



# St. Augustine

GOLD & COPPER, LTD.

Advancing the King-king Copper-Gold Project in the Philippines

February 2015  
SAU.TO Investor Presentation

# Disclosure

This presentation contains “forward-looking statements” that were based on St. Augustine Gold & Copper Ltd’s expectations, estimates and projections as of the dates which those statements were made. These forward-looking statements include, among other things, statements with respect to St. Augustine Gold & Copper Ltd.’s business strategy, plans, outlook and shareholder value, projections, targets, and expectations as to reserves, resources, results of exploration (including targets) and related expenses, mine development, mine operations, mine production costs, drilling activity, sampling and other data, recovery improvements, future production levels, capital costs, cost savings, cash and total costs of production of gold, expenditures for environmental matters, reclamation and other post closure obligations and estimated future expenditures for those matters, completion dates for the various development stages of projects, future gold prices (including the long-term estimated prices used in calculating mineral reserves), and currency exchange rates. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “outlook,” “anticipate,” “project,” “target,” “believe,” “estimate,” “expect,” “intend,” “forecast,” “should,” and similar expressions. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are inherently subject to known and unknown risks, uncertainties, and other factors that may cause St. Augustine Gold & Copper Ltd’s actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking statements.

A Preliminary Feasibility NI 43-101 Technical Report has been prepared by M3 Engineering and Technology with assistance from other companies with respect to the King-king project. This document was made public on SEDAR on November 1, 2013. As a consequence the King-king deposit is now considered a Mineral Reserve. A Mineral Reserve is defined as those parts of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Qualified Person(s) making the estimates, is the basis of an economically viable project after taking account of all relevant processing, metallurgical, economic, marketing, legal, environment, socio-economic and government factors. This Technical Report contains numerous estimates and assumptions that the authors believe to be reasonable but are still subject to all the risks referred to above. This presentation does not constitute or form part of, and should not be construed as, an offer, invitation, or inducement to purchase or subscribe for any securities nor shall it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

Please also note that references to project quantities and economics contained in this presentation are on a 100% project basis. At present, St. Augustine Gold & Copper Ltd has an indirect 25% equity interest (through a shareholding in our local partner) in the project with a higher overall economic interest. References to economic interests should be interpreted from a whole of project value chain perspective since such interests will encompass a package of direct minority equity interests in entities subject to nationality laws, a fully owned processing subsidiary which is not so subject and contractual rights and benefits under associated Project agreements. The current equity and economic interests are expected to substantially increase upon fulfilment of all obligations under the existing restructuring / consolidation agreements. Please refer to our previous press releases and financial disclosures in the Investors section of our website for further information.

Mr. James J. Moore, P.E., the Company’s qualified person for this project under NI 43-101, has reviewed and approved this presentation.

# Investment Highlights King-king Copper-Gold Project



618Mt reserve at 0.5% CuEq with an after tax \$1.8 billion NPV<sub>8%</sub>

Upcoming catalysts, include completion of permitting, providing for near-term construction

Historic gold and copper intercepts point to upside resource potential

Strong long-term copper fundamentals drive economics

Experienced board and leadership team with mine operations, capital markets and regional expertise

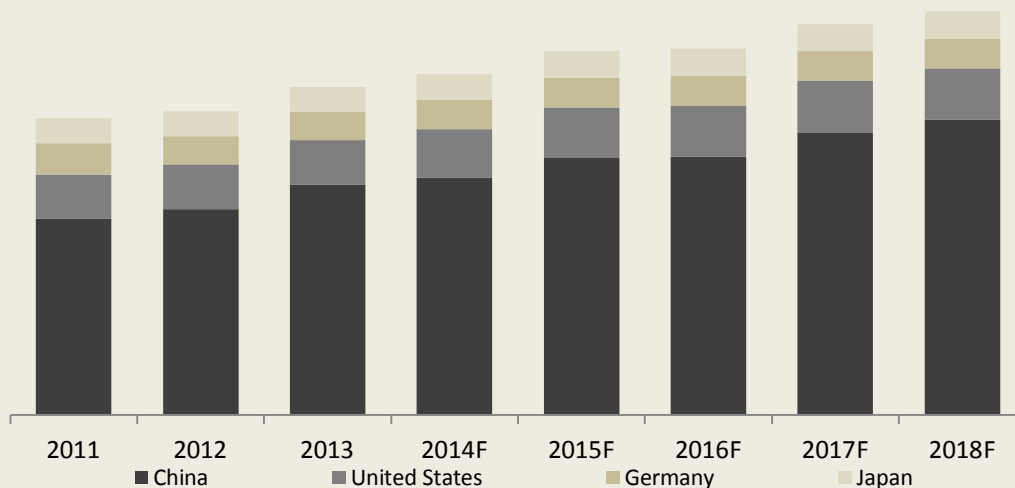
# Copper

A critical global commodity

Annual Global Copper Growth 3.6%  
annual average growth in global copper demand

21.4Mt

2014E global copper demand



16Mt

Forecast increase in copper demand in 2030 if growth continues in China at 6%, ROW 0%

