

Current State of Traditional and Non-Traditional Mining Financings

Presented by Michael Faralla, Head of Global Mining Investment Banking

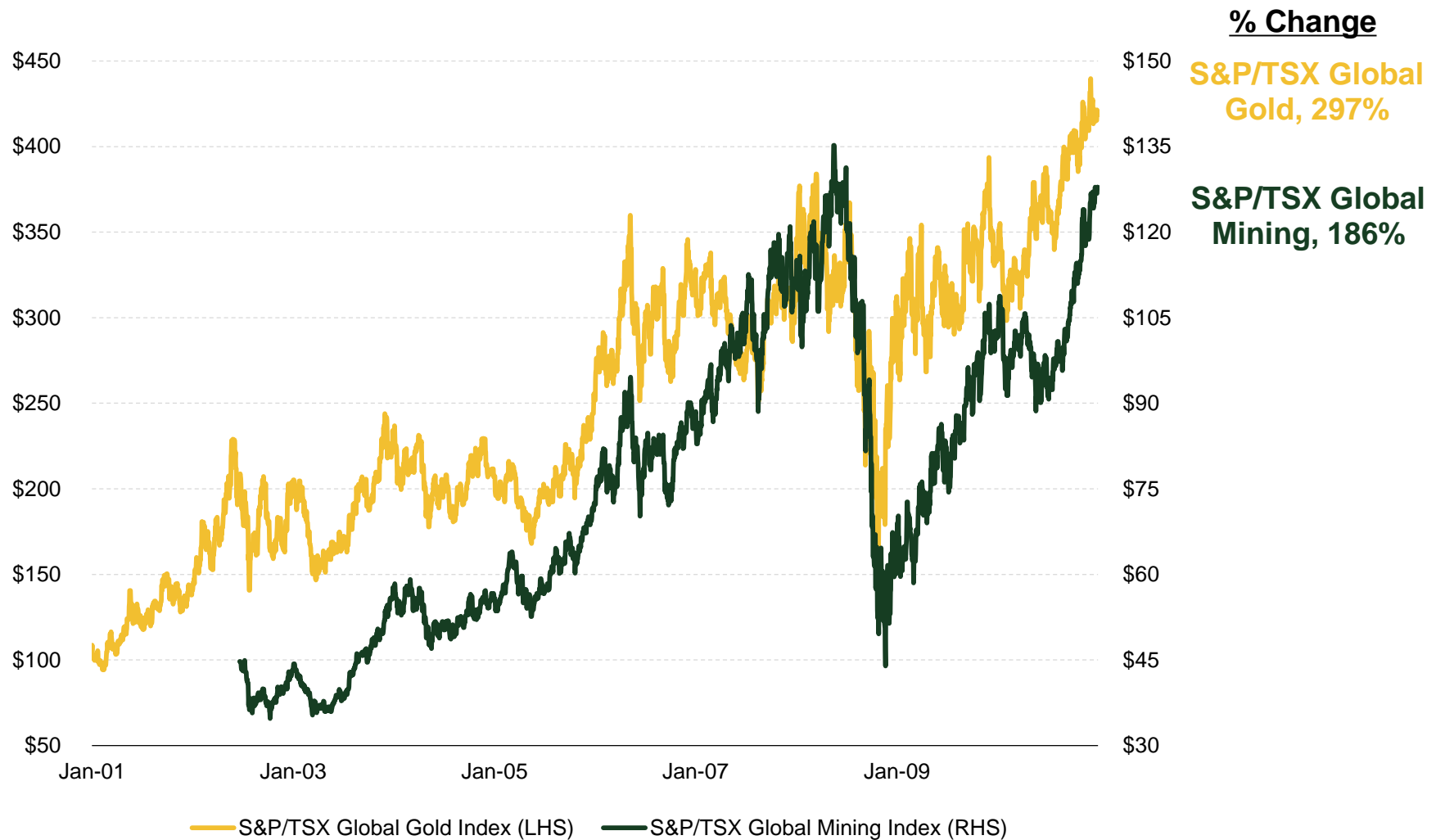
June 18, 2014



Commodity Prices: Spot Gold & Copper, 2000 to 2010



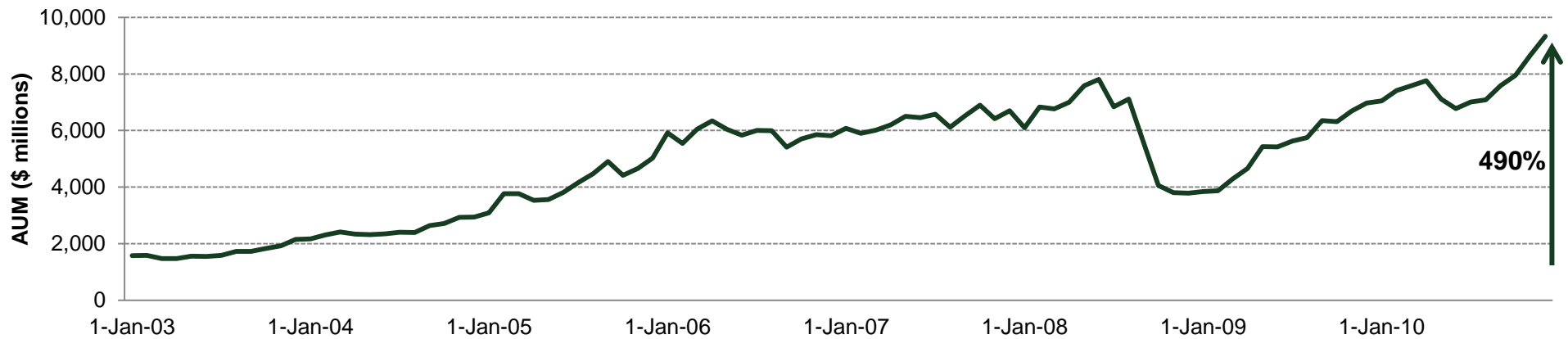
Mining Sector Share Price Appreciation, 2001 to 2010



