

# The Bellecombe Project: Abitibi Strikes Again

## Project Description

A Pre-Feasibility Study was conducted by Abitibi Gold Resources for The Bellecombe Project located in the northwest part of the Canadian province of Québec.

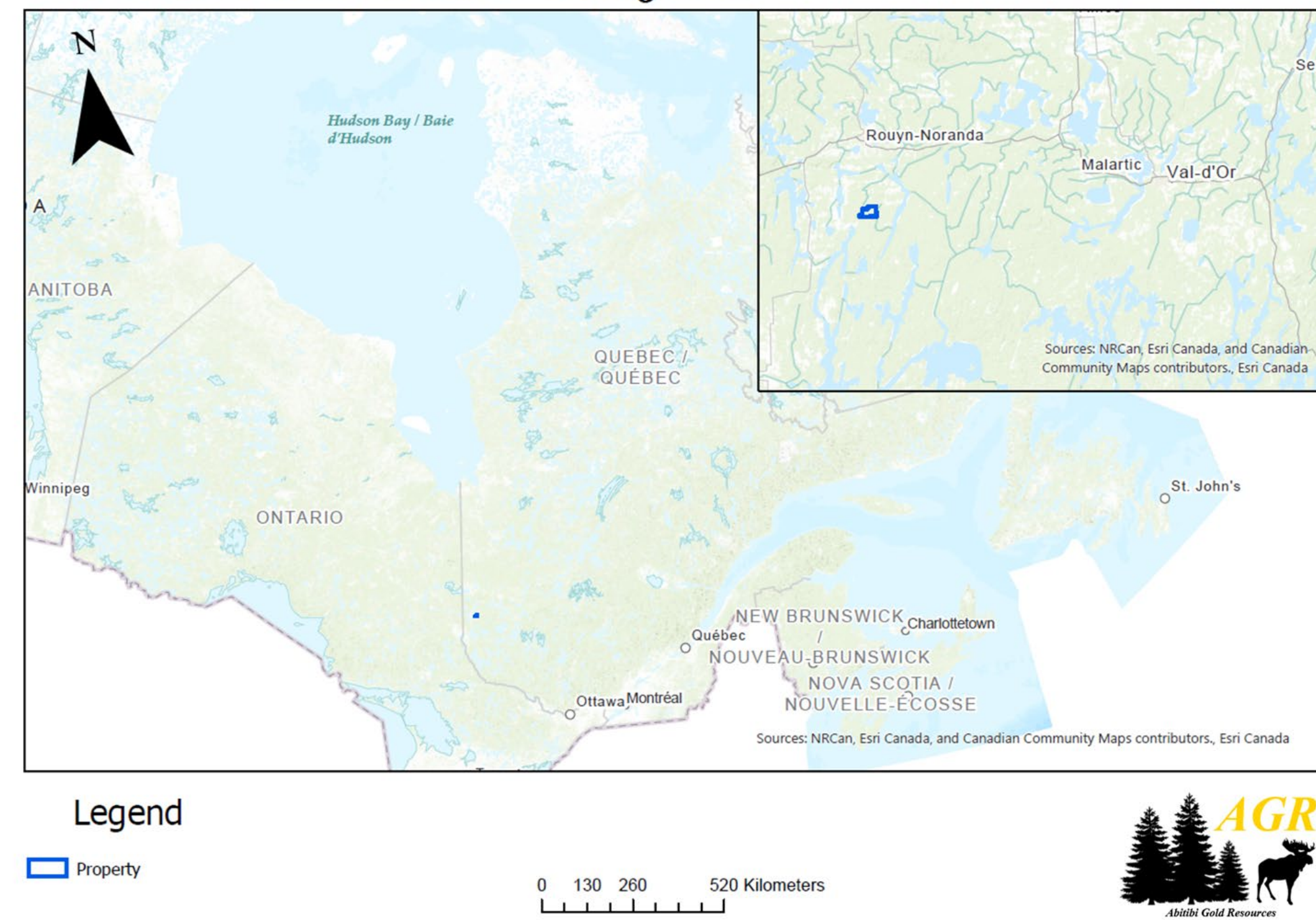
An extensive study was conducted of the geological area within the Bellecombe Property, which consists of 1,304 hectares encompassed within 17 mining claims and 3 mining concessions. The study has been prepared in compliance with the Canadian disclosure requirements of the National Instrument Standards of Disclosure for Mineral Projects (NI-43-101).

