



# Investor Presentation

(January, 2019)

MINES D'OR  
**dynacor**  
GOLD MINES

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.

- Headquartered in Montreal, Canada;
- Produces environmentally responsible gold;
- 20 years of experience in manufacturing gold dore bars from hundreds of Peruvian artisanal formalized miners;
- 100% ownership of an advancing 9,102 hectare gold exploration project with three different mineralized zones;
- Lowest quartile for both basic and fully diluted shares outstanding

A low cost gold producing model in Peru that has delivered 30 quarters of consecutive net income amounting to a cumulative USD 41.4M (CAD 52.1M)



A dividend growth company;



Plans to leverage expertise and expand business model to both Peru and other jurisdictions;



Decades of experience in the business of processing ore from small scale miners;



Blue chip long-term strategic partner in PX Precinox | PX Group;

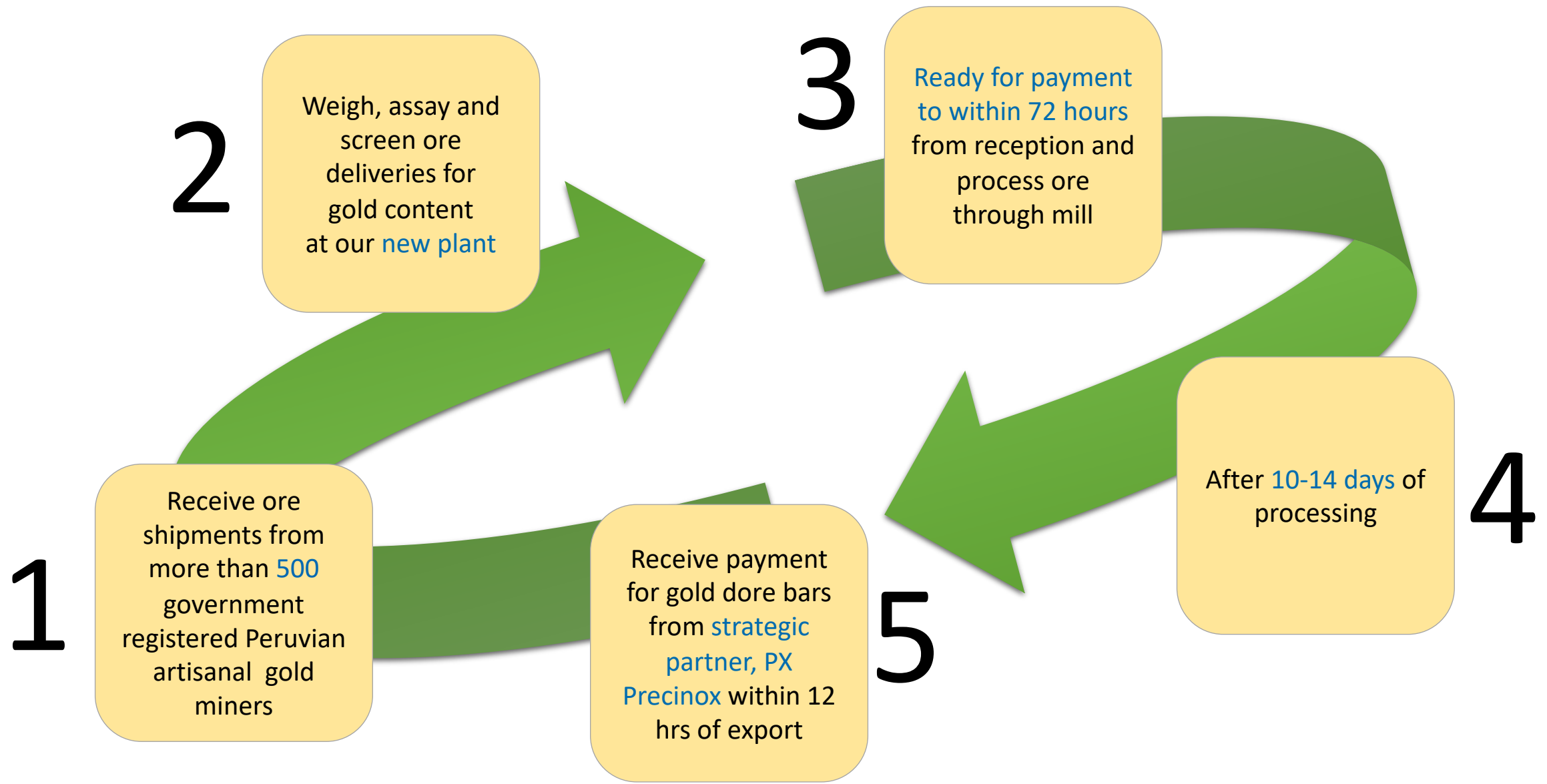


Strong balance sheet with no debt and USD 11.1 million cash on hand;

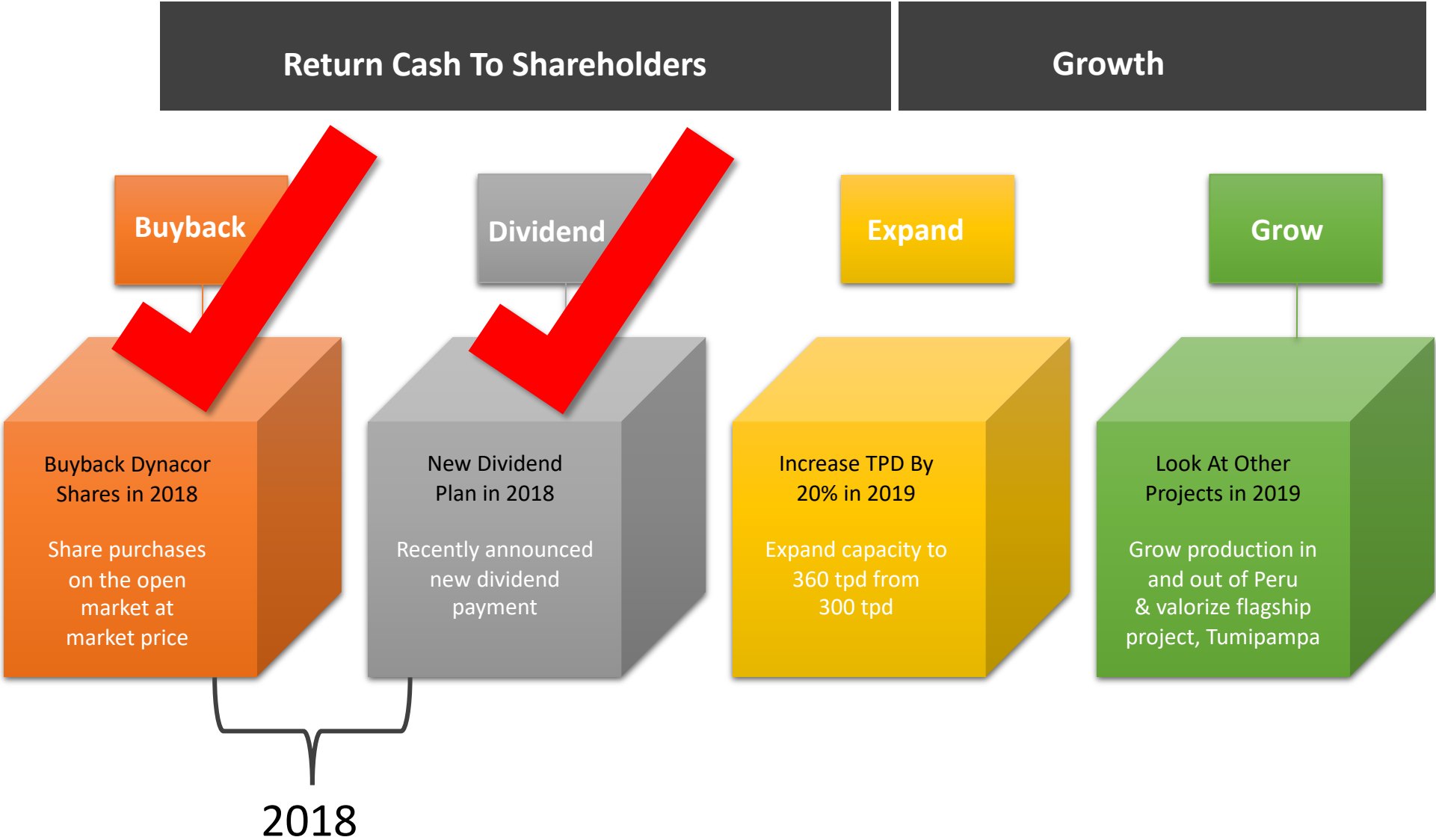


Only 39.7 million shares outstanding.

