

Personal use only



Pacifico Minerals Limited

Annual General Meeting FY2020

23 December 2020



Disclaimer

Forward-Looking Statements

Certain statements in the presentation are or may be “forward-looking statements” and represent the Company’s intentions, projections, expectations or beliefs concerning, among other things, future operating and exploration results or the Company’s future performance. These forward-looking statements speak, and the presentation generally speaks, only at the date hereof. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties, and are necessarily based on assumptions, which may cause the Company’s actual performance and results in future periods to differ materially from any express or implied estimates or projections.

General Disclaimer

The information in this presentation remains subject to change without notice. This presentation may contain information (including information derived from publicly available sources) that has not been independently verified by the Company.

Not an Offer

This presentation is for information purposes only. The presentation does not comprise a prospectus, product disclosure statement or other offering document under Australian law. The presentation does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any shares in Pacifco Minerals Limited.

No Liability

Pacifco Minerals Limited has prepared this document based on information available at the time of preparation. No representation or warranty, express or implied is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, Pacifco Minerals Limited, its related bodies corporate and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability for any loss arising from the use of the presentation or its contents or otherwise arising in connection with it.

Competent Person Statements

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the ‘JORC Code’) sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

Information included in this presentation relating to Mineral Resources, Ore Reserves, Production Targets and Financial Forecasts has been extracted from the Mineral Resource Estimate dated 2 June 2020 and the Pre-Feasibility Report and Ore Reserve Statement dated 25 August 2020, both available to view at www.pacifco minerals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in either the Mineral Resource Estimate or the Ore Reserve Statement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the Mineral Resource Estimate or the Ore Reserves Statement.

The information in this release that relates to Exploration Results is based on information prepared by Dr Simon Dorling. Dr Dorling is a member of the Australasian Institute of Geoscientists (Member Number: 3101). Dr Dorling has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Dorling consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

Board and management

Experienced Board and Management with a proven track record in exploration and development.



Gary Comb
Chairman

Engineer with over 30 years' experience in the Australian mining industry, with a strong track record in successfully commissioning and operating base metal mines.



Simon Noon
Managing Director and CEO

Experienced executive with a strong background in strategic management, finance, capital raising and securing and operating joint ventures with mid to top tier miners in a variety of commodities.



Richard Monti
Non-Exec. Director

Geologist with over 30 years' experience in technical, commercial, marketing and finance within the exploration and mining industry.



Andrew Parker
Non-Exec. Director

Lawyer with extensive experience in the exploration and mining industry. Wealth of expertise in corporate advisory, strategic consultancy and vast experience in raising capital.

Technical team

Kevin Reynolds
Project Manager

Experienced metallurgist and project development manager of 30 years, covering mining and metallurgical operations, project development, process development, feasibility studies and project execution.

Simon Dorling
Exploration Manager

Geologist with more than 26 years' experience in exploration, development and the mining of base metals, precious metals, energy minerals and industrial minerals.

2020 in Review

FY2020 has been a year of significant progress for Pacifico Minerals.

Key deliverables since the last AGM:



Delivered a Pre-Feasibility Study (PFS) highlighting the low-risk nature and strong pre-tax economics of the Sorby Hills Lead-Silver-Zinc project



Secured funding to advance the project to a final investment decision



Progressed Sorby Hills to the detailed due diligence phase of the Federal Government's Northern Australia Infrastructure Facility (NAIF) debt funding assessment process



Significantly upgraded the Mineral Resource at Sorby Hills and declared Pacifico's maiden Ore Reserve of 13.6Mt at 4.6% Pb equivalent supporting an initial 10-year mine life



Enhanced Board capabilities through the appointment of Gary Comb as Chairman, an experienced project developer and operator.