## Property Location

The Bellecombe Project is located within the Abitibi-Temiscamingue Administrative Region in the northwest part of the Canadian province of Québec located:

- 22 km south of the city of Rouyn-Noranda
- 90 km west of the city of Val D'Or

### AGR Bellecombe Project

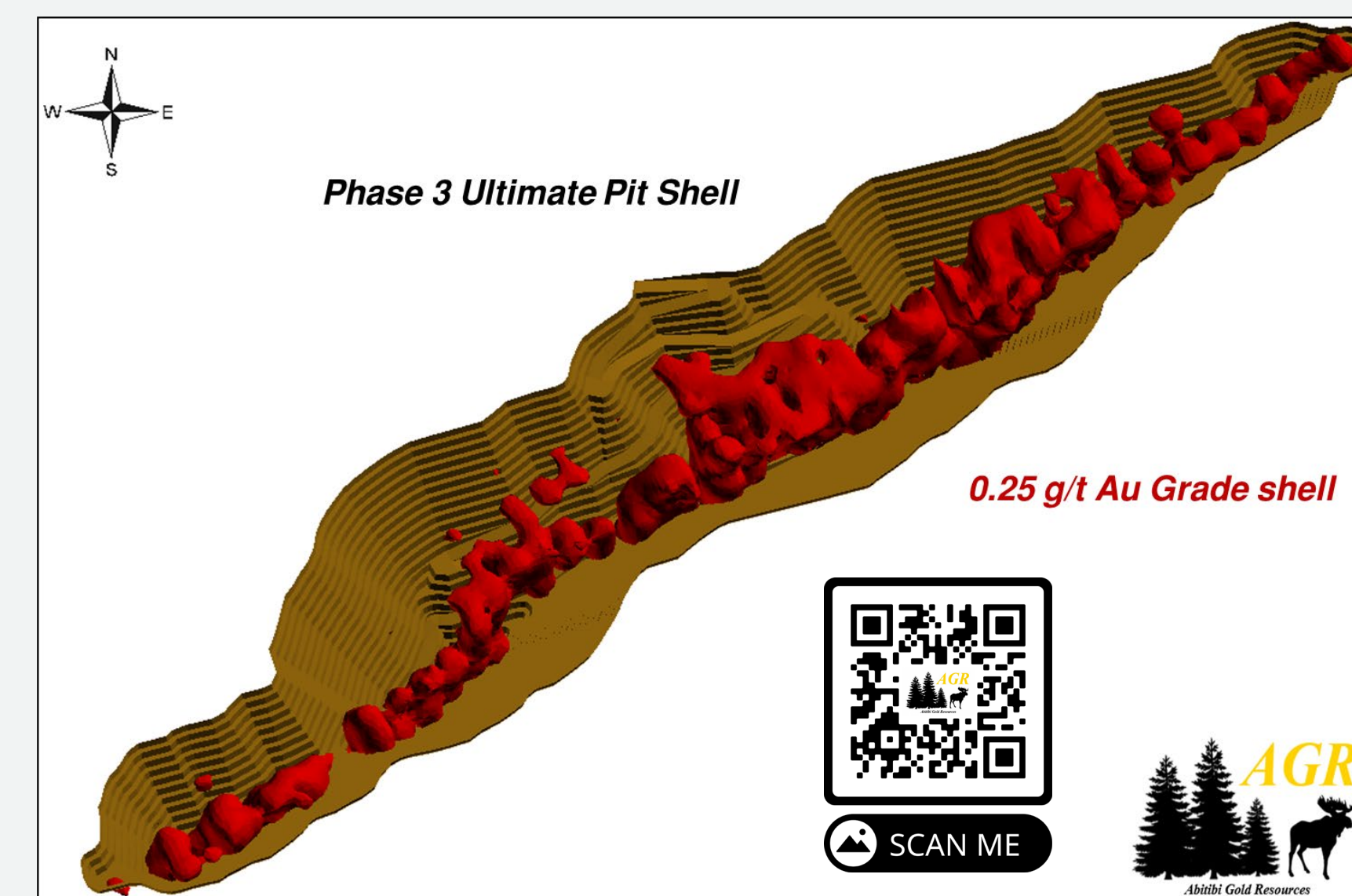
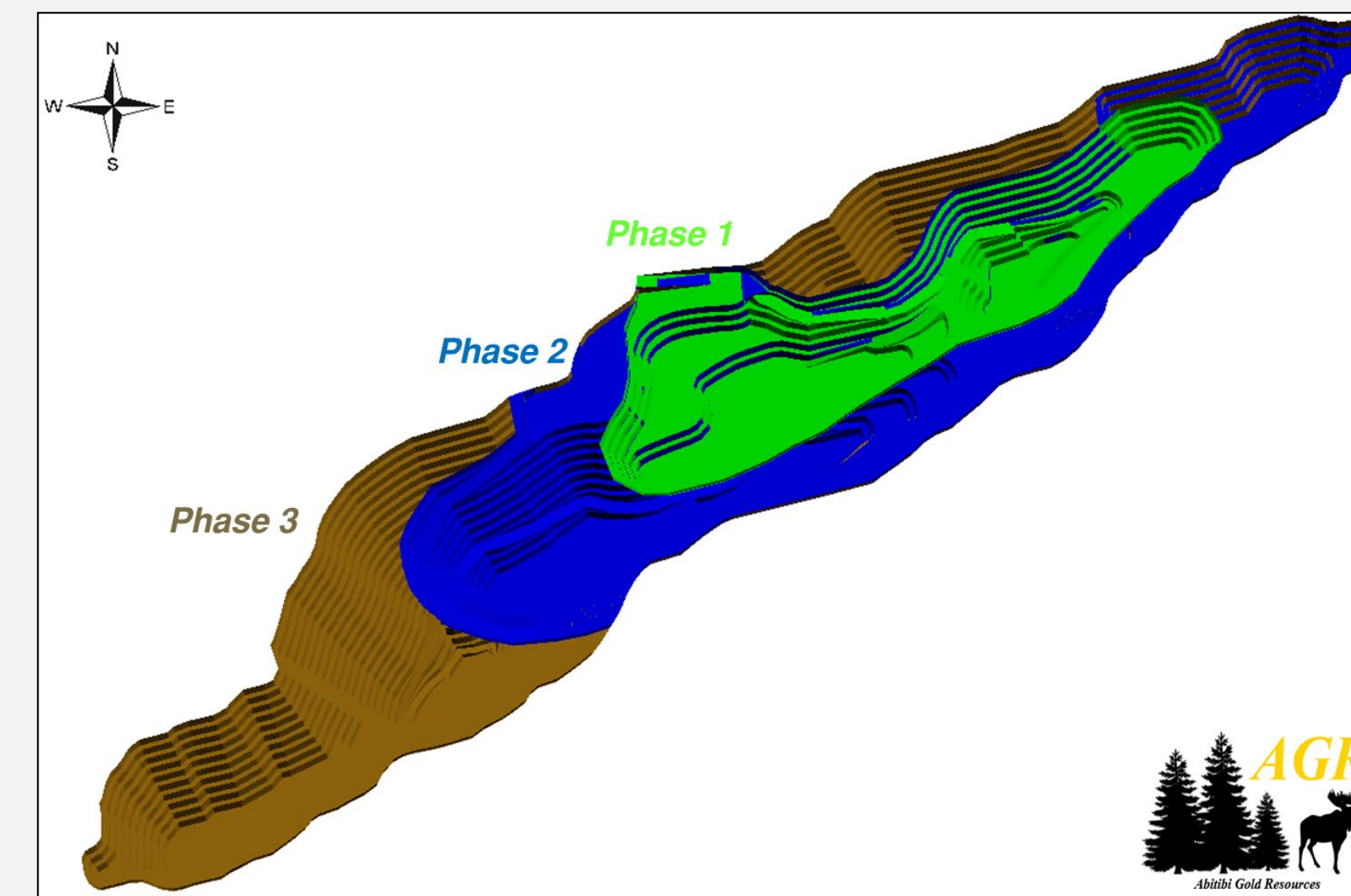


