Financing drought in the junior commodities space

CURRENT TRENDS IN MINING FINANCE

121 MINING CONFERENCE
New York, June 6 & 7, 2017

Presented by Kai Hoffmann, CEO

Who are we?

NORTH AMERICA

North Americas‘s leading provider of relevant financing information in the junior commodities space!

Home of the Oreninc Deal Log & Oreninc Index

Acquired in September 2016

EUROPE

INVESTOR MAGAZIN

German resource letter
72% PERFORMANCE in 2016

EUROPE

SOAR FINANCIAL PARTNERS

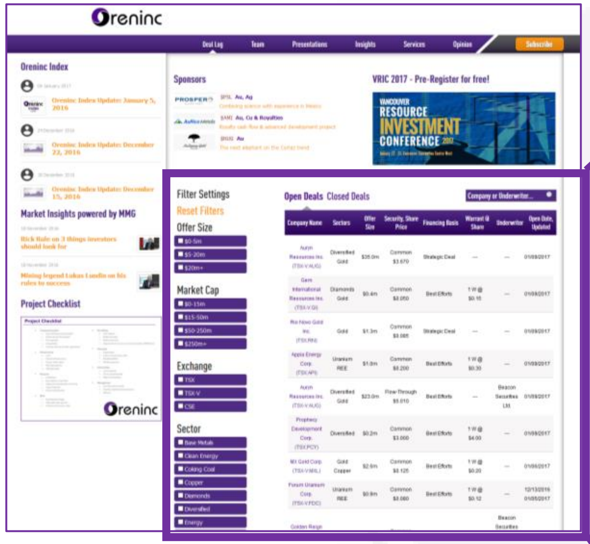
Personal link to the
European Investment Community
ROAD SHOWS, Newsletter Coverage etc.

Kai Hoffmann, CEO

What do we do?

- TRACKING OVER 1,400 COMPANIES on the TSX, TSX Venture Exchange and Canadian Stock Exchange
- LOGGED +27,500 DEALS since 2011
- Collected close to 750,000 DATA POINTS
- Data-driven approach to examining financings
- IN-HOUSE data analyst
- CONSULTING on capital raises and ancillary aspects
- SECTOR & BROKER REPORTS

Orenanc Deal Log



Filter Settings

Reset Filters

Offer Size

- $0-5m
- $5-20m
- $20m+

Market Cap

- $0-15m
- $15-50m
- $50-250m
- $250m+

Exchange

- TSX
- TSX-V
- CSE

Sector

- Base Metals
- Clean Energy
- Coking Coal
- Copper
- Diamonds
- Diversified
- Energy

Open Deals Closed Deals

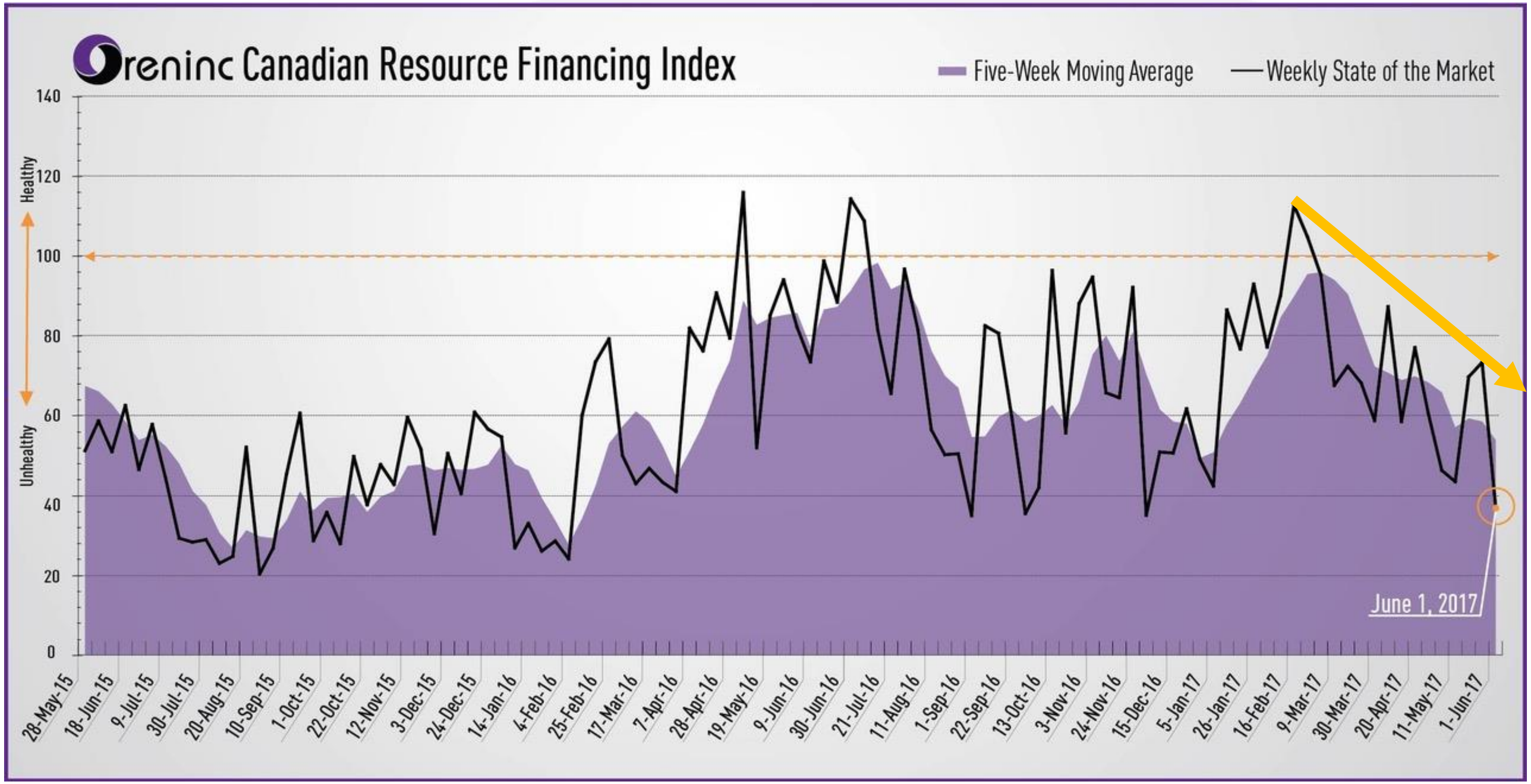
Company or Underwriter...

