The unique chance to build significant mining project in Russian Urals region, just 2 hours by plane from Moscow
Unique infrastructure; 60 km from the 4th city of Russia (Ekaterinburg)
Initial investments in greenfield & brownfield stage $18 mln since 2015.
Over 6 Moz inferred resources confirmed by CSA global. Second updated NI 43-101/JORC resource report is in progress in spring 2019 year
Experienced local team with 25 years + in global mining, strong state support from local and federal level
the consolidated investment value of 100% equity -$333 mln, IRR -25% prepared by EY Moscow office.
Potential value using market approach/multiples (July 2018, Market data) is 143 mln usd for junior gold companies
Looking for a partner with world experience preferred major or international private equity natural resources fund; flexible and negotiable entry scenarios

GMIC&UralsGold
Urals advantages compared to Siberian Regions and Far east of Russia

Urals is the only region in Russia with:
• such opportunities for new gold discoveries
• within excellent infrastructure

GEOLOGICAL & MINING FEATURES
• Oxidized ore (weathered profile) to the depth of 100-150 m
  - High quality ore:
    - Free milling gold;
    - Gravity extraction is possible

LOGISTICS
• Infrastructure is excellent:
  - asphalted roads everywhere; railroad <20-25 km;
  - high voltage electric lines (500 kWt); gas pipelines
History of Urals gold exploration

- The Ural Gold project is located in the oldest Russian mining region with over 300 years of mining history. The oldest Russian gold deposit Berezovskoe, which was discovered in 1745, is located near Yekaterinburg.
- Urals is unique tecnonic belt (2800 km long and 200 km wide), the frontier between of European and Siberian Cratons.
- Numerous iron, copper, PGM metals and other deposits are in production in the Urals for 300 years.
- Over 1000 tons (30 Moz) of gold have been produced in the Urals since 1747.
- All Urals gold came from quartz-veins deposits (250 tons/8 Moz) and gold placers (750 tons/22 Moz).
- Systematic geological investigation of the Ural Gold Project areas started between 1940 to 1950. Several generations of geological maps at scales ranging from 1:10,000 to 200,000 were prepared. The latest maps are dated from the beginning of the 2000s.
- Geophysical, geochemical surveys were completed in most areas. Exploration drilling has been completed in many areas of the Ural Gold Project.
- Historical exploration studies were focussed on the identification of gold mineralisation in veins and dykes. A small number of prospecting studies in the Sapinsky area were focussed on identifying metasomatic zones.
- The most recent discoveries in the Urals:
  - Vorontsovskoe in 1984 100 tons / 3.2 Moz @ 7.5 g/t;
  - Svetlinskoe in 1984 45 tons/1.5 Moz@2.4 g/t).
Overview

• GMIC is a junior gold exploration mining company focused on development 16 license blocks for exploration, with expiration date till December 2022 with right to update existing licenses for geological works till December 2024.

• All deposits located mostly 60 km north of Ekaterinburg (see Figure 1) Russian Federation, along the famous Ural Gold District with placer and bed-rock gold deposits. Project areas of the Ural Gold Project are grouped in 5 clusters (See Figure 2& table 1): The Nevyansk cluster consists of 8. All prospective areas are located along the meridional Ural highway P352 and parallel railway system, which connects all main cities and industrial centres in the Middle and North Ural: Yekaterinburg – Nevyansk – Nizhny Tagil – Serov – Ivdel’ prospective areas (Middle Ural); The Central cluster consists of 2 prospective areas and is located in the Krasnouralsk – Nizhnya Tura industrial area (Middle Ural); The Western cluster consists of 3 prospective areas and is located to the west of the Nizhny Tagil industrial area (Middle Ural); The Turinsk cluster consists of 1 prospective area and is located in an area of low population, to the south of the Turinsk – Serov industrial area (Middle-North Ural); The Northern cluster consists of 2 prospective areas: Ivdelsky and Manyinsky. The Northern cluster is centred at approximately is located in the Ivdel’ industrial area (North Ural). All prospective areas are located along the meridional Ural highway P352 and parallel railway system, which connects all main cities and industrial centres in the Middle and North Ural: Yekaterinburg – Nevyansk – Nizhny Tagil – Serov – Ivdel.