## Overview

- The Bellecombe Project is a proposed open-pit gold mine in the historic Abitibi Greenstone Belt
- Phase 1 drilling completed, with over 73,000 meters drilled across 420 drill holes
- Mineralization of Au & Ag is associated with small quartz veinlets, quartz diorite stocks, & dykes
- Economic analysis indicates an internal cut-off grade of 0.25 g/t Au with an average deposit grade of 1.26 g/t
- Estimated mine life of 7 years at a stripping ratio of 2.08:1 with total ore production of 5.45 Mt per annum
- Indicated and Measured reserves total 1,205,000 oz Au & 65,000 oz Ag

## Design Details

### Open-Pit Design



The Bellecombe Project was designed to be mined in 3 phases to optimize gold production and expedite the positive cash flow period. The ultimate pit shell was optimized for a break-even cut-off grade of 0.52 g/t Au with the following parameters:

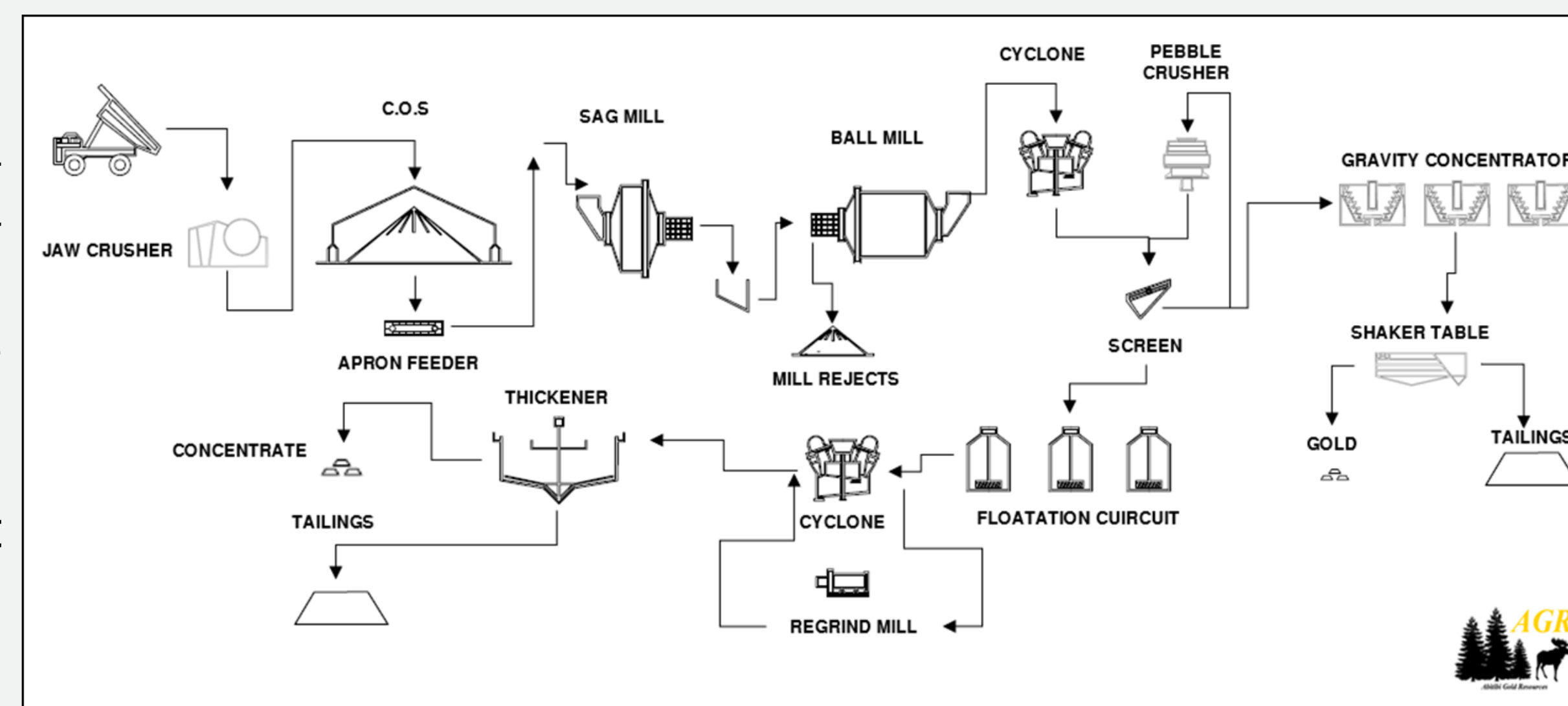
Optimization Parameters	Unit	Value
Overall Slope Angle	Deg. (°)	47
Production Rate	tpd	15,000
Stripping Ratio	Waste:Ore	2
Au Price	USD/oz	\$1,600
Au Recovery	%	92
Ag Price	USD/oz	\$25.50
Ag Recovery	%	65
Mining Cost	CAD/t	\$9.67
Milling Cost	CAD/t milled	\$11.14
Selling Cost	CAD/oz	\$43.23
Exchange Rate	CAD:USD	1.31
Bench Height	m	10
Catch Bench Width	m	7
Bench Face Angle	Deg. (°)	75

Haul roads were designed based on a fleet of CAT 777 haul trucks. Single lanes were utilized near the pit bottom for all phases to maximize ore recovery.