Company Name	Sectors	Offer Size	Security, Share Price	Financing Basis	Warrant @ Share	Underwriter	Open Date, Updated
Auryn Resources Inc. (TSX-V:AUG)	Diversified Gold	$35.0m	Common $3.670	Strategic Deal	---	---	01/09/2017
Gem International Resources Inc. (TSX-V:GI)	Diamonds Gold	$0.4m	Common $0.050	Best Efforts	1 W @ $0.15	---	01/09/2017
Rio Novo Gold Inc. (TSX:RN)	Gold	$1.3m	Common $0.085	Strategic Deal	---	---	01/09/2017
Appia Energy Corp. (TSX:API)	Uranium REE	$1.0m	Common $0.200	Best Efforts	1 W @ $0.30	---	01/09/2017
Auryn Resources Inc. (TSX-V:AUG)	Diversified Gold	$23.0m	Flow-Through $5.010	Best Efforts	---	Beacon Securities Ltd.	01/09/2017
Prophecy Development Corp. (TSX:PCY)	Diversified	$0.2m	Common $3.000	Best Efforts	1 W @ $4.00	---	01/09/2017
MX Gold Corp. (TSX-V:MXL)	Gold Copper	$2.6m	Common $0.125	Best Efforts	1 W @ $0.20	---	01/06/2017
Forum Uranium Corp. (TSX-V:FDC)	Uranium REE	$0.9m	Common $0.080	Best Efforts	1 W @ $0.12	---	12/13/2016 01/05/2017
Golden Reign						Beacon Securities	

On every financing we collect up to 40 DATA POINTS

UPDATED DAILY

Oreninc Index 2015 TO TODAY



January 2017 vs. today

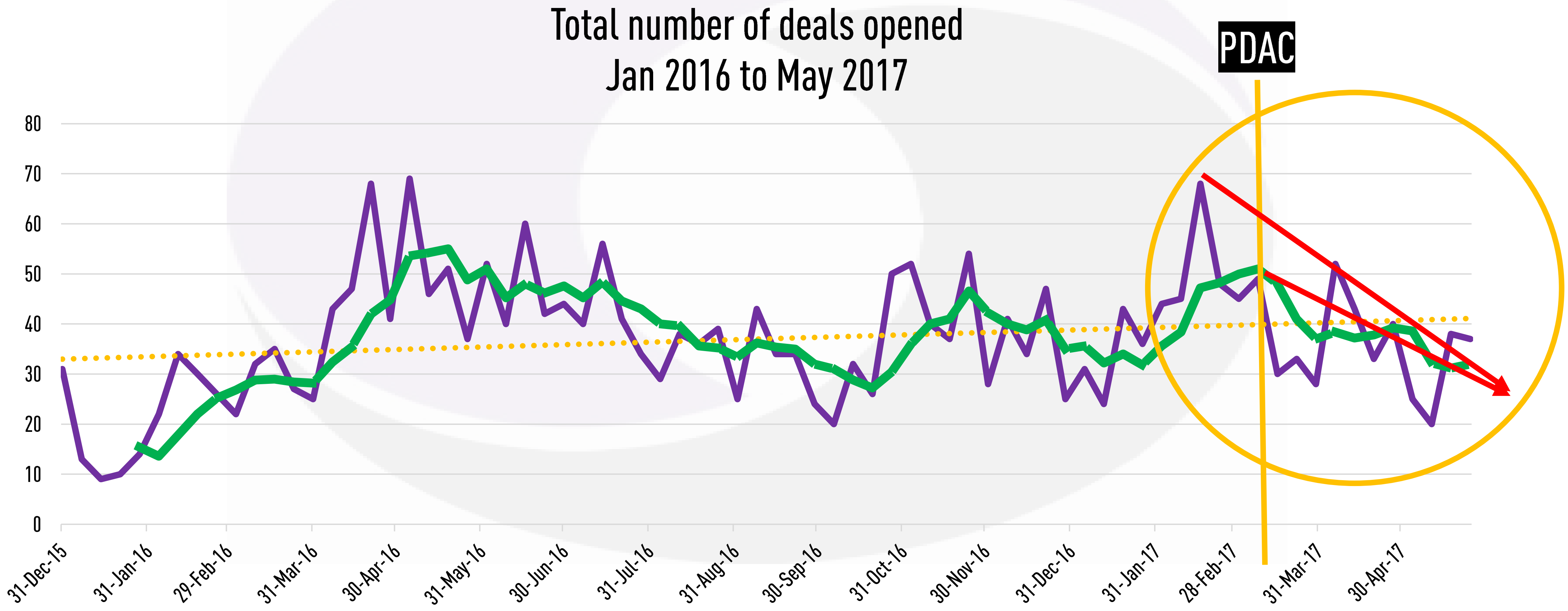
MARKET MOMENTUM WAS BUILDING

- most deals opened in the last 6 years
- Total $ raised highest in 3 years
- Average $ raised highest in 3 years