# The Dynacor Ore-Processing Model



# Deliver, Return and Grow In 2018/19





# Manufacturing Plant in Peru

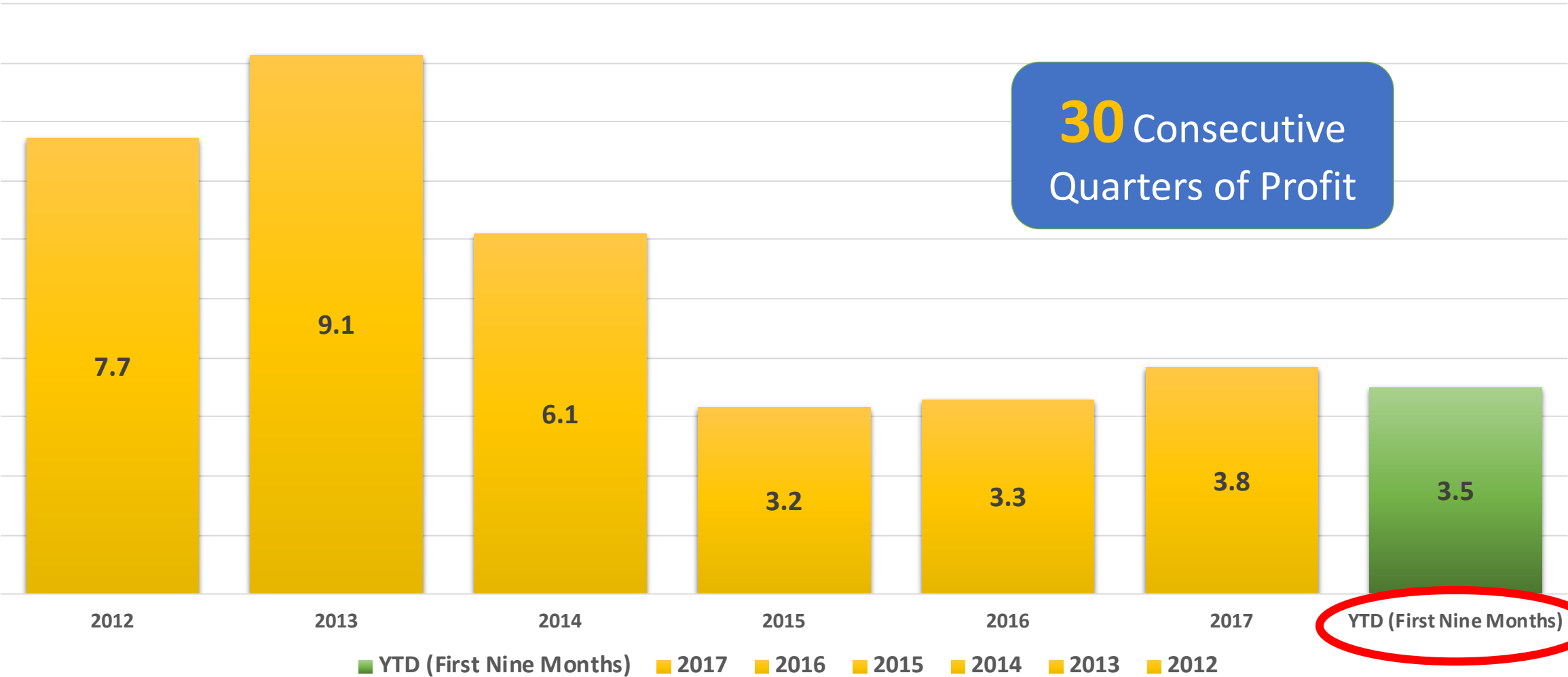


- New modern plant opened in October 2016;
- 300 TPD CIP ore processing plant designed for further expansion up to 600 TPD;
- 150,000 artisanal miners in Peru;
- 15,000 currently in the formalization process;
- Government announced 50% expect to be formalized in the next 5 years;
- Currently hundreds of miners supply high grade ore to Dynacor