Global demand tied to growth in industrial production, housing construction

Source: BMO Capital Markets

Market indicators point to steadily increasing copper demand

# Projected long-term deficit

## 3.8Mt

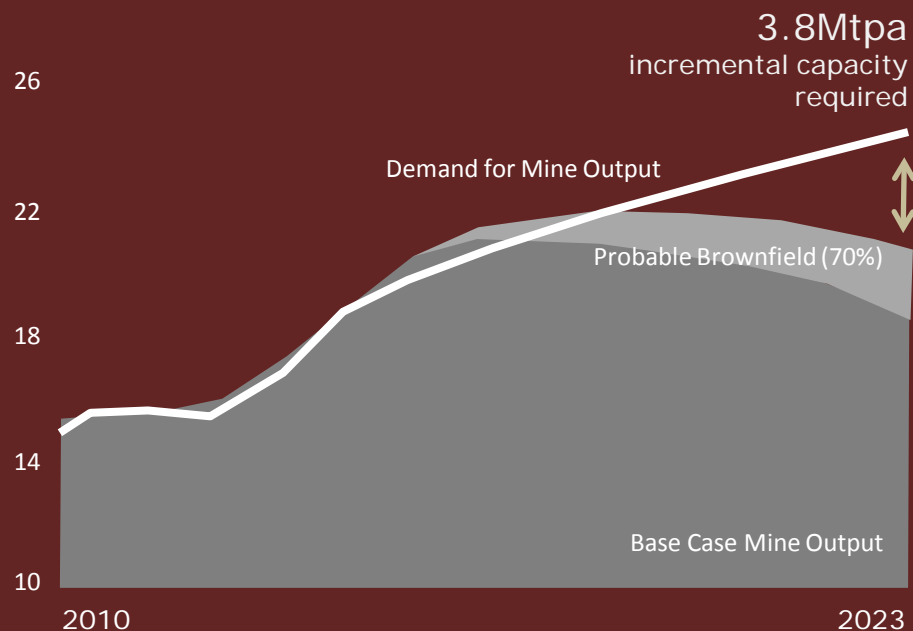
Copper supply gap  
by 2023

Mine closures and limited  
investment into greenfield projects  
creates no guaranteed re-supply

## \$59B

Capital required to meet  
2020 global demand

Copper Supply vs. Demand with consideration  
for brownfield expansion (Mt)



Source: Wood Mackenzie, KGHM International

## >50%

Chinese consumption of global  
copper production by 2018

## Significant greenfield developments required

# King-king Copper-Gold Project

Major Philippine porphyry system

618 million tonne mineral reserve  
4.1Blbs Cu & 7.8Moz Au



One of the world's largest undeveloped copper-gold projects

# Copper Production Schedule

**3.16Blbs**

1.43Mt

LOM copper production

**270Milbs**

122.5Kt

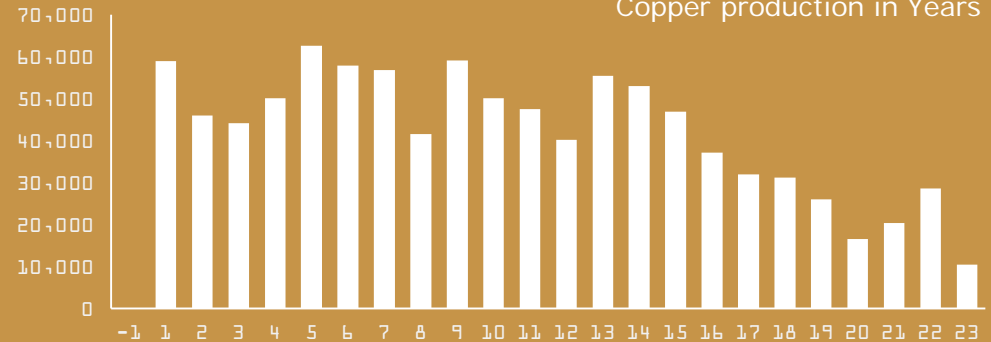
average annual copper production in year 1 -5

Copper in Concentrate

52.3Kt p.a.

115 million lbs p.a.

