



**A Historic Land. An Unlimited  
Future.**

MINES D'OR  
**dynacor**  
GOLD MINES

# **INVESTOR PRESENTATION**

**March - 2015**

# FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking statements regarding operational information, future exploration and development plans and anticipated future production. Words such as, “potential”, “building”, “inferred”, “if”, “will”, “expect”, “forecast”, “estimate”, “consider”, “may”, “possible” and similar expressions have been used to identify these forward-looking statements. These statements are management’s current beliefs and are based on information currently available to management.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic, political and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place under reliance forward-looking statements.

Forward-looking statements and other information contained herein concerning the metals and mining industry and Dynacor’s general expectations concerning the industry are based on estimates prepared by management using data from publicly available industry sources as well as from private sources, industry analysis and on assumptions based on data and knowledge of the this industry which the Company believes to be reasonable. However, this data is inherently imprecise. While Dynacor is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. There is no certainty the projections will be met.



# A GOLD PERFORMER

Only 36.2 million shares outstanding

A non-dilutive business model

The key to success



# CAPITAL STRUCTURE SOLID

Shares outstanding.....	36.2 Million
Fully Diluted.....	38.6 Million
Working Capital.....	\$20.8 Million (Sept 30,2014)
Cash.....	\$14.9 Million
Options.....	2.45 Million
Warrants.....	Nil
Debt.....	Nil

As of December 31, 2014(unaudited)

# **LIMITING RISK**

## **SAFE AND POLITICALLY STABLE PERU**



### **COUNTRY IS SAFE AND POLITICALLY STABLE**

Peru is a stable, democratic republic government led by the Ollanta Humala Administration which has been in power for the last four years. The fiscal regime in the country is attractive for foreign investment and provides positive financial returns to exploration and production companies. The fiscal arrangements are honoured and any changes that were made to the arrangements helped to encourage new investment. Peru does not employ capital controls and Dynacor has freely moved currency in and out of the country over the last sixteen years.

### **WELL QUALIFIED LOCAL WORK FORCE**

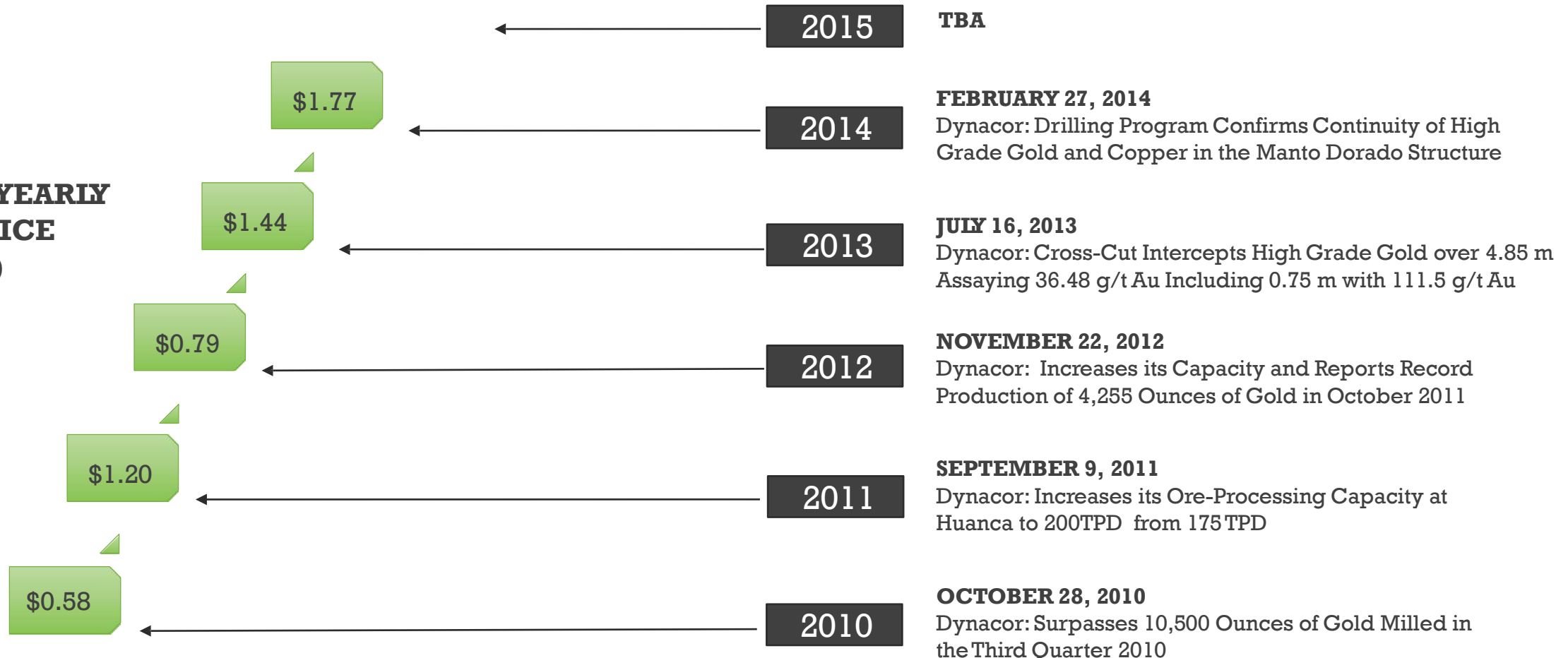
Dynacor's policy is to hire local Nationals for as many positions as possible, including senior technical personnel and administrative management positions, in order to minimize operating and overhead costs and to contribute to the economic well-being of Peru. The country has a well educated and hard-working labour force to draw on.

### **TOURISM – A DOMINANT INDUSTRY**

Peru is a major tourist destination for South America and the rest of the world. It has extraordinary archaeological sites and beautiful beaches. Tourism is one of the main sources of foreign currency as it ranks third behind mining and fishing industries. The country is careful to ensure that it retains a reputation as a safe destination travel spot.

# ACHIEVING HIGH IMPACT GROWTH

## AVERAGE YEARLY STOCK PRICE (2010-2014)





# PRODUCTION

## FOCUSING ON HIGH-GRADE RESOURCES



### Huanca (Producer)

- A complex mill with a current max capacity of 250 tonnes per day (85,000 tonnes per annum)
- Dynacor buys high-grade gold ore from hundreds of small scale miners in Peru each with varying types of ore
- A proven team processing ore economically from multiple sources requires expert knowledge and know-how
- Dynacor's staff is time-tested in the ore-processing specialty as it poured its first gold bar at the Huanca plant in 1998, nearly 18 years ago

### Chala (Emerging Producer)

- Chala plant that has a planned capacity of 300-600 tonnes per day (102,000-204,000 tonnes per annum).
- The Chala processing plant is set to be linked to the national power grid and will be located just off the Pan-American highway.
- The company is awaiting final mill construction approval from the Energy and Mines Ministry of Peru.
- The total cost of the plant is projected to be approximately US \$10 million.
- Preparation of the site is complete and to date Dynacor has invested approximately 20% toward the total budget.
- Upon receipt of permission to build the actual mill, it will take Dynacor 7-9 months to complete.
- Total annual production is expected to more than double once the mill will be operating at a capacity of 600 tonnes per day (204,000 tonnes per annum).
- The infrastructure and the clear understanding of the small scale mining industry will provide Dynacor with a definite advantage over competitors as the Company pursues additional growth opportunities in the general area.