# Earnings Growth Back on Track

Earnings History (USD Millions)



Reference: Morningstar valuation data



## Recovery/ Production

- Increase gold recovery rates
- Increase production capacity by 20% in 2019

## Energy/ Chemicals

- Upgraded to electrical power vs costly diesel generators
- Optimize chemical and water recycling
- Reduce consumption of chemicals

## Modernize/ Technology

- Improve automation
- Develop new technology to reduce costs and increase efficiency of each operational segment

## Peru

Double the Company's current processing capacity at the Veta Dorada plant

## Latin America

Purchase and/or build other plants

Enter into partnerships to expand more rapidly

## Globally

Expand company's business model worldwide

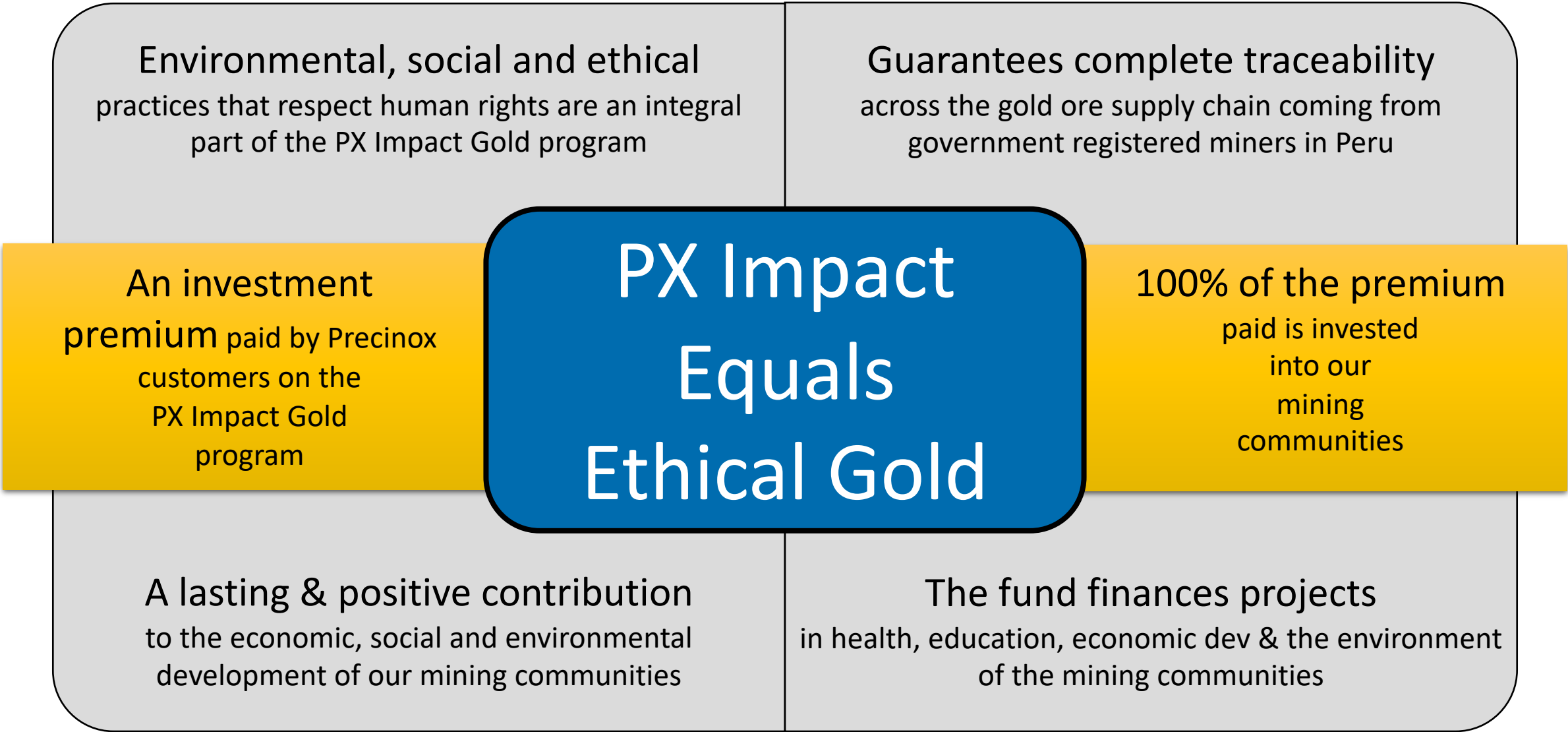
Plan to have one new plant operating by **2021** and a **3<sup>rd</sup>** plant in the pipeline