Haul Road Parameters	Unit	Value
Double Lane Width	m	20
Single Lane Width	m	10
Ramp Grade	%	10

### Milling Process

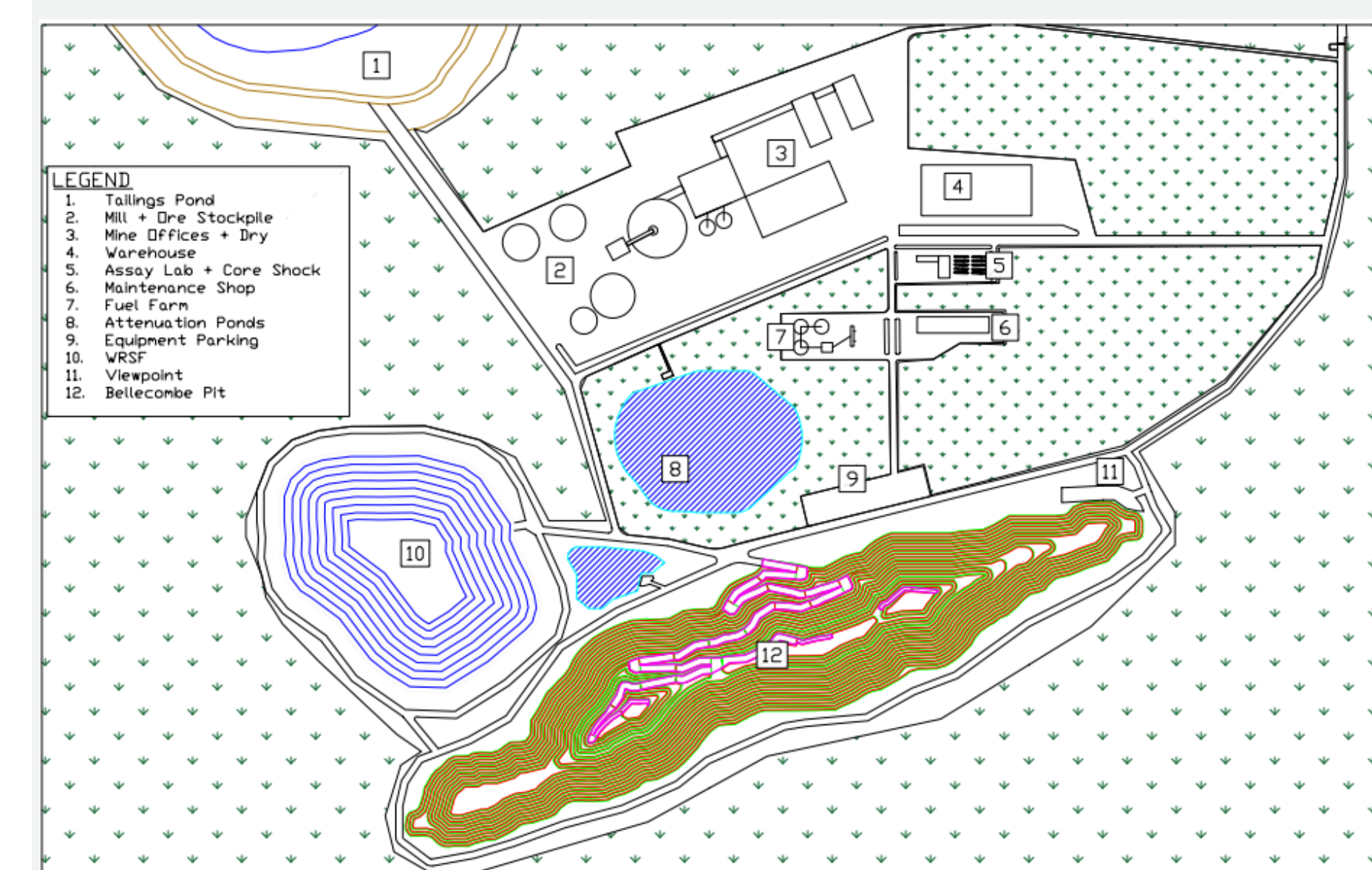
- The milling process consists of a two-stage recovery process: a gravity circuit & a floatation circuit
- Metallurgical testing identified the ore to be gravity recoverable (GRG) and 65% of the gold can be recovered through a gravity circuit which helps to lower the processing costs



