



AMARILLOGOLD



**ON TRACK TO BECOME
BRAZIL'S NEXT
GOLD PRODUCER**

November 2020

DO YOUR HOMEWORK AND BE CAREFUL

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Forward-looking statements

This slide deck may have forward-looking statements. The information in these statements has been based on a number of assumptions that may prove to be incorrect and the actual results may vary.

Qualified persons

The Qualified Persons for Amarillo are Frank Baker, M. IOM3 and MAusIMM., and Mr. Mike Mutchler, FAusIMM.

Non-IFRS financial measures

The Company has included certain non-IFRS financial measures in this presentation.

These measures, which include EBITDA, total cash cost, total cash cost per ounce, AISC, and AISC per ounce, are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. As a result, these measures may not be comparable to similar measures reported by other companies. Each of these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures in accordance with IFRS.

- *EBITDA*
Earnings before interest, taxes and depreciation and amortization (EBITDA) excludes the following items from net income: interest expense; income taxes and depreciation and amortization expenses.
- *Total cash cost and total cash cost per ounce*
Total cash cost reflects the cost of production. The total cash cost reported in the FS includes costs related to mining, processing and water treatment, general and administration for the mine, off-site, refining, transportation, and royalties. Total cash cost per ounce is calculated as total cash cost divided by payable gold ounces.
- *AISC and AISC per ounce*
AISC reflects all the expenditures that are required to produce an ounce of gold from operations. The AISC reported in the FS includes total cash cost, sustaining capital, and closure cost. AISC per ounce is calculated as AISC divided by payable gold ounces.

THE RIGHT TIME TO INVEST IN AMARILLO

- ✓ **Delivered a positive, bankable feasibility study** on flagship Posse Gold Project in Brazil:
 - net present value of US\$360 million using a 5% discount rate
 - 50% after-tax internal rate of return using US\$1,730 per ounce gold and a Brazilian real to U.S. dollar exchange rate of 5.3 to 1
- ✓ **License to Install is expected this fall**
- ✓ **Secured** equity portion of **construction financing**, and in advanced negotiations with debt financiers
- ✓ **Detailed** engineering **begun**, long lead time **orders** being **placed**
- ✓ **Regional exploration program** shows potential to find more near-surface gold deposits that could extend Posse mine life

UNDERVALUED RELATIVE TO PEERS

Stock listings	TSXV: AGC, OTCQB: AGCBF
Share price	C\$0.36
Shares outstanding – board and management own 6%	382.1 million
Market capitalization	C\$137 million
Warrants at C\$0.30	76.4 million
Options at weighted average price of C\$0.28	13.5 million
Cash	C\$55 million

- Strong support from major shareholders including Baccarat Trade Investments (19.92%), Eric Sprott (17.9%), 683 Capital, Brigade, Solas, Ruffer, and Sun Valley Gold

AGC is currently trading at 40% of NPV, but valuation could increase as Posse becomes shovel-ready.

FOCUSED ON MINING-FRIENDLY BRAZIL

- A gold producer since the late seventeenth century, Brazil has a mining friendly regime and a clear permitting process
- Leadership team has a history of success in project management and business turnaround in Canada and Latin America, and a strong social license to operate in Brazil
- Two key assets: flagship development stage Posse Gold Project, advanced exploration stage Lavras do Sul

A PORTFOLIO THAT'S POISED FOR GROWTH



- 2,500 hectares of mining concessions containing the Posse Gold Project
- 6,000 hectares of exploration concession on the Posse structural trend

