



Minera Don Nicolas Resources

March 2020



Forward Looking Statements

This presentation contains "forward-looking statements" and "forward-looking information" (collectively, "forward-looking information") within the meaning of applicable Canadian securities legislation. All information contained in this news release, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "budget", "guidance", "scheduled", "estimates", "forecasts", "strategy", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might" "occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). Forward-looking information is also identifiable in statements of currently occurring matters which may continue in the future, such as "providing the Company with", "is currently", "allows/allowing for", "will advance" or "continues to" or other statements that may be stated in the present tense with future implications. All of the forward-looking information in this presentation is qualified by this cautionary note.

Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by Ascendant at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information.

Forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, risks generally associated with the mining industry, such as economic factors (including future commodity prices, currency fluctuations, energy prices and general cost escalation), uncertainties related to the development and operation of Cerrado's projects, dependence on key personnel and employee and union relations, risks related to political or social unrest or change, rights and title claims, operational risks and hazards, including unanticipated environmental, industrial and geological events and developments and the inability to insure against all risks, failure of plant, equipment, processes, transportation and other infrastructure to operate as anticipated, compliance with government and environmental regulations, including permitting requirements and anti-bribery legislation, volatile financial markets that may affect Cerrado's ability to obtain additional financing on acceptable terms, the failure to obtain required approvals or clearances from government authorities on a timely basis, uncertainties related to the geology, continuity, grade and estimates of mineral reserves and resources, and the potential for variations in grade and recovery rates, uncertain costs of reclamation activities, tax refunds, hedging transactions, as well as the risks discussed in Cerrado's most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities and available at www.sedar.com. Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, the reader should not place undue reliance on forward-looking information. Cerrado does not assume any obligation to update or revise any forward-looking information after the date of this presentation or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

Investment Highlights

Acquiring a Producing Gold Mine

- Cerrado is proposing to acquire the Don Nicolas gold mine providing a strong gold production platform and significant exploration potential in Argentina
- Current resources support in excess of **7 years** of approx. **50,000 ozs** of annual production at an expected average AISC of **\$1,000/oz**

Exploration and Resource Upside

- Exploration to extend the mine life is viewed as highly prospective with a number of brownfield prospects outlined
- MDN is located near several multi million ounce gold mines highlighting the prospective nature of the region


Robust Cash Flows to Support Growth

- At current gold prices MDN is expected to generate meaningful free cash flow to support exploration and additional growth potential
- Mine site optimization opportunities should see additional cost savings going forward as focused management team is put in place

Combined Assets Create Platform for IPO

- Management believes the combination of steady gold production and robust exploration upside at both Don Nicolas and its current Monte Do Carmo project in Brazil should provide an attractive IPO opportunity within the next 12 months to fund future growth opportunities

Acquisition 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 with targeted gold production of approximately **50,000 ozs** pa over a current mine life of approx. **7 years**



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



Overview - Minera Don Nicolas

- New Gold Producer located in the mining friendly Santa Cruz province of Argentina within the highly prospective Deseado Massif; a prolific gold district with numerous large-scale gold mines
- Mining commenced in late 2017 and gold production commenced in mid 2018. Ramp up to date has 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
- Average recovery of 92% for gold and 47% for silver
- Targeting production of approximately 50,000 ozs of gold for 7 years based on current reserves
- Significant expectation to extend the mine life