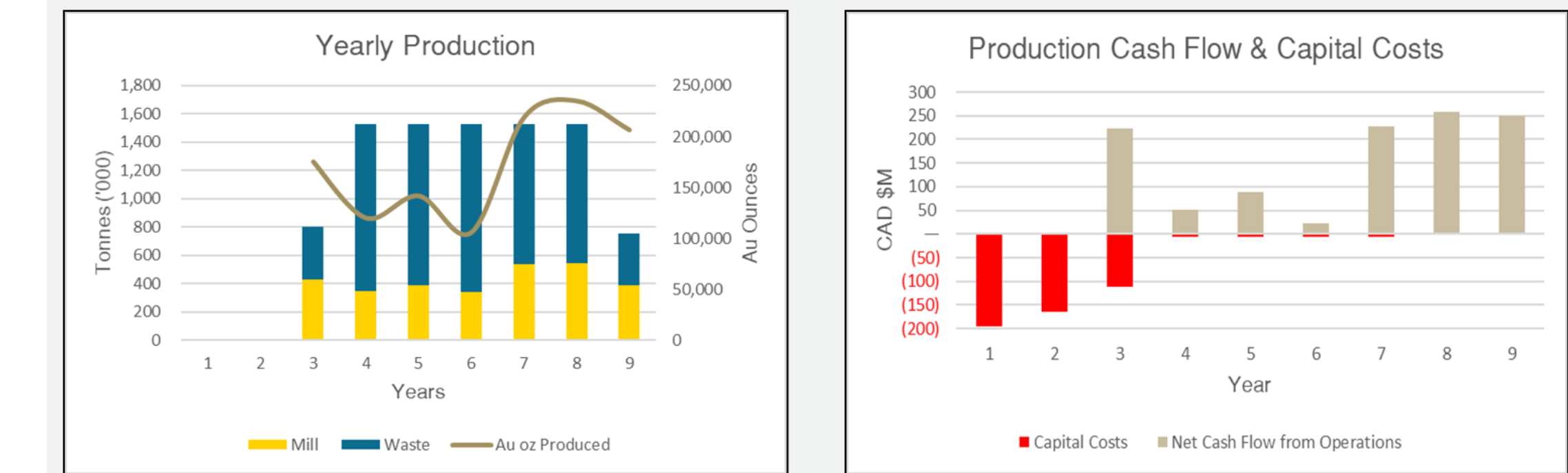
### Equipment Selection

Fleet Type	Model	Quantity
Haul Truck	CAT 777G	11
Lube Truck	CAT730 Wiggle	2
Water Truck	CAT 777	2
Production Drill	Pit Viper 231	2
Pre-Split Drill	PanteraDP1500i	1
Loading Unit	CAT6020	2
Excavator/Backhoe	CAT313GC	2
Grader	CAT16M	2
Grader	CAT24M	2
Dozer	CATD9	4
Wheel Loader	CAT992	2
Wheel Loader	CAT930M	2
Wheel Loader	CAT930K	2

### Site Layout



## Economic Overview



Capital Cost (CAD \$M)	
Mine Equipment & Infrastructure	\$105.3
Mill & Infrastructure	\$269.2
Maintenance Shop & Warehouse	\$14.8
Exploration Program	\$50.8
Tailings Dam	\$53.7
Reclamation Bond	\$46.9
<b>Total</b>	<b>\$540.7</b>

- The first two years are considered for development and construction, with production beginning in year 3 at 60%, and ramping up to full production in year 4.

## Our People & Sustainability

- Abitibi Gold Resources is committed to safety and environmental stewardship while delivering socio-economic benefits to the local communities.
- Partnership agreements with the local Algonquin First Nations communities will ensure training and economic opportunities.
- AGR recognizes that good environmental practice is critical to good operational performance and building community trust and acceptance.
- AGR is committed to proactive open communication with all stakeholders about environmental management activity.

## Conclusion & Recommendations

- Initial design parameters are promising with potential for additional reserves to be added by evaluating the underground potential of the deposit.

Parameter	Unit	Value
Discount Rate	%	8
NPV	CAD\$M	156.2
IRR	%	16
Pre-Tax IRR	%	22

- Along with a positive financial outlook, the Bellecombe Project will contribute CAD \$47.5M in royalties and an additional CAD \$158.1M in Federal and Provincial Taxes. It is recommended that the project be approved.

## References



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