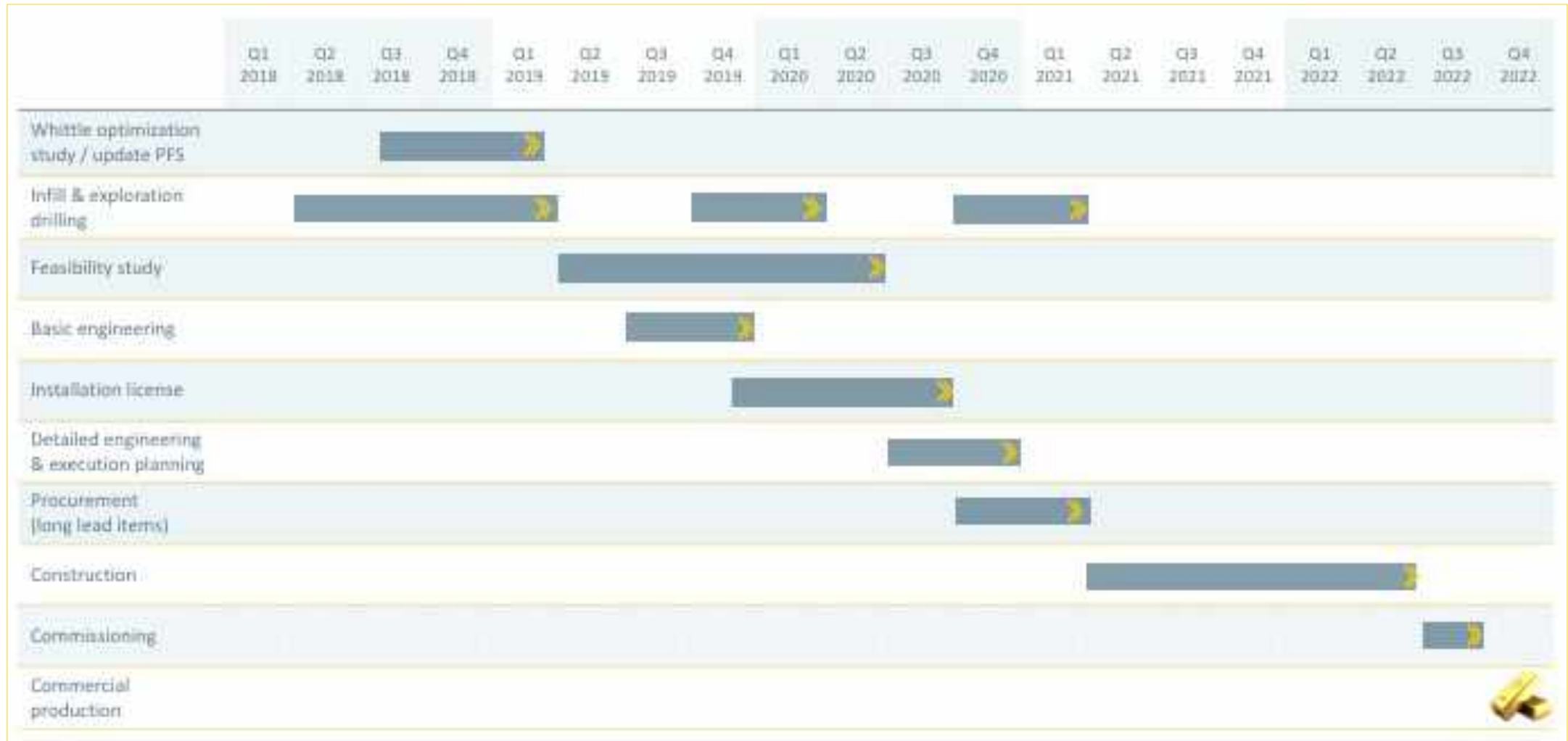
- 22,000 hectares of exploration concessions
- 22 defined targets
- Initial gold resource of 523,000 ounces

OUR FLAGSHIP ASSET: THE POSSE GOLD PROJECT



- Discovered by BHP in the 1980s
- Mined by Western Mining in the 1990s, sold to Metallica 1998 and purchased by Amarillo 2004
- Excellent existing infrastructure, including access and service roads
- 67-kilometre 138 kilovolt transmission line from Porangatu to mine site will be built

ON TRACK WITH POSSE DEVELOPMENT SCHEDULE



DELIVERED: POSITIVE BANKABLE FEASIBILITY STUDY

- **Posse supports** an open pit **mine** and carbon-in-leach operation with dry stack tailings that has **low capital and operating costs** and a **strong financial return**
- Initial **mine life** of 10 years that could be **extended** by satellite deposits
- Average **annual gold production** of **102,200 ounces per year (yrs 1–4)**
- Using US\$1,730 per ounce gold and a Brazilian real to U.S. dollar F/X of 5.3:1
 - **cash cost** of **US\$631** per ounce
 - **AISC** of **US\$656** per ounce
 - **After-tax payback** of **1.5 years**

THIS IS AN IDEAL TIME AND PLACE TO BUILD A MINE

HIGHLY LEVERAGED TO GOLD

Gold price per ounce	\$1,200	\$1,300	\$1,400	\$1,500	\$1,600	\$1,700	\$1,800	\$1,900	\$2,000
R\$ to US\$	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
After-tax NPV 5% (millions)	\$106	\$145	\$183	\$221	\$259	\$297	\$335	\$373	\$411
After-tax IRR	16%	20%	25%	29%	34%	38%	42%	46%	50%
After-tax payback (years)	3.4	3.0	2.6	2.3	2.1	1.9	1.8	1.6	1.5

Note

Dollar amounts in US\$.

A 10% increase in the price of gold generates a 30% increase in the after-tax NPV 5%

OVER 60% OF COSTS ARE LOCALLY BASED IN REAIS

Gold price per ounce	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
R\$ to US\$	3.0	3.4	3.8	4.2	4.6	5.0	5.4	5.8	6.2
After-tax NPV 5% (millions)	\$74	\$123	\$157	\$183	\$205	\$223	\$239	\$252	\$264
After-tax IRR	9%	15%	21%	25%	29%	33%	36%	39%	42%
After-tax payback (years)	4.5	3.5	3.0	2.6	2.4	2.1	2.0	1.8	1.7

Note

Dollar amounts in US\$.

**A low Brazilian real creates an
opportune moment**

SUBMITTED: LICENSE TO INSTALL

1 PRELIMINARY LICENSE

✓ APPROVED

- Most important part of the permitting process
- Includes environmental baseline studies like EIAs, community engagement and public hearings
- Awarded by the EPA and the Judicial Ministry

2 LICENSE TO INSTALL

✓ SUBMITTED

- Authorization to build
- Allows for construction and commissioning
- Submitted December 2019
- Expect to receive in the fall of 2020

3 OPERATING LICENSE

SUBMIT IN Q3 2022

- Granted after commissioning
- Requires inspection of the constructed mine and plant to ensure compliance with codes and provisions of previous licenses