# ACHIEVING HIGH IMPACT GROWTH

## Huanca Ore-Processing Plant



In the last five years, Dynacor has grown production to more than 76,000 ounces of gold per year from 33,000 ounces, added drilling and cross-cut development totaling 7,300 meters together with construction of a brand new office and storage facility in Nazca, exploration camp expansion and significant road improvements to its flagship exploration project Tumipampa.

Over the next 12 months, Dynacor expects to build a new larger-scale mill at Chala, bolster its exploration activities at Tumipampa by advancing the crosscut another 2000 meters to beyond the 2500 meter mark together with drilling 26 priority drill targets in the high-grade zones.

Clearly, Dynacor is leading the way as a junior resource company operating at a time when others are reducing their exploration and production programs or worse yet, closing the doors.



# HISTORY OF PROFITABILITY

## STRATEGIES FOR CONTINUED SUCCESS

### A SOLID TIME-TESTED PRODUCTION BASE

- Enhance our supply network by qualifying additional miners in Peru
  - Apply new advances to develop and maximize our production
  - Continue to consistently generate monthly production increases
- NOTE:** In December 2014, Dynacor's monthly production eclipsed the 7,100 oz per month level for the first time in its sixteen year history.

### ESTABLISH A LOW COST OPERATING AND OVERHEAD ENVIRONMENT

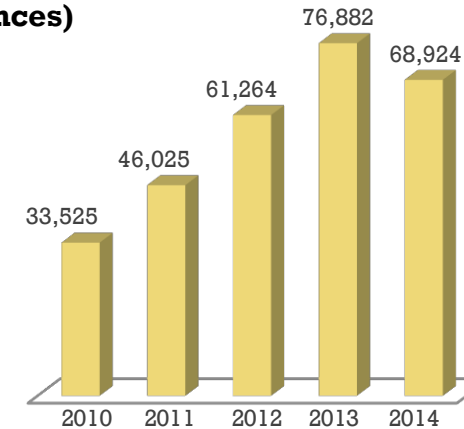
- Operate in areas where operating costs are reasonable
- Utilize ore-processing expertise to further limit costs of per unit output

**NOTE:** The Company's success is reflected in its ability to deliver positive earnings and cash flow in the last four operating years, counting periods when gold prices were volatile and weak – including during the second quarter of 2013 when the price of gold dropped by 25%.

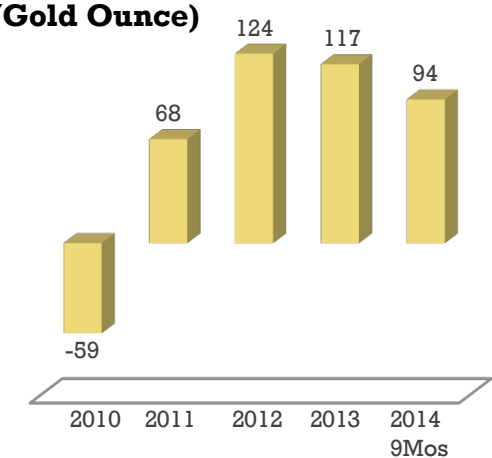
### DEFINE RESOURCES/RESERVES AND PRODUCTION THROUGH SUCCESSFUL EXPLORATION AND PLANT EXPANSIONS

- Target our own high grade gold reserve base from Tumipampa
- Build new larger-scale 204,000 TPA mill at Chala