• First, all perspective gold areas were investigated since 1995 by former Canadian listed gold giant Placer Dome (now is the part of Barrick gold).
Key issues and main advantages

❯ Gold grades in average 4-5 g/th;

❯ Confirmed by the presence of rich ore blocks with a content of 3-4 g / tonne, which is significantly higher than the average for world deposits - 1-2 g / tonne

❯ It is possible to use traditional low-cost gold extraction technologies due to the absence of resistant ores

❯ Near the subsoil areas there is a developed infrastructure & logistics (motor roads - near the borders, and power lines (cross the area). Licensed areas are located in the area of the already existing infrastructure for the enrichment of gold-bearing ore - Vorontsovskaya (Polymetal PLC listed LSE ) and Shuralinskoe deposit (UMMC – one of the most largest private mining companies in Russia, the second copper producer in Russia)

❯ Investment value of business, using income approach (DCF method) is 333 mln usd according to June 30, 2016, prepared by EY (Ernst&Young) Moscow office;
Figure 1. Location of Urals gold project
Figure 2. Clusters of the Ural Gold Project
Existing plants near the areas of Ural gold project

• Berezovsky processing plant. Flotation (400 th.t/yr.), tank cyanide leaching (200 th.t./ye/) and heap leaching (no limitations). The final product is gold in zinc after Meryl-Crow.

• Primary and oxidation ore may be processed on this plant. Berezovsky plant provides services for processing of the ore from other deposits.

• Vorontosvky processing plant (owned by Polymetal plc). CIP (1,000 th.t./yr) and heap leaching (800 th.t./yr). The final product is Dore alloy. Primary and oxidation ore may be processed on this plant. Vorontosvkoe deposit is mostly depleted and Polymetal is interested in processing of ore from other deposits.

• Byngovsky proposed processing plant (expected to be completed in 2019). Gravity concentration and CIP (300-400 th.t./yr). The final product is ash of gold-bearing gold, later Dore alloy.
Table 1. Corporate structure of GMIC
( Geological mining investment company)
# Management & Project Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Role Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Shvets, Dr.Sc, Ph.D (mineral econ)</td>
<td>CEO</td>
</tr>
<tr>
<td>Yuri Telegin</td>
<td>head of geology department-chief geologist</td>
</tr>
<tr>
<td>Sergey Shvets, Dr.Sc, Ph.D (mineral econ), member of SPE-Deputy CEO M&amp;A, business development</td>
<td>Deputy CEO M&amp;A, business development</td>
</tr>
<tr>
<td>Igor Svintitsky</td>
<td>Advisor to CEO-geology</td>
</tr>
</tbody>
</table>

*GMIC & URALS GOLD mining company*
Company board - Strong and experience Board with track record in Russian mining industry

Michael Shvets, Dr.Sc, Ph.D (mineral econ)-Chairman, Michael is a seasoned mining and venture specialist focused on natural resources during 20 years. He was responsible for oil projects in Eastern Siberia since 2008 till 2013 and exited successfully jointly with group of investors. He wrote more than 50 papers devoted to regional economics and 4 books. He is general director of Center of modeling strategy economics region since 2001, as well he was chief scientific fellow in Institute of economics urals branch. Currently he is member of the public council under Federal agency of subsoil (Rosnedra) and chair of innovation committee under National association of subsoil expertise.

Andrey Mehlitsov- Graduated from Moscow State University, Mechanical-Mathematical and Geological department in 1995. Andrey is experienced and seasoned mining professional, currently Deputy General Director of MMC Onexim (part of Onexim group) Earlier he was Director Engineering of Uranium One Group. (Part of Rosatom global mining company). Prior to Uranium One Group he was the Chairman of Board of Directors and a Principal Economist of SRK Consulting (Russia). He has more than 20 years’ experience in mining projects development from exploration till construction, resource/reserves calculation in accordance with international codes and Russian classification, development of international studies at various levels (Scoping Study, Prefeasibility Study, Feasibility Study), preparation of independent reports in support of finance raising (CPR, IMMR, Due Diligence Audits of mining companies and projects economic evaluation. Andrey manages activities aimed at harmonisation of Russian and international approaches to resource/reserve estimation and mine designs. Member of the MAusIMMI, MAICD, OERIN, G12 Expert, State Parliament (Duma) expert for subsoil use. He is focused on different mining projects especially gold, copper, polymetal deposits.