Copper production in Years 1 - 5

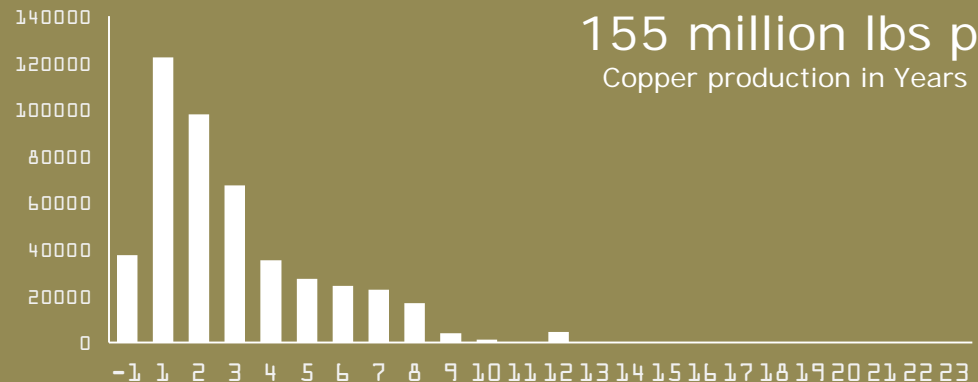


Copper Cathode Production

70.1Kt p.a.

155 million lbs p.a.

Copper production in Years 1 - 5



# Gold Production Schedule

5.43Moz

168,950kg

LOM gold production

360,143oz

11,202kg

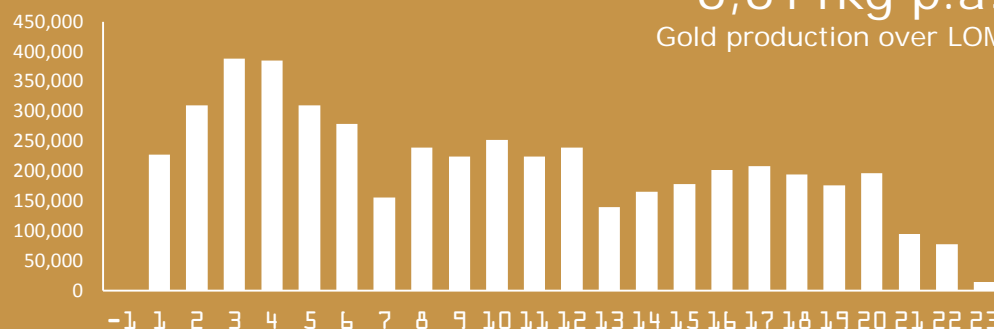
average annual gold production in years 1-5

Gold in Concentrate Production

213Koz p.a.

6,611kg p.a.

Gold production over LOM

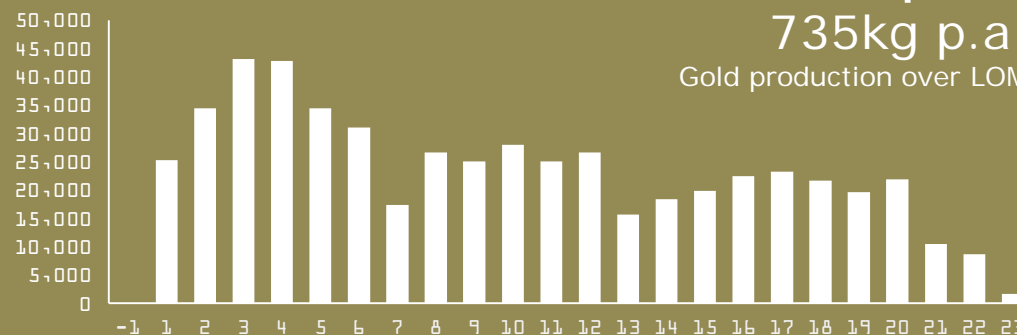


Gold Bullion Production

24Koz p.a.

735kg p.a.

