



TSX:STGO  
**STEPPE GOLD**  
Precious Metals Company

# **MONGOLIA'S PREMIER PRECIOUS METALS COMPANY**

**CORPORATE PRESENTATION  
SEPTEMBER 2020**



# DISCLAIMER

## TECHNICAL INFORMATION

Technical information relating to the Altan Tsagaan Ovoo Project (the “ATO Project”) contained in this presentation is derived from, and in some instances is an extract from, the Technical Report titled “Altan Tsagaan Ovoo Gold Project, Tsagaan Ovoo, Dornod, Mongolia” dated August 20, 2017, with an effective date of June 20, 2017, which was prepared for the Company by Oyungerel Bayanjargal, MAusIMM of GSTATS Consulting Ltd (the “Technical Report”) and prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”). Reference should be made to the full text of the Technical Report which has been filed with certain Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Technical information in this presentation not contained in the Technical Report has been prepared under the supervision of Enkhtuvshin Khishigsuren a “qualified person”.

## CAUTIONARY NOTE FOR UNITED STATES INVESTORS

Technical disclosure regarding our properties included herein (the “Technical Disclosure”) has not been prepared in accordance with the requirements of United States securities laws. Without limiting the foregoing, the Technical Disclosure uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in the Technical Disclosure have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System. These standards differ significantly from the requirements of SEC Industry Guide 7, and resource information contained in the Technical Disclosure may not be comparable to similar information disclosed by U.S. companies.

The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and normally are not permitted to be used in reports and registration statements filed with the Securities and Exchange Commission (the “SEC”).

Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their 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 securities laws, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases.

Additionally, disclosure of “contained ounces” in a resource is permitted disclosure under Canadian securities laws, however the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measurements. Accordingly, information contained in the Technical Disclosure may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States federal securities laws and the rules and regulations thereunder.



# OUR VISION

**Mongolia's  
premier precious  
metals company.**

## Our mandate:

**01**

Delivering superior returns to shareholders from low-cost, long life precious metals assets.

**02**

Focus on low-cost production assets with strong exploration upside.

**03**

Building strong relationships with our partners, our communities and all level of the Mongolian government.





# COMPANY OVERVIEW

Steppe Gold is Mongolia's premier precious metals company, has commenced production and is projected to **produce 60,000 ounces of gold** from its Phase I Heap Leach Operation at the ATO Gold Mine annually. The Company is also completing a feasibility study into the Phase II expansion of the ATO Gold Mine to produce approximately **150,000 ounces of gold per annum** from the development of underlying fresh rock ores.

## Investment Highlights:

### 01.

#### Proven in-country team

Proven track record. Strong social licence to operate and strong support from Mongolian investors.

### 03.

#### Resource expansion

New resource upgrades are currently being calculated for ATO 1, 2, 4 deposits and initial resource for Mungu deposit.

### 02.

#### Commercial production achieved

Mine fully commissioned and permitted. Initial Phase - I oxide zone is estimated to produce ~60,000 ounces of gold annually.

### 04.

#### Significant exploration position

Uudam Khundii ("UK") Project: Steppe Gold owns 14,400 ha in Bayankhongor gold belt. 4 new gold discoveries to be drilled in 2020.

## TSX: STGO

Share Price	CA\$ 2.70
Current Shares Outstanding	68.9 (m)
Mongolian National Fund* (US\$3.0m)	4.3 (m)
Warrants & Options - (Strike @\$2.00)	11.3 (m)
Warrants & Options - (Strike @\$3.00)	6.98 (m)

## CAPITAL STRUCTURE:

Mongolian Nationals	16%
Insiders and Management	15%
Family Office Investors (US & Europe)	13%
Eric Sprott	11%
Triple Flag Mining Finance	5%
Elliot Management	4%
Others	37%

# COMPANY BOARD AND MANAGEMENT



**Matthew Wood**  
Executive Chairman

Mr. Wood is a mineral resource explorer and developer with over 25 years of global industry experience in mining investments. Founder of Hunnu Coal Limited sold for ~A\$500M (2011). Awarded the Order of the Polar Star, the highest state honour that can be awarded to a non-citizen of Mongolia.



**Bataa Tumor-Ochir**  
Director, President and CEO

Mr. Bataa Tumor-Ochir is a Mongolian national responsible for new business acquisitions, development and government and community relations. He is also responsible for daily operations in Mongolia. Mr. Tumor-Ochir has over 10 years of experience in mining industry.



**Aneel Waraich**  
Director and Executive Vice President

Mr. Waraich is a financial services professional with 15 years of progressive experience in capital markets having worked on over \$1B in deals. Founder of ATMA Capital Markets focusing on advising public and private companies in the Natural Resources sector.



**Patrick Michaels**  
Director

Mr. Michaels is the Chairman of Zuri-Invest AG and the Chairman of Asty Capital AG in Zurich, Switzerland. Mr. Michaels has been involved in numerous financings of gold mines in North America as well as various other countries and is a well-respected financial adviser and fund manager throughout Europe.



**Jeremy South**  
Senior Vice President  
Chief Financial Officer

Mr. South has over 33 years of experience in M&A, capital markets and private equity in Europe, North America and Australia, including senior positions in investment banking at Deutsche Bank, NatWest Markets and Deloitte. He has been working in Mongolia since 2011.