CONFIRMED: A STRONG SOCIAL LICENSE TO OPERATE



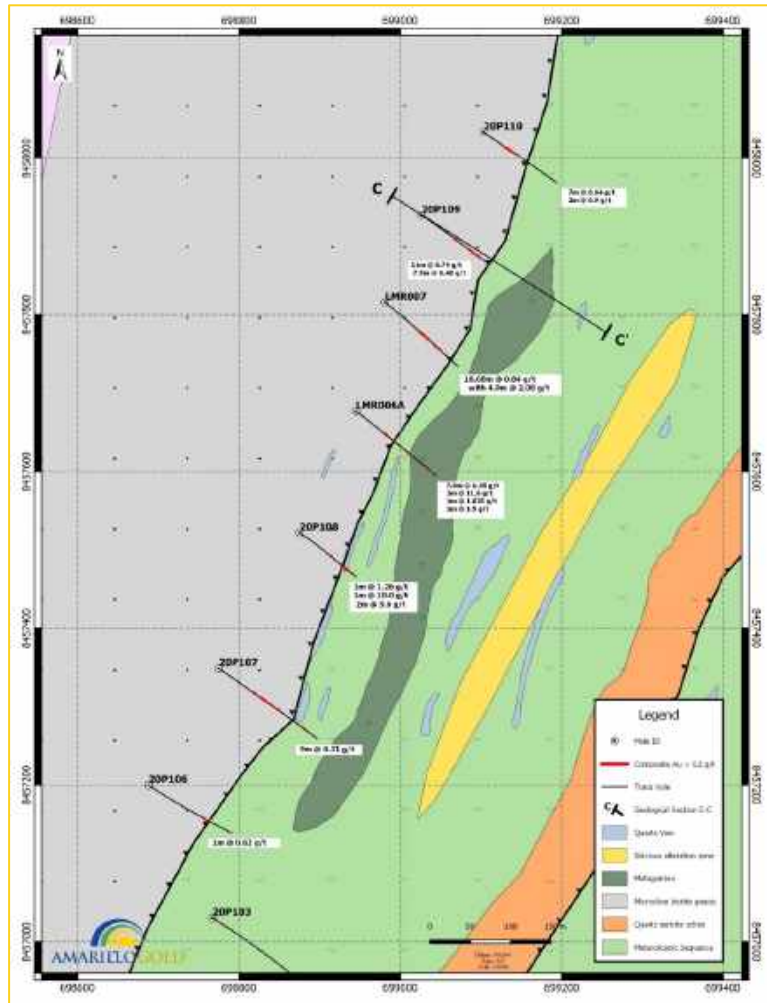
- Water use permit granted by National Water Agency in July 2020
- Amarillo signed Protocol of Intent with Government of State of Goiás on May 25, 2020
- Overwhelming community support at public hearing in 2016
- EIA completed in 2015

POSSE GOLD DEPOSIT IS A BASE TO GROW FROM



- Focused on 10-kilometre Posse North Trend
- Goal is to identify potentially economic gold deposits that add to mine life
- Drill program in early 2020 tested three priority targets: Araras, Speti 24, Pastinho
- All three exploration targets intersected elevated gold values in multiple intervals, implying that the gold system that hosts the Posse Gold Deposit is regional in scope

PASTINHO RESULTS SHOWS POSSE STRIKE EXTENDS SIX-FOLD



- Style and nature of gold mineralization is extensive, similar in style to the gold mineralization found at Posse Gold Deposit
- 1 metre grading 10 g/t in hole 20P108 and 8.0 metres grading 0.83 g/t gold (including 4.0 metres grading 1.15 g/t gold) in hole 90P109
- Recently completed surface trenching and augur drilling confirms up-dip extension of Pastinho
- Pastinho surface soil anomaly has been defined over 1.5 kilometre strike length and remains open along strike to northeast and southwest
- Appears to be five subparallel gold structures trending northeast

MAJOR MILESTONES TO WATCH FOR

- Receiving the License to Install
- Finalizing debt portion of construction financing
- Signing contracts to provide engineering and procurement
- Continued construction-level engineering and procurement
- Results from regional exploration program aimed at finding and advancing satellite gold deposits that could extend Posse's mine life

THE RIGHT TIME TO INVEST IN AMARILLO

- ✓ **Positive feasibility study** shows **Posse Gold Project** can be built into a **profitable operation** with **low costs** and a **strong financial return**
- ✓ **License to Install** expected this **fall**, **construction** scheduled to start **April 2021**
- ✓ **Potential** to find additional **near-surface deposits** along Posse North Trend at Mara Rosa and **extend mine life**
- ✓ **Secured** equity portion of **construction financing**; in advanced negotiations with debt financiers
- ✓ Trading at **40% of NPV**, low relative to gold developers
- ✓ Significantly **undervalued company** that's **poised for growth** with plenty of **catalysts** on the horizon

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APPENDIX

APPENDIX INDEX

Five-year spot gold in Brazilian reais vs U.S. dollars	21
Feasibility study	22
Key differences between 2018 PFS and 2020 FS	23
Capital cost	25
Open pit mine and carbon-in-leach operation	26
Processing plant	28
Geology	
Posse Gold Deposit	31
Lavras do Sul	33

AN IDEAL TIME AND PLACE TO BUILD A MINE



POSITIVE BANKABLE FEASIBILITY STUDY

	Base case	Consensus case
Gold price per ounce	\$1,400	\$1,550
R\$ to US\$	4.2	4.8
Mine life	9.6 years	9.6 years
Gold production per year, years 1 to 4	102,200 ounces	102,200 ounces
Average annual gold production	84,482 ounces	84,482 ounces
Cash cost per ounce	\$706	\$658
All-in sustaining cost per ounce	\$738	\$686
Average annual EBITDA, years 1 to 4	\$64 million	\$82 million
Average annual EBITDA, life of mine	\$51 million	\$65 million
After-tax NPV 5%	\$183 million	\$271 million
After-tax internal rate of return	25%	38%
After-tax payback	2.6 years	1.9 years

Note

Dollar amounts in US\$.