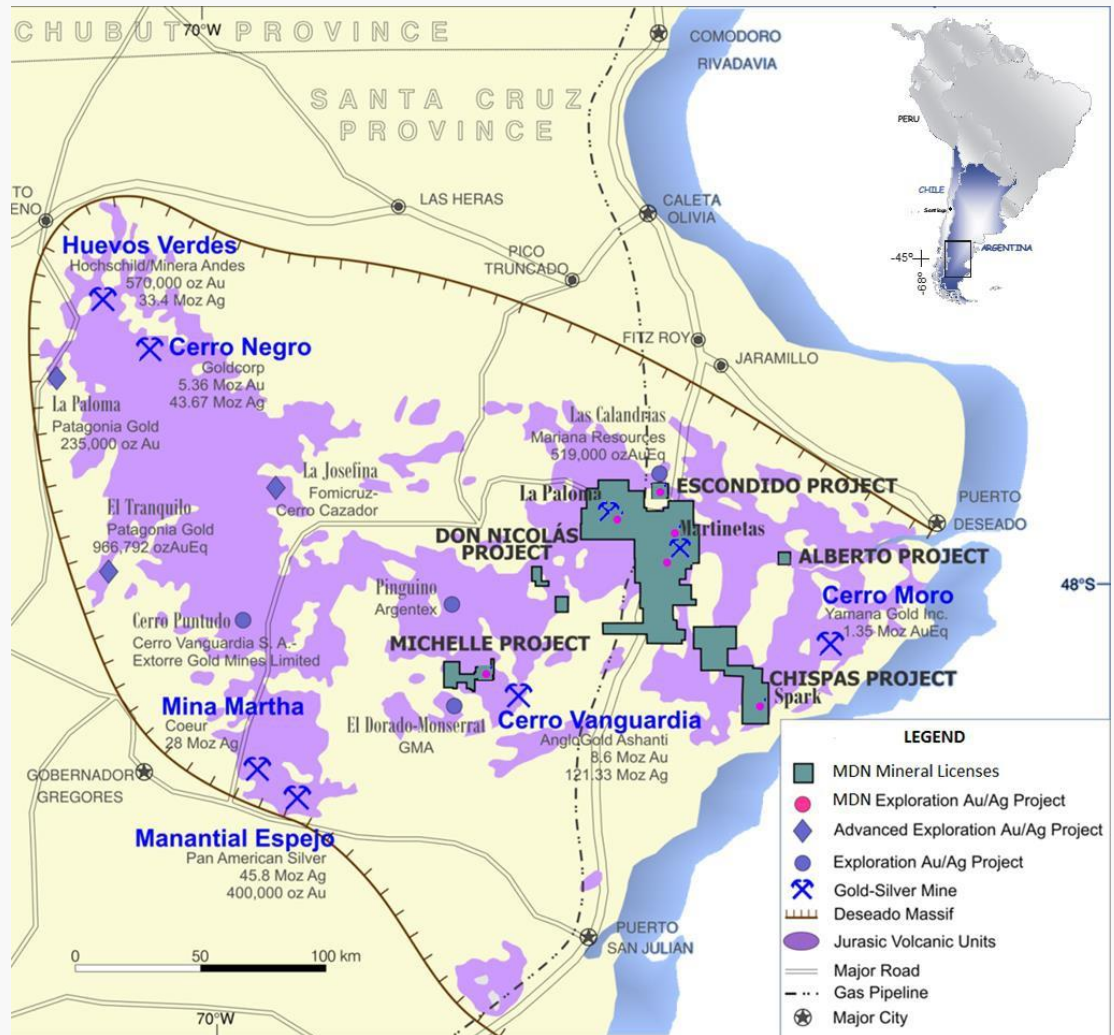
Minera Don Nicolas

- 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
- Includes current 8% Export Duties