Gold production over LOM



Substantial gold credits



# Robust Economics\*

**\$1.8B**

NPV<sub>8%</sub> after tax over  
22-year LOM

**24.0%**

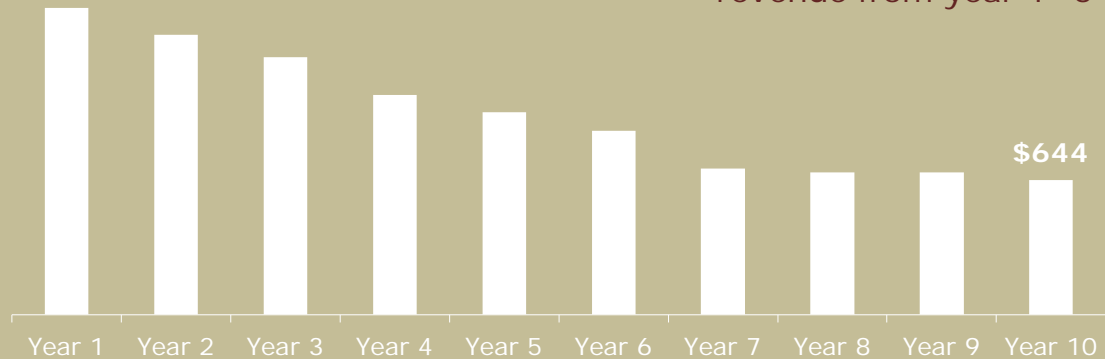
IRR after tax

**2.4-year**

Payback period

Annual Revenue (\$M)

\$1,468



**\$6.1B**

Projected King-king  
revenue from year 1- 5

**\$15.4B** life of mine revenue

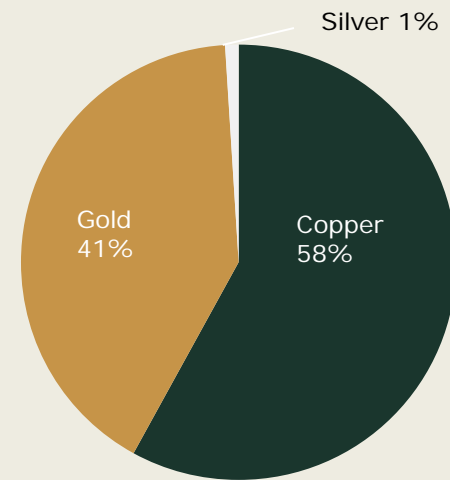
**\$1.2B** average 5-year revenue

\* Based on November 2013 PFS; all figures in USD, metal price assumptions: gold = \$1250, copper = 3.00, silver = \$25.00. PFS assumes a 100% economic interest on an unlevered basis.

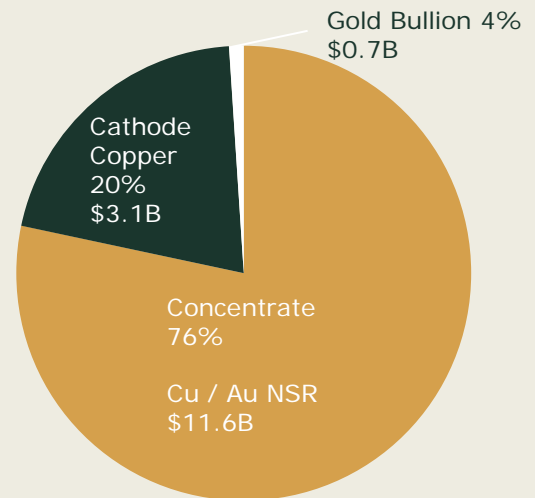
Higher production in initial 5 years drives payback