Completed the Phase IV drilling program with preliminary observations suggesting very positive impacts for the Sorby Hills Resource and pit designs



Delivered a year of zero harm amongst our workforce and contractors

2021

Financial Snapshot

Share price + 125%

A\$0.18/sh vs \$0.08/sh at 2019 AGM

Net Cash + 257%

A\$15m vs \$4.2m at 2019 AGM

A\$0m Debt

Market Cap A\$72m

vs \$30m at 2019 AGM

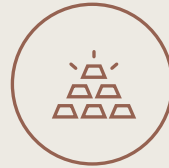
Pre-Feasibility Study Highlights

The Sorby Hills PFS released in August 2020 highlights a technically robust project with impressive economics

The PFS highlights the **low-risk** nature of the Sorby Hills Project with a **well-defined** large-scale Mineral Resource, conventional crush-mill-float processing circuit, **high metal recoveries** and **key approvals** received.



Initial 10-Year Mine life
processing 15Mt ore



50kt Lead and 1.5Moz Silver
production per annum¹



US\$0.40/lb Lead C1
cash cost



A\$183m Upfront
Capex including
A\$20m contingency



Pre-Tax NPV₈ of A\$303m²
and Pre-Tax 46% IRR²



1.6-year payback²



Average Life of Mine EBITDA A\$75m per annum
(A\$127m per annum over the first 2 years of production)

The quality and detail included in the PFS allows for a seamless transition into the DFS and early discussions with lenders.

¹: Life of mine average

²: NPV based on 10-year average commodity prices. Lead US\$0.95/lb, Silver US\$21.10/oz. AUD:USD FX rate of 0.70

Sorby Hill Project Highlights

Sorby Hills Lead-Silver-Zinc Project

Australia's largest undeveloped, near-surface Lead-Silver-Zinc deposit.

- 75%/25% Joint Venture Partnership with China's largest Lead smelter and Silver producer, Henan Yuguang Gold and Lead Co. Ltd.
- Granted pre-native title mining tenements.
- Large shallow Resource with significant growth potential.
- Open Pit Reserves of 494kt Lead and 17.6Moz Silver¹ and growing.
- Located close to existing infrastructure:
 - ~50km north-east of Kununurra;
 - ~150km by existing sealed road to Wyndham Port; and
 - Opportunity to access hydro grid power.

The fully funded Definitive Feasibility Study is underway.