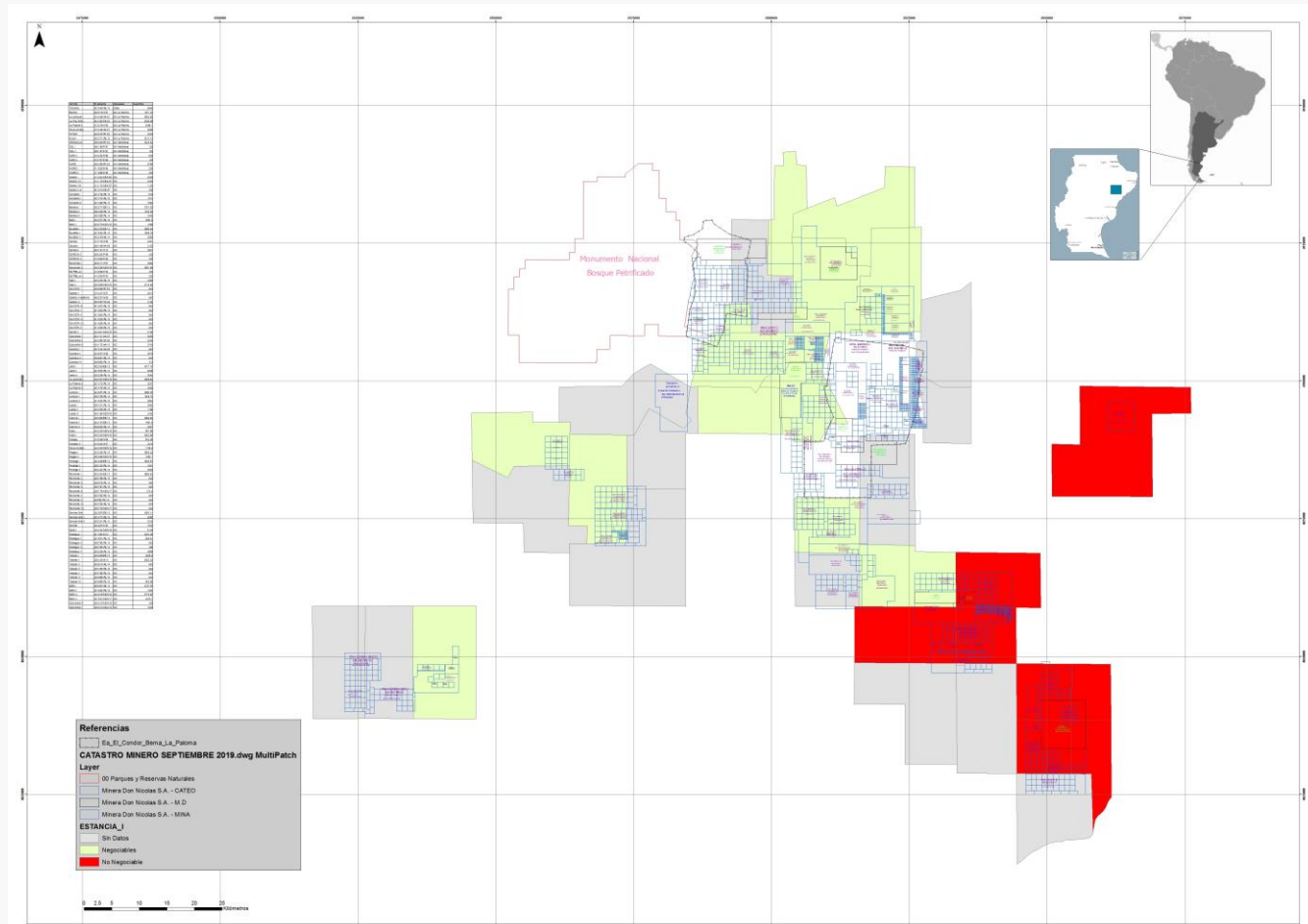
Minera Don Nicolas

- 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.