KEY DIFFERENCES TO 2018 PRE-FEASIBILITY STUDY

	2020 Feasibility study	2018 Pre-feasibility study
Initial capital cost	\$145 million	\$123 million
Sustaining capital	\$21 million	\$17 million
Average annual production – years 1 to 4	102,200 ounces	144,000 ounces
Average annual production	84,482 ounces	123,000 ounces
Mine life	9.6 years	8 years
Cash cost per gold ounce	\$706	\$545
AISC per gold ounce	\$738	\$655
Average grade	1.18 g/t	1.42 g/t
Mineable reserve	902,000 ounces	1,087,000 ounces
After-tax payback	2.6 years	1.5 years

Note

Dollar amounts in US\$.

A PRO-ACTIVE RECALIBRATION

- Lower grade and overall reserves resulted from decision to switch from multiple indicator kriging to ordinary kriging for resource and reserve estimates
- Creates greater confidence in grade, avoids future challenges
- Increased capital costs due to switch from a conventional tailings storage facility to a dry stack filtered tailings pile and associated filtration plant
- Dry stack tailings reduce the environmental risk and increase the social license

**Ordinary kriging and dry stack tailings
significantly de-risk the project**

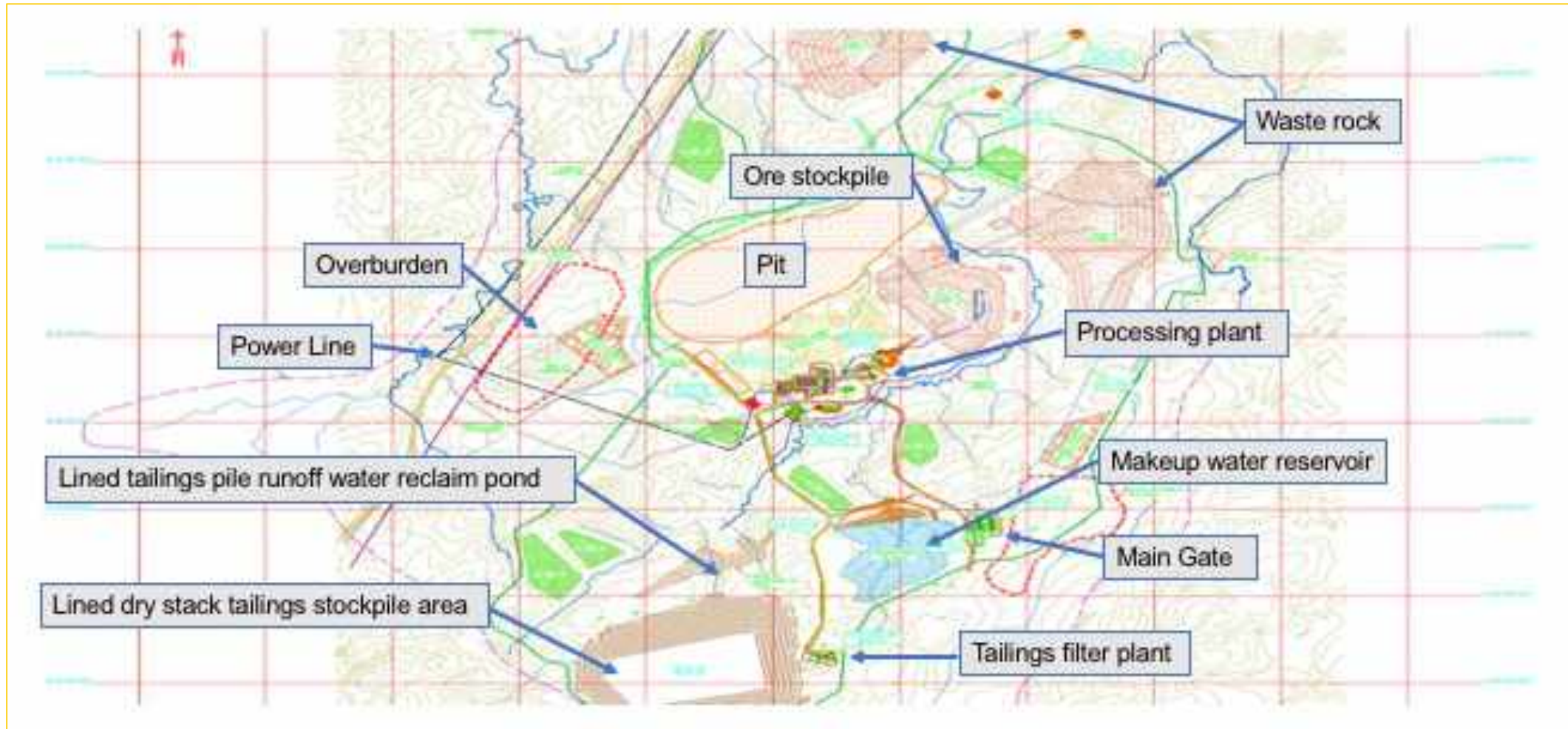
CAPITAL COST

	Base case	Consensus case
Gold price per ounce	\$1,400	\$1,550
R\$ to US\$	4.2	4.8
Initial capital cost	\$133 million	\$122 million
Contingency	\$12 million	\$11 million
Life of mine sustaining capital	\$21 million	\$18 million
Life of mine total capital	\$166 million	\$151 million
Closure costs	\$5 million	\$4 million