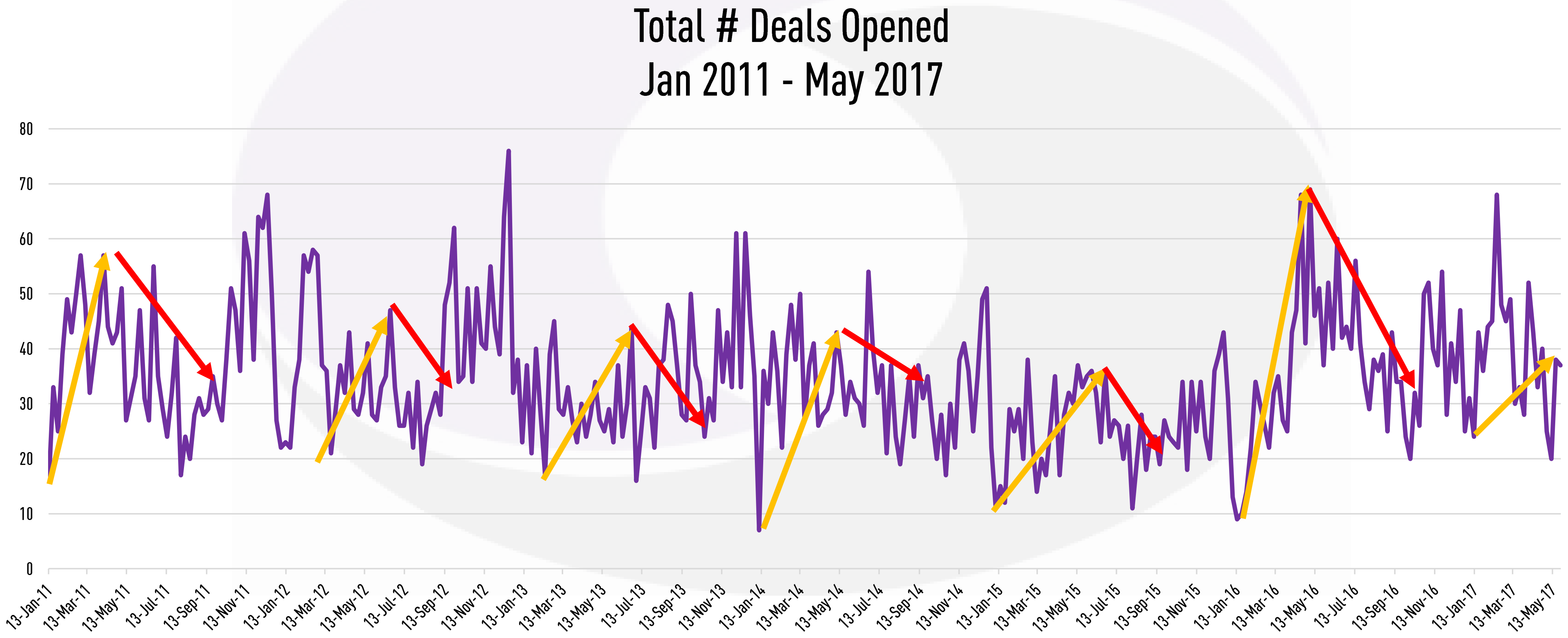
MOMENTUM COMPLETLY LOST

- Oreninc Index - 27-week low
- Total C$ raised - 21-week low
- One brokered financing – 21-week low
- Average deal size – 12-week low

Spring Financing Drought



Explanation #1 - Seaonality



or Explanation #2

ARE COMPANIES FULLY FINANCED?
IS THE EXPLORATION MARKET SATURATED?

Who is currently financing?

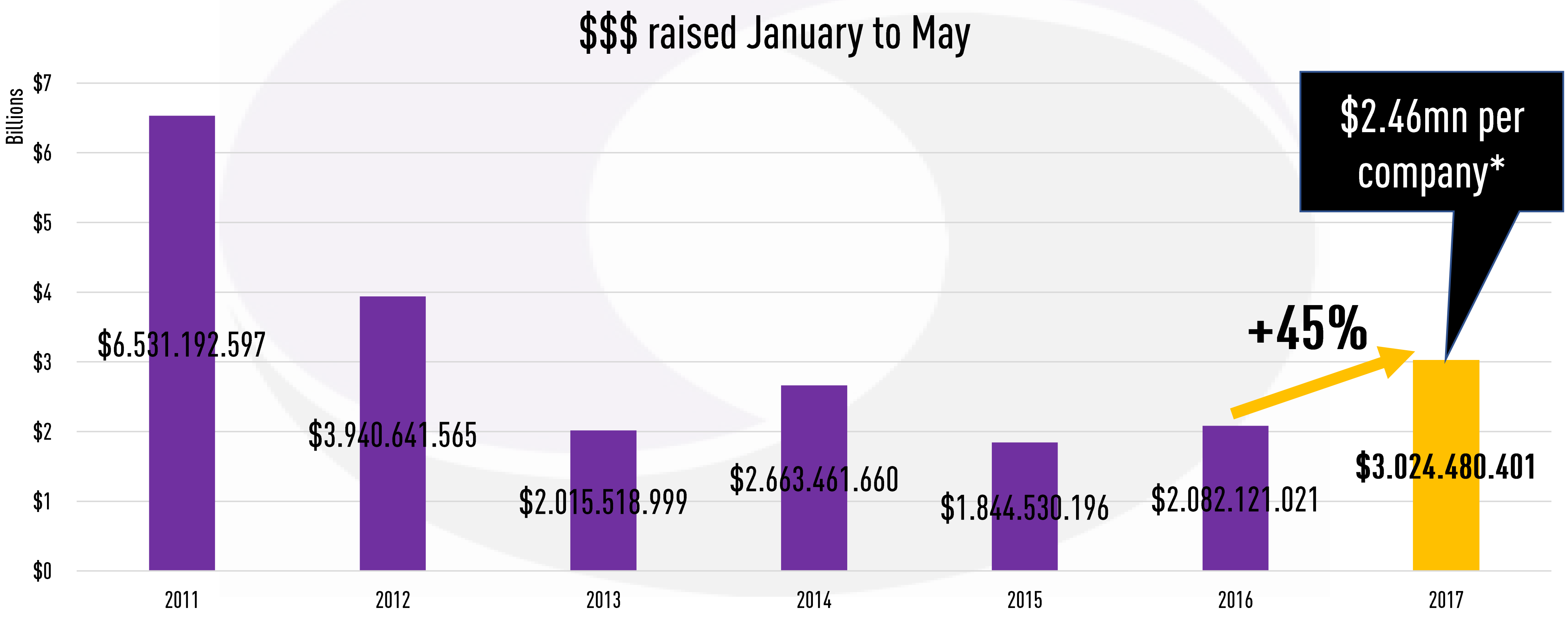
How do we back this up with our data?