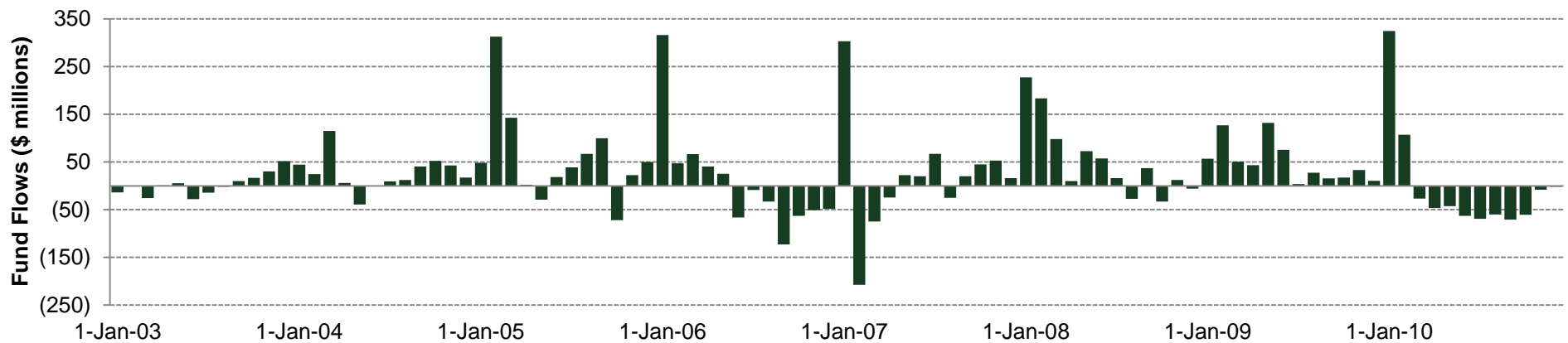
Canadian Resource-Focused Mutual Funds AUM & Flows, 2003 to 2010



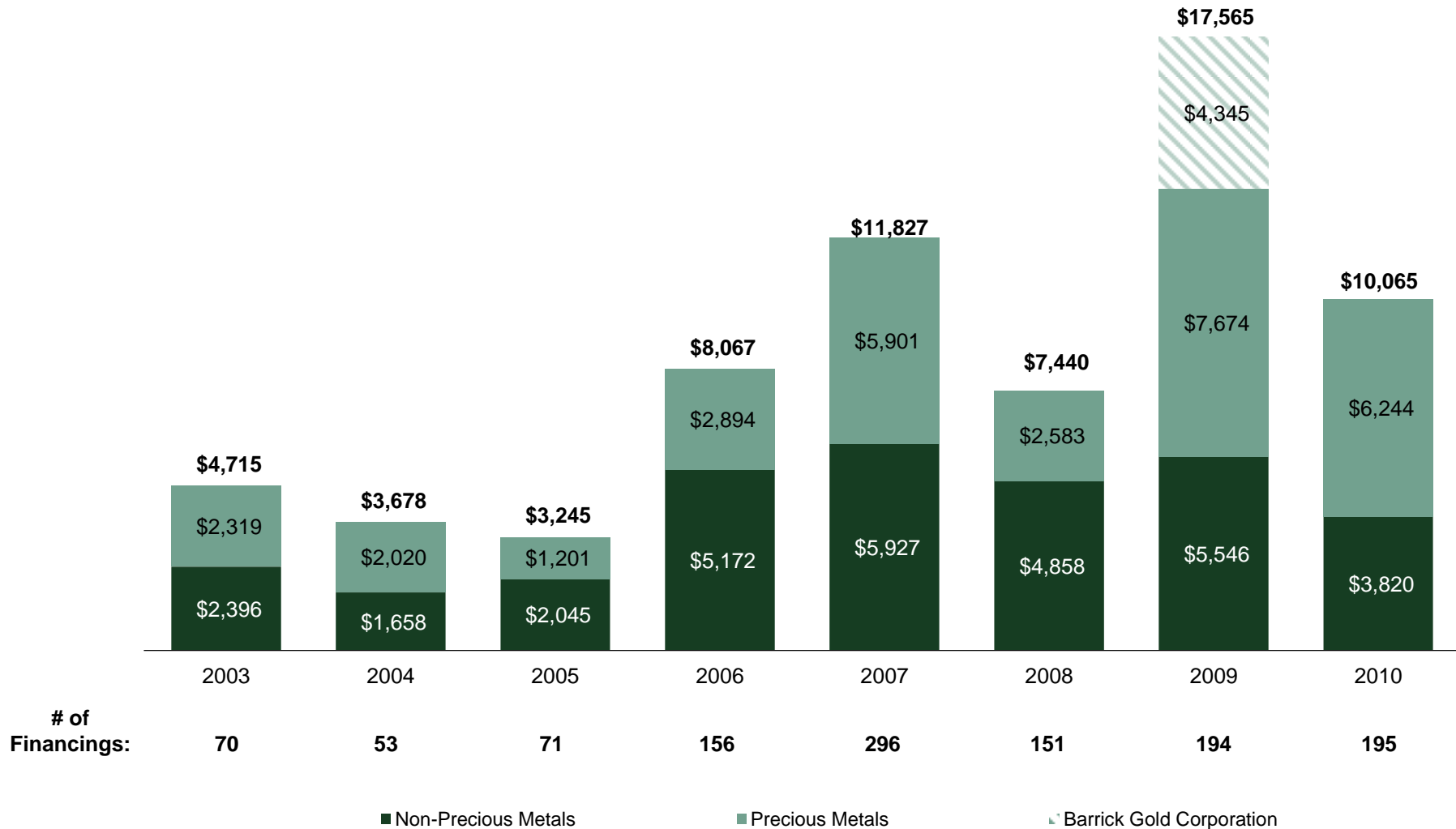
Canadian Natural Resource Equity Funds – Asset Under Management (2003-2010)



Canadian Natural Resource Equity Funds – Fund Flows (2003-2010)