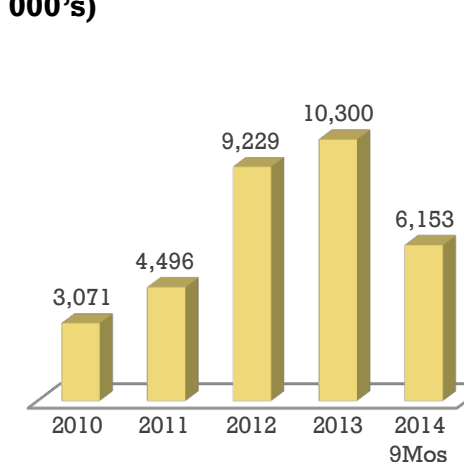
**Gold Production  
(Ounces)**



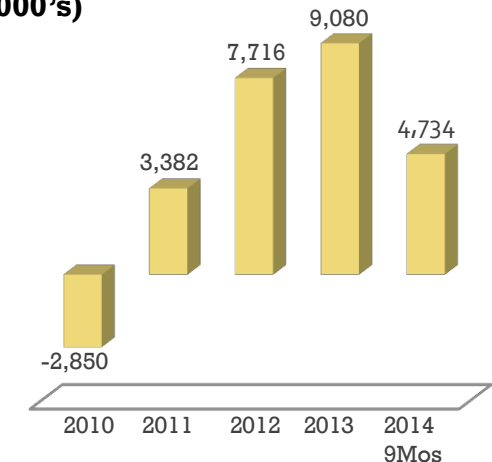
**Net Profit  
(US\$/Gold Ounce)**



**Cash Flow  
(US\$ 000's)**

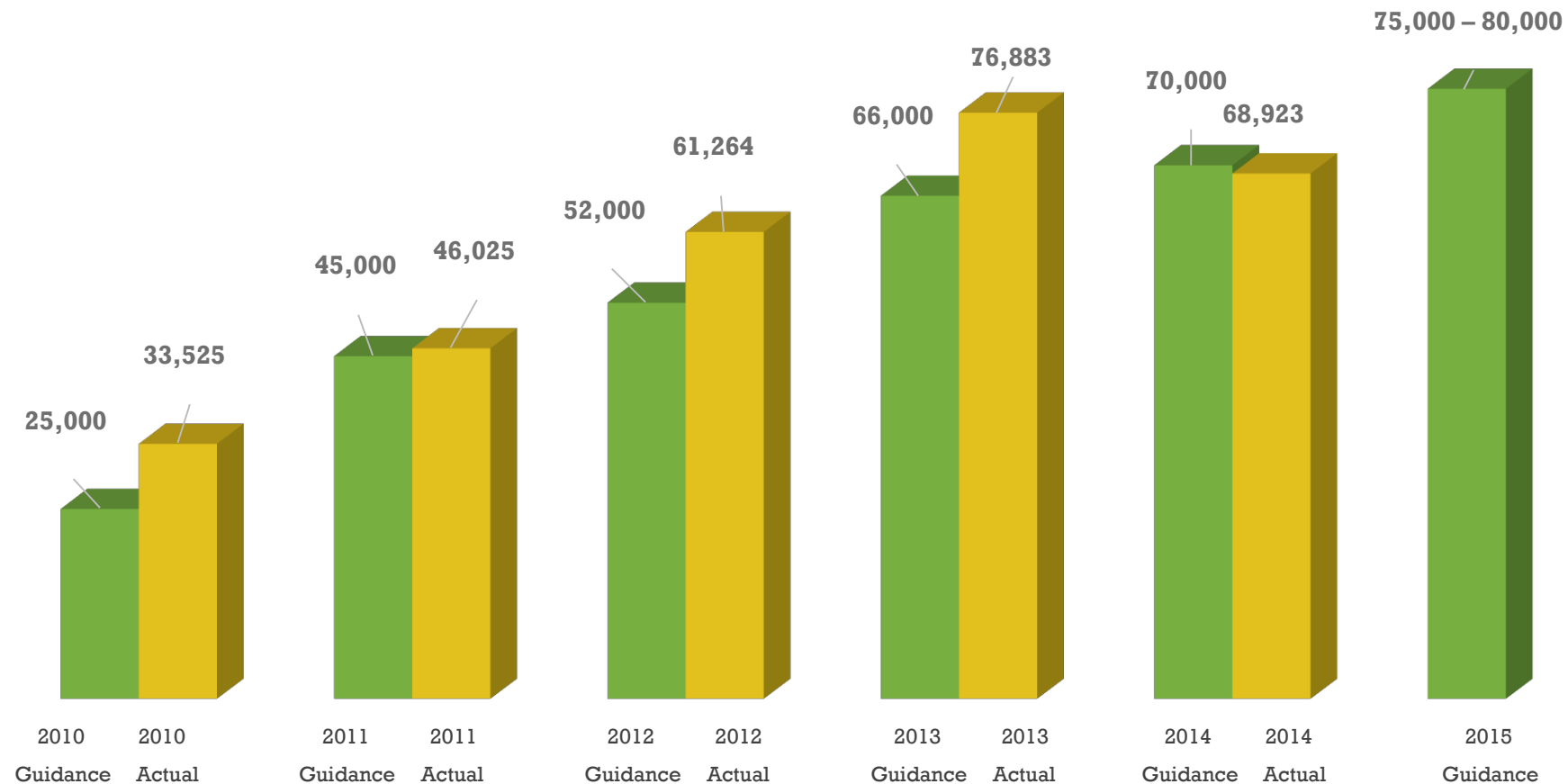


**Net Income  
(US\$ 000's)**



# PROVEN OPERATIONAL EXECUTION

## Gold Production (Ounces)

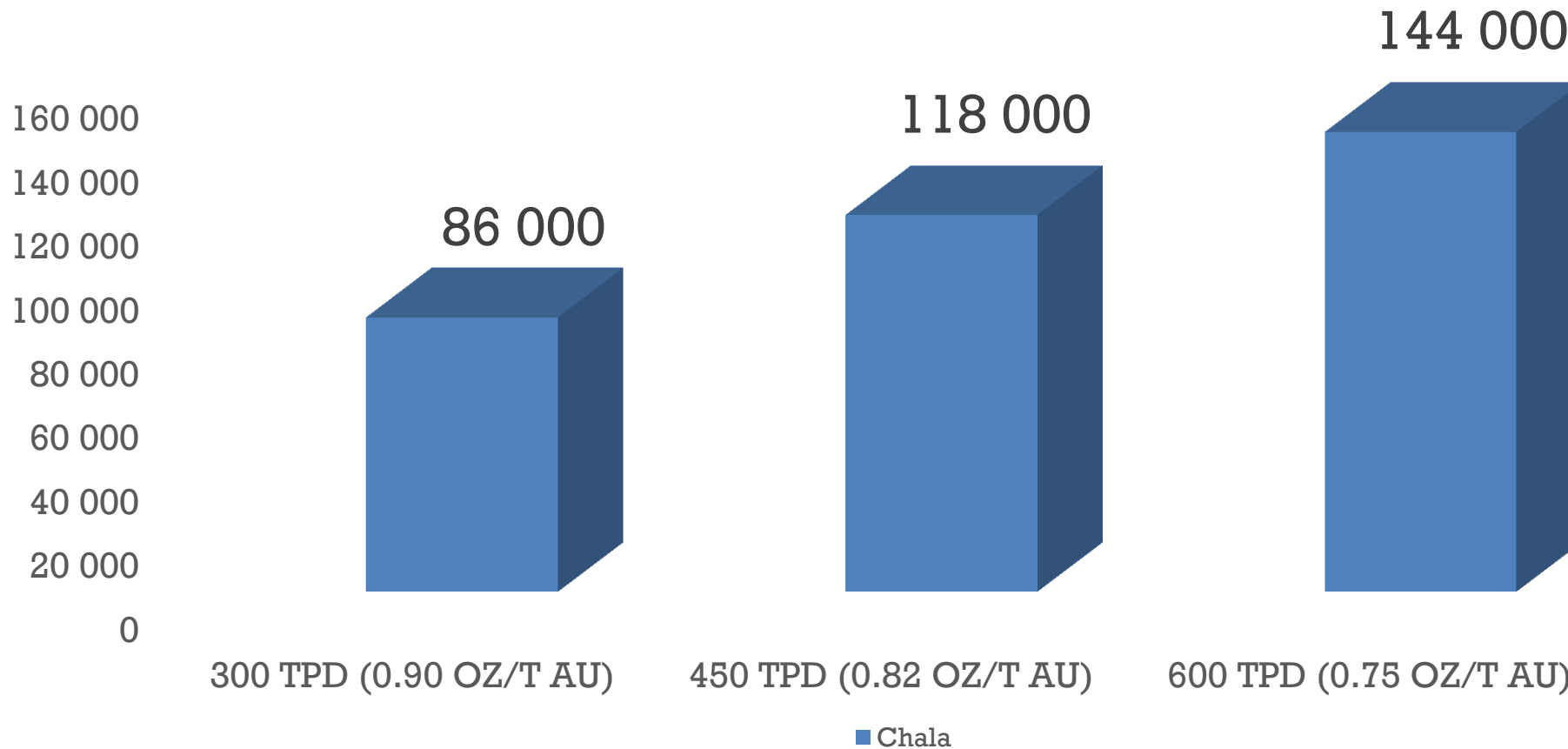




# PRODUCTION ESTIMATE

## WITH NEW MILL AT CHALA

### Annual Gold Production Estimate (Ounces)



# SECURING SELF-FUNDING TO HIGH-GRADE RESERVES



- Dynacor produces results – In the last two years – average monthly positive cash flow of \$782,000 from processing approximately 6,000 tonnes of high-grade ore per month
- Opportunity to increase cash flow by significant amount through expansion and lower cost of per unit output
- Potential to deliver mill feed from Tumipampa gold project
- Previous drill results confirm continuity of main gold vein structure known as the Manto Dorado...still open at depth and strike
- Located in a pro-mining region with excellent access for potential high-grade ore shipment deliveries



# 2015 EARNINGS GUIDANCE AND RELATED SENSITIVITY

	<b>2015 Guidance</b>
Production (Ounces)	77,000
Average Gold Price (US\$/Ounce)	\$1200
Average Exchange Rate	1.10
Earnings Per Share (CAN)	\$0.225*
Earnings Per Share (US)	\$0.18