**Dr. Zamba Batjargal**  
Director

Dr. Batjargal has more than 35 years' experience working for the government entities in Mongolia dealing with issues of environmental protection and climate change. He was the Minister of the Environment of Mongolia from 1990 to 1996. Dr. Batjargal has extended experience of work outside of Mongolia being engaged in international bi-and multilateral cooperation activities.



**Batkhoo Budnyam**  
Director

Mr. Budnyam is a successful entrepreneur and financial expert who has extensive experience in the banking and finance sectors in Mongolia. Mr. Budnyam serves as Advisor to Chinggis Khaan Bank. Prior to joining Chinggis Khaan Bank, Mr. Budnyam was Managing Director of Organic Solutions Mongolia and previously to that was Managing Director of MFS Capital.



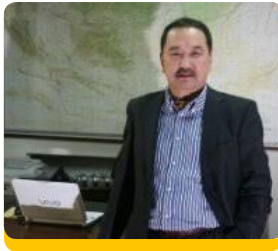
**Dr. Sereenen Jargalan**  
Director

Ms. Jargalan has been a professor at the Mongolian University of Science and Technology since September 2003 and head of the Department of Mineral Exploration since 2011 where she teaches Ore Geology and Metallogeny to Bachelors, Masters and Doctorate students.



**Steve Haggarty**  
Director

Mr. Haggarty is the Managing Director of Haggarty Technical Services Corporation and a registered member of the Professional Engineers Ontario. Mr. Haggarty has over 35 years of industrial experience both on-site and at a corporate level, involving several precious metal and copper producers, with a background in project design, commissioning, start-up, metallurgy, process optimization, project management, reclamation and closure.



**Enkhtuvshin Khishigsuren**  
VP of Exploration

Mr. Khishigsuren has over 30 years of Mongolian mineral exploration experience. He has focused his expertise on the precious metals exploration sector resulting in successes for numerous companies.



# STEPPE PEOPLE





# STEPPE SOCIAL RESPONSIBILITY

Steppe Gold has been building strong local support and relationships prior to commencing mining works. We are an integral part of the local community, working closely with business partners and in training and education.



Steppe Gold and Mongolia is proud of its company supported sambo wrestler A.Khatansaikhon, Asian gold medalist of 2018, 2019 and silver medal from Word championship.



Our first priority is and will be safety and ensuring all of our employees go home safe.

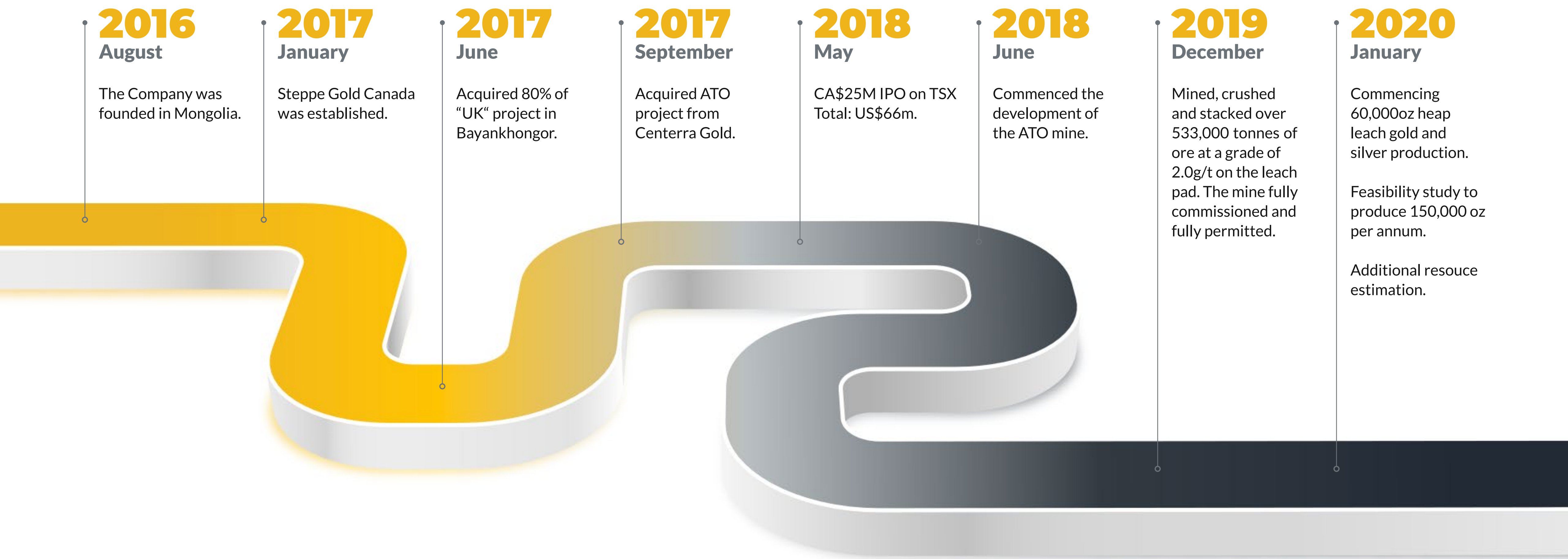
Steppe Gold has signed a cooperation agreement with the local province ensuring beneficial working environment for all parties.

Steppe Gold actively encourages and is increasing it's local shareholder base and is planning to dual list on the local Mongolian Stock Exchange.



# COMPANY MILESTONES

ATO Gold Mine built in 14 months under US\$20m CAPEX





# WHY MONGOLIA



Home to world class assets, sound mining infrastructure and mining talent.