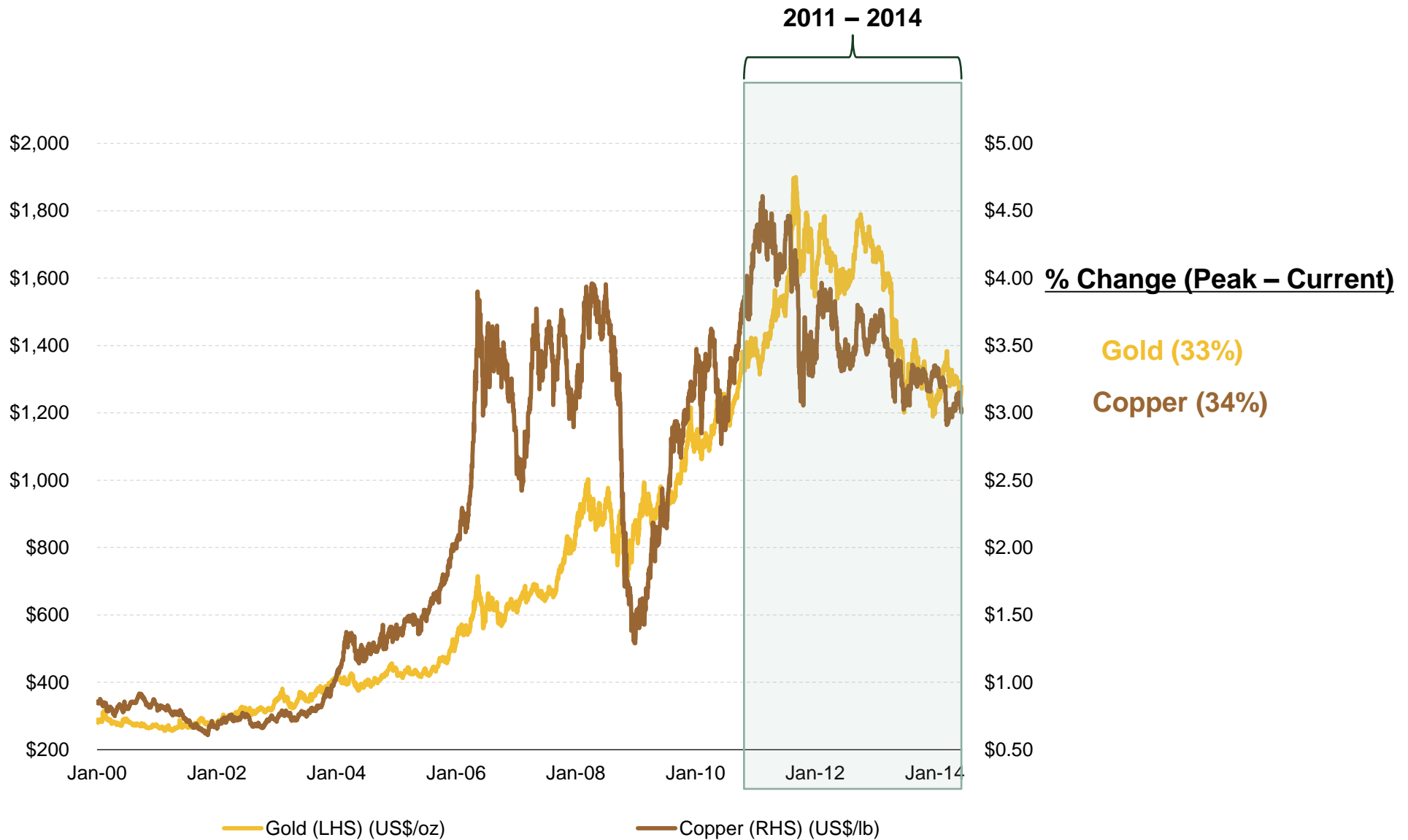


Mining Sector Equity & Hybrid Issuance in Canada, 2003 to 2010



Note: Numbers shown in C\$mm

Commodity Prices: Spot Gold & Copper, 2000 to Current – Down >30% from Their Peak



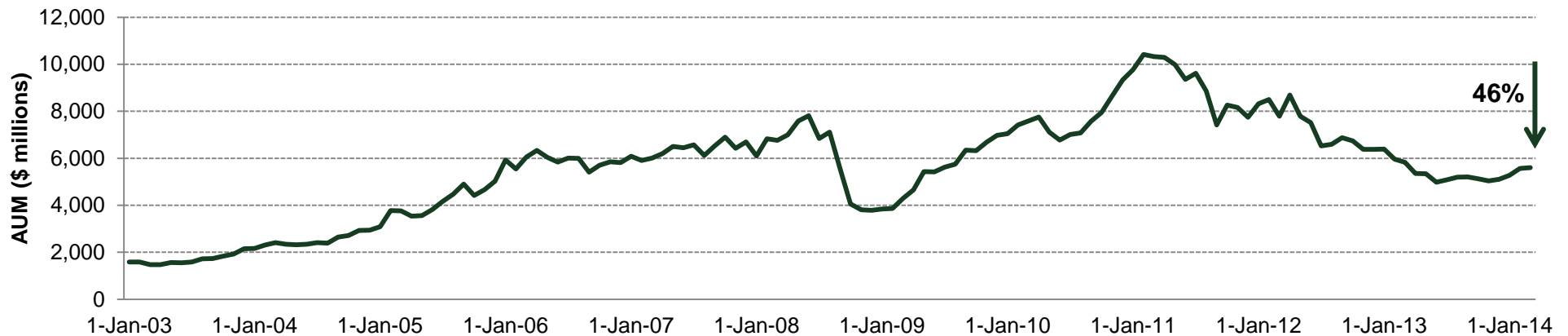
Gold Miners vs. Junior Gold Miners ETF Performance, 2011 to 2014



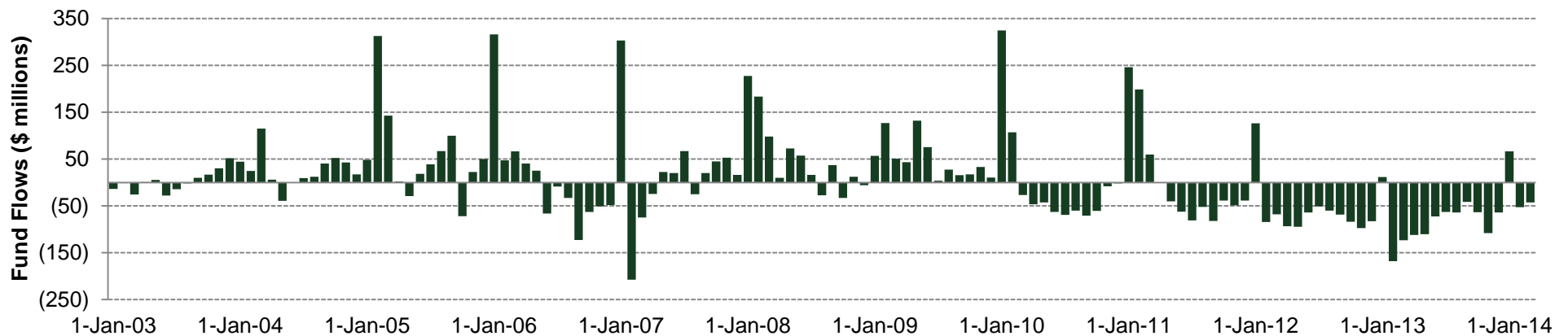
Canadian Resource-Focused Mutual Funds AUM & Flows – Down Almost 50%