## Total Project Revenue By Metal



## Total Project Revenue By Product

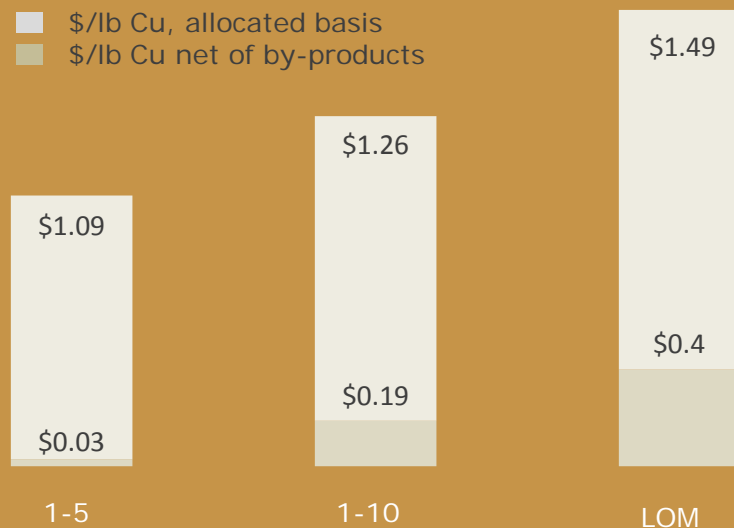


Diversified revenue streams

# Production Cost Profile

## C-1\* Cash Costs

- \$/lb Cu, allocated basis
- \$/lb Cu net of by-products



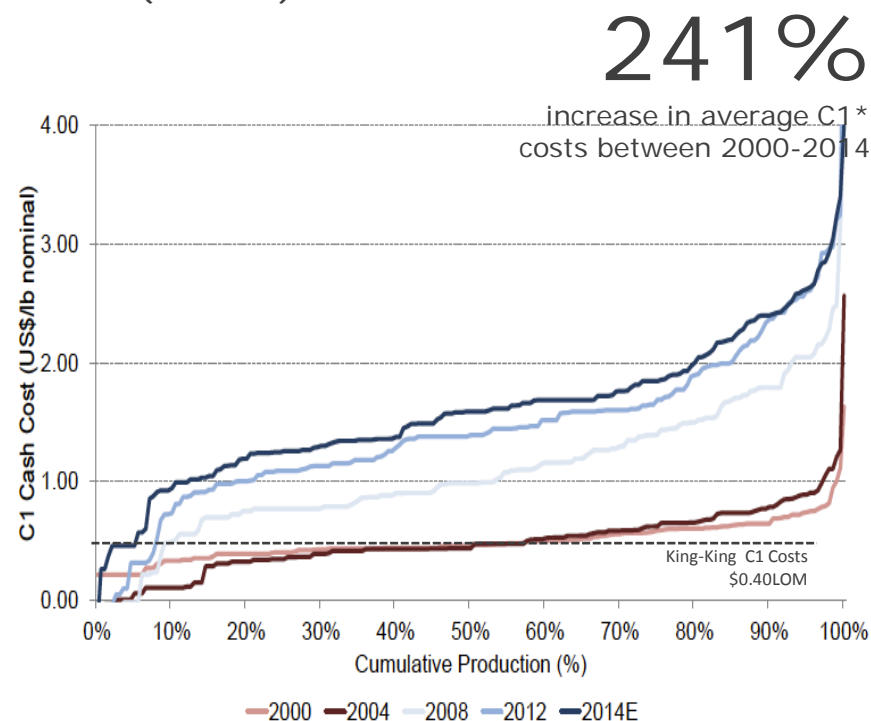
\*Includes smelting, concentrating, shipping and refining charges

OPEX: \$12.80/ tonne

Strip Ratio: 0.75 Year 1 - 5

Strip Ratio: 1.06 LOM

## C-1\* Mine Production Cost Curve (US\$/lb)



Source: BMO Capital Markets

Ranks against leading low-cost copper producers



\*Payable pounds of copper

## Operating Costs

1.33B lbs Year 1 – 5\*

2.05B lbs Year 1 – 10\*

3.08B lbs LOM\*

Unit Costs (\$/lb Cu)	1-5	1-10	LOM
Mining	\$0.47	\$0.60	\$0.80
Processing	\$0.81	\$0.92	\$1.06
Operating Costs	\$1.28	\$1.52	\$1.86
G&A	\$0.13	\$0.16	\$0.25
Reclamation & Closure	\$0.00	\$0.00	\$0.02
Cash Costs at mine	\$1.41	\$1.68	\$2.13
Government Fees	\$0.17	\$0.22	\$0.25
Total Cash costs at mine	\$1.58	\$1.89	\$2.38
Shipping, smelting and refining	\$0.11	\$0.15	\$0.18
Total Costs	\$1.69	\$2.04	\$2.57
By-product credits	-\$1.66	-\$1.85	-\$2.17
Consolidated net cash costs	\$0.03	\$0.19	\$0.40

Low cost environment

# Capital Cost / Capital Intensity

**\$10,895<sup>\*</sup>**

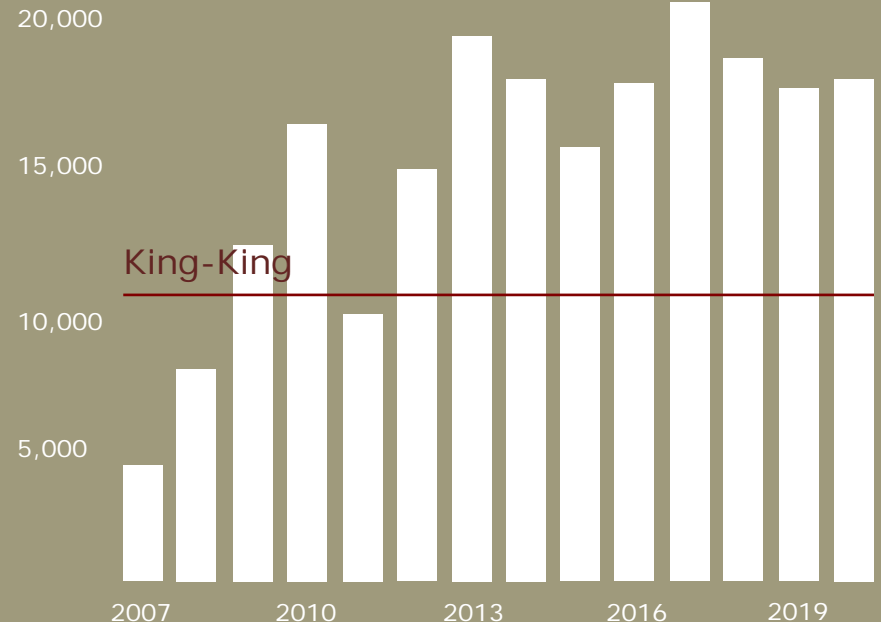
Low capital intensity project  
\$19,400/t average capital intensity