Subjectivity

Explanation #2

- Total dollars raised in the first 5 months of the year 2011 – 2017
- Average deal size
- Total number of deals opened
- Increase of smaller financings after PDAC in % of total financings
- Deal Quality
  - Warrant Premiums
  - Discount Premiums

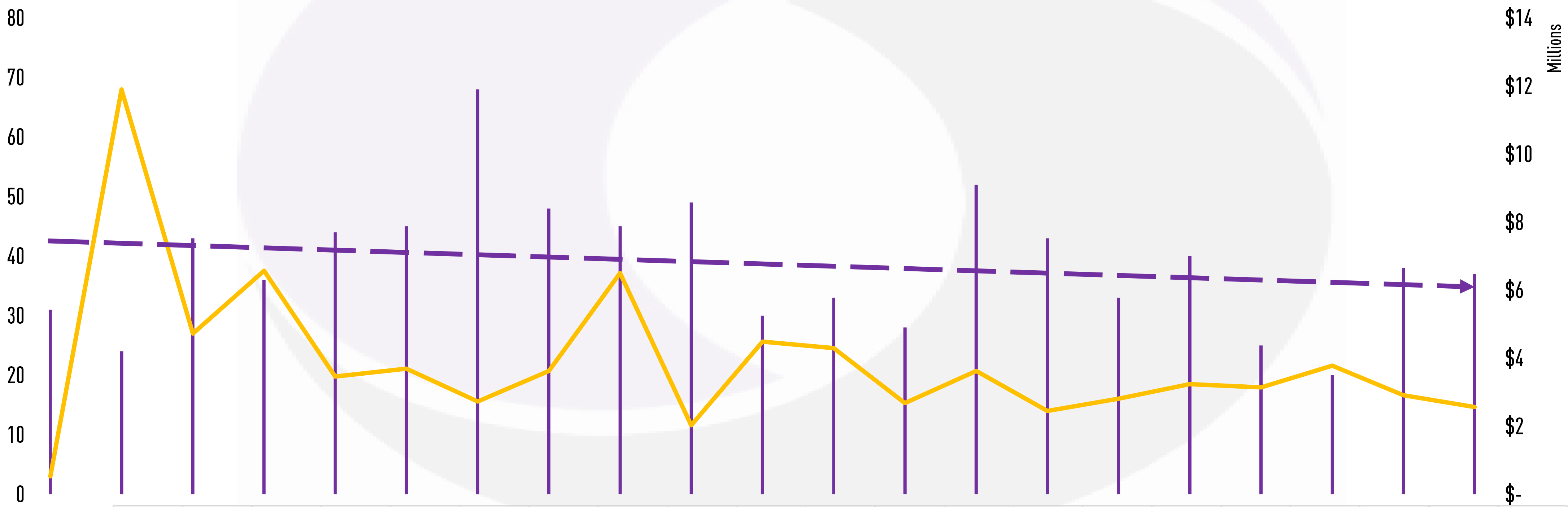
Explanation #2 – Total $ raised



*1,213 Mining companies listed on the TSX & TSX-V; Source: TSX.com; YTD April 2017