\*Based on 1.25 US/CAN exchange rate

Price of gold changes  
by US \$60/ounce  $\pm$ \$0.01 EPS

Production changes  
by 5,000 ounces  $\pm$ \$0.01 EPS

Canadian/US rate changes  
by 10%  $\pm$  \$0.02 EPS

# SHORT-TERM OBJECTIVES LONG-TERM

- Short-term (12 months):
  - **Ore-processing (Production)**
    - Increase ore-processing capacity to 300 tonnes per day (102,000 tonnes per annum)
  - **Tumipampa (Exploration)**
    - Advance underground crosscut/adits/chimney works to mine development
    - Underground drilling (Manto Dorado and other high-grade structures)
    - Geophysical, geochemical and surface drilling (Disseminated Breccia zone)
  - **Anta (Exploration)**
    - Begin exploration campaign on Anta (Au/Ag)
- Long-term (12-36 months)
  - **Ore-processing (Production)**
    - Increase ore-processing capacity to 450-600 tonnes per day (153-204,000 tonnes per annum)
    - To be the leading ore-processing company in Peru
  - **Tumipampa (Exploration)**
    - Define long-term source of resources/reserves with intent to start production



# EXPLORATION

## FOCUS ON HIGH-GRADE GOLD IN PERU

### HIGHVALUE EXPLORATION PLAYS

Dynacor has an excellent inventory of exploration projects with the potential to secure long-term supply of resources and reserves. These assets are 100% owned and include:

#### Tumipampa

- 48 km<sup>2</sup>
- High-grade results convey world class asset in the making
- Main structure (Manto Dorado) open at depth and strike
- Three distinct zones consisting of: Vein System, Disseminated Breccia and Skarn

#### Anta

- 42 km<sup>2</sup>
- Promising new play
- Artisanal miners previously mined high-grade silver veins
- Exploring for other sub parallel veins and structures within the system

#### Casaden

- 16 km<sup>2</sup>
- Identified several high grade samples from disseminated epithermal gold zone
- Potential satellite play - only 17 km south of South America's largest gold mine - Yanacocha

#### Other

- Dynacor continues to review other plays in both Peru and other Latin American countries



# EXPLORATION VALUE-ADDED UNDETECTED ASSET...

## UNEARTHING HIGH-GRADE GOLD MINE FROM SPANISH COLONIAL PERIOD AT TUMIPAMPA

- Advancing project to high-grade gold resources/reserves from underground mantos and vein system
- Currently exploring for high-grade disseminated gold deposit – characteristics/results showing promise
- High-grades, size, mining prolific jurisdiction and developing infrastructure add up to region's sleeper asset

## DISTRICT IS IN DEMAND – MINING PROLIFIC REGION

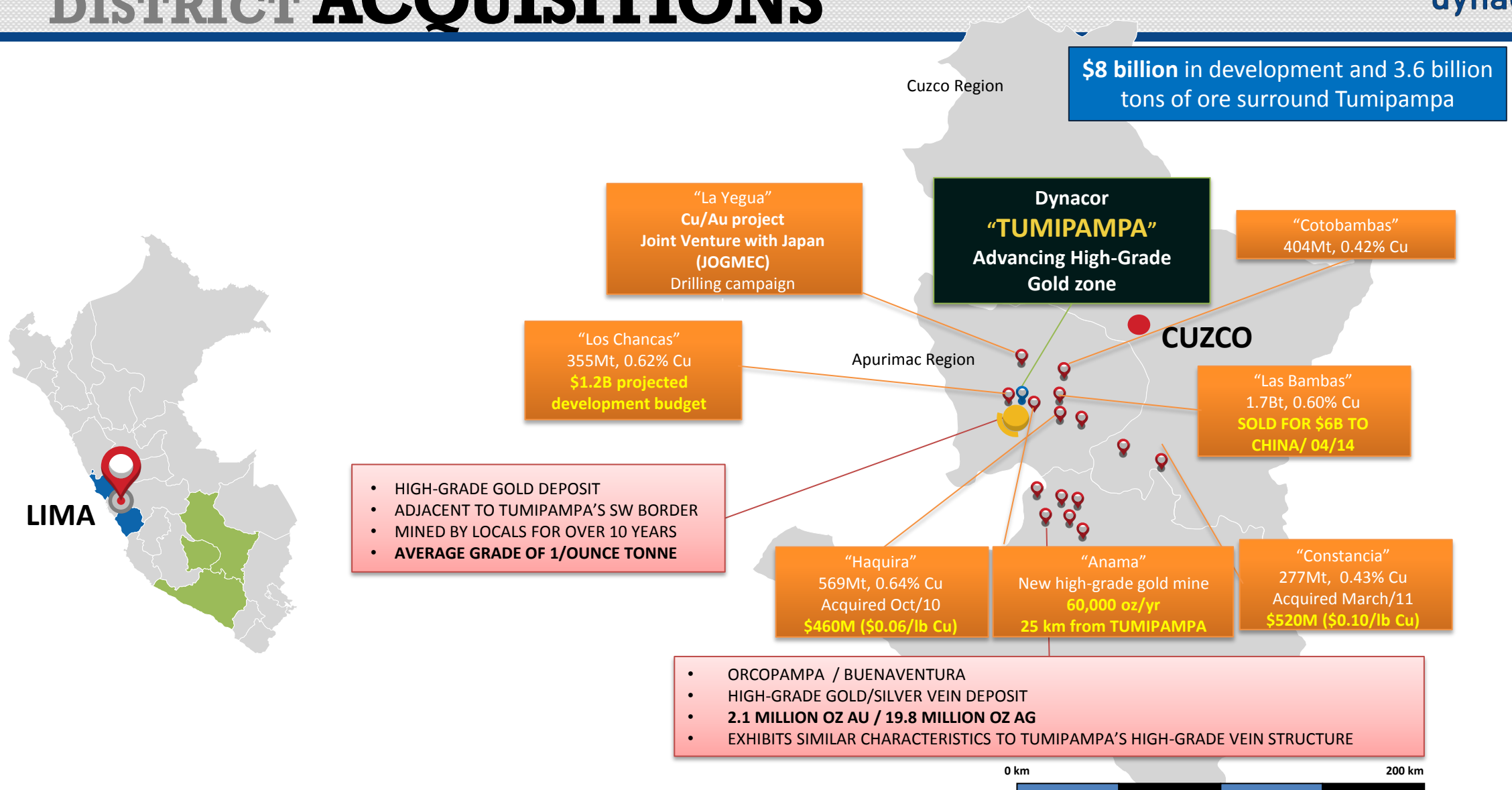
- Three world-class acquisitions in preceding 3 years within 50 km (30 mile) radius of Tumipampa – total value \$7 billion
- Brand new high-grade gold mine 20 km (12 miles) south of Tumipampa opens in November, 2014
- Major mining producers staking land adjacent to Tumipampa (see slide #19)

## ROCK-SOLID BALANCE SHEET WITH CASH FLOW TO DRILL OUT RESOURCES AND DE-RISK TUMIPAMPA VIA DEVELOPMENT

- No debt
- Generating cash between US \$700K to \$1M per month with plans to triple
- \$20.8 million working cap as of September, 2014



# TUMIPAMPA DISTRICT ACQUISITIONS



# TUMIPAMPA

## HIGH-GRADE GOLD FLAGSHIP PROPERTY

- Large gold project with 3 mineralized zones
- Only 3 hours from Abancay, Peru on newly developed road
- Underground system of pyrite and chalcopryrite type ore testing metallurgical recoveries 93%
- Surrounded by six senior miners in south central Peru





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# 2015 TUMIPAMPA EXPLORATION CAMPAIGN

## **TUMIPAMPA:**

### **Advance Underground Manto and Vein System:**

- 2,000 meters of underground works in high-grade gold manto and vein system (crosscut/drifts/adits/raises)
- Assay channel samples during the course of crosscut progress