\* Initial capital / design capacity

## Capital Cost

Initial Capital	\$131M
Process Plant	\$1,005M
Power Plant	\$350M
Port	\$119M
Owner's Cost	\$197M
Contingencies	\$240M
<b>Total CAPEX</b>	<b>\$2.04B</b>
<b>Sustaining Capital</b>	<b>\$248M</b>

Greenfield Project Capital Intensity (US \$/t)



Source: BMO Capital Markets

Infrastructure drives lower capital intensity

# Project Timeline

2014

Queensberry Mining & Development Corp. becomes largest shareholder

Land acquisition for infrastructure

Management team strengthened

2015

Receipt of ECC and mining permits

PSE secondary listing

Secure project financing

2016 - 2019

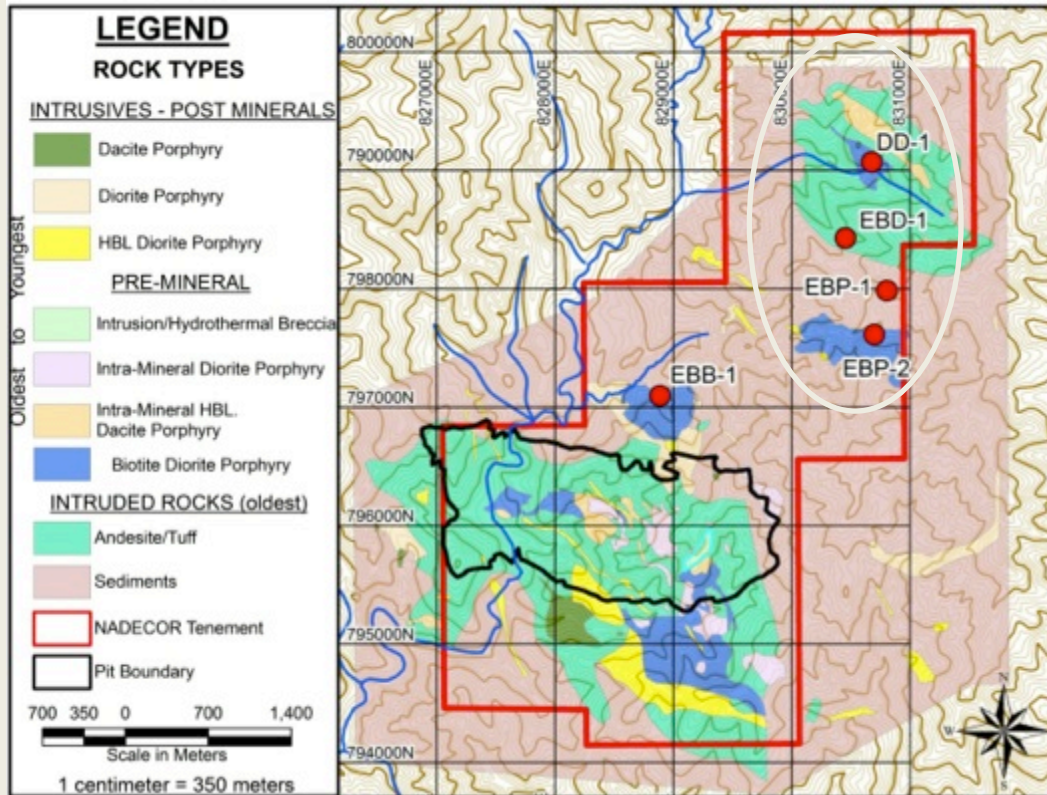
Construction of King-king

First production of cathode copper (2018)

Mill production commences

Achievable milestones create near term value

# Exploration Targets



\*Refer to the press release dated March 1, 2012 for further detail.