Eugeny Aksonov Dr.Sc, Ph.D (geology), distinguished geologist of Russian Federation. Director of Central institute of geology non-metallic resources, after Federal agency of subsoil RF (Rosnedra). Graduated from Kazan State University in 1960, major: geology & exploration oil&gas deposits. The member of advisory section for mineral resources after Federal agency of subsoil, Leading specialist in Russian for geology precambrian. Scientific research: stratigraphy, tectonics, lithology of the Upper Proterozoic and Vendian of the Russian Platform and its folded frame. His unique background in mining industry is more than 50 years, focused especially on potash deposits for projecting underground pit.

Vladimir Rykov- Deputy general director Siberian scientific (Siberian) center for oil&gas resources (part of Sberbank-Capital) since 2015. He is responsible for corporate governance, GR, licenses and bidding for lenders. 

Oleg Kravchuk - At this time deputy general manager -Ikitkak division in Ilim Group (the leader in the Russian pulp and paper industry). Graduated from Irkutsk state university, major: geology & exploration oil&gas, worked for different geological department in Ikitkakology. Since 2012 till late 2016 he was Ministry of natural resources Ikitkak region.

Sergey Shvets, Dr.Sc, Ph.D (mineral econ), corporate secretary. Graduated from the State University of Management in 2000, Dr.Sc, Ph.D (mineral economics), Started his professional career as a business analyst–corporate finance department. Deloitte BIG 4 company, later he worked as advisor to General director The state commission of reserves under Rosnedra and advisor to General director Rusgeology.Since 2013 till 2017 advisor to Deputy chairman international oilfield services company Eiroll group. Sergey is member of advisory council ‘committee of energy The State Duma.

Akop Karamanyan, Ph.D (economics), independent director. Graduated from Erevan state university with honors, Moscow State University – Ph.D (economics), London Business School (LBS) – Sloan Masters degree. 2016 – present Managing Director, Corporate Finance Department, ATON (www.aton.ru), the oldest Russian independent investment house. 2014 – 2016 Advisor- Lytian International – (TSE-LYO), www.lytianinternational.co.uk, a junior gold mining company listed on Toronto Stock Exchange with assets in Armenia. 2012 – 2013 Chief Financial Officer (CFO), Member of the Board of Directors, Uzhuralzoloto Group of Companies (UGC, www.ugold.ru), the 5th largest/the largest private gold mining company in Russia with annual gold production of c.230 K2 and operations in 4 regions. Vice President 2005-2011 ING Corporate Finance Russia.
The Ural gold project is located in the Sverdlovsk region, along the famous Ural Gold District with placer and bed-rock gold deposits.

The biggest bed-reek deposits are:
- Berezovskoye (first Russian gold deposit in bed-rocks) - 6.5 Moz @ 2 g/t
- Vorontsovskoe – 2.3 Moz @ 7 g/t
- Bereznyakovskoye 2.0 Moz @ 3.5 g/t
- Kochkarskoe 3.5 Moz @ 7.0 g/t
- Svettinskoe 7.0 Moz @ 2 g/t

Vorontsovskoe, Bereznyakovskoye and Svettinskoe were discovered in 1980th.

Sverdlovsk region is one of the most industrially developed regions in the Russian Federation. Mining and metallurgical industries are the basis of the regional economy.

Berezovsky processing plant may be used for processing of ore from Nevynsky, Western and Central clusters. Capacity is 400 th.t./yr. including flotation, tank and heap leaching, Meryl-Crow.

Vorontsovskoye processing plant may be used for processing of ore from Central, Turinsk and Northern clusters. Capacity is 1,000 th.t./yr. including CIP and heap leaching, smelting of Dore alloy.