### **Priority Drill Targets Defined To Extend Manto and Other Structures:**

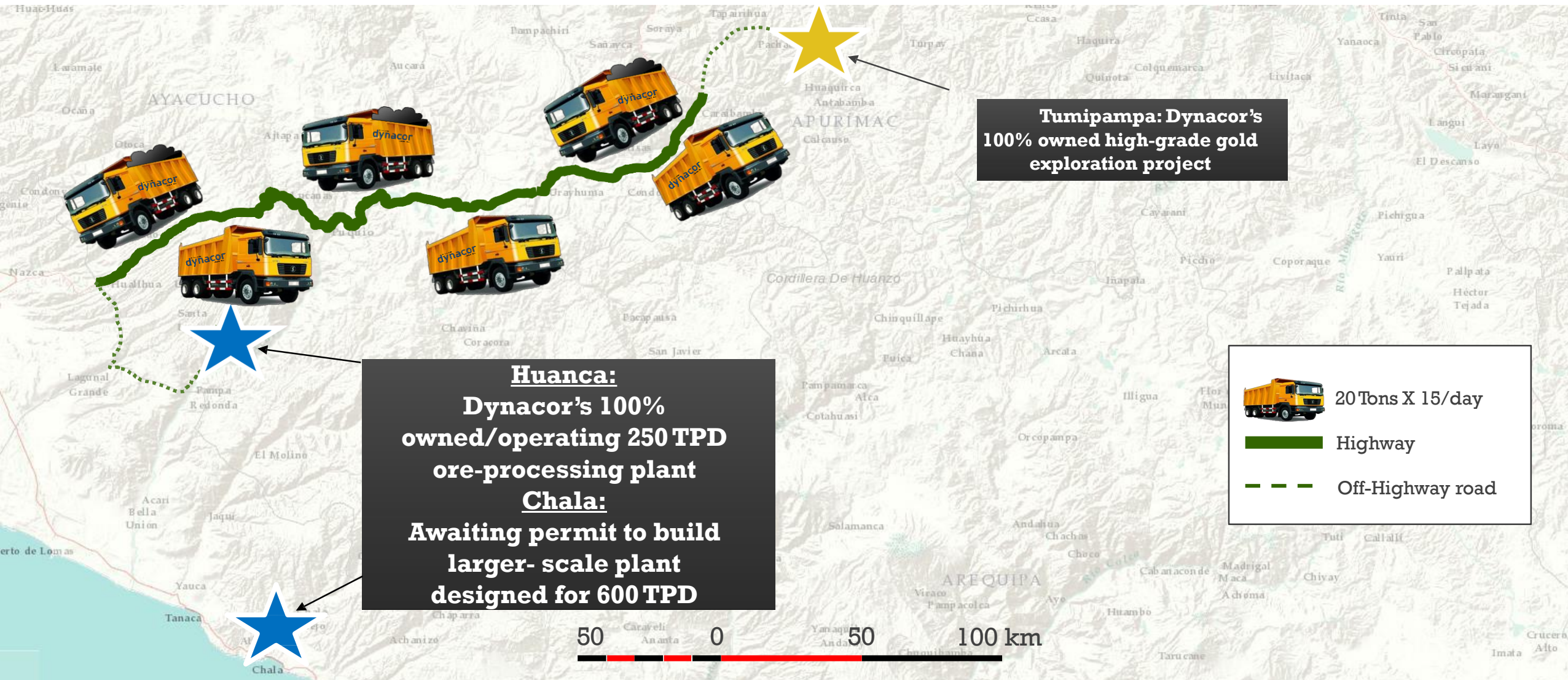
- 7,500 meters of underground diamond drilling in high-grade gold manto and vein system
- 1,500 meters of surface diamond drilling in gold disseminated zone

### **Other Exploration work:**

- Geophysical/surface studies of gold disseminated zone
- Geochemical and mapping of gold disseminated zone