Testing confirms Au assays @ 2.2-27.7/g/t Au\*

Notable intercept with 81 continuous meters averaging: .44% total copper and .34 g/t gold\*

5 additional holes demonstrate high potential in the 1, 656 hectare tenement area

Notable intercepts suggest upside potential

# Strategic Location

Proximity to market

Low-cost profile

Competitive cost advantage

Proximity to tidewater port and power facility

35km direct from Davao City

1.5M: population and skilled workforce in Davao City

Weather well-suited for development



Excellent proximity to infrastructure, markets and skilled local workforce



# Attractive Investment Jurisdiction

> 35

operating medium / large-scale mines

- Liberalized policies and regulation to attract foreign and domestic investment
- Elevated to investment-grade in 2013
  - Fitch, Standard & Poor's, Moody's
- Significant domestic investment in the mineral industry by blue-chip, established companies

\$840B

untapped  
identified mineral  
wealth

3<sup>rd</sup>

largest global gold  
endowment

4<sup>th</sup>

largest global  
copper  
endowment

Source: 2014, De La Salle University: "The Philippine Mining Act of 1995: Is the law sufficient in achieving the goals of output growth, attracting foreign investment, environmental protection and preserving sovereignty."

Domestic investors = local stakeholder support

# Strong Shareholder Involvement

## Queensberry Mining & Development

- Strong ongoing financial support
- Active assistance in current project initiatives

## Major Shareholders

Queensberry Mining & Development Corp	40.0%
Russell Mining Corp	19.8%
B2Gold Corp	9.3%

## Capital Structure

Shares O/S	~ 727M
JV Restructuring Shares *	~ 185M
Post-Restructuring Total Shares	~ 912M
Recent Share Price**	\$ 0.13
Cash on Hand (end 2014)***	~\$10.4M

*\*Upon completion of the JV restructuring, St. Augustine will earn close to 100% of the economics from the Project. \*\*As at February 11, 2015. \*\*\*Includes \$7.5 M Private Placement closed on December 22, 2014*

Queensberry's regional expertise supports project advancement

# Leadership Team

## BOARD OF DIRECTORS

### **Manuel Paolo A. Villar, Chairman**

Current Director, President and Chief Executive Officer of Vista Land and Lifescapes, Inc., Director of Starmall, Inc. Former Head of Corporate Planning for Crown Asia. Graduate of Wharton School of the University of Pennsylvania, B.Sc.,

### **Andrew Russell, Executive Director**

VP Development - General Moly, Maintenance Superintendent/Mechanical Engineer - RTZ/Kennecott Copper Refinery, Business Leader Gas Turbine Division Commercial Aerospace - Honeywell International, USAF Academy, B.S.

### **Thomas L. McKeirnan**

Current Senior Vice President, General Counsel and Secretary of Red Lion Hotels Corporation, Former Vice President, General Counsel and Secretary of Red Lion Hotels Corporation

### **Anacordita McGee**

Internal audit and accounting professional with significant US and international experience. Qualified as a CPA in the Philippines. Holds a B.Sc. in Business Administration and Accountancy, cum laude honors, University of the Philippines

### **Yolanda Coronel-Armenta**

Finance Officer for Cahan Properties; was Operations Manager for Pacific Property Management and Corporate Real Estate Broker of California C & P Homes Realty. Holds a B.Sc. in Business Administration and Accountancy, University of the Philippines; holds two Certificates in Real Estate

## MANAGEMENT

### **Manuel Paolo A. Villar, President and Chief Executive Officer**

(Refer to Board of Directors column)

### **Michael G. Regino, Senior Vice President**

Currently Director of San Augustin Services Inc., KingKing Mining Corp., and Nationwide Development Corp; also, currently Head of Davao operations for KingKing Mining Corp., +30 years of corporate experience

### **Tom Henderson, Chief Operating Officer**

Former VP & GM of Coeur Alaska's Kensington Gold Mine, Mine Manager Quadra KGHMI's Robinson Mine, Technical Superintendent of Barrick Goldstrike's Nevada Underground Operations, Mine Manager of Freeport McMoRan's Grasberg Mine and management and engineering roles with ASARCO and Hecla Mining Companies

### **Jim Moore, VP Technical**

Former Technical Project Manager at General Moly, ZCCM – Nchanga Division and Phelps Dodge, +38 years of experience in mining, metallurgical design, engineering/operations, leaching, SX/EW, concentrating, smelting & refining

### **Maryknoll Zamora, interim CFO**

Currently Head of Finance at Prime Asset Ventures, Inc. (PAVI) and responsible for overseeing finance divisions for each of PAVI's five subsidiaries; former Vice President Finance and Administration of Alcorn Gold Resources Corp., +20 years of finance, accounting and legal experience