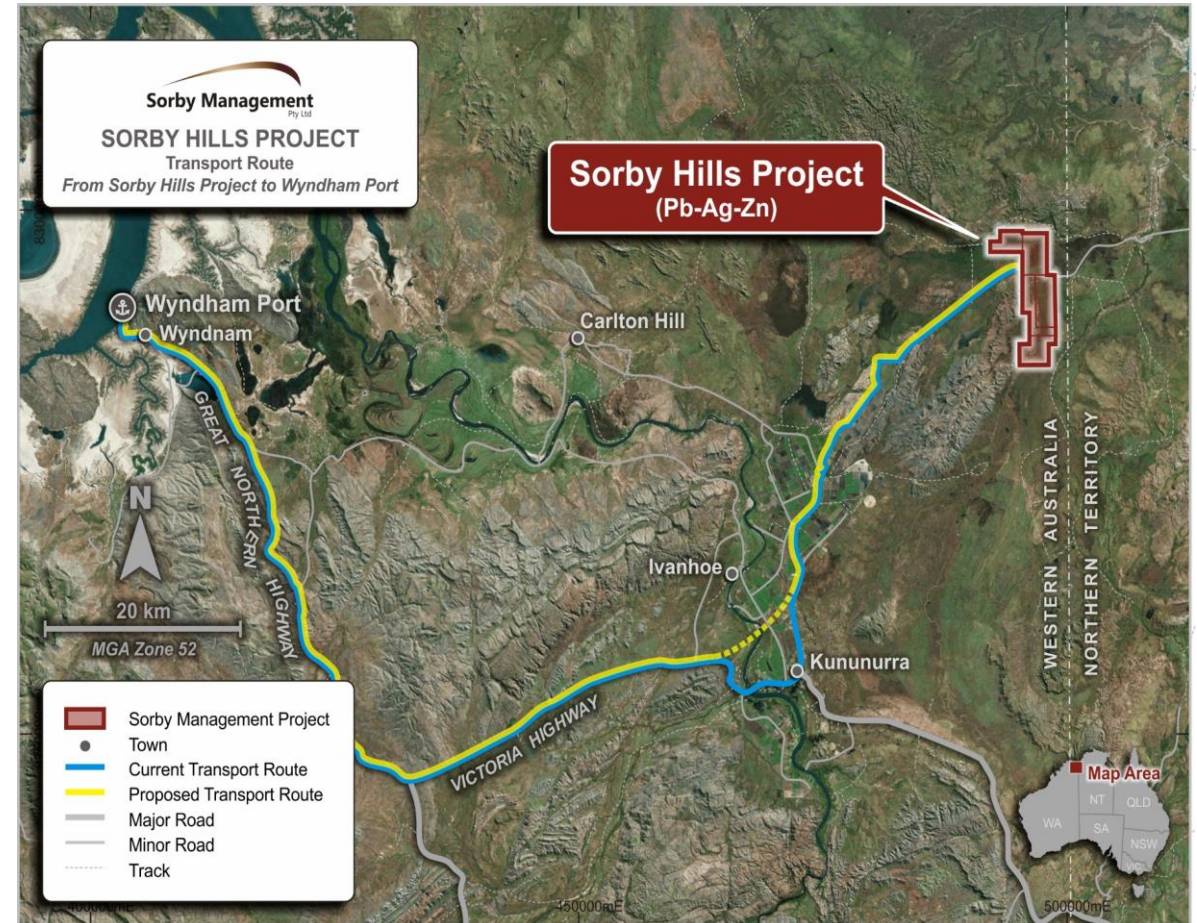


Image: Location of the Sorby Hills Project relative to Kununurra and Wyndham Port

1. See Slide 12 for full Reserve Estimate

Outlook



Development timeline providing significant newsflow

On track to become a significant Lead-Silver producer in Western Australia

Milestone	Status	CY2020		CY2021		
		Q4	Q1	Q2	Q3	Q4
Updated Resource Estimate	✓					
Pre Feasibility Study	✓					
Maiden Ore Reserve Estimate	✓					
Securing Funds to reach Decision to Mine	✓					
Phase IV Drilling and Updated Resource Estimate	Ongoing	[Bar]				
Definitive Feasibility Study	Ongoing	[Bar]				
Permitting and Approvals	Ongoing	[Bar]				
Financing and Offtake Process	Ongoing	[Bar]				
Front End Engineering Design	Start Q3 2021				[Bar]	
Decision to Mine Project Award	Q4 2021					[Bar]

2021 and Beyond



New Kimberley focussed company name*



New share structure more attractive to long term institutional investors*



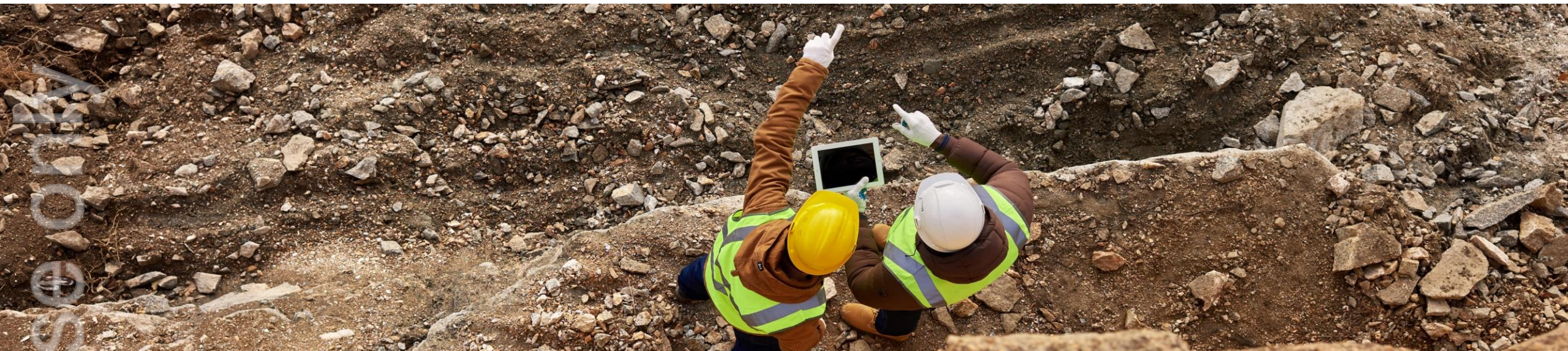
\$15M in Cash Reserves and funded through to a decision to mine