Strong support for mining industry at all levels of government.



Focus on safety, wealth generation and sustainable development.



Developing broad based win win partnerships with China, Russia and third neighbors founded on the mining industry and related infrastructure.





# STEPPE'S **VALUE BUILDING MODEL**

Fast-tracked production and exploration upside

## Cashflow

Fully permitted heap leach mine and plant.

Commenced commercial production targeting 60,000 ounces annually.



## Development

Commenced feasibility study to produce 150,000 ounces per annum.

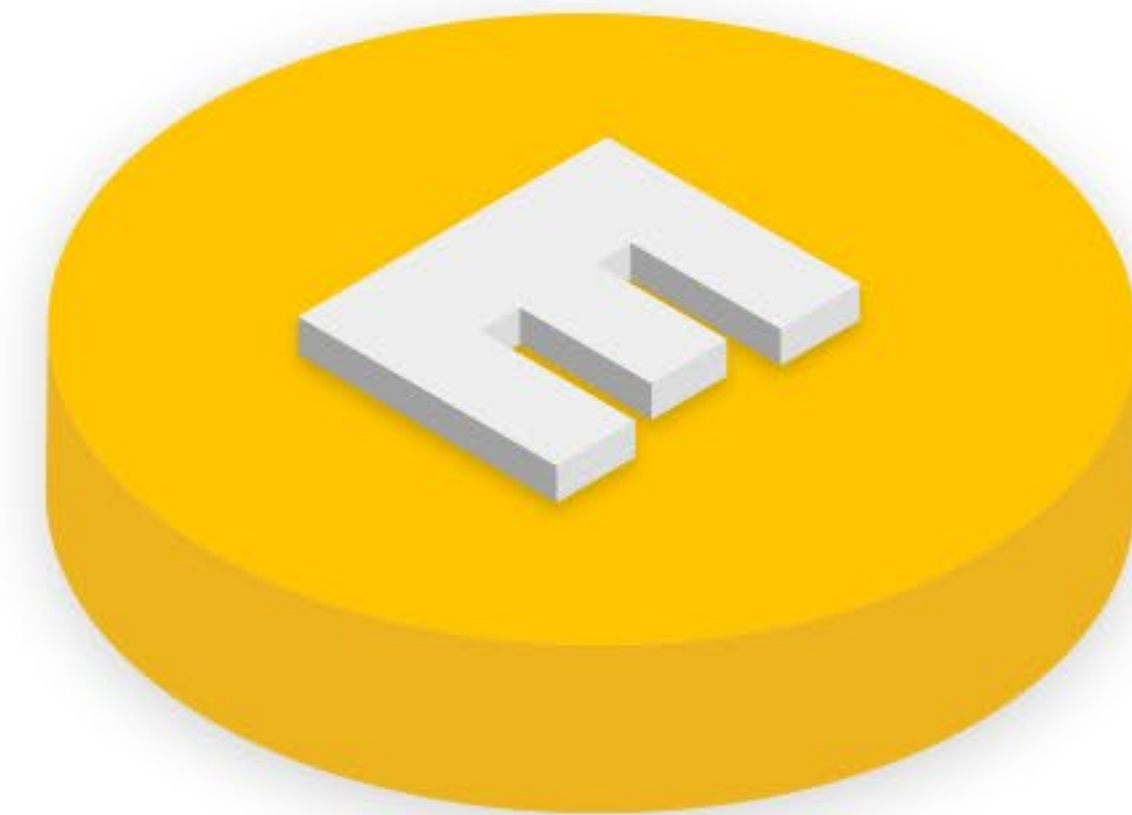
New resource upgrades are being estimated.



## Exploration

The Company owns one of the largest exploration licences in Bayankhongor gold belt.

Commencing drilling on 4 new discoveries in 2020.



The Company has access to a steady pipeline of exploration and development projects across Mongolia. Currently assessing over 200,000 hectares of exploration licences and several gold projects for 2020.



# COMPANY OPERATIONS

Steppe Gold owns exploration, development and production assets.





# ALTAN TSAGAAN OVOO (ATO) GOLD MINE

NI 43-101 compliant 1.22 Moz Au Eq resources (M&I)

ATO Mineral Reserves (1)(3)(5)(6)(7)(8)(9)(10)(12)	TONNAGE	GRADE		CONTAINED METAL		RECOVERED METAL	
	(Mt)	Au(g/t)	Ag(g/t)	Au(koz)	Ag(koz)	Au(koz)	Ag(koz)
Proven	3.41	1.41	9.72	155	1065	108	426
Probable	1.82	0.93	10.52	55	616	38	246
Proven and Probable	5.23	1.25	10.00	210	1681	147	673

ATO Mineral Resources (1)(2)(4)(5)(8)(9)(10)(12)	TONNAGE	GRADE				CONTAINED METAL			
	(Mt)	Au(g/t)	Ag(g/t)	Pb(%)	Zn(%)	Au(koz)	Ag(koz)	Pb(mlb)	Zn(mlb)
Measured	7.77	1.51	8.16	0.86	1.54	378	2039	148	263
Indicated	4.46	1.46	13.17	0.55	1.01	209	1889	54	99
Measured + Indicated	12.23	1.49	9.99	0.75	1.34	587	3927	202	362
Inferred <sup>(11)</sup>	1.05	1.03	25.18	0.52	1.11	35	848	12	26

Notes:

1. ATO Mineral Reserves and Mineral Resources are as at August 21, 2017 using the CIM Definition Standards(2014).

2. MineralResourcesareinadditiontoMineralReserves.

3. Mineral Reserves are constrained within an optimized pit shell based on a gold priceof \$1,300 per ounce.

4. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability for heapleaching.