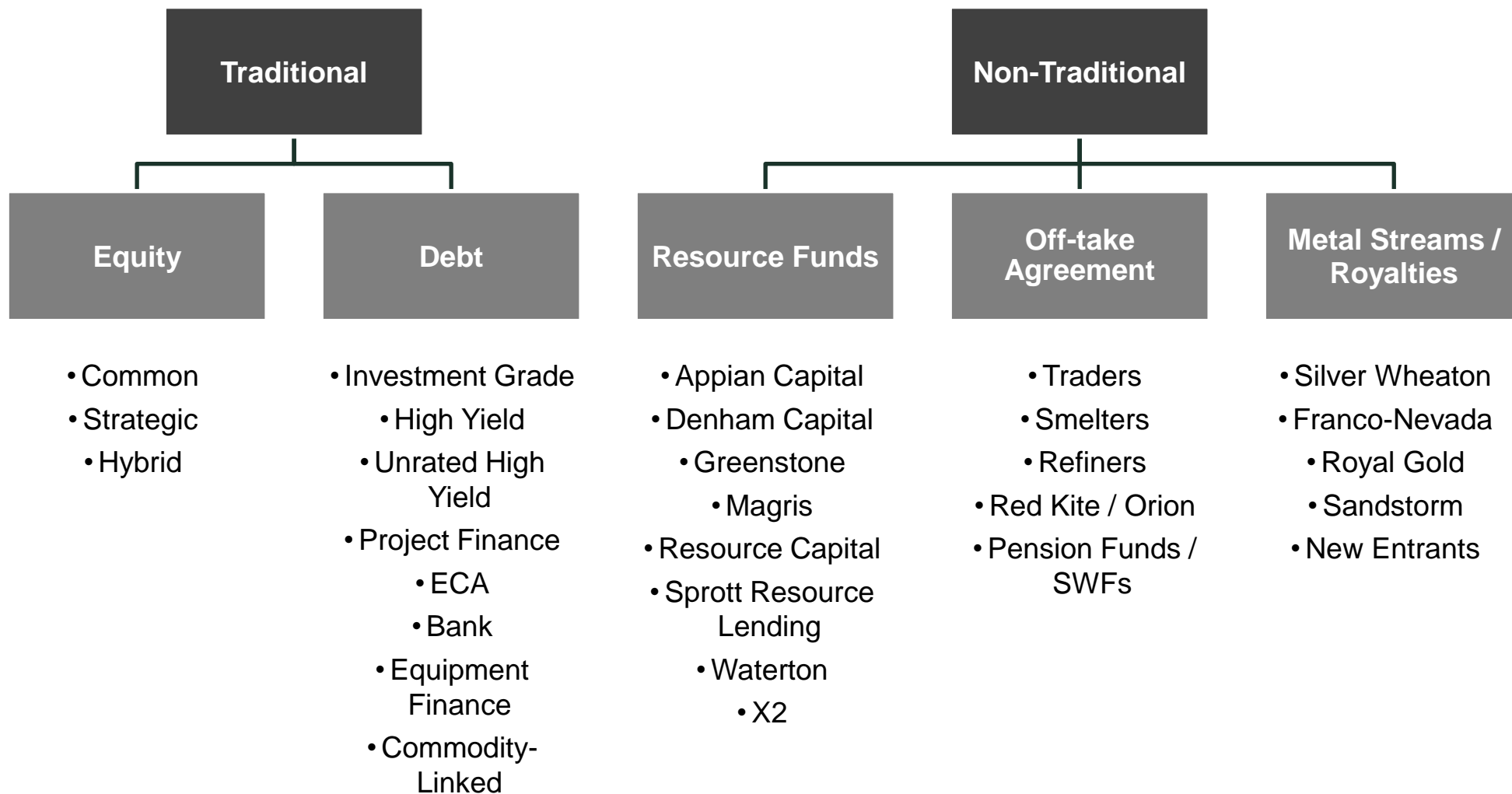
Canadian Natural Resource Equity Funds – Asset Under Management (2003-Present)



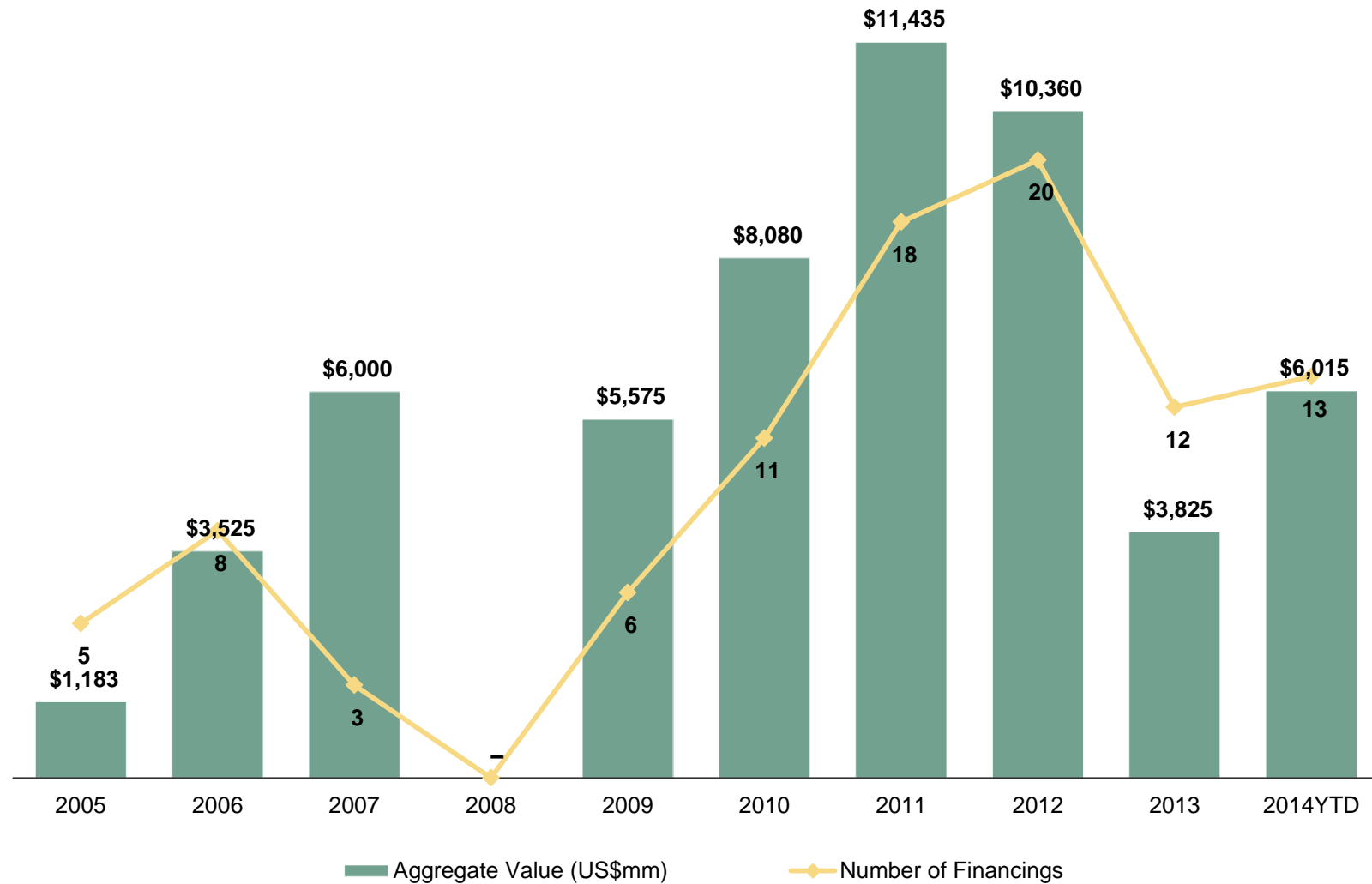
Canadian Natural Resource Equity Funds – Fund Flows (2003-Present)