Explanation #2 – Average Deal Size

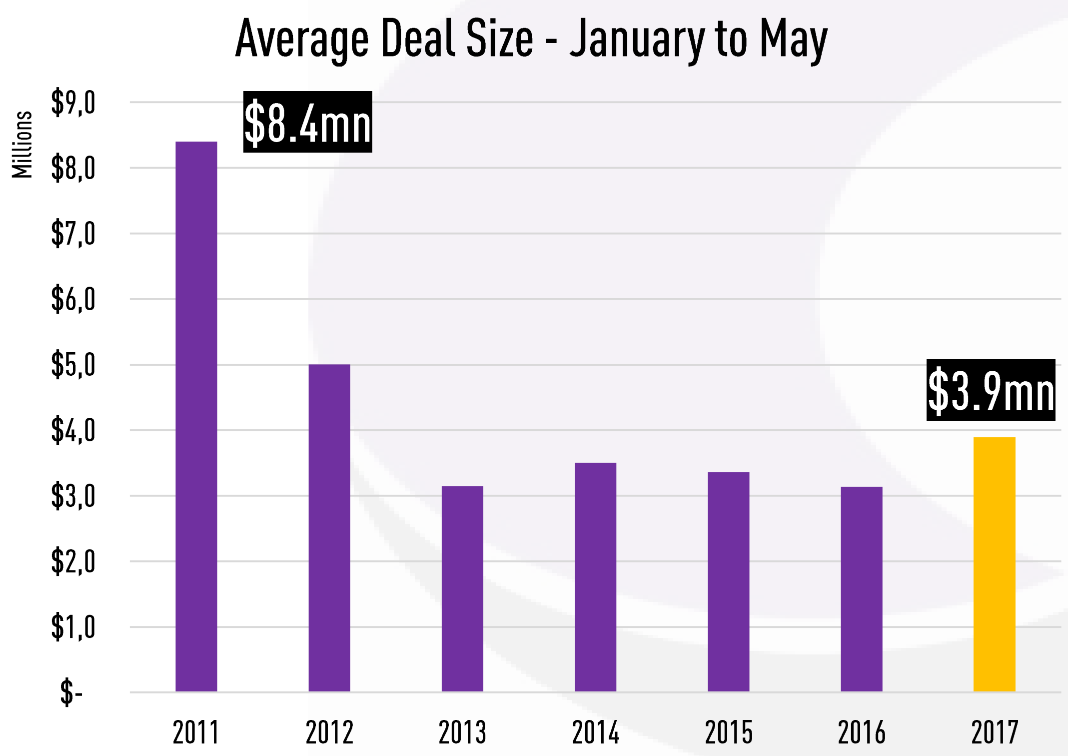
Average Deal Size & Number of Deals Opened

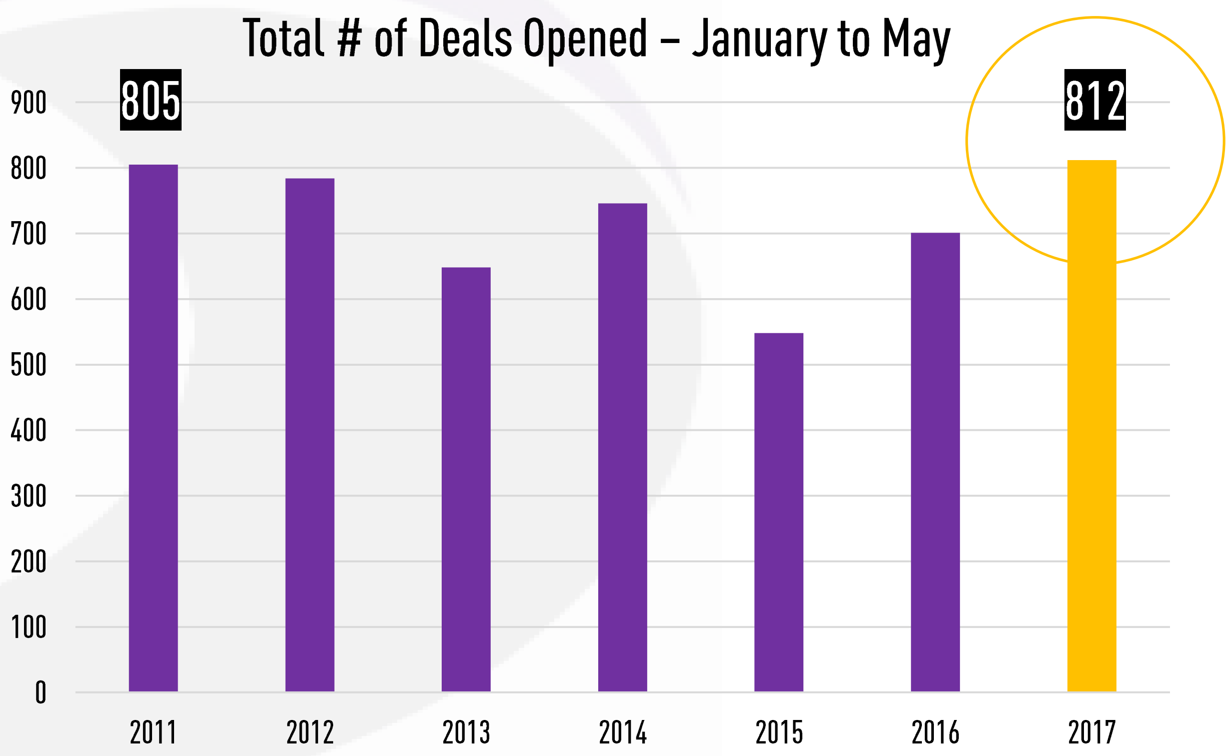


	5-Jan-17	12-Jan-17	19-Jan-17	26-Jan-17	2-Feb-17	9-Feb-17	16-Feb-17	23-Feb-17	2-Mar-17	9-Mar-17
Series1	31	24	43	36	44	45	68	48	45	49
Series2	$523.715	$11.899.6	$4.723.73	$6.570.17	$3.458.59	$3.691.88	$2.726.59	$3.618.97	$6.501.60	$2.026.42

