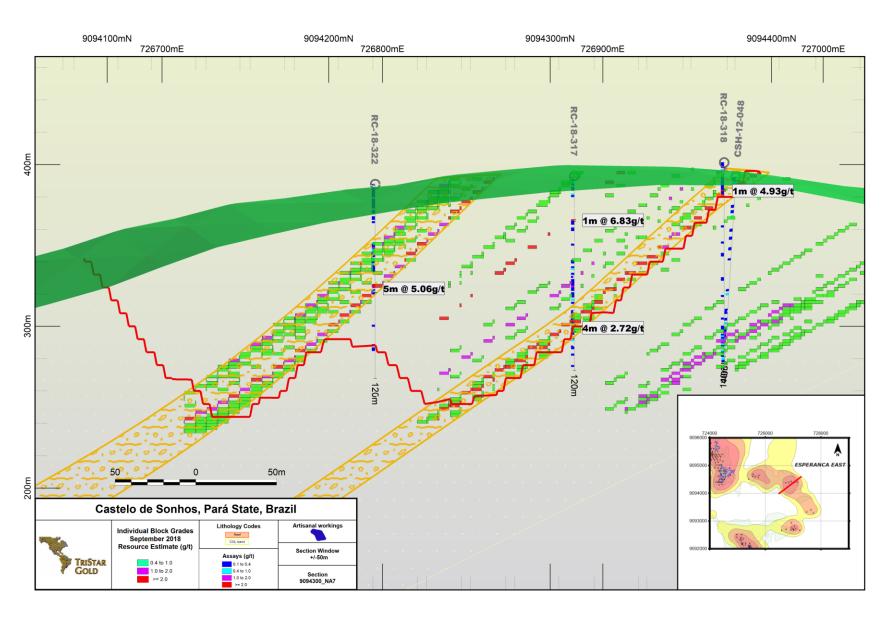
# **ESPERANÇA CENTER**





# ESPERANÇA EAST

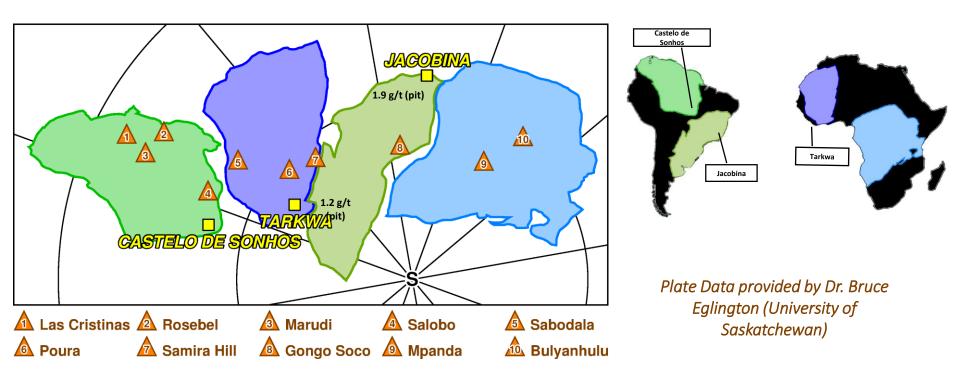




### **DEPOSITIONAL ENVIRONMENT**



Two billion years ago, a large continent lay near the South Pole, with a chain of lode gold deposits along its central mountain ridge. Gold accumulated in placer deposits down-slope, in alluvial fans, on beaches and in the near-shore marine environment. In modern times, these now include gold deposits at Tarkwa, Jacobina and Castelo de Sonhos.



- > Tarkwa Operated by Gold Fields in Ghana 30 million+ ounce gold deposit
- > Jacobina Operated by Yamana Gold in Brazil 10 million+ ounce gold deposit