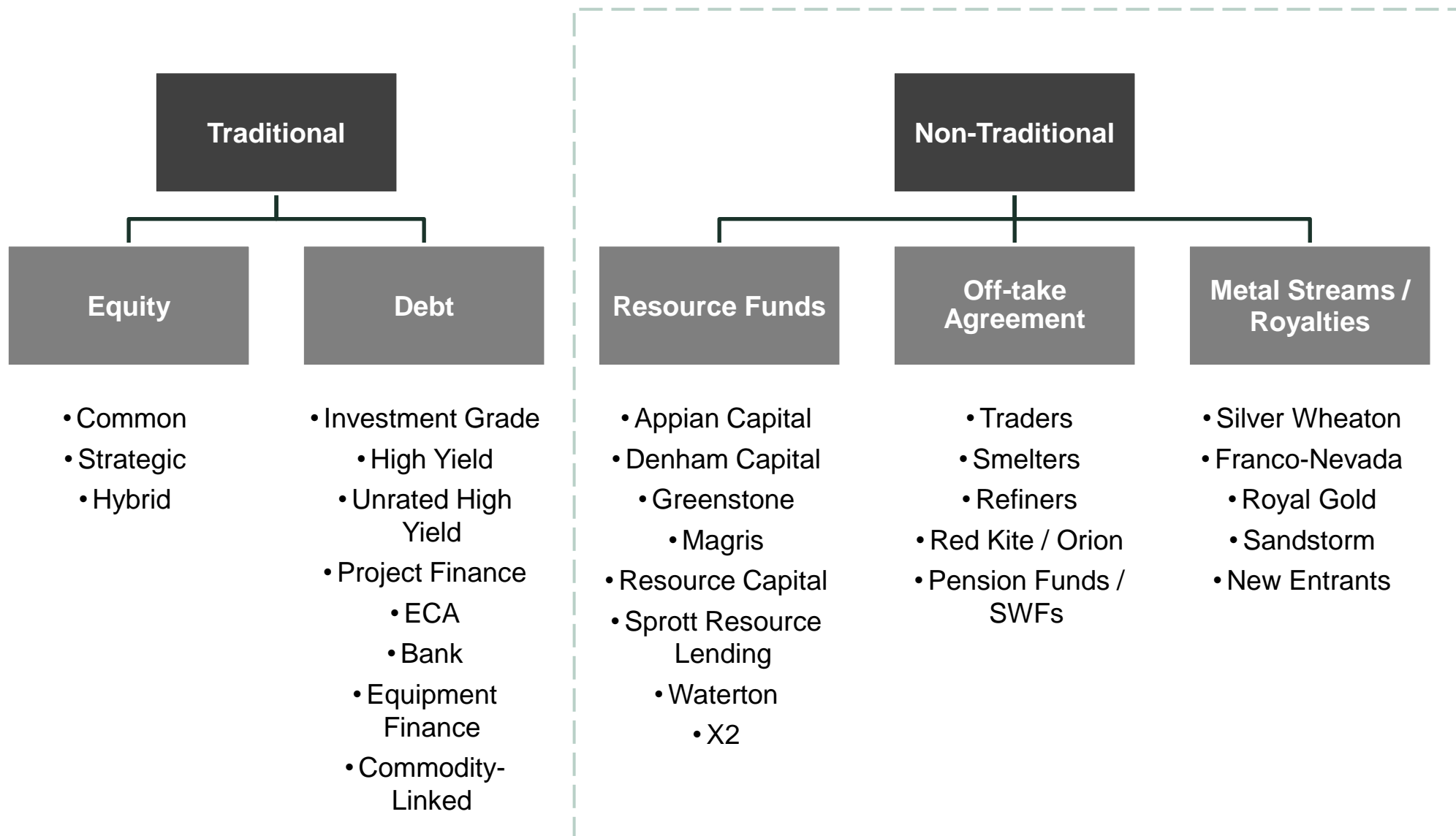
Financing Alternatives



Mining Sector USD High Yield Debt Financings Globally, 2005 to 2014



Financing Alternatives









Mining Private Equity is Looking



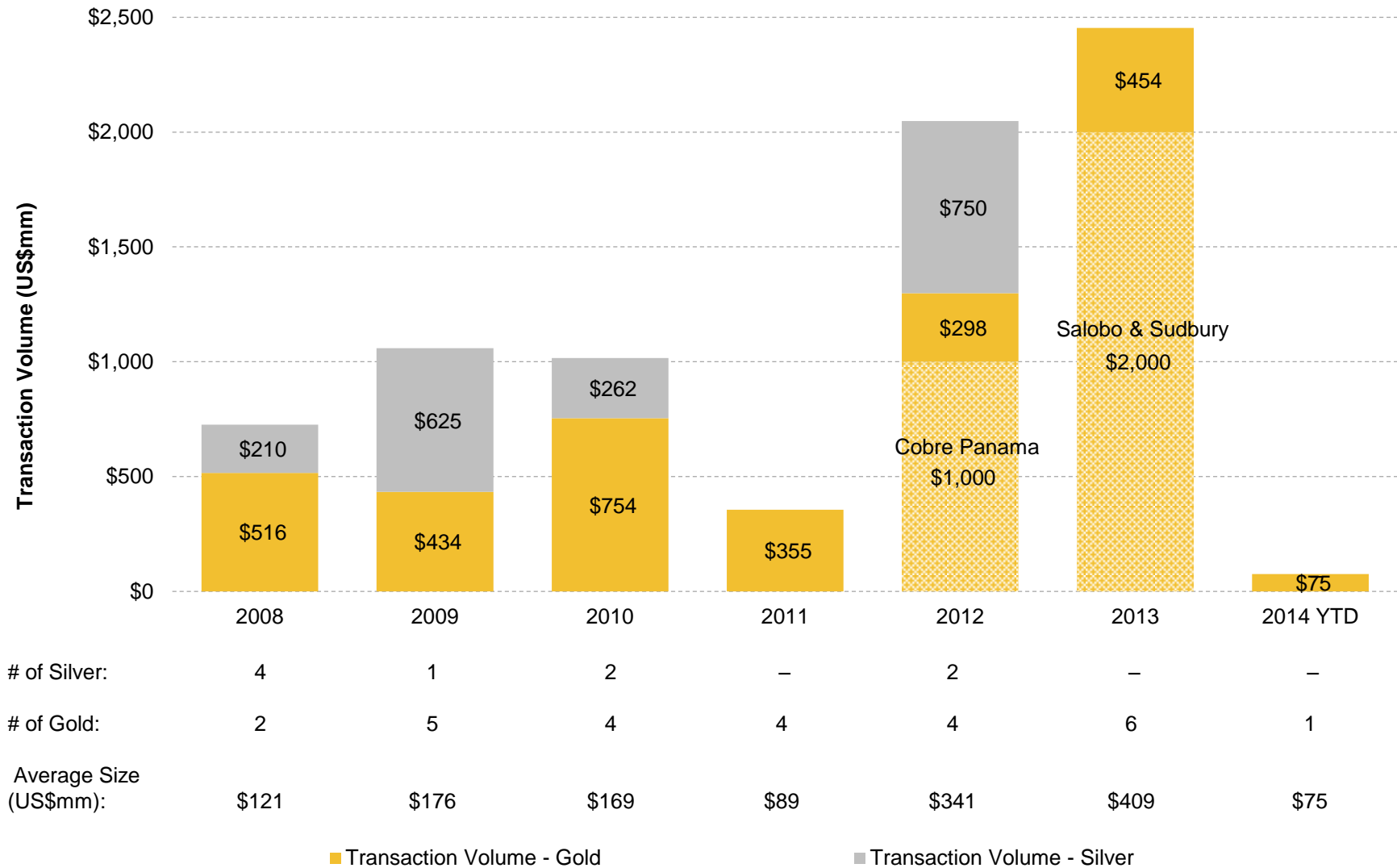
Sponsors	Fund Size	Recent Transactions	Rumoured Targets
 DENHAM CAPITAL	US\$700mm	Pembroke Resources	
Electrum	~US\$500mm	Novagold, Sunshine Silver	
 Red Kite		Augusta, Nevada Copper, EMED	
 PALA INVESTMENTS	US\$1bn	Alacer, Nevada Copper, Hana	
 RESOURCE CAPITAL FUNDS	US\$2bn	Hope Bay, Noront, Avanti	
 APPIAN CAPITAL ADVISORY LLP	US\$375mm	Roxgold	Marigold
ARIAS RESOURCE	US\$504mm	Largo, Colossus	
 B&A MINERAÇÃO	US\$520mm	Rio Verde	Euronimba
 GREENSTONE CAPITAL	US\$150mm		
 orion SECURITIES INC.	US\$1.2bn	Stornoway, Weatherly Intl, Royal Nickel	
 PLINIAN CAPITAL		Mandalay, West African Minerals	
 WATERTON	US\$1bn	Hollister Gold Mine, Chaparral	