**2015  
LARGEST  
EXPLORATION  
CAMPAIGN IN  
COMPANY'S HISTORY**

# THE PLAN TO FAST TRACK CASH FLOW FROM TUMIPAMPA



# TUMIPAMPA

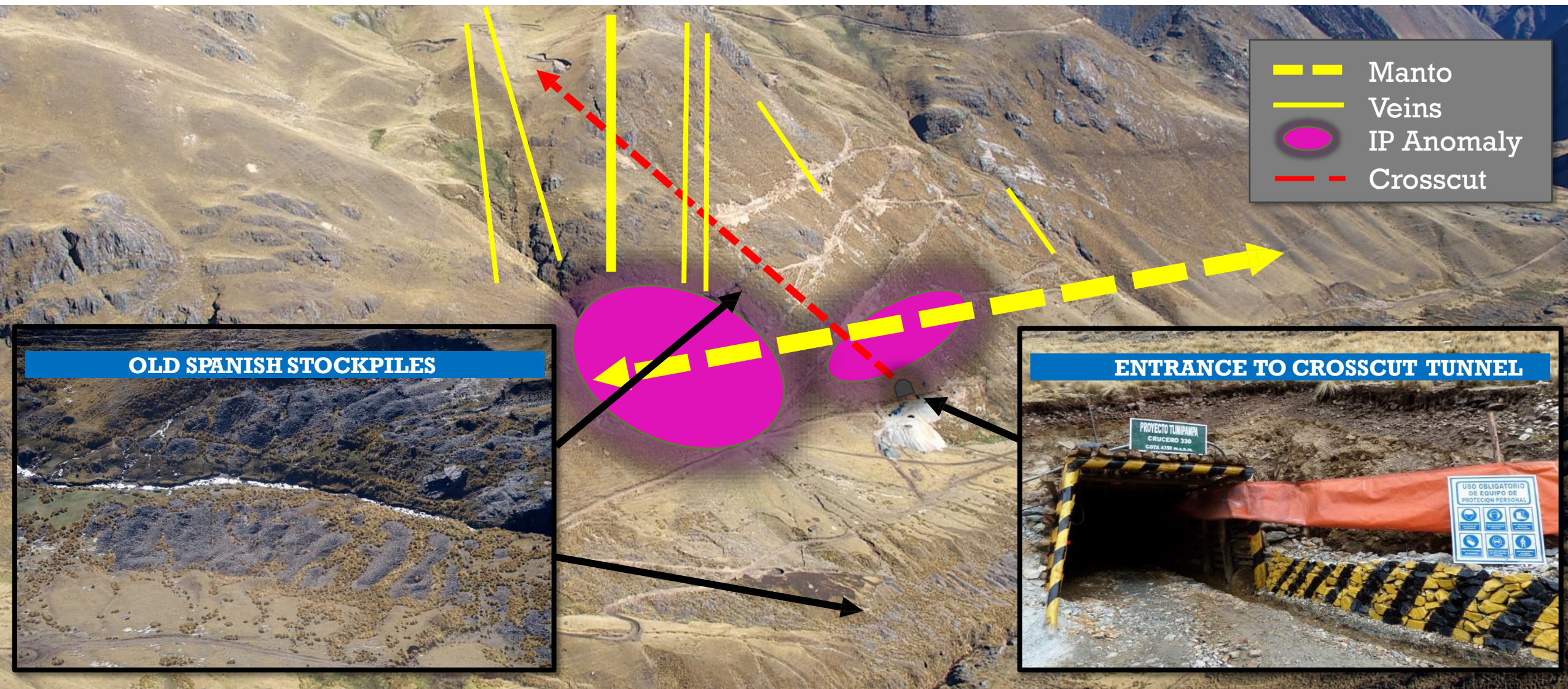
## EXPLORATION PLAN **TIMELINE**

First Quarter 2015	Second Quarter 2015	Third Quarter 2015	Fourth Quarter 2015	First Quarter 2016	TBD
<b>Crosscut 270 Meters</b> Develop <b>Drill Station</b>	<b>Crosscut 470 Meters</b> High Priority Drilling <b>1350 Meters</b>	<b>Crosscut 660 Meters</b> High Priority Drilling <b>1350 Meters</b>	<b>Crosscut 495 Meters</b> High Priority Drilling <b>2700 Meters</b>	<b>Crosscut 110 Meters</b> High Priority Drilling <b>2100 Meters</b>	<b>Prepare Underground Mining</b>
Crosscut Rosa and Manto Dorado Vein System	Crosscut Rosa and Manto Dorado Vein System; Drill Manto Dorado	Crosscut Rosa and Manto Dorado Vein System; Drill Manto Dorado	Crosscut Rosa Vein, Manto Dorado Vein System and Porvenir Vein System; Drill Manto Dorado	Crosscut Manto Dorado System and Porvenir Vein System; Drill Manto Dorado, Rosa and Porvenir	<ol style="list-style-type: none"> <li>1. Build more roads</li> <li>2. Obtain surface land use permit from land owner or local community</li> <li>3. Obtain EIS/mine closure plan permit</li> <li>4. Obtain water/deforestation/industrial/domestic waste permits</li> </ol>



# TUMIPAMPA

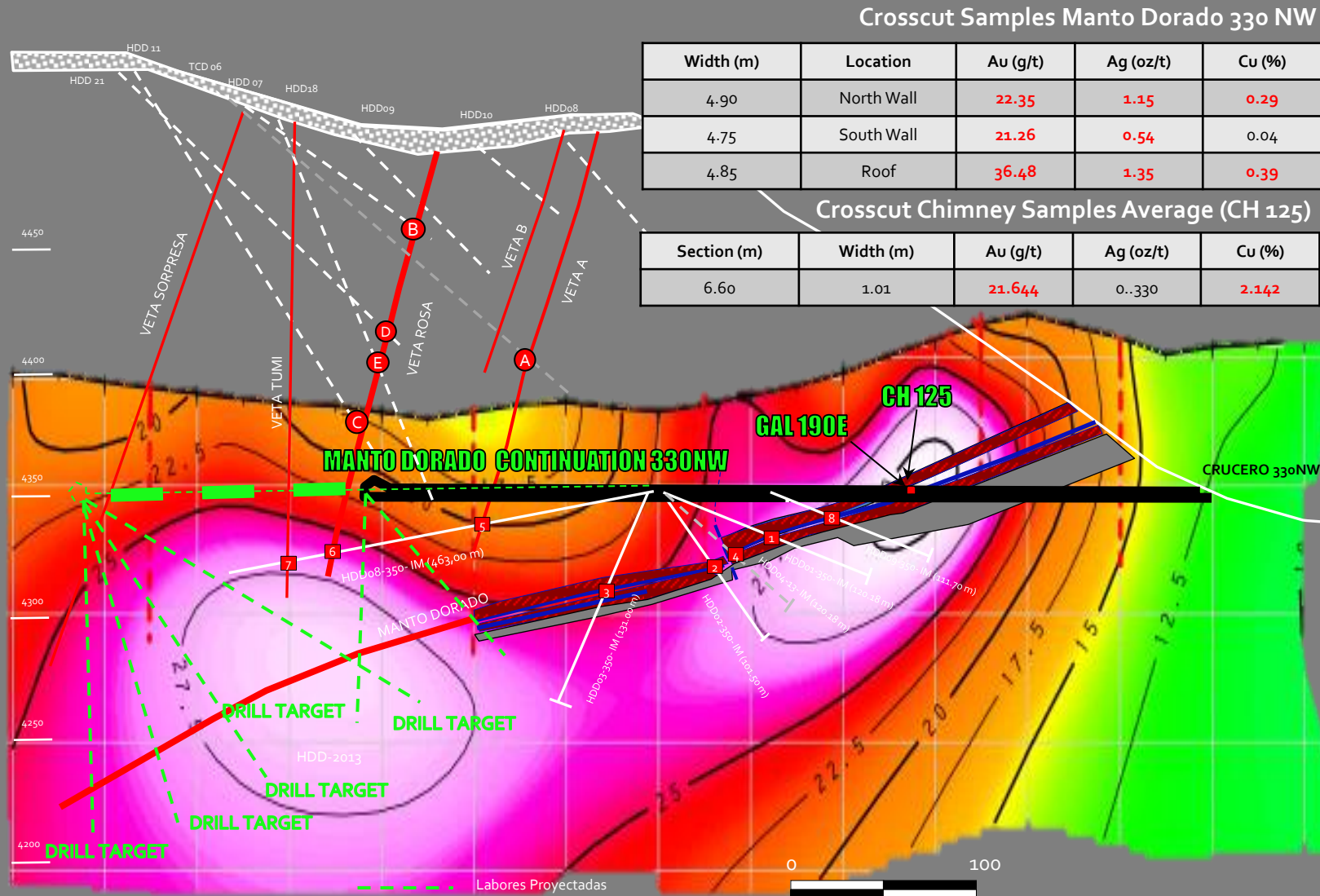
## MANTO DORADO VEIN SYSTEMS





# TUMIPAMPA

## CROSS SECTION UNDERGROUND WORKS



**Crosscut Samples Gallery (Gal 190E)**

Section (m)	Width (m)	Au (g/t)	Ag (oz/t)	Cu (%)
26	1.50	27.833	0.401	1.691
12	1.50	6.377	0.054	0.224
7	1.50	0.040	0.02	0.006