Advance towards development through the completion of Sorby Hills Definitive Feasibility Study



2023: Become signature Lead-Silver producer



Australia's largest undeveloped, near-surface Lead-Silver-Zinc deposit

Granted mining leases, EPA approved¹, 150km from Wyndham Port in Western Australia

Low Risk Operation located in a Tier 1 Mining Jurisdiction

Initial 10-year Open cut mine plan underpinned by 92% Reserves and low cash operating cost

Impressive Project Economics

Pre-Tax NPV₈ A\$303m, Pre-Tax IRR 46%, ~1.6-year payback from start of production

Fully Funded through to a Decision to Mine

A\$15m cash on hand to fund Resource expansion and Definitive Feasibility Study ("DFS")

Rare ASX exposure to Silver markets

1.5 Million ounces per annum of Silver production. Both Lead and Silver critical to the transition to a low carbon economy

Near term opportunities to add significant value

Mine Life upside supported by a demonstrated ability to increase Resource size and confidence

¹ Section 45C change proposal to be submitted to the EPA to reflect advancements



Thank you

 Simon Noon – Managing Director

 info@pacificominerals.com.au

 www.pacificominerals.com.au


Pacifico
Minerals Ltd

Sorby Hills Mineral Resource and Ore Reserve

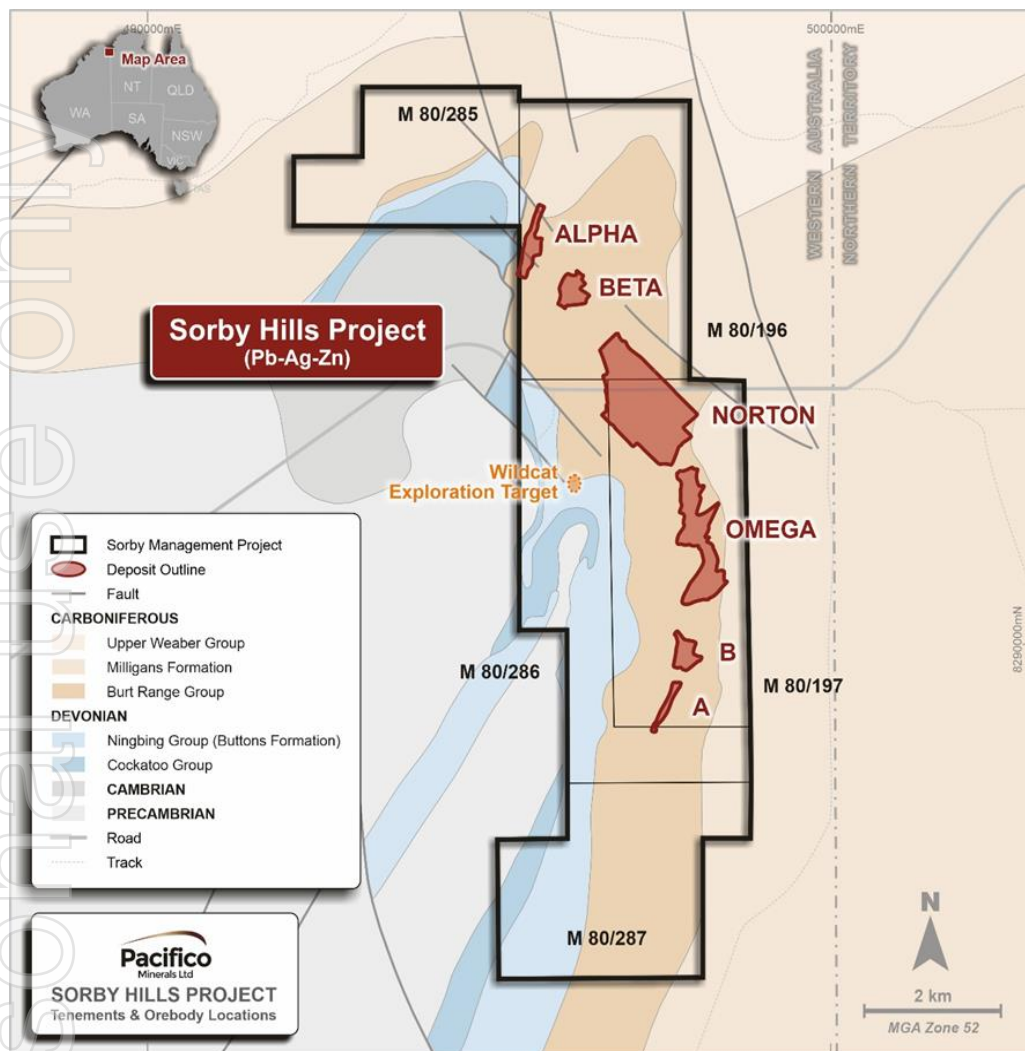


Image: Location of the Sorby Hills deposits and mining tenements relative to local geology

Mineral Resource

Deposit	Mt	Pb (%)	Ag (g/t)	Zn (%)
A	0.6	6.1	32	1.2
B	1.8	4.3	24	0.3
Omega	15.8	3.5	32	0.4
Norton	20.6	2.8	37	0.4
Alpha	2.0	3.1	67	1.0
Beta	3.3	4.6	61	0.4
Total	44.1	3.3	38	0.5
Measured	7.1	4.3	57	0.4
Indicated	13.7	3.3	31	0.4
Inferred	23.4	3.0	36	0.5

Reported at cut-off of 1% Pb (Pb domains only)