## PX Precinox

- Is one of 10 companies under the PX Group
- Experts in precious metal refining
- Mastered the process of high quality refining
- A leading Swiss producer of gold bars
- Partner of the PX Impact Gold Program

[WWW.PXGROUP.COM](http://WWW.PXGROUP.COM)





## **PX Impact program improves education for more than 1000 students in Arequipa, Oct 2018**

- assisting mining communities to achieve sustainable growth and social peace;
- maintain a permanent follow-up of gold from its origin (Peru) to its refining and distribution (Switzerland);
- guaranteeing that the metal meets high international standards, without using mercury, and respecting the human rights of those involved in the process;
- executing on priority works for the community, such as the improvement of infrastructures and their subsequent equipping in sectors such as education and health.







**A small premium is paid by a growing number of supportive firms from the fine luxury jewellery, watchmakers and banking sectors**

- These firms wish to start incorporating the use of responsibly sourced traceable gold that is produced from small-scale artisanal miners;
- One hundred per cent of the premiums paid are used in the projects.
- PX Impact program is behind the creation and refurbishment of a science and computer room with 14 new computers;



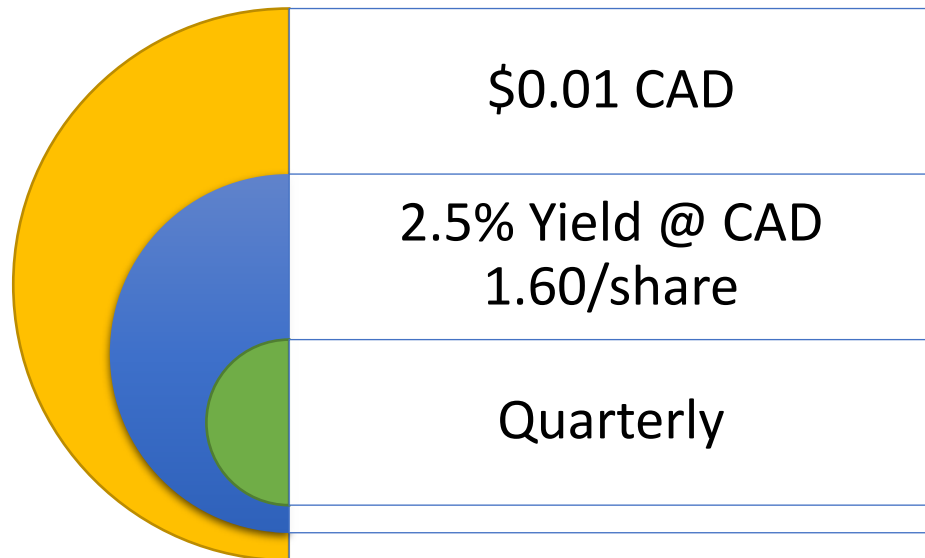
<b>Market Summary</b>	
Stock Price (Year High-Low)	\$2.26 - \$1.41 CAD
Ticker Symbol	DNG – TSX   DNGDF - OTC
Shares Outstanding (Basic)	39.7M
Warrants	Nil
Quarterly Dividend	0.01 CAD
Dividend Yield	2.5%
Director & Senior Management Ownership	3.64%
<b>Capital Structure</b>	
Market Capitalization	63.5M CAD
Debt	Nil