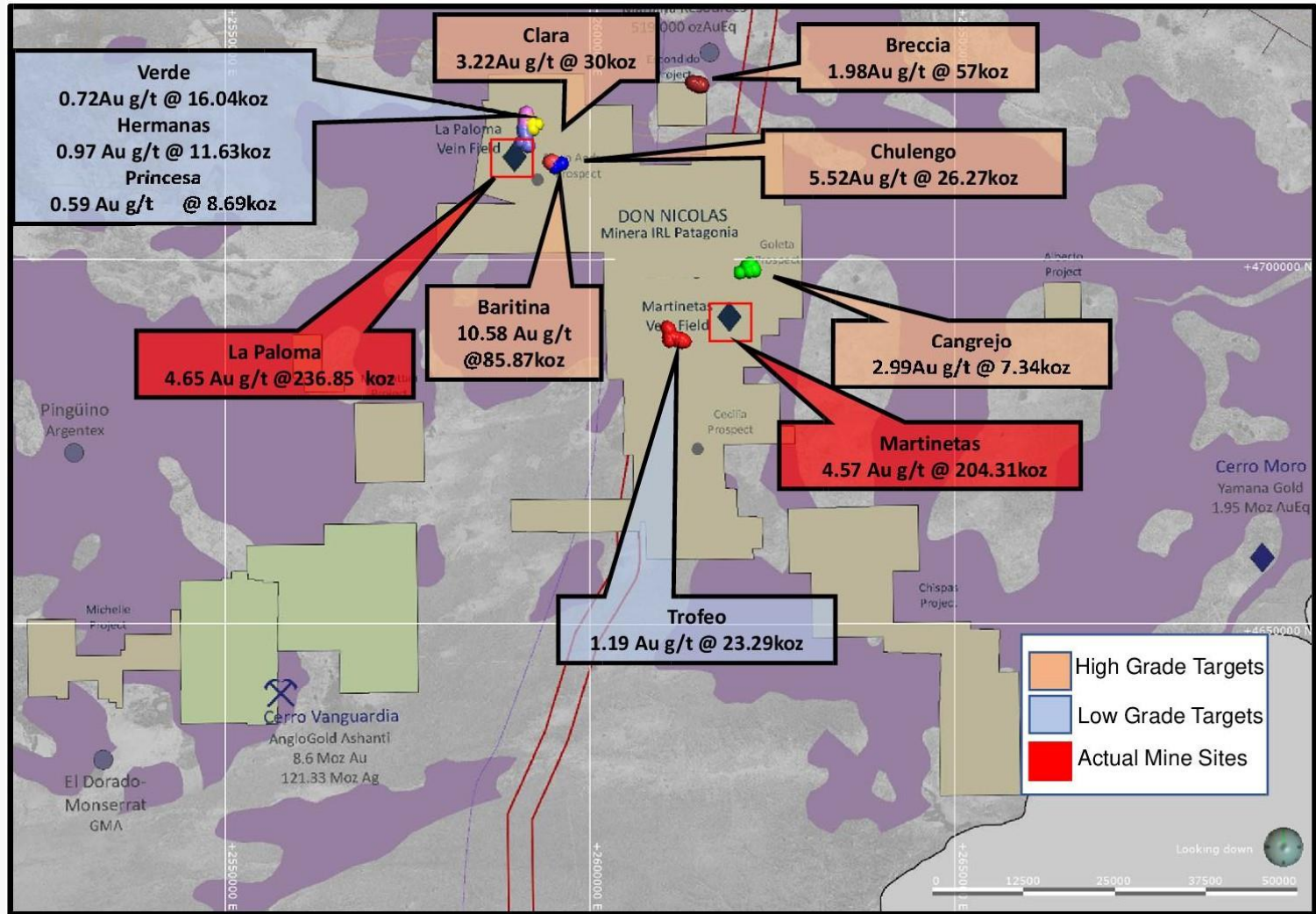


Minera Don Nicolas

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

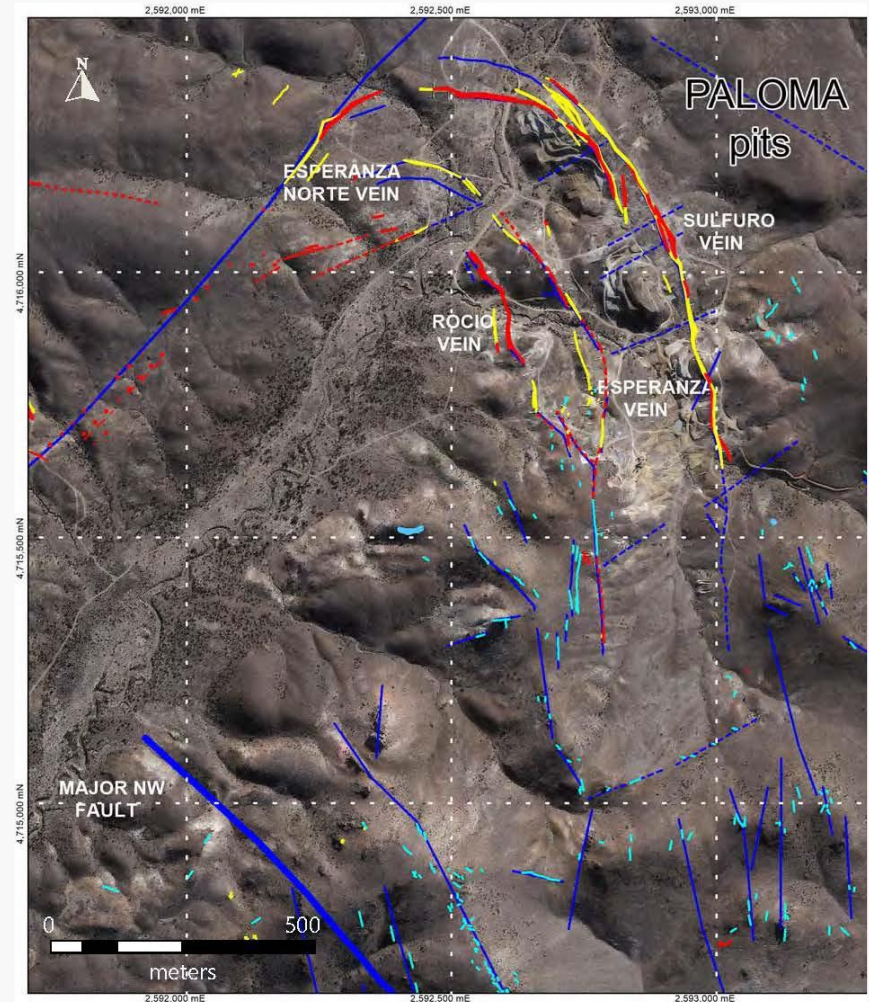