5. Containedgoldestimateshavenotbeenadjustedformetallurgicalrecoveries.

6. Recoveredgoldestimateshavebeenadjustedformetallurgicalrecoveriesbasedon70%forAuand40%forAg.

7. Mining dilution is 3% and Ore loss is2%.

8. Mineral Reserves and Mineral Resources are estimated using a 0.3 g/t AuEq cut-off grade for oxide material and a 1.1 g/t AuEq. Cut-off grade for freshmaterial.

9. A conversion factor of 31.103477 grams per ounce 453.59237 grams per pound are used in the reserve and resourceestimates.

10. AuEqhasbeencalculatedusingassumedmetalprices(\$1,306.6/ozforgold,\$21.6/oz).  
Oxideorecalculation: AuEq(g/t)=Au(g/t)+(Ag(g/t)x21.6x0.0321507x0.4)/(1,306.6x0.0321507x0.7)  
Freshorecalculation: AuEq(g/t)=Au(g/t)+((Ag(g/t)x21.6x0.0321507x0.75)+(Pb%x1,844x10-6x0.6)+(Zn%x1,944x10-6x0.55))/  
(1,306.6x0.0321507x0.71)

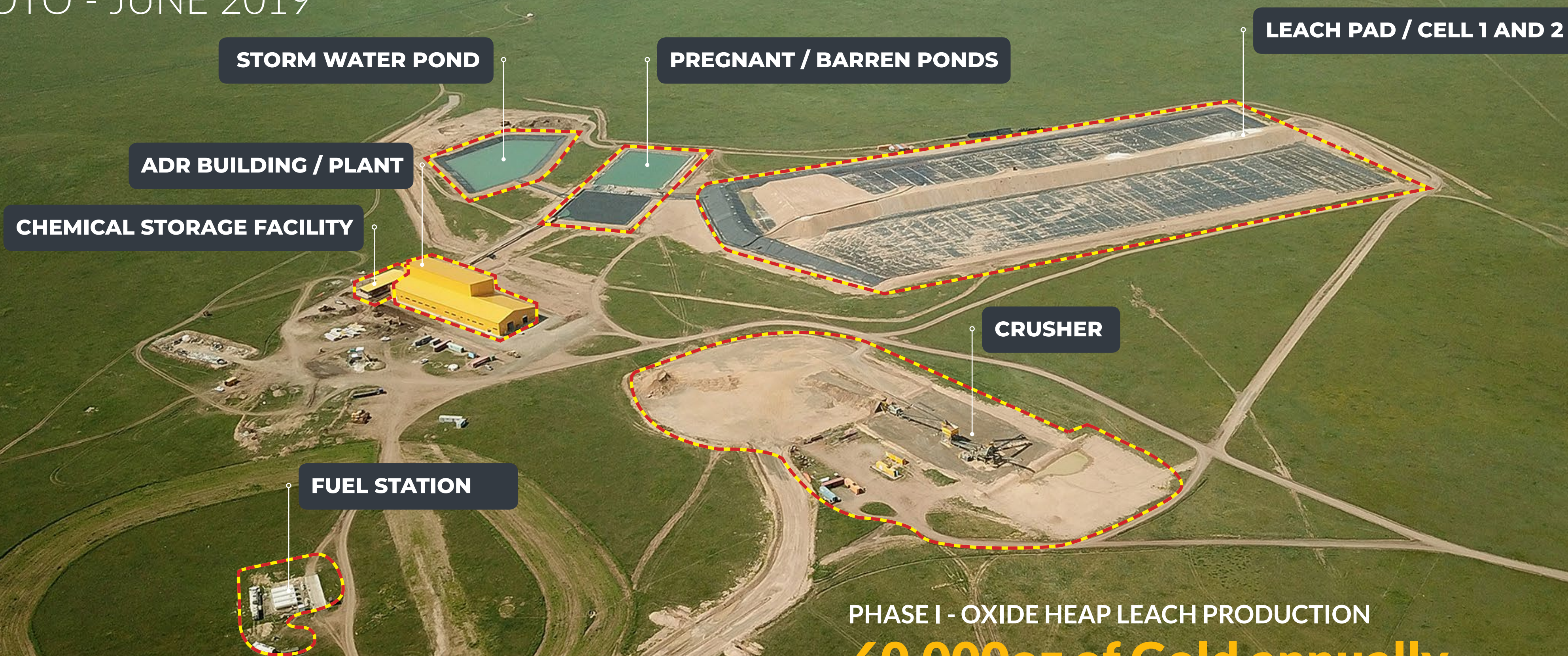
11. InferredMineralResource shaveagreatamountofuncertaintyastotheirexistenceandastowhethertheycanbeminedeconomically. Itcannot beassumedthatallofpartoftheInferredMineralResourceswilleverbeupgradedtoahighercategory.