## Responsible and Strategic Allocation of Capital to Increase Shareholder Value



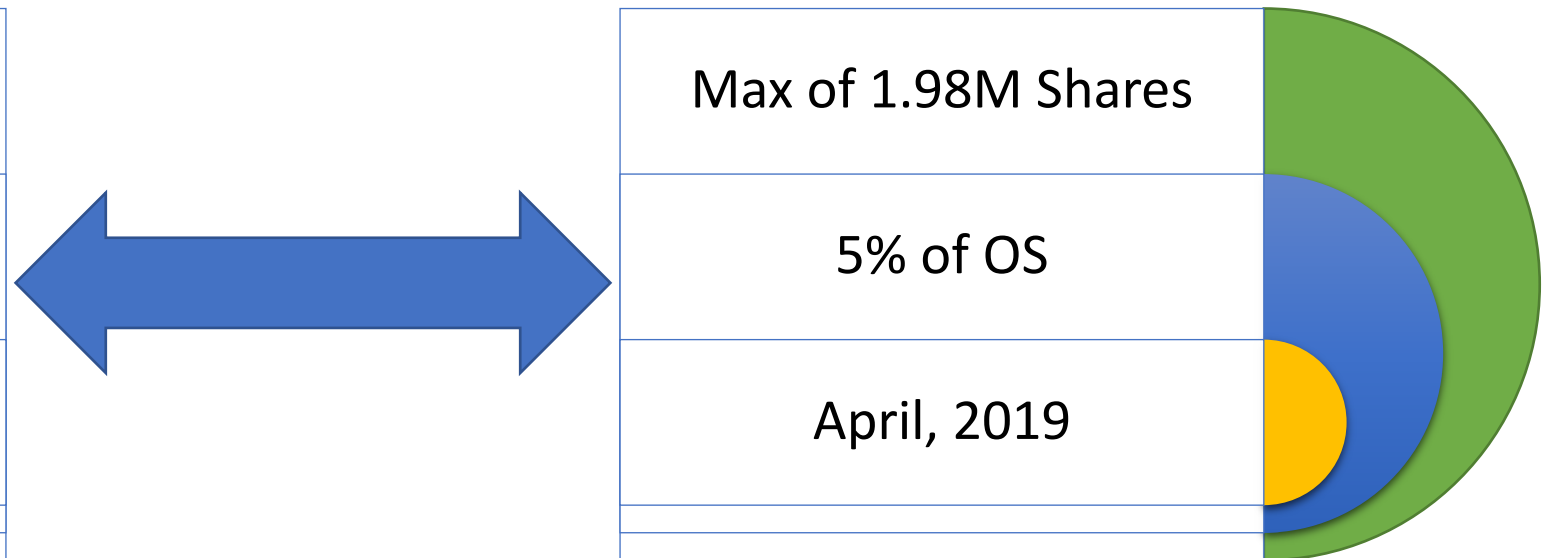
Debt Free with Cash On Hand of **USD 11.1 Million**  
Q3-2018 (September 30, 2018)