Mining Private Equity is Looking

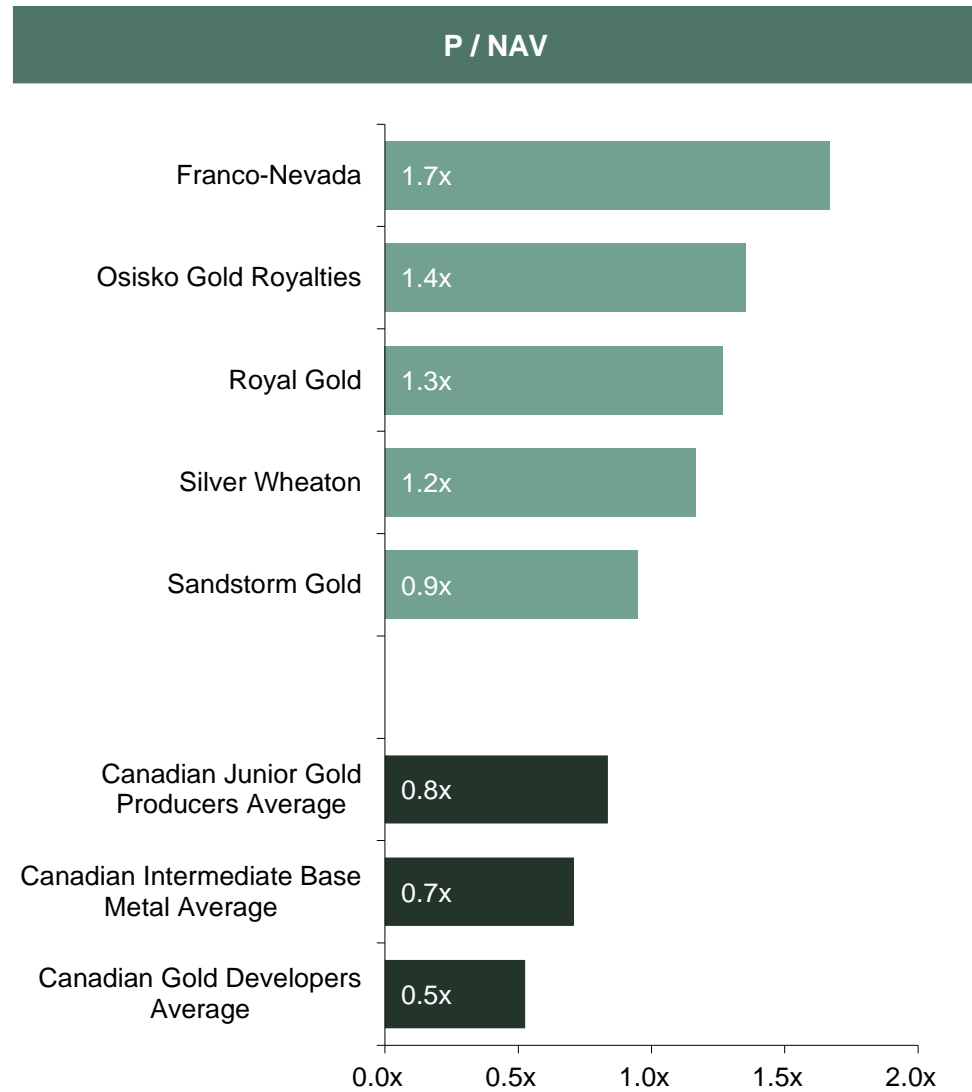


Sponsors	Fund Size	Recent Transactions	Rumoured Targets
			Las Bambas
		Navachab (AngloGold asset)	
X2 Resources	US\$3.75bn		BHP non-core units (Nickel West, thermal coal, aluminum and manganese)
	US\$1.3bn	Canada Lithium	Prospect Global
			IOC
Brookfield		North American Palladium	Fortescue Infrastructure
			Ekati Diamond Mine
			

Precious Metal Streaming Transactions, 2008 to 2014



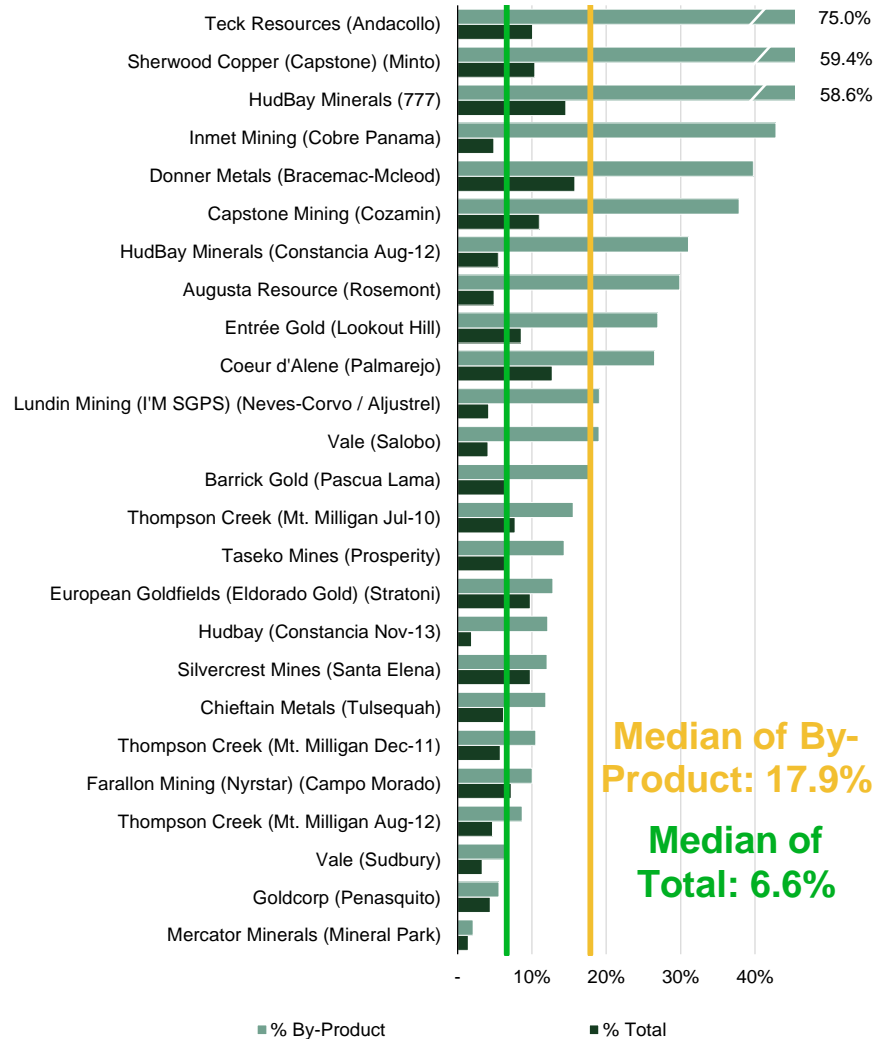
Royalty / Streaming Company Valuations versus Producers & Developers