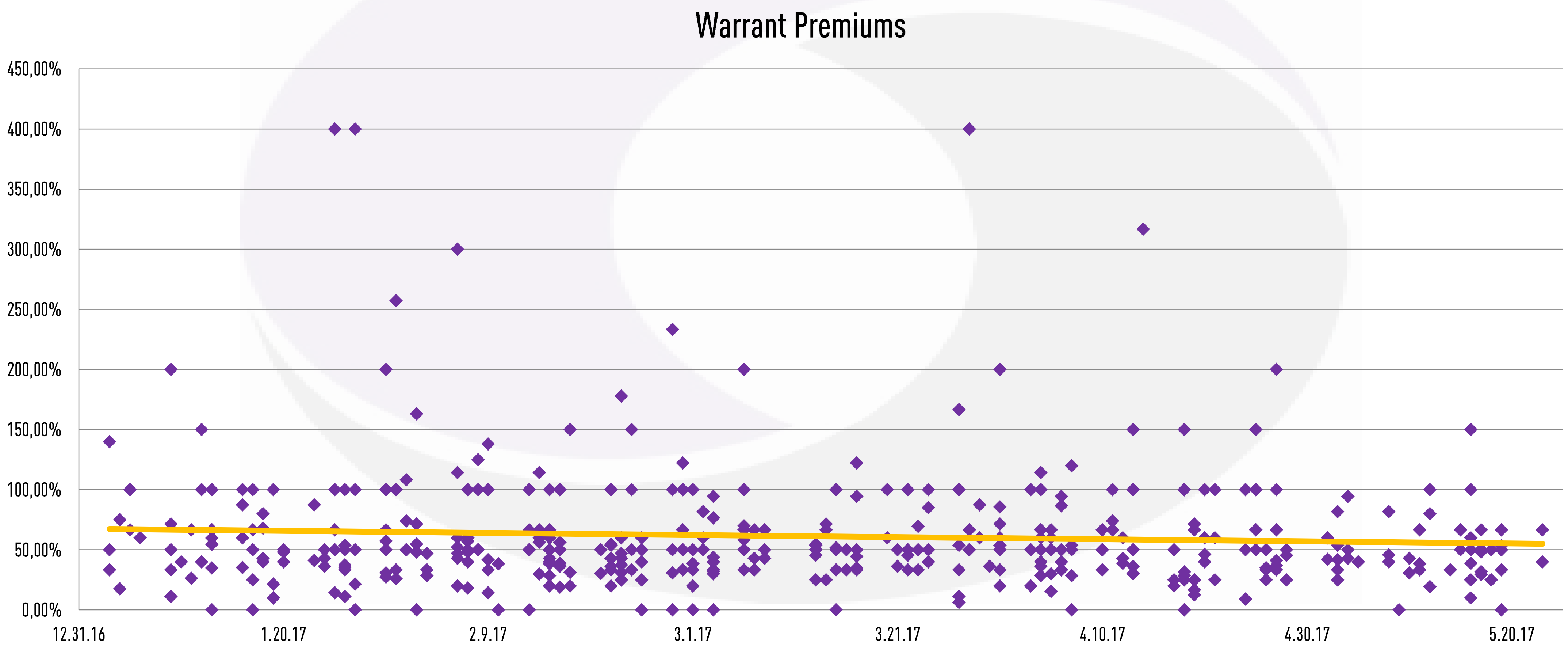
	16-Mar-17	23-Mar-17	30-Mar-17	6-Apr-17	13-Apr-17	20-Apr-17	27-Apr-17	4-May-17	11-May-17	18-May-17	25-May-17
Series1	30	33	28	52	43	33	40	25	20	38	37
Series2	$4.487.61	$4.293.98	$2.679.89	$3.620.43	$2.449.25	$2.806.86	$3.237.75	$3.137.23	$3.776.80	$2.907.03	$2.563.80