## DIVIDENDS



CAD 400K per quarter

## SHARE BUYBACK



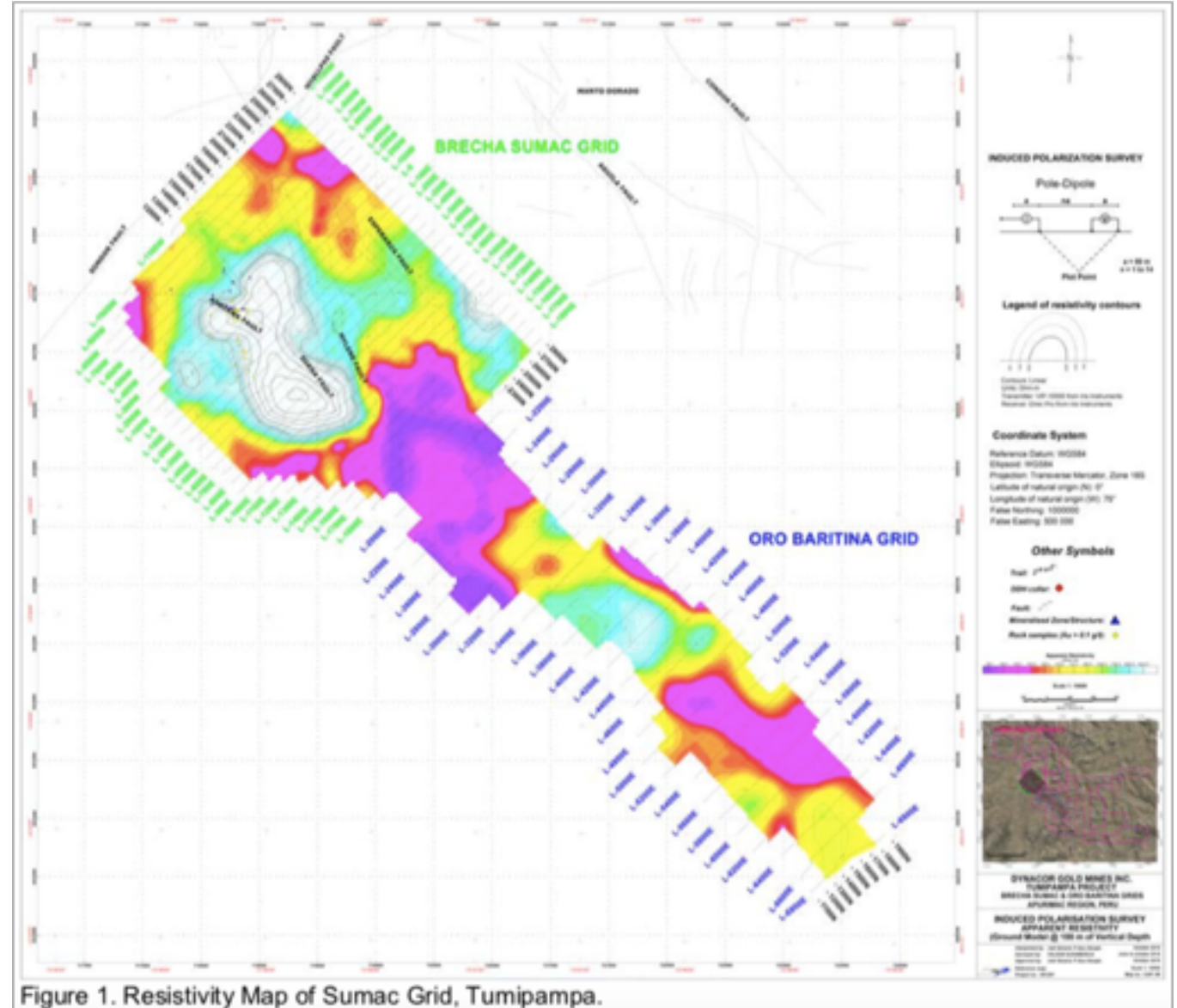
431K shares bought at 31-1-18



- One of the main chargeability anomalies occurs on the Sumac Breccia, appearing on the L900W to L100E and on the west side of the Sumac Breccia grid;
- The resistivity map Figure 1 shows an area of high resistivity (white and light blue colors) which is typical of a quartzite;

High priority drilling targets have been defined...

\*\*\*Awaiting drill permit from Peru Ministry of Energy and Mines\*\*\*



Diversify geographical presence to grow business  
and reduce the risk in one country

Assess the real potential of the exploration business  
and take action within 2 years

Upgrade to DTC registration in US

Continue to buy back stock when appropriate

Pay dividend with responsible and  
long-term sustainable discipline

Look out for accretive investments/strategy



# What If You Could Own?

- ✓ a free of debt;
- ✓ cash flow positive;
- ✓ buying back its shares;
- ✓ dividend paying company;
- ✓ working towards its 31st consecutive quarter of profits;
- ✓ with only 39.7M shares out;
- ✓ for only CAD 1.60 per share?

## The Income Stream...

Annual dividends of CAD 0.04 per share, equates to a yield of 2.5% at CAD 1.60 per share

## The Blue Sky...

Dynacor has recently completed a geophysical survey on its 100% owned gold project, results of which will enable the company to prioritize 20 drill targets



**dynacor**

**Head Office**

625 René-Lévesque Blvd West, Suite 1105  
Montreal (Quebec) H3B 1R2  
CANADA

[investors@dynacor.com](mailto:investors@dynacor.com) | 604.492.0099

[dynacor.com](http://dynacor.com) | [twitter.com/DynacorGold](https://twitter.com/DynacorGold)