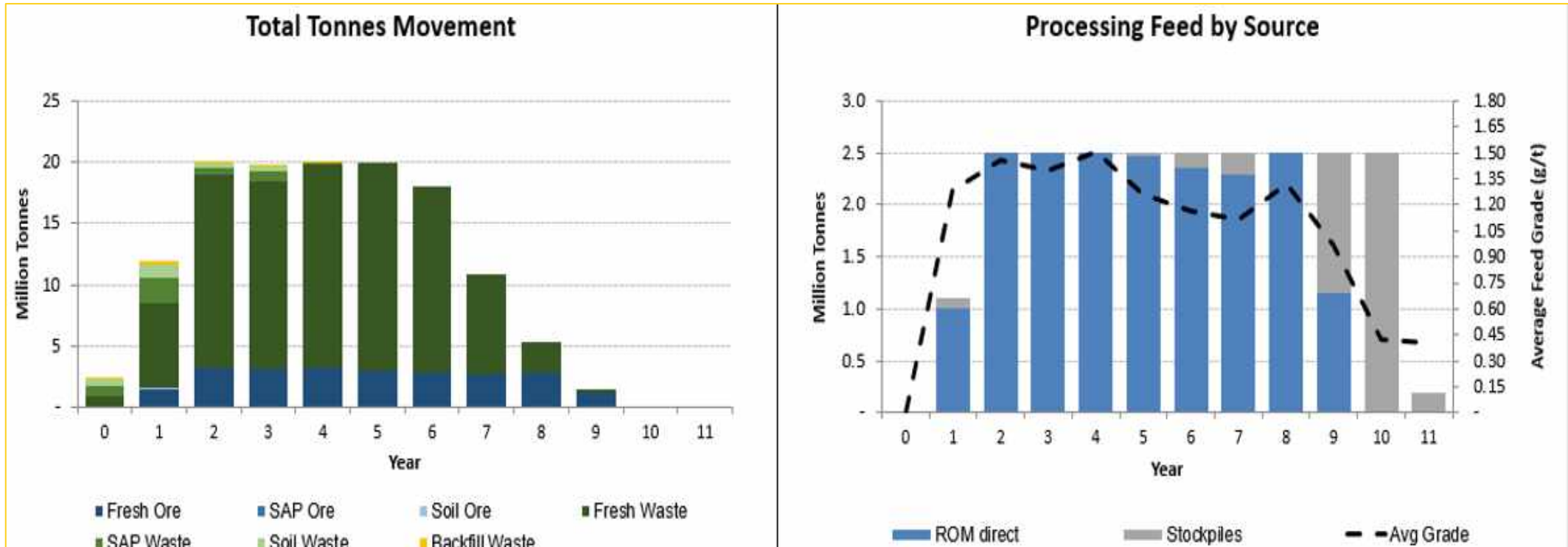
Note

Dollar amounts in US\$.