The target of new exploration program is metasomatic and stockwork zones in the historical areas where gold mineralisation were mined from high grade veins and in-situ placers. This strategy was successful in the eastern regions of Russia.
The Nevansk cluster is the priority for exploration and pilot production of gold. This cluster is located in the Nevansk industrial district, in 100 km from existing Berezovsky procession plant. The proposed Byngovsky processing plant is located in the middle part of the Nevansk cluster.

The most prospective areas in the Nevansk cluster are:

- Panovsky – 1.7 Moz (P1 + P2) with additional prospective places
- Sapinsky – 3.6 Moz (P1 + P2) with additional prospective places

The both Panovsky and Sapinsky areas may be a core of Nevansk cluster.

South-Nevansk area with 1.0 Moz (P1+P2) is the most prospective for pilot production due to figh recovery of gold by gravity concentration – 73% for oxidized mineralisation and 53% for primary mineralization (average 15% for other areas)
Panovskaya Lyaga is the best explored from the most prospective areas of the Nevinsky cluster.

1.5 tonnes gold was mined from high grade veins by underground mines in 1937-1955.

Current exploration program included drilling of the central block of the area (Panovskaya Lyaga) by sections with distance 150-200 m.

The best intersections:
- 42 m @ 3.17 g/t Au - 28 m @ 2.06 g/t Au
- 28 m @ 2.87 g/t Au - 26 m @ 2.91 g/t Au
- 24 m @ 3.37 g/t Au - 24 m @ 3.29 g/t Au
- 22 m @ 3.14 g/t Au - 20 m @ 3.07 g/t Au
- 18 m @ 2.99 g/t Au - 18 m @ 3.02 g/t Au

Other prospective blocks are located to north and south from Panovskaya Lyaga.
Lobvinsky area in Turinsky cluster is located close from Vorontsovskoye deposit which mostly depleted and Vorontsovsky processing plant may be used for ore processing from Lobvinsky area.

Current exploration program included drilling of the central block of the area (Serebryansky) by sections with distance 250 m.

The best intersections:
- 44 m @ 3.95 g/t Au
- 34 m @ 3.16 g/t Au
- 30 m @ 3.82 g/t Au
- 24 m @ 4.19 g/t Au
- 24 m @ 3.07 g/t Au
- 22 m @ 3.75 g/t Au
- 22 m @ 3.21 g/t Au
- 38 m @ 3.84 g/t Au
- 32 m @ 3.08 g/t Au
- 28 m @ 3.93 g/t Au
- 24 m @ 3.15 g/t Au
- 22 m @ 3.22 g/t Au
- 22 m @ 4.24 g/t Au
- 22 m @ 3.15 g/t Au
Mineralisation in the Ivdelsky and Maninsky areas (Northern cluster) was identified in mafic dykes.

The best intersections:
- 30 m @ 2.63 g/t Au - 26 m @ 3.14 g/t Au
- 24 m @ 2.85 g/t Au - 24 m @ 2.71 g/t Au
- 24 m @ 2.73 g/t Au - 22 m @ 2.81 g/t Au
- 22 m @ 3.05 g/t Au - 22 m @ 2.88 g/t Au
- 22 m @ 2.85 g/t Au - 22 m @ 2.60 g/t Au

Mafic dykes are historical known places for location of gold mineralisation which was verified by current exploration works.

Also Ivdelsky and Maninsky areas are prospective for identification of mineralisation of Vorontsovsky style. Prospective structural basis, metasomatic alterations along border of carbonate and silicate rocks as well as silicification of carbonate rocks are good features of these areas for identification large volume mineralisation.
Ivdelsky perspective zone is that new Vorontsovsky deposit in future?

Also Ivdelsky and Manyinsky areas are prospective for identification of mineralisation of Vorontsovsky style owned by Polymetal plc listed in LSE. Prospective structural basis, metasomatic alterations along border of carbonate and silicate rocks as well as silicification of carbonate rocks are good features of these areas for identification large
Drilling results

• Company completed 175 shallow vertical holes and 150 exploration holes, which were drilled in the period Oct 2015 to FEB 16. Steeply dipping mineralized zones were discovered or further delineated in all prospective areas, following the drilling program in 2015-2016;

• Totally was drilled 5,606 mapping meters and 19,022 explorations meters (Table).