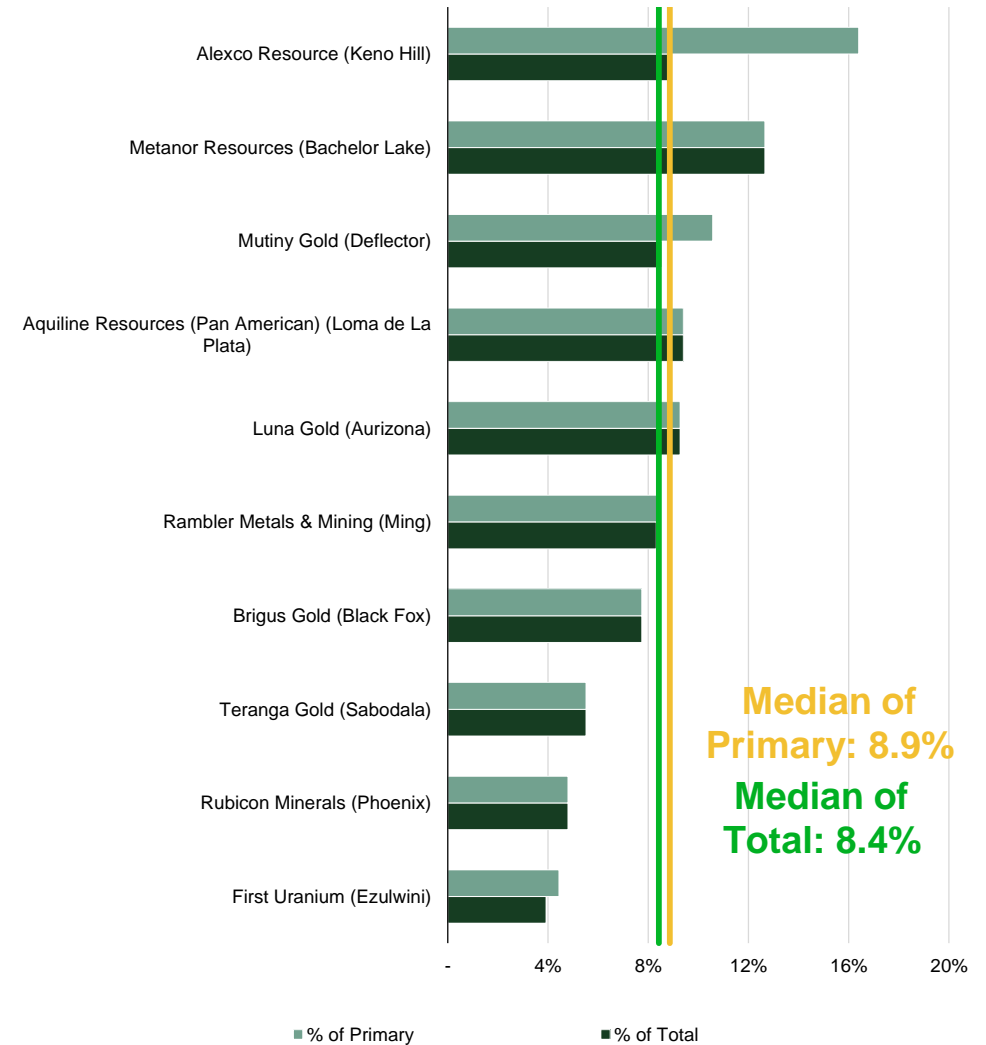
Stream Transactions: Percentage of Net Revenue Streamed



Percentage of Net Revenue (By-Product Metal Streams)⁽¹⁾



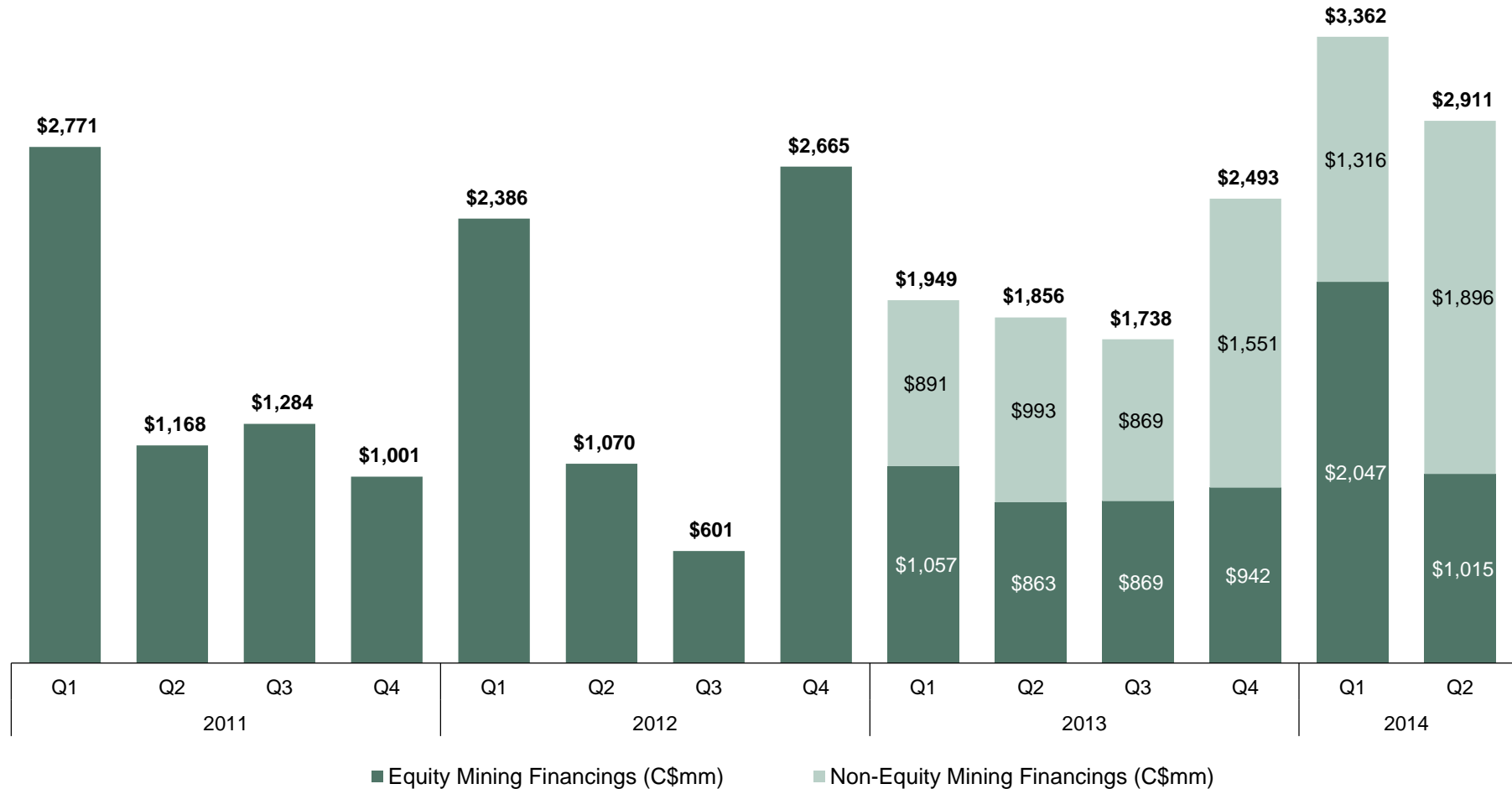
Percentage of Net Revenue (Primary Metal Streams)⁽²⁾



(1) Calculation: total stream revenue less total ongoing payment divided by total by-product metal revenue

(2) Calculation: total stream revenue less total ongoing payment divided by total primary metal revenue

Non – Equity Mining Financings for Junior Canadian Mining Companies, 2013 to 2014



Note: Excludes Barrick equity financing in Q4 2013, public debt issuance and bank credit facilities for large cap mining companies

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