Minera Don Nicolas



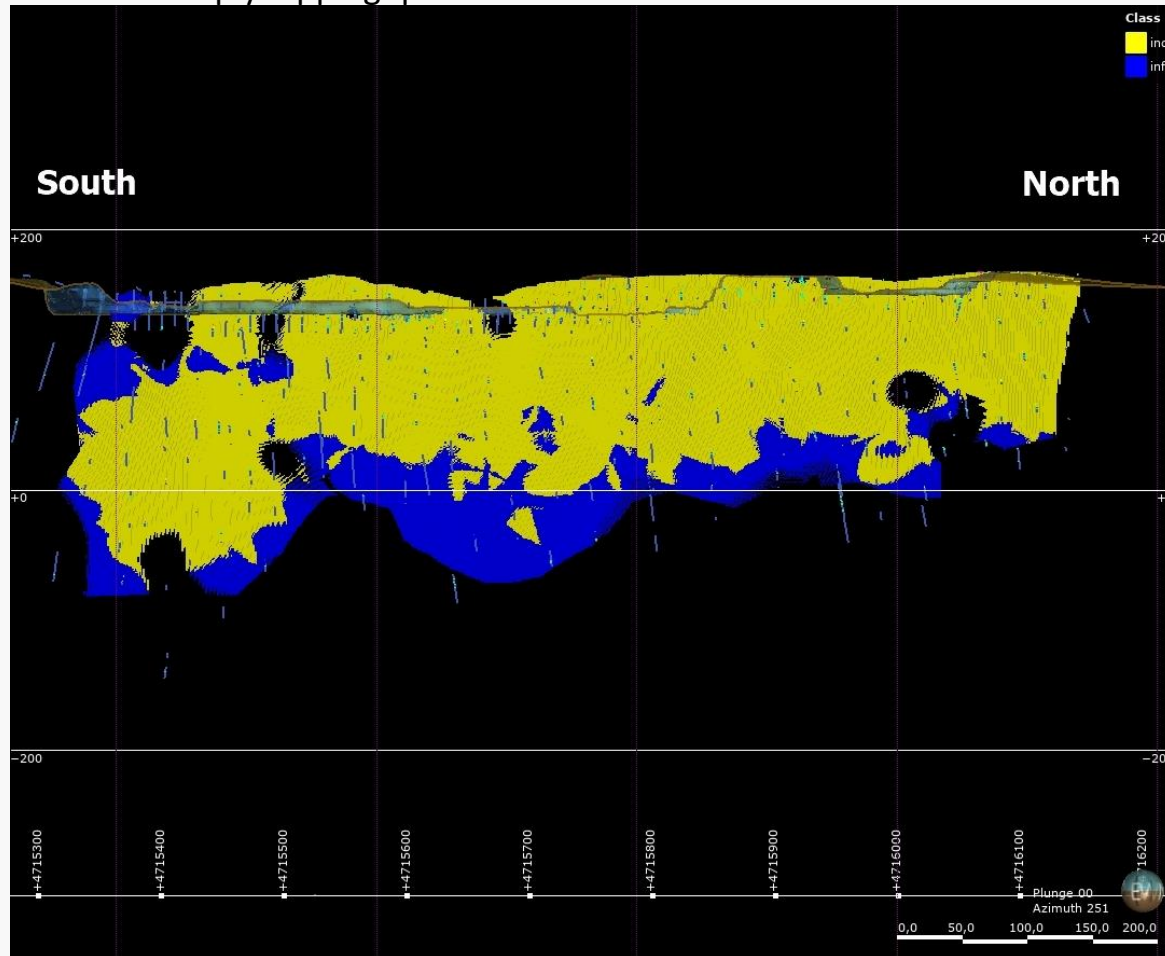
La Paloma Vein Field

- 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.