OPEN PIT MINE AND CARBON-IN-LEACH OPERATION

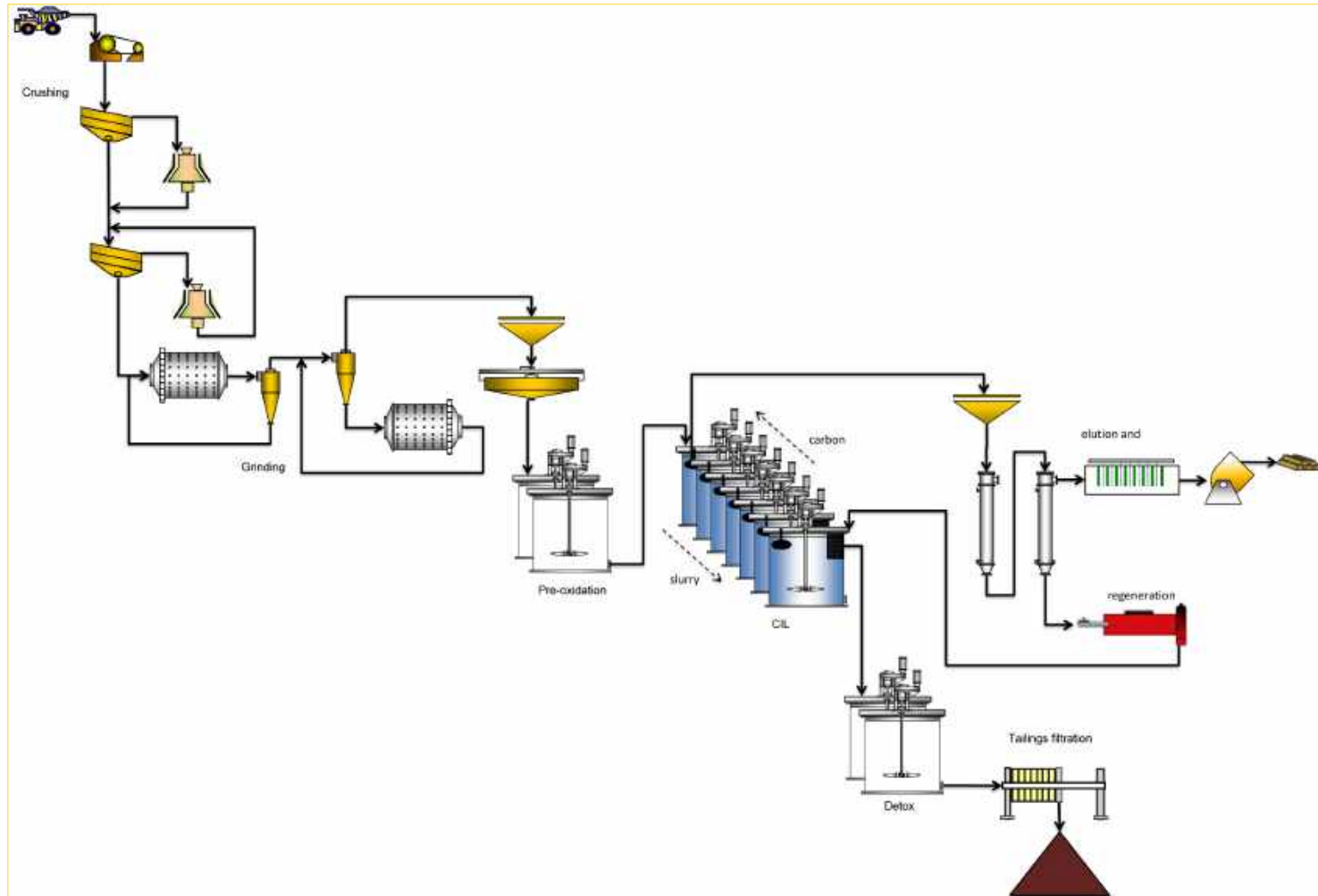


FOCUS ON HIGH GRADE IN FIRST FOUR YEARS



- Average grade of 1.43 g/t in years 1 to 4, 1.18 g/t over life of mine
- 4.3 average strip ratio over life of mine

PLANT TO PROCESS 7,000 TONNES PER DAY



2.5 MILLION TONNES PROCESSED PER YEAR

Total tonnes to crusher	23,804,804
Average recovery	89.9%
Contained ounces	902,434
Average annual gold production – years 1 to 4 (ounces)	102,200
Average annual gold production – life of mine (ounces)	84,482
Total gold produced (ounces)	811,023