**Drill Results (2008)**

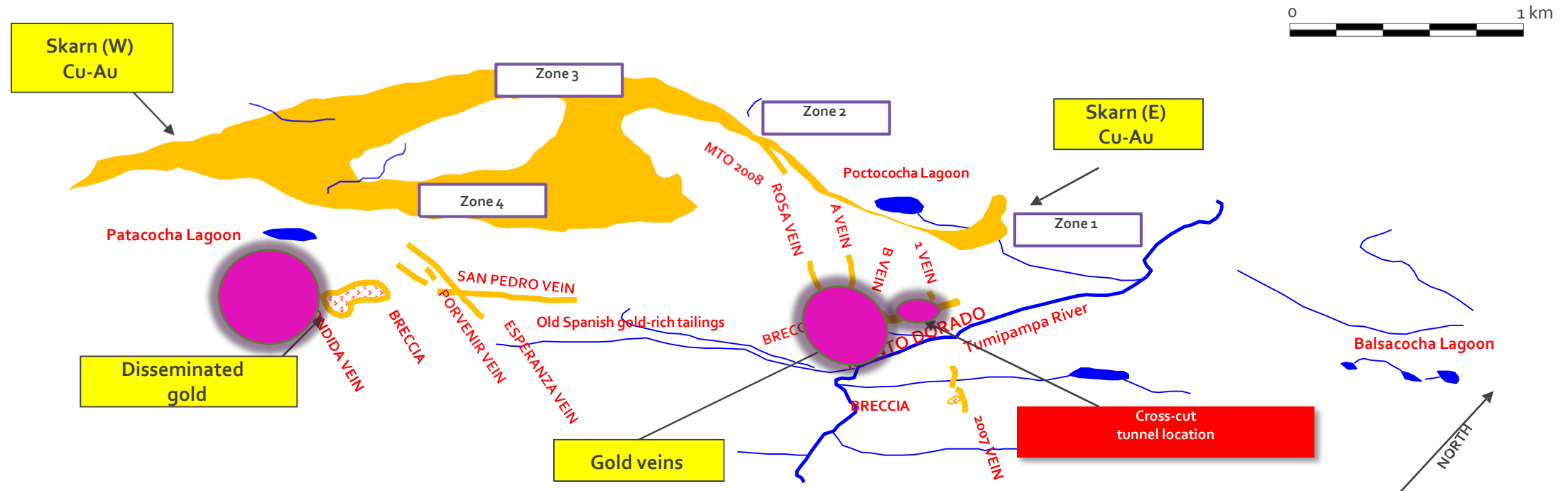
Hole#	Width (m)	Au (g/t)	Ag (oz/t)	Cu (%)
A TCD6	2.00	12.250	0.023	0.000
B HDD-07	0.65	13.800	0.090	0.054
C HDD-11	2.76	6.332	0.073	0.002
D HDD-18	1.02	2.480	0.061	0.115
E HDD-21	2.70	2.868	0.030	0.002

**Drill Results (2013)**

Hole#	Width (m)	Au (g/t)	Ag (oz/t)	Cu (%)
1 HDD01-350-IM	1.56	14.67	0.24	0.51
2 HDD02-350-IM	1.10	115.66	0.52	3.03
3 HDD03-350-IM	1.42	23.73	0.25	0.19
4 HDD04-350-IM	0.60	7.25	0.10	0.42
HDD05-350-IM	1.91	0.99	0.07	0.01
HDD06-350-IM	1.10	0.37	0.09	0.10
HDD07-350-IM	1.20	3.08	0.17	0.32
5 HDD08-350-IM	1.50	17.28	0.25	2.68
6 HDD08-350-IM	0.50	14.31	0.69	9.57
7 HDD08-350-IM	0.70	122.00	1.02	6.59
8 HDD09-350-IM	1.70	7.09	0.09	0.46

# TUMIPAMPA

## MANTO DORADO VEIN SYSTEMS



- **15 gold veins** discovered to date
- Ancient drifts from Spanish colonial period
- 2 old stock piles discovered by Tumipampa River
- Project consists of **three types** of gold mineralization: **Gold Veins**, **Disseminated Gold** associated with Breccias and **Skarn**

# HIGH-GRADE GOLD IS IN DEMAND

## TUMIPAMPA



### Hi-light Results to Date:

Underground Crosscut (chip/muck sampling) – 2014

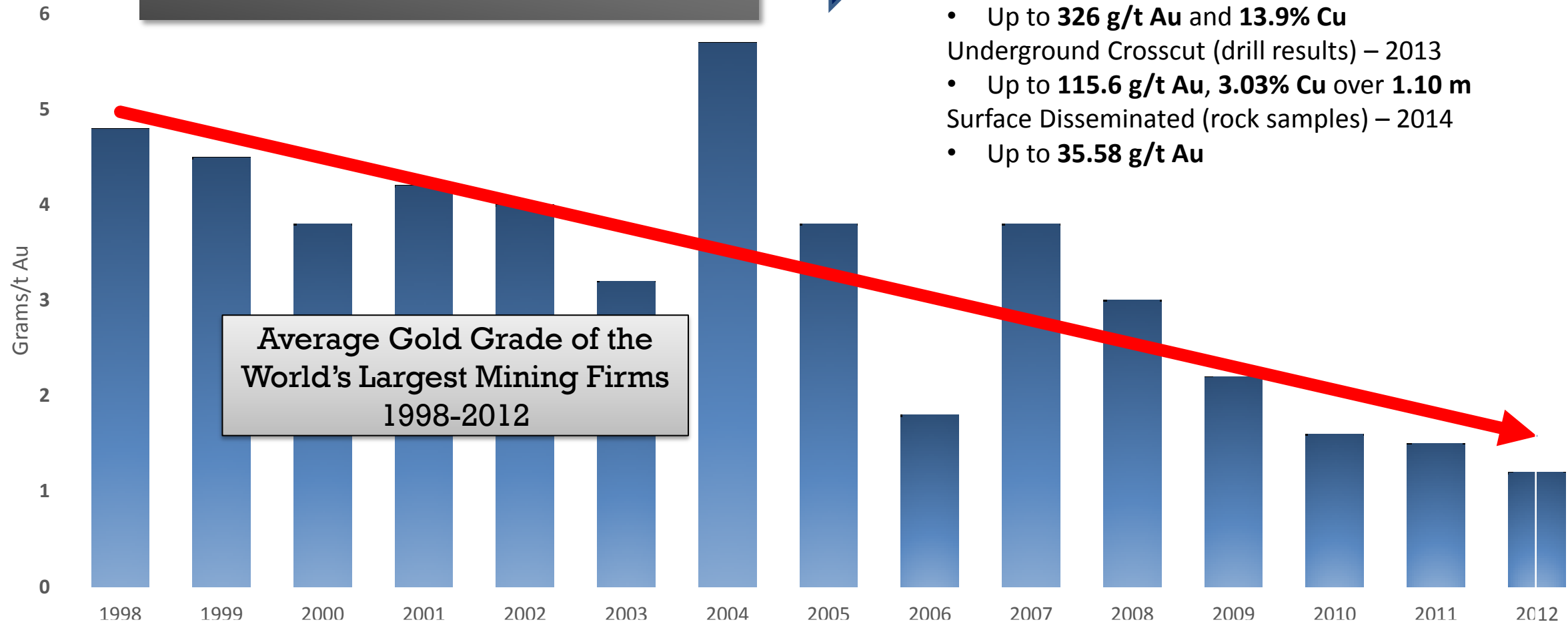
- Up to **326 g/t Au** and **13.9% Cu**

Underground Crosscut (drill results) – 2013

- Up to **115.6 g/t Au**, **3.03% Cu** over **1.10 m**

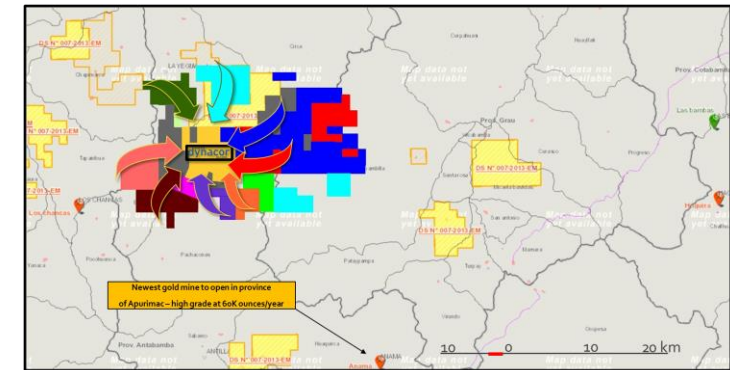
Surface Disseminated (rock samples) – 2014

- Up to **35.58 g/t Au**



Source: Casey Research

**SEE PAGE #17**





# SENIOR MANAGERS

## **JEAN MARTINEAU – President & CEO**

Jean Martineau has been the CEO and president of Dynacor Gold Mines since 2006 when the company was founded.