12. Totals may not match due to rounding.



# ALTAN TSAGAAN OVOO (ATO) GOLD MINE

FULLY PERMITTED AND COMMENCED COMMERCIAL PRODUCTION  
PHOTO - JUNE 2019



PHASE I - OXIDE HEAP LEACH PRODUCTION

**60,000oz of Gold annually.**

PHASE II - 150,000 oz of gold production per annum from fresh rock



**ADR BUILDING**

**ALTAN TSAGAAN  
OVOO (ATO) GOLD  
MINE - JUNE 2020**



PHASE I - OXIDE HEAP LEACH PRODUCTION

**60,000oz of Gold annually.**

PHASE II - 150,000 oz of gold production per annum from fresh rock



## MINING CAMP

## ALTAN TSAGAAN OVOO (ATO) GOLD MINE



PHASE I - OXIDE HEAP LEACH PRODUCTION

**60,000oz of Gold annually.**

PHASE II - 150,000 oz of gold production per annum from fresh rock



## ADR PLANT

## ALTAN TSAGAAN OVOO (ATO) GOLD MINE



PHASE I - OXIDE HEAP LEACH PRODUCTION

**60,000oz of Gold annually.**

PHASE II - 150,000 oz of gold production per annum from fresh rock



# ALTAN TSAGAAN OVOO (ATO) GOLD MINE

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Leveraging HL cash flow to scale operations

- ✓ 2020 cash flow – 60k oz of gold on HL should generate \$40m + of EBITDA
- ✓ Similar free cash flow before capex in 2021 and 2022
- ✓ 2020 cash flow to be reinvested in exploration at ATO, and to start the planning for Phase 2
- ✓ Expected to start construction for Phase 2 – 2021/2022
- ✓ CIL plant and associated capex – around \$100m in capex, project finance structure
- ✓ Project finance partners being identified and EPC groups being interviewed in 2020
- ✓ Limited equity component required – supported by cash flow and profitability at Phase 1

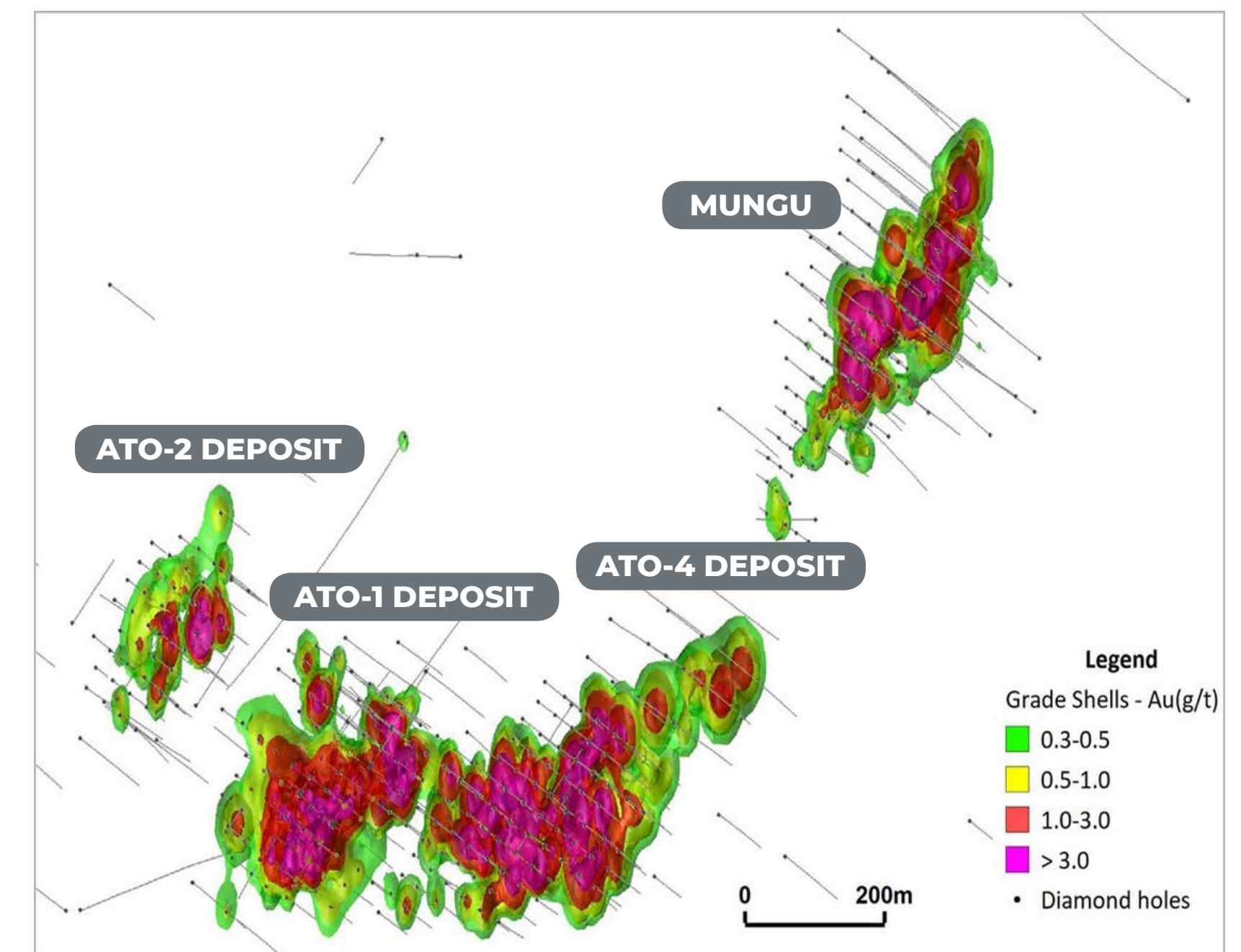
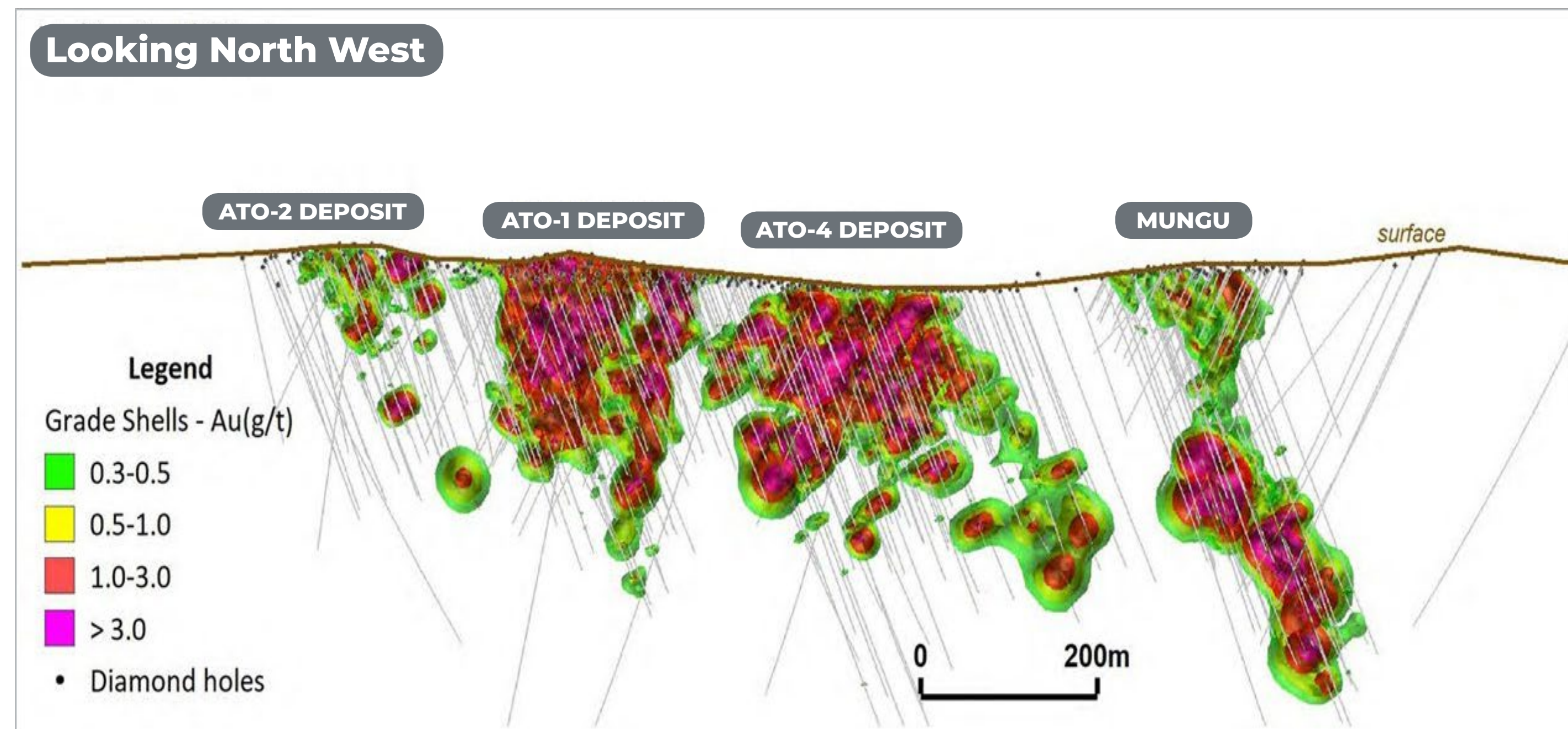