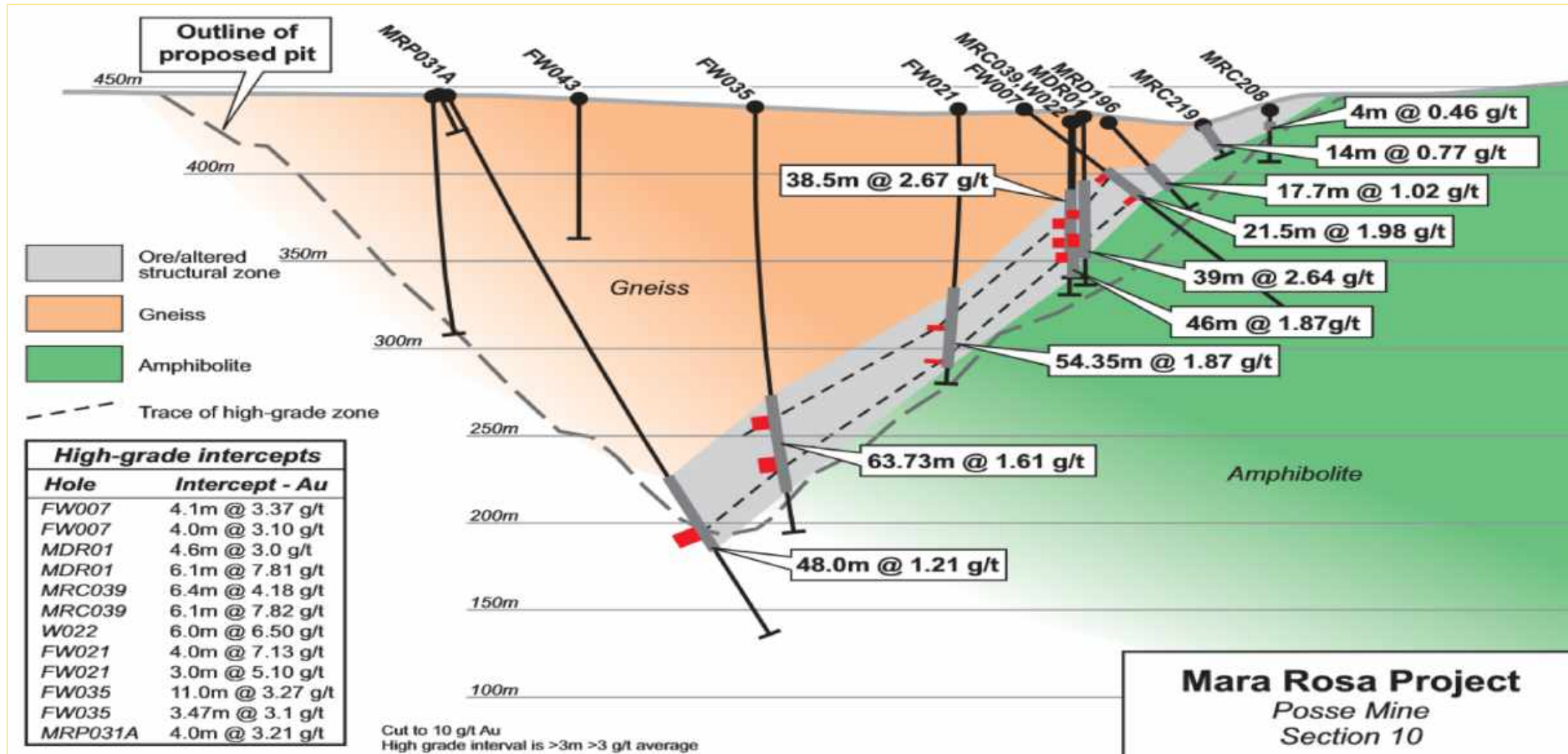
COST PER TONNE PROCESSED

	Base case	Consensus case
Gold price per ounce	\$1,400	\$1,550
R\$ to US\$	4.2	4.8
Mining	\$8.71	\$7.73
Processing	\$9.95	\$9.21
G&A	\$0.75	\$0.69
Tailings haulage and disposal	\$1.00	\$0.89
Contingency	\$0.54	\$0.49
Total operating cost	\$20.94	\$19.01

Note

Dollar amounts in US\$.

POSSE GOLD DEPOSIT: CROSS SECTION LOOKING NORTH



POSSE RESOURCES AND RESERVES (MAY 2020)

	Tonnes (millions)	Grade (g/t gold)	Contained gold (000 ounces)
Resources			
Measured	14	1.2	510
Indicated	19	1.1	640
Total Measured and Indicated	32	1.1	1,200
Inferred	0.1	0.6	1.7
Reserves			
Proven	11.8	1.20	456
Probable	12.0	1.16	446
Total Proven and Probable	23.8	1.18	902

Notes

Assumes exchange of R\$4.20 to US\$1.00

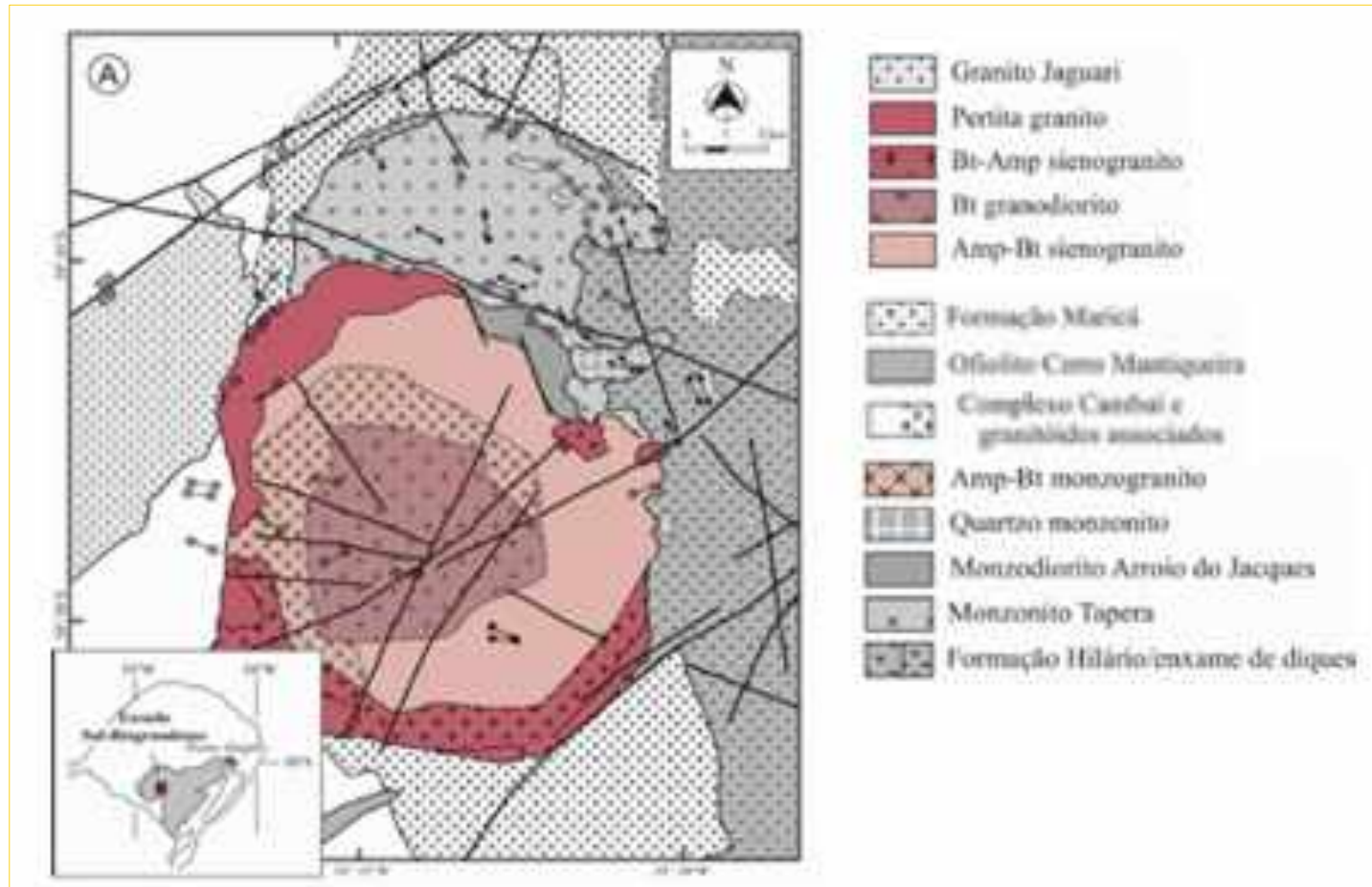
Resources assume gold price of \$1,500 per ounce and reserves assume gold price of \$1,400 per ounces