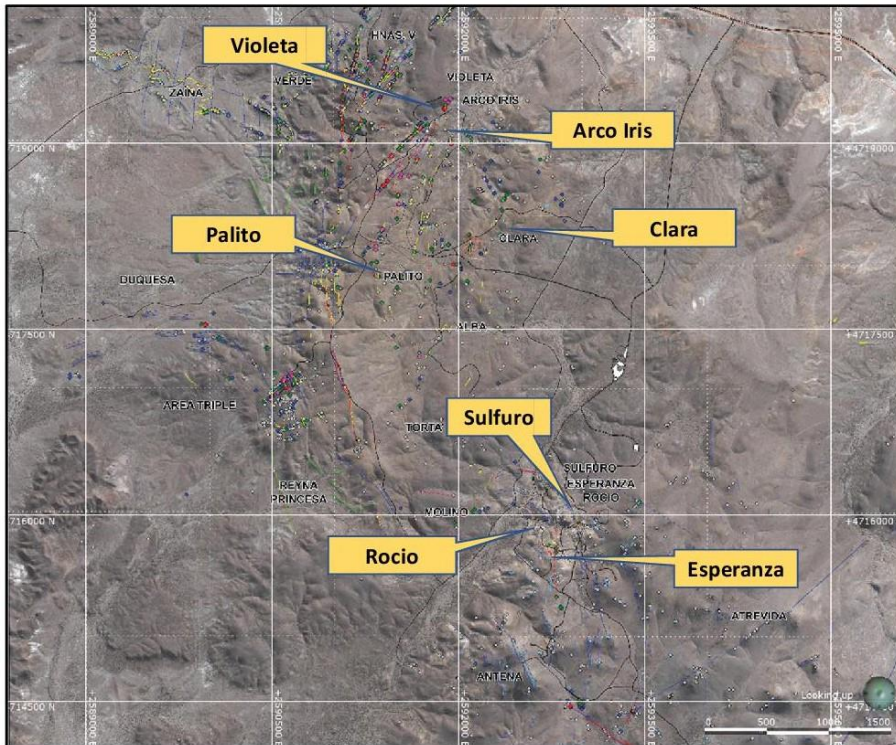
La Paloma Vein Field

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

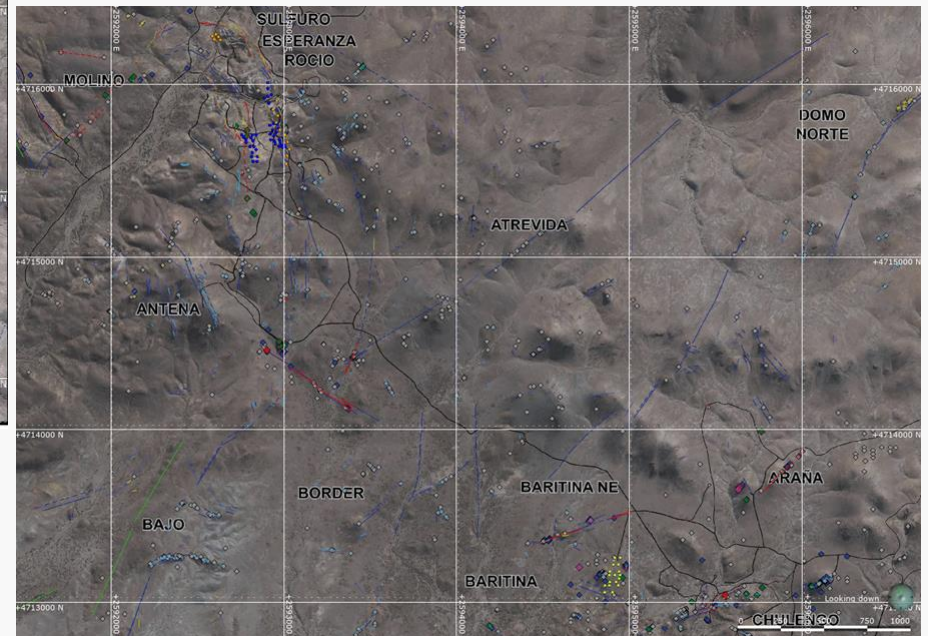


La Paloma Vein Field

North La Paloma Vein Targets

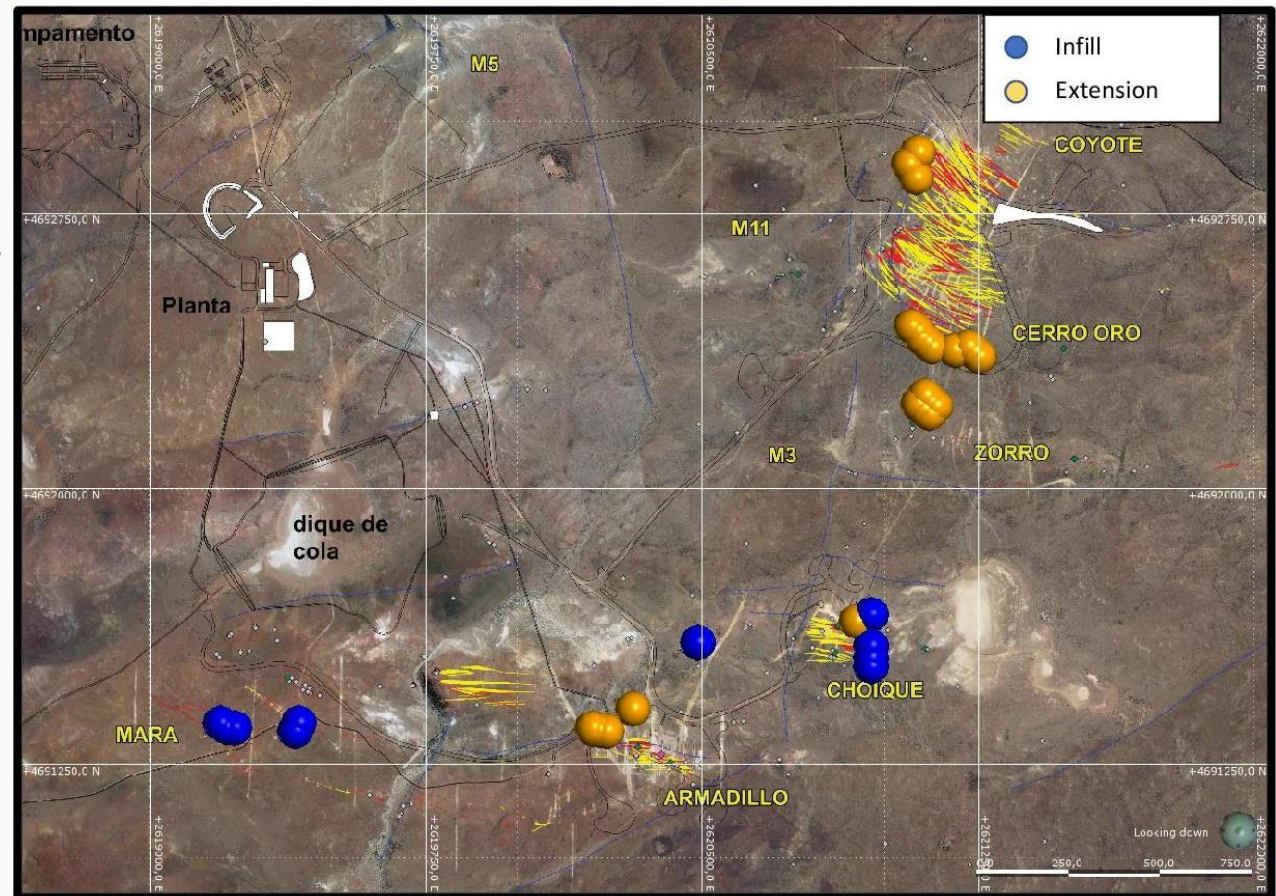


South La Paloma Vein Targets



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.



Operational Enhancement Opportunities

Short Term Opportunities

- Review resource base and implement new mine plan to lower stripping and improve grade profile
- Bring in experienced management team to enhance overall mining capabilities
- Enhance in pit grade control programs, improving mill feed grade
- 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
- Focus on recovery improvements such as use of Knelson circuit – targeting additional 2% at least