Ore Reserve

Classification	Mt	Pb (%)	Pb (kt)	Ag (g/t)	Ag (Moz)
Proved	6.8	4.1	275	53.0	11.5
Probable	6.9	3.2	219	27.6	6.1
Total	13.6	3.6	494	40.2	17.6

Reported at cut-off of 1.5% Pb

Equivalent calculation

The contained metal equivalence formula is based on the Sorby Hills PFS including:

- Lead Price US\$2,095/t;
- Silver Price US\$21.1/oz;

Lead Equivalent Calculations

- Silver recovery of 80.3% (weighted average of oxide and fresh Ag recoveries); and
- Silver Payability rate of 95%.

Silver Equivalent Calculations

- Lead recovery of 93.3% (weighted average of oxide and fresh Pb recoveries); and
- Lead Payability rate of 95%.

It is Pacífico's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold. The formula used to calculate lead equivalent grade is:

$$\text{Metal Eq (percent)} = G_{pri} + (G_{pri} \times [\sum_i R_i S_i V_i G_i] / (R_{pri} S_{pri} V_{pri} G_{pri}))$$

where **R** is the respective metallurgical metal recovery rate, **S** is the respective smelter return rate, **V** is metal price/tonne or ounce, and **G** is the metal commodity grade for the suite of potentially recoverable commodities (**i**) relative to the primary metal (**pri**).

Metal equivalents are highly dependent on the metal prices used to derive the formula. Pacífico notes that the metal equivalence method used above is a simplified approach. The metal prices are based on the PFS values adopted and do not reflect the metal prices that a smelter would pay for concentrate nor are any smelter penalties or charges included in the calculation.

Owing to limited metallurgical data, zinc grades are not included at this stage in the lead equivalent grade calculation.