Cut-off grade of 0.35 g/t used for resources; reserves are above an economic cut-off grade of 0.37 g/t gold

Mineral reserves are based on measured and indicated resources only

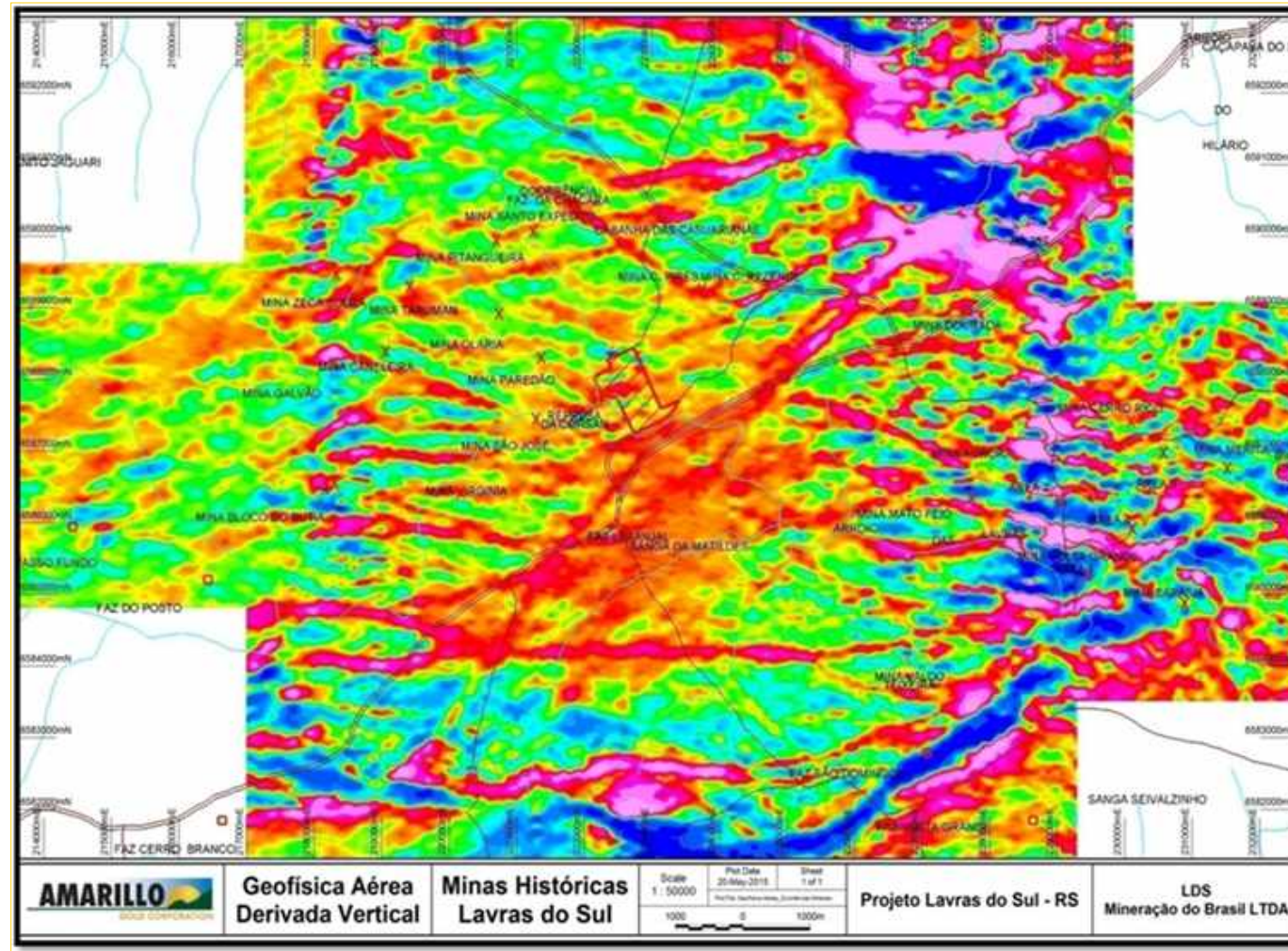
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LAVRAS DO SUL: REGIONAL GEOLOGICAL SETTING



- Circular shape
- 130 km² outcropping
- Concentric zonation
- Granodiorites and monzogranites in the nucleus
- Perdita granite in the border
- U/Pb age
- Nucleus – 592±5 Ma
- Border – 580±7 Ma

LAVRAS DO SUL: MAJOR STRUCTURES IN REGIONAL MAGNETICS



LAVRAS DO SUL: GOLD IN SOIL ANOMALIES