# RESOURCE EXPANSION

Building on a large dataset - high grade intercepts.

Over 90,000m drilling and 28,421m trenching completed. Mungu deposit unclassified yet.

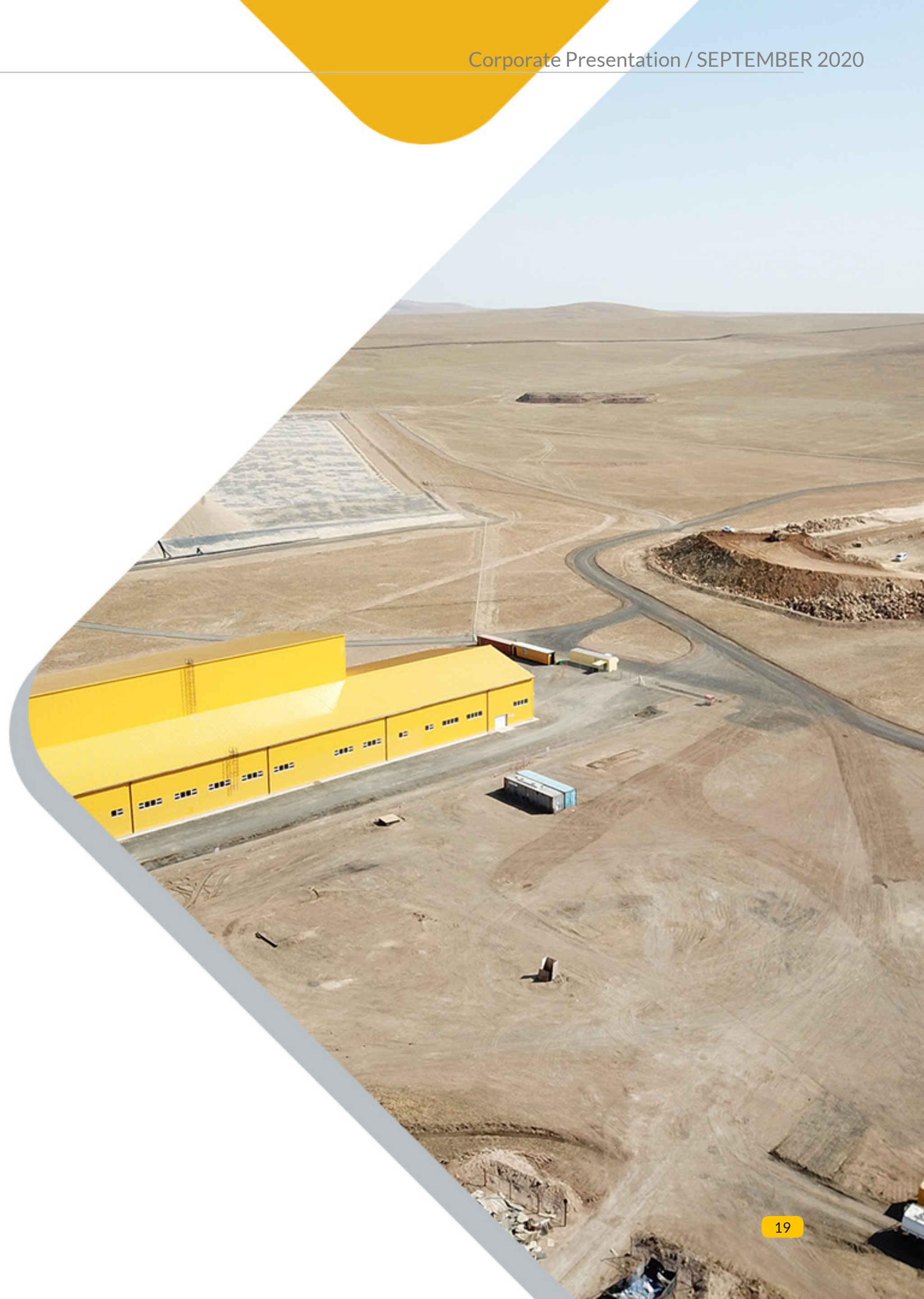
The latest drilling results and new resource estimates for ATO and Mungu deposits are underway.





# SECOND QUARTER UPDATE

- ✓ Strong start to production at the ATO gold mine, supporting low costs, with positive grade reconciliation on sampling
- ✓ During the quarter produced 15,389 gold ounces and 4,978 silver ounces.
- ✓ Gold and silver sales were \$19,520 as 12,458 gold ounces and 3,728 silver ounces were sold with average realized prices per ounce of \$1,714 and \$15 respectively.
- ✓ ATO Gold Mine All In Sustaining Cost (AISC) for the quarter was \$739 per ounce sold
- ✓ Cash costs for the quarter were \$595 per ounce sold.
- ✓ Operating income from mine operations, before depreciation and depletion, was \$12,046.