Explanation #2 – Average Deal Size

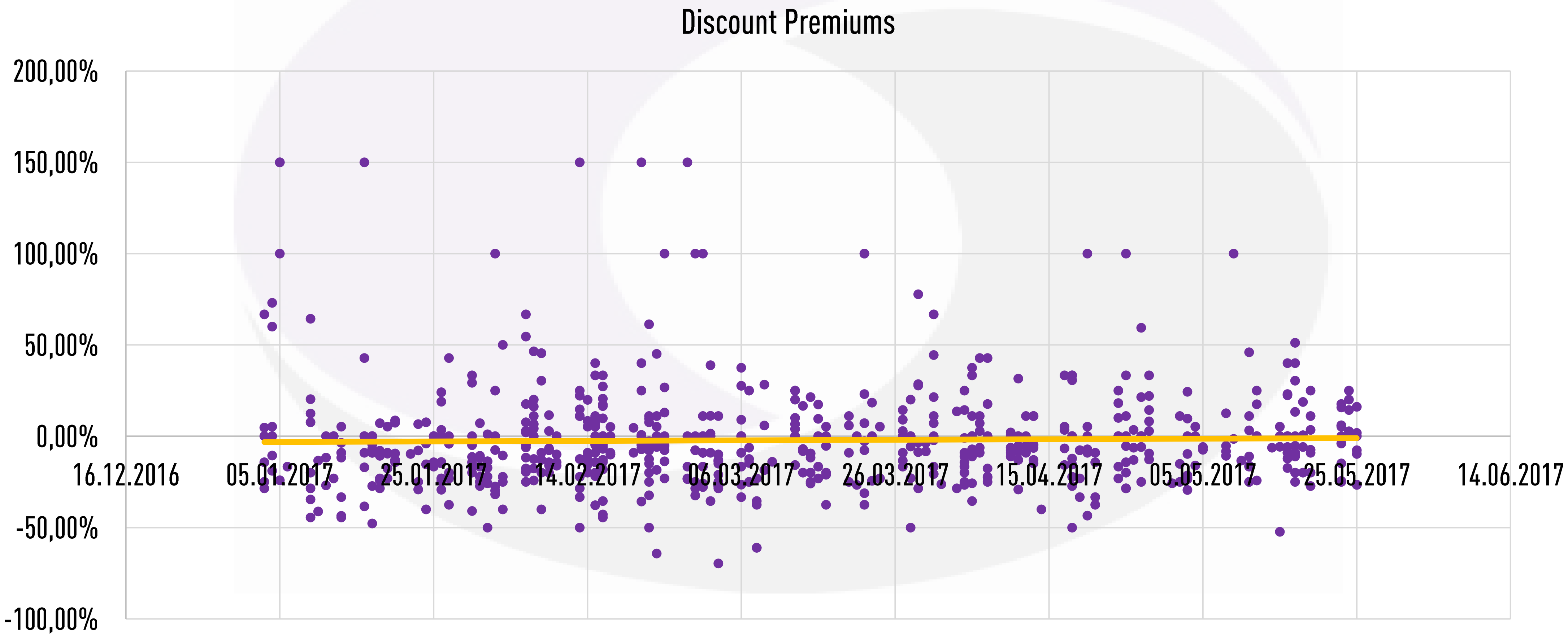




Explanation #2 – Deal Quality



Explanation #2 – Deal Quality

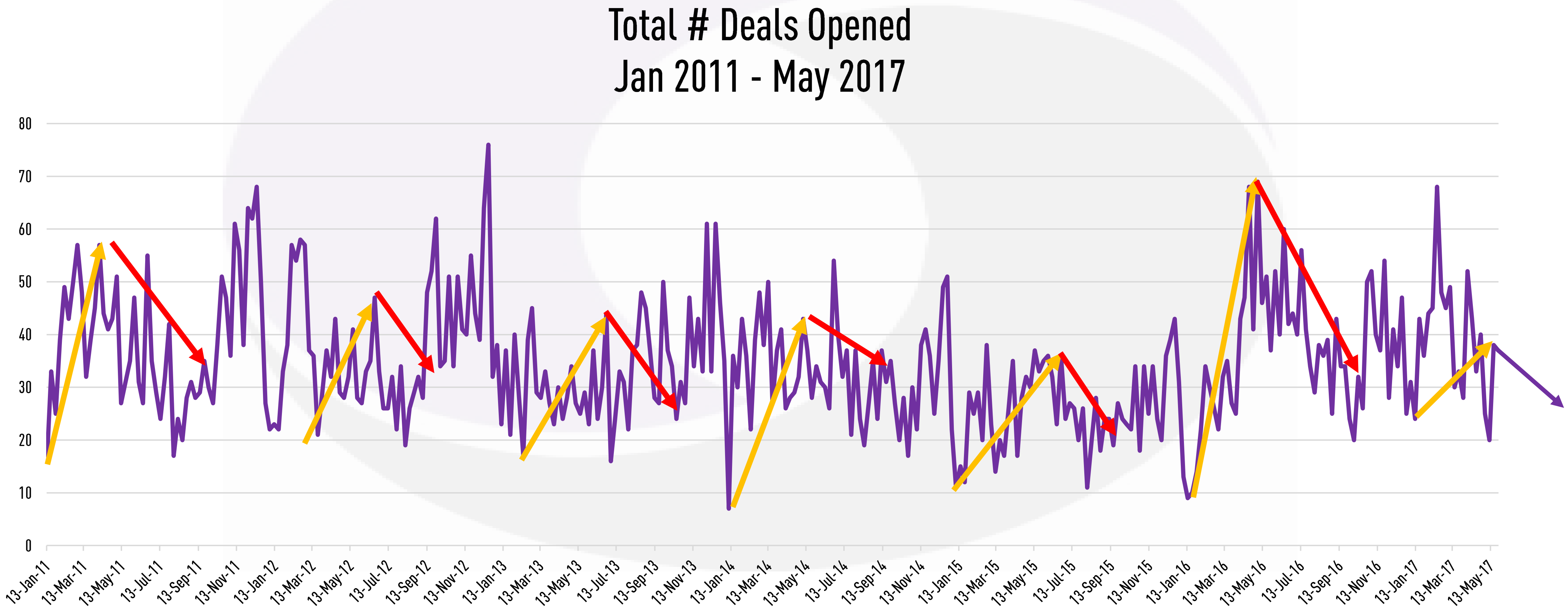


Explanation #2 - Summary

- Total $ raised – confirmed
- Average Deal Size
  - YTD: confirmed
  - YoY: confirmed
- Deals Opened
  - YTD: confirmed
  - YoY: confirmed
- Deal Quality
  - Warrant Premiums: confirmed
  - Discount Premiums: not conclusive

Food for thought

What to expect in the coming months?



TOP 10 Financings 2017 – All sectors

1	Fortuna Silver Mines Inc.	Silver	$	97,994,058.75
2	Bluestone Resources Inc.	Copper	$	80,000,000.00
3	JDL Gold Corp.	Gold	$	63,419,172.00
4	Osisko Mining Inc.	Gold	$	52,111,800.00
5	Northern Dynasty Minerals Ltd.	Copper	$	48,995,474.00
6	Itafos	Phosphates	$	45,932,135.01
7	Argonaut Gold Inc.	Gold	$	45,000,000.00
8	Dundee Precious Metals Inc.	Precious Metals	$	43,715,644.00
9	Platinum Group Metals	PGM	$	37,378,737.50
10	Auryn Resources Inc.	Diversified	$	35,020,615.00

Market Cap below $1.5bn, ex Oil & Gas

TOP 10 Financings 2017 – Battery Metals

1	Neo Lithium Corp.	Lithium	$ 25,005,000.90
2	Advantage Lithium Corp.	Lithium	$ 20,000,000.00
3	eCobalt Solutions Inc.	Cobalt	$ 17,250,000.00
4	Bacanora Minerals Ltd.	Lithium	$ 16,896,000.00
5	Largo Resources Ltd.	Vanadium	$ 16,083,053.55
6	Lithium X Energy Corp.	Lithium	$ 15,010,000.00
7	Bacanora Minerals Ltd.	Lithium	$ 12,946,627.00
8	Millennial Lithium Corp.	Lithium	$ 5,937,500.00
9	Liberty One Lithium Corp.	Lithium	$ 4,175,641.70
10	Elcora Advanced Materials Corp.	Graphite	$ 2,645,823.00