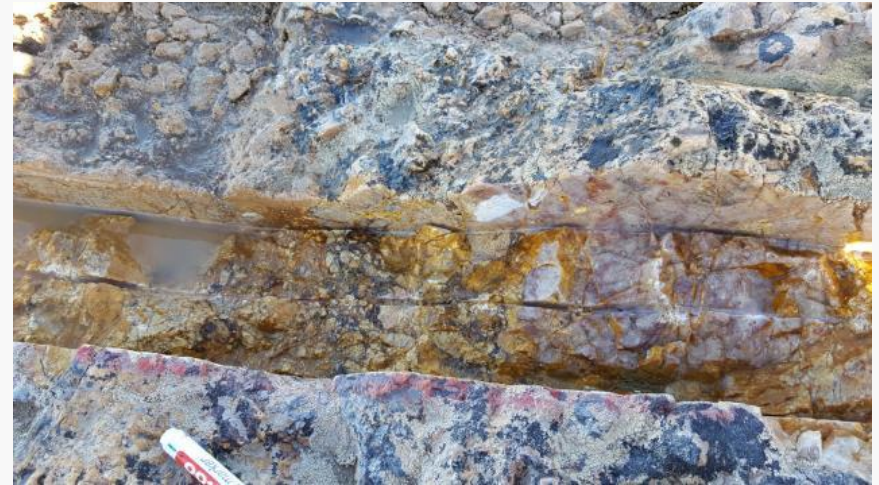
Medium Term Opportunities

- 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

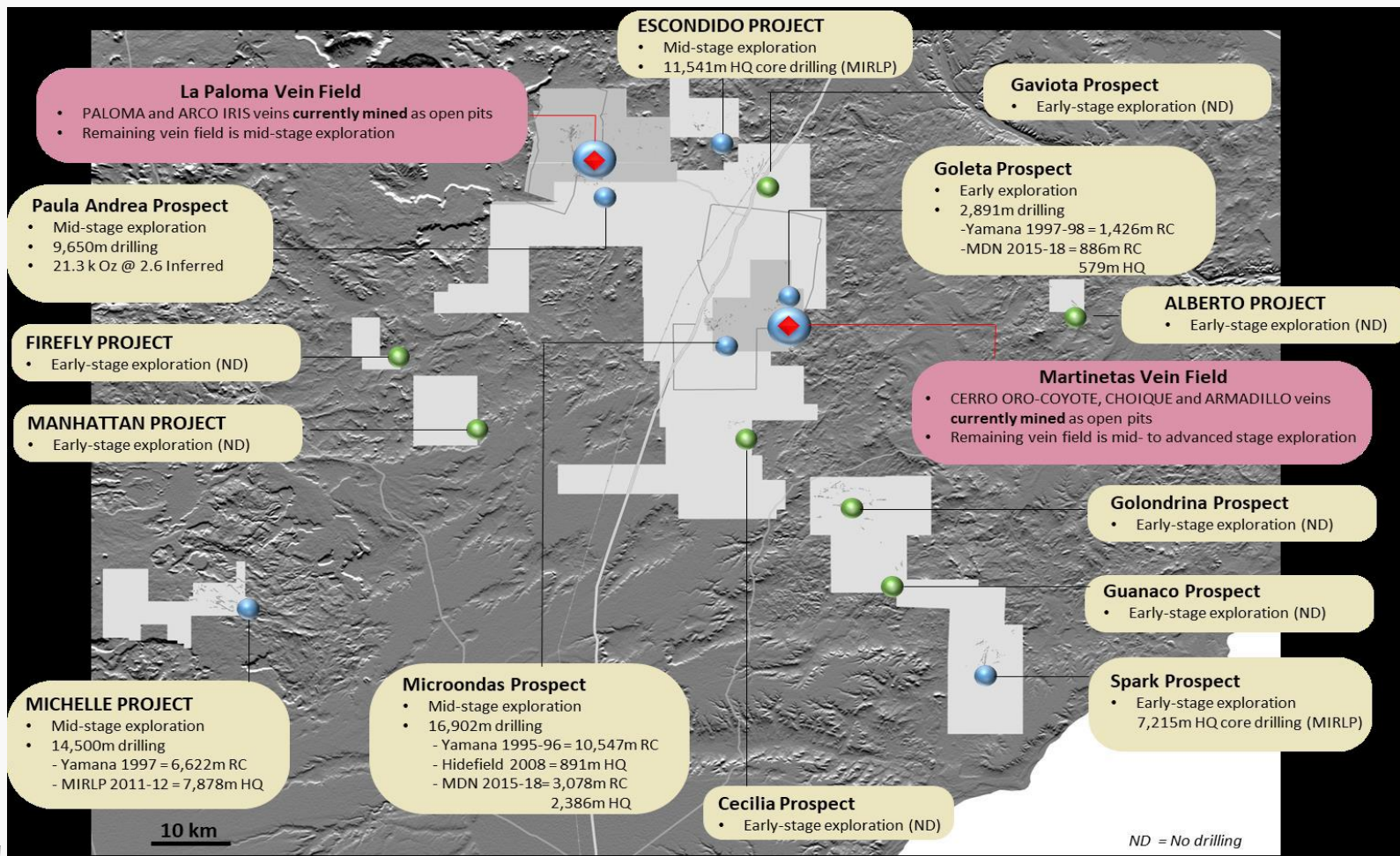


Exploration - Upside Potential

- Resources have expanded by 50% since acquisition with limited exploration efforts. 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

Follow up Target Potential

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

Historical 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)
- 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 Expanded Case Resource Base

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

- The above resource reflects a review and 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. This resource is not 43-101 compliant and requires additional drilling to confirm
- Primary high grade satellite targets not in the original resource wire frames are Breccia, Baritina, Chulengoi, Clara and Cangrejo. Room to expand these targets with more drilling
- Low grade material may be amenable to heap leaching as seen elsewhere in the region
- Excludes any new exploration work

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
- Medium term upside potential via mine life extension viewed as highly probable
- Acquisition price is well below replacement value and below similar market comparables
- Combination with Cerrado's existing asset creates a new mid tier gold producer with significant growth potential at an attractive price