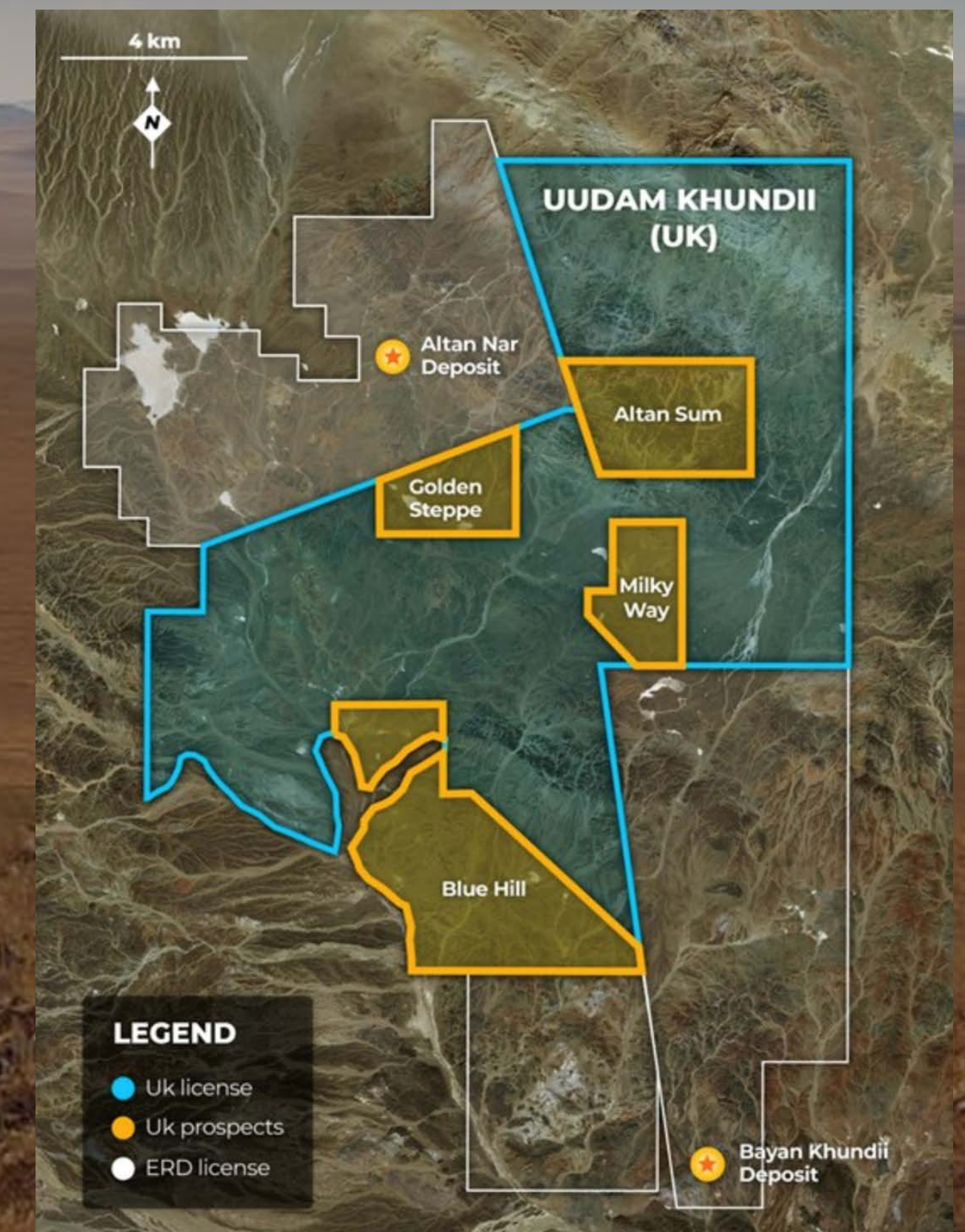


# UUDAM KHUNDII (UK) PROJECT

## ONE OF THE LARGEST EXPLORATION LICENSES IN BAYANKHONGOR GOLD BELT

- Geological and geophysical studies.
- 12 line km IP survey.
- Collected over 8,000 geochemical samples.
- Trenching programme underway.

Identified 4 new discoveries to be drilled in 2020.



### EXCLUSIVE RIGHTS

Uudam Khundii ("UK") Project: Steppe Gold owns 14,400 hectares in a first of its kind, 80/20 JV with the provincial government of Bayankhongor.

### HIGHLY PROSPECTIVE AREA

Adjoining licences held by Erdene Resources (ERD)\* have discovered high grade gold silver mineralized zones trending on to Steppe's licences.

### FUTURE ACQUISITIONS

The Company is currently assessing over 200,000 hectares of exploration licenses for further acquisition.



# STEPPE CATALYSTS 2020:

## PRODUCTION / CASHFLOW

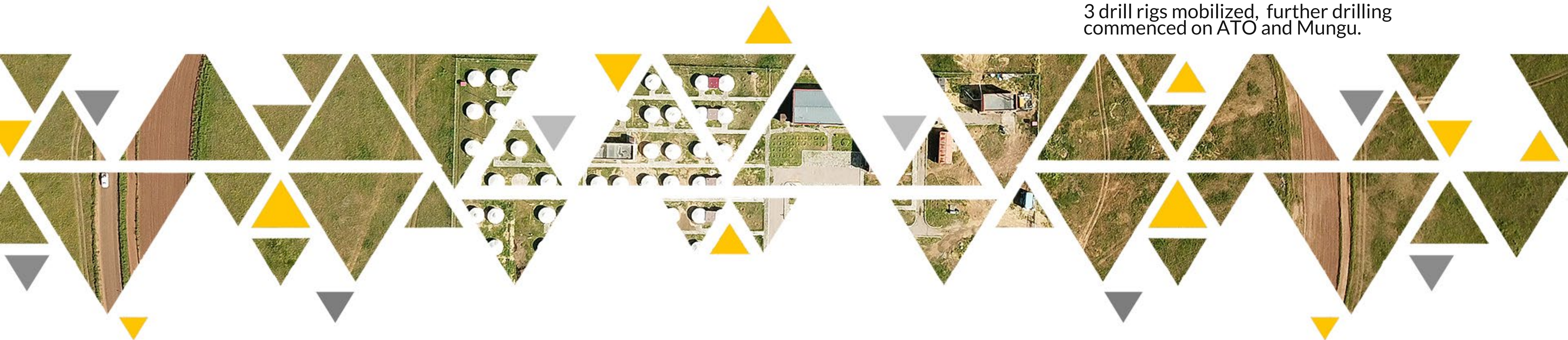
Heap leach mine built and fully permitted.  
  
Commenced commercial production and targeted to produce 60,000oz Au annually.

## FURTHER DEVELOPMENT

150,000 oz per annum feasibility studies underway.

## EXCITING EXPLORATION RESULTS

Estimating new resources on Mungu deposit and updating ATO gold mine resources.  
  
Commencing drilling programmes on “UK” project.  
  
3 drill rigs mobilized, further drilling commenced on ATO and Mungu.





# STEPPE GOLD

## MONGOLIA'S PREMIER PRECIOUS METALS COMPANY

- ✓ Low cost, long life exploration and mining assets in Mongolia
- ✓ Low cost production  
~60,000oz heap leach production
- ✓ Further development  
~150,000oz production from fresh rock
- ✓ Creating jobs and business opportunities in the communities
- ✓ Compelling value for investors







# CONTACT

## **Matthew Wood**

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## **Aneel Waraich**

Director and Executive VP  
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## **Bataa Tumor-Ochir**

President and CEO  
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## **Jeremy South**

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