TOP 10 Financings 2017 – Gold

1	JDL Gold Corp.	TSX-V:JDL	$ 63,419,172.00
2	Osisko Mining Inc.	TSX:OSK	$ 52,111,800.00
3	Argonaut Gold Inc.	TSX:AR	$ 45,000,000.00
4	Golden Star Resources Ltd.	TSX:GSC	$ 34,500,345.00
5	Continental Gold Limited	TSX:CNL	$ 34,360,000.00
6	Osisko Mining Inc.	TSX:OSK	$ 30,084,000.00
7	Barkerville Gold Mines Ltd.	TSX-V:BGM	$ 27,028,450.00
8	Goldquest Mining Corp.	TSX-V:GQC	$ 22,860,000.00
9	Seabridge Gold Inc.	TSX:SEA	$ 22,000,000.00
10	JDL Gold Corp.	TSX-V:JDL	$ 20,000,000.00

THANK YOU TO OUR SPONSORS

Zinc One Resources Inc.

NEW

Zn

"Grade is king – high grade is rare – this is a rare situation"

TSX-V: Z; OTC: ZZZOF

www.zincone.com

Prospero Silver Corp.

Au, Ag

Prospect generator: Combining science with experience in Mexico

TSX-V: PSL

www.prosperosilver.com

NuLegacy Gold Corporation

Au

Cortez Trend focused gold explorer with excellent shareholders

TSX-V: NUG

www.nulegacygold.com

Kootenay Silver

Ag

Targeting low-cost future silver production in Mexico's north

TSX-V: KTN

www.kootenaysilver.com

Avrupa Minerals

Cu, Zn, Au

Exploring for base and precious metals in significant, mining friendly, belts in Europe.

TSX-V: AVU

www.avrupaminerals.com

DISCLAIMER

"Oreninc", a brand of Soar Financial Canada Corp. is a research service providing customized reports for client companies and brokers in the mining and commodities sectors, as well as producing the ODL, a digest, updated daily, of financings in the mining and commodities space. This disclaimer statement is an integral part of our service, this report and the accompanying presentation. Oreninc is not an investment bank and does not currently have any investment banking relationships with any of the subject companies or brokers of its reports, nor does Oreninc make a market, or act as principal in any securities. Oreninc is not an investment broker-dealer, does not offer securities for purchase or sale, and is not licensed or qualified to provide investment advice. Oreninc reports do not constitute a solicitation or recommendation to buy or sell any securities whatsoever.

Conflicts statement: none

All research reports and presentations issued and made by Oreninc are based on public information derived solely from publicly available sources such as, but not limited to, public company filings, company news releases, and financial data. We have not verified the accuracy of such public information, nor do we have any obligation or duty to update or correct any public information for any errors, misstatements, or material changes to such public information. You are strongly encouraged to verify all claims through your own thorough and independent research or due diligence. Oreninc research reports containing any valuations or fee targets and/or recommendations are believed but not guaranteed to have bases which may be substantiated as reasonable and adequate.

Oreninc presentations are intended for informational purposes only, and are intended to inform the reader only. This Oreninc presentation represents solely the Oreninc Analyst's opinions regarding subject matter at the time of production of the report. The Oreninc Analyst bases his or her opinions exclusively on public information available at the time of production of the report. The Oreninc Analyst has not received any material non-public information regarding the subject companies or brokers. All estimates, opinions, and/or recommendations expressed in this report are subject to change without notice, and Oreninc is under no requirement to, and shall not, update the opinions and recommendations expressed herein in light of any subsequent events. The price targets presented in Oreninc reports are based explicitly on a significant number of our own estimates and assumptions, based solely on previously disclosed public information, and there can be no assurance that our price targets will be met, or whether the assumptions/estimates regarding the client company's actual financing outcomes will materialize. We may not publish any of our bases for such estimates and assumptions.

You should understand that there is no guarantee that past performance by any companies will be indicative of future results by the same or different companies. Neither Oreninc nor any of its analysts, directors, or employees shall be liable to you, or anyone else, for any loss or damages resulting from the use of its research reports, opinions, and/or recommendations caused in whole or in part by negligence or contingencies beyond its control in procuring, compiling, interpreting, or reporting its research contents. Oreninc disclaims any and all liability as to the completeness or accuracy of the information contained in, and any omissions of material facts in, its reports.

Companies should not rely solely on the recommendations and opinions contained therein. Any recommendation should not be taken as a substitute for the exercise of independent judgment and due diligence of the merits and risks of financings.

FORWARD-LOOKING STATEMENTS (SAFE HARBOR STATEMENT): The information set forth in this presentation may contain "forward-looking statements" subject to certain risks and uncertainties that could cause actual future results, performance or achievements to differ materially from any historical results. Statements in reports which are not purely historical in nature, including statements regarding beliefs, plans, expectations or intentions regarding the future, are forward-looking. Statements that are not historical facts, including statements that are preceded by, followed by, or that include such words as "estimate," "anticipate," "believe," "plan", "intend", "expect", "may" or "should" or similar statements, are forward-looking statements. Risks and uncertainties include, but are not limited to, the risks associated with the impact of general economic conditions, competitive companies, market acceptance, and the availability of high quality, qualified personnel and management. Other risks include but are not limited to factors affecting access to capital to meet all of the client company's financial requirements, and the company's ability to control costs. There can be no assurance that client company's efforts will succeed and ultimately achieve sustained commercial success. These forward-looking statements are made as of the date of the report, and Oreninc does not assume any obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forwardlooking statements. There can be no assurance that beliefs, plans, expectations or intentions of persons producing data upon which Oreninc analysts rely in this report will prove to be accurate.