Jean Martineau has worked in the Canadian mining industry for more than 30 years as a director of junior exploration companies and as an investment broker. During the last 20 years he has focused on South America and has acquired an in depth knowledge in the management of natural resource companies in South America. His Latin American expertise has been of prime importance in the development of Dynacor Gold Mines' operations in Peru.

Jean is a dynamic leader who has surrounded himself with a team of dedicated hard working executives both in Peru and in Canada. He is also involved with the social sustainability and environmental issues which play an increasingly important part in the management of a modern international mining company today.

## **LEONARD TEOLI - Vice-President and Chief Financial Officer**

Léonard Teoli began his carrier with Price Waterhouse, in 1987 where he served clients in the mining industry until 1996. From 2003 to 2008 he was CFO of Diabras Exploration where he participated in the start-up in 2006 of a pilot mining operation in Mexico. Since then he acted as consultant and CFO for a couple of exploration companies with project in Canada and Morocco. He joined Dynacor' management team as Vice-President and CFO after cumulating over 20 years of experience as an accounting and finance executive with several Canadian junior mining companies involved in exploration project worldwide. He is a member of the Canadian Institute of Chartered Accountants since 1990.

## **ALONSO SÁNCHEZ- Chief Geologist**

Alonso Sanchez holds a MSc in Geology and a degree in Engineering from the Universidad Nacional de Ingeniería (1995). He worked for 11 years for Buenaventura S.A.A. (Peru), the largest mining Peruvian mining company; 5 years as mine geologist and 6 years as exploration geologist. He has an in-depth knowledge of epithermal gold, silver, tin, tungsten and polymetallic deposits, as well as Skarn-type deposits in both Peru and Bolivia. He acts as the qualified person ("QP") for the Company, and is a geologist affiliated to the American Institute of Professional Geologists (AIPG).

## **JORGE LUIS CÁRDENAS– General Manager, Peru**

Jorge Luis Cárdenas is an experienced mining engineer and a member of the Colegio de Ingenieros del Perú. He has more than 15 years' experience in gold and copper mining and holds a degree engineering (1990) and a Masters in mine management (2006). From 1996 to 2003 he was Plant Superintendent for Minera Dynacor del Perú, a Dynacor Gold Mines Inc. subsidiary. From 2004 to 2007, he was Operations Manager and was promoted to General Manager of Dynacor Gold Mines inc. in Peru in December 2007.

Jorge Luis has been the driving force behind the very successful development of the company's custom milling business in Peru. He is an exceptionally talented top level executive who has a team of dedicated managers in Peru. Jorge Luis now focussed on aggressively growing the company's custom milling business.

# BOARD OF DIRECTORS



## RENÉ BRANCHAUD - Chairman of the Board

René Branchaud has been practicing law since 1983. He is a partner with the law firm Lavery, de Billy and practices in the areas of securities law, mergers and acquisitions and corporate law. He assists companies in connection with their incorporation, corporate structure, shareholders' agreements, private placements, public offerings, stock exchange listings as well as dispositions and takeovers.

## JEAN MARTINEAU - CEO and President

Jean Martineau has been a director of Dynacor Gold Mines since 2006 when the company was founded. Jean Martineau has worked in the Canadian mining industry for more than 30 years as a director of junior exploration companies and as an investment broker. During the last 20 years he has focussed on South America and has acquired an in depth knowledge in the management of natural resource companies in South America. His Latin American expertise has been of prime importance in the development Dynacor Gold Mines Inc. in Peru.

## EDDY CANOVA

He has more than 30 years of experience in the mining sector. He has also worked outside of Canada, both in Africa and in South America, and has been involved with gold, base metals, uranium and diamond projects. Mr. Canova has been a member of the Ordre des Géologues du Québec since 2002. He focuses on moving projects from the exploration phase to the production phase.

## Dr. RICHARD DEVITRE – Chairman Corporate Social Responsibility Committee

He holds a Ph.D. in Environmental Sciences and an MSc in Analytical Chemistry from the University of Geneva, Switzerland. He has also been a researcher and faculty member of the University of Geneva and the Université du Québec. He has worked with several mining companies in Val d'Or (Québec) on the safe handling and long term storage of mine tailings. He has been an independent consultant for more than 20 years.

## PIERRE LÉPINE

M. Lépine is Executive Vice-President and co-founder of Group ABP one of Canada's leaders in the event industry. He previously acted as Manager Private Placement at la Caisse de dépôt et placement du Québec from 2006 to 2008 and was Vice-President Corporate Development at GL&V Inc. from 1998 to 2005 where he was in charge of all mergers and acquisitions activities. M. Lépine started his career at Price Waterhouse where he spent 7 years from 1989 to 1996 and was assistant VP Corporate Finance. He is a member of l'ordre des comptables professionnels agréés du Québec.

## ROGER DEMERS – Chairman Audit Committee

Roger Demers currently serves as Chairman of Dynacor Gold's Audit Committee and sits on several other Boards of Directors and audit committees. Mr. Demers, FCA, is a Fellow member of the l'Ordre des Comptables Agréés du Québec and has extensive expertise in the financial and public accounting sectors having contributed over the last 30 years as a partner at Raymond Chabot Grant Thornton (RCGT). He is also a certified corporate director "Administrateur de sociétés certifié (ASC)".

## JOHANNE DUCHESNE

Ms. Duchesne served as a special advisor, corporate finance for two law firms from 2000 to 2008. From 1982 until 2000, she worked for the Commission des valeurs mobilières du Québec (now the Autorité des marchés financiers) where she was Director, Capital markets from 1997 to 2000. Ms. Duchesne supervised all of the capital market's operations. She holds an MBA from the University de Sherbrooke. Ms. Duchesne is also a director of La Mancha Resources Inc.

## DENIS V. LACHANCE – Chairman Environment Committee

Denis Lachance is a senior business leader that has led several multi-million dollar mining projects during the last 15 years. From 2008 to 2011, he was the President of Koniambo Nickel SAS a joint venture in New Caledonia (France) between Xstrata Nickel and la Société Minière du Sud Pacifique that is developing a multi-billion dollar industrial project that involves putting into production one of the largest and highest grade nickel resources of the world. Prior to this from 2003 to 2006 Denis Lachance was Vice President of the Raglan mine in Nunavik, Quebec for Falconbridge where he successfully steered the multi-facility operation to set new production records and managed a 250 million dollar annual budget and more than 1000 employees. Earlier on in his career Denis Lachance, worked as a mining engineer and general manager for many different mines in Canada belonging to companies such as Noranda, TVX Gold, Agnico-Eagle and Lac Minerals. He is mining engineer (P. Eng.) and holds a Bachelor's Degree of Mining Engineering from Laval University, Laval, Quebec.

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