• A drilling program started in Oct 2017 in the Panovsky & Sapinsky areas (see figure 6) and further drilling was completed in the South-Nevyansky and Lobvinsly areas. The main purpose of the OC 2017 program was to drill test additional mineralized bodies which were interpreted based on previous drilling results.

• Diamond core drilling was carried out Rosgeoperspectiva (one of the largest in Russia drilling company, based on Chelyabinsk) used Boart Longyear LM-90, LF 70 rigs. The core recovery for zones of mineralization and host rock ranges from 90 to 100% (averaging 95%) . Figure 6 presents an example of core recovered from the Sapinsky area.
Table. Gold multiples valuation  January 2018

- We see, that M+I+I category for junior gold mining companies multiples EV/resources - 26 usd per oz. **EV/resources -26 is the same for junior gold companies for end of July 2018**

- Hence, multiples approach The approximate median valuation of company is: mln usd (5,5 mln oz*26)=143 mln USD.

<table>
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<th>Company</th>
<th>Ticker</th>
<th>Mcap</th>
<th>EV/Reserves P&amp;P</th>
<th>EV/Reserves M+I</th>
<th>EV/Reserves M+I+I</th>
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<td>261</td>
<td>134</td>
<td>90</td>
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| **Juniors (no production)** |        |       |                 |                 |                    |               |
| Chaarat Gold      | CGH LN  | 105  | 41              | 27              | 20                 | n/a           |
| Lydian            | LYD CN | 255  | 110             | 87              | 52                 | n/a           |
| Manas Resources   | MSR AU | 10   | 19              | 5               | 4                  | n/a           |
| **Average**       |        | 56   | 40              | 26              |                    | n/a           |
Exploration & Production & Investment Targets in 2018-2020

- To make exploration and conduct drilling program with extension range till 20,000 - 25,000 exploration holes per each prospecting area;
- To extend members of Board of directors, inviting distinguished mining specialists;
- To defend proven reserves for category C1+C2 (Russ classification) at least 25-30 tons (750,000-900,000 oz) totally at the end of 2018 and put it on the State balance of reserves (in GKZ under Federal agency of subsoil called Rosnedra);
- To update NI 43-101 report and transfer from inferred to M&I category for JORC code in mid of 2019;
- To be granted by 2-3 long-term licenses for 20 years for exploration and producing gold after discovery factors;
- To start preparations for Pre-feasibility study in March 2019;
- Production start at the end of 2019/early 2020;
- Production target to achieve up to 30K oz per year in 2021;
- To prepare technical project for building gold plant with processing (refining) 900,000 ore with extension 2 mln ore per year and announce tender at the end of year with EPC contractor.
- Building up a company with total resources close to M&I 9 mln oz, production capacity about 100 K oz and target MCAP within range 300-400 mln USD
The latest M&A transactions in Russian gold mining industry 2016-2018 for greenfield & brownfield projects

- **Polymetal International plc (LSE) acquired of a** 45% stake in Prognoz deposit in Yakutia (I&I of 292 Moz at 586 g/t silver) for US$72 million in 2018 and previously bought 5% for 3 mln USD in 2017.

- Polymetal plc acquired an additional 7% share in the Nezdadinskoie gold deposit in Yakutia regions for a cash consideration of US$8 million.

- Polymetal plc acquired Taratutinskoe deposit CU-AU in Urals region for 25% stake -10 mln USD in 2017.
Our partners

CSA global  www.csaglobal.com

TSNIGRI - Federal institute –research center of geological prospecting for base &precious metals  www.tsnigri.ru

EY ( former Ernst&Young);  http://www.ey.com/ru/ru/home

Rosgeoperspectiva (drilling company)  www.geoperspectiva.ru

For further information, please contact

Company intends to get fundraising

Two scenarios:

1) Equity financing (using tool «cash out) is preferred for int'l investors which hedge extra risks

2) Acquiring minority stake (3-5%) in Urals gold project according to best-practice in gold mining industry.

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