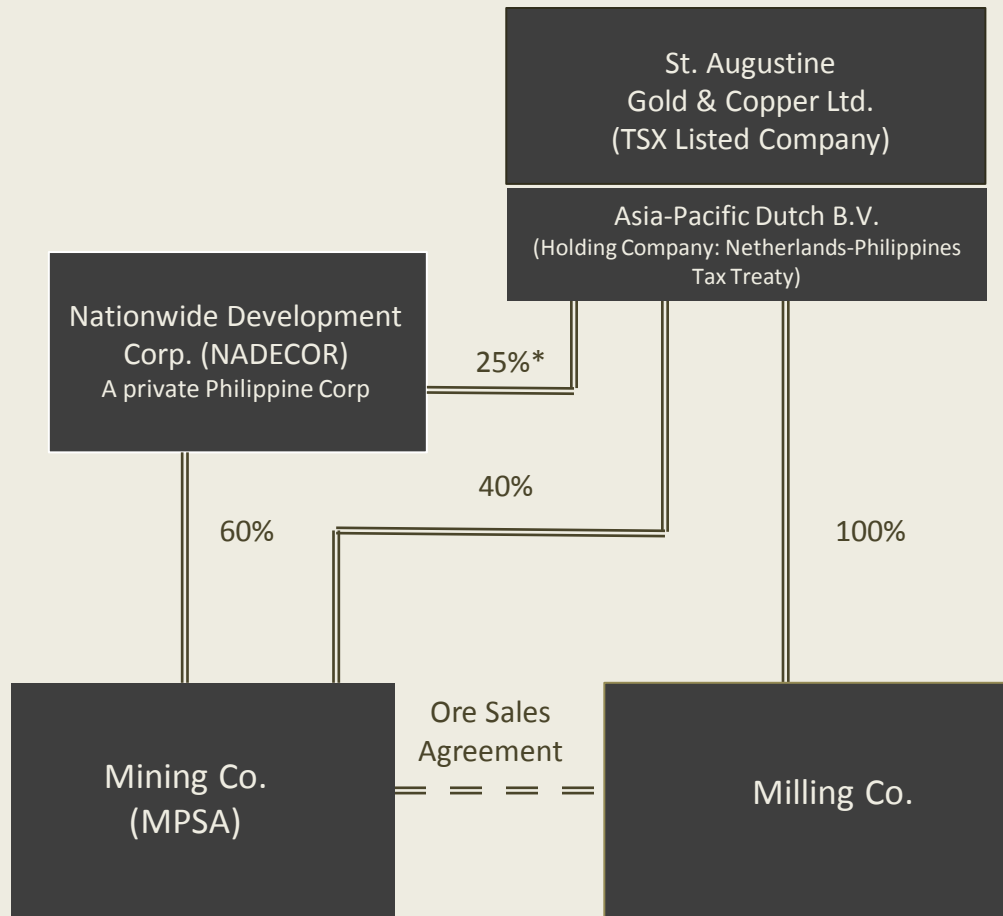
Regional mining and capital markets expertise



# Appendix



# Post-Restructuring King-king Ownership



\*This 25% indirect equity interest in the project represents the current equity ownership of St. Augustine Gold & Copper in the Project. It is expected that with completion of the implementation of the Project restructuring that such equity and economic interests will substantially increase so as to reflect the structure chart shown above.

# Proven and Probable Reserves

	Ktonnes	Tot Cu (%)	Sol Cu (%)	Gold (g/t)	NSR (US\$)
<b>Proven Mineral Reserve</b>					
Heap Leach Ore	17,791	0.340	0.197	0.132	16.53
Oxide Mill Ore	21,674	0.514	0.328	0.849	45.36
Sulfide Mill Ore	52,942	0.305	0.044	0.543	24.92
Low Grade Mill Ore	6,734	0.184	0.027	0.218	10.80
<b>Total Proven Reserve</b>	<b>99,141</b>	<b>0.349</b>	<b>0.132</b>	<b>0.514</b>	<b>26.92</b>
<b>Probable Mineral Reserve</b>					
Heap Leach Ore	77,373	0.305	0.172	0.145	14.81
Oxide Mill Ore	45,440	0.393	0.259	0.745	35.30
Sulfide Mill Ore	345,715	0.288	0.037	0.398	20.48
Low Grade Mill Ore	50,247	0.191	0.023	0.211	10.93
<b>Total Probable Reserve</b>	<b>518,775</b>	<b>0.290</b>	<b>0.075</b>	<b>0.373</b>	<b>20.01</b>
<b>Proven &amp; Probable Mineral Reserve</b>					
Heap Leach Ore	95,164	0.311	0.177	0.143	15.13
Oxide Mill Ore	67,114	0.432	0.281	0.779	38.55
Sulfide Mill Ore	398,657	0.290	0.038	0.417	21.07
Low Grade Mill Ore	56,981	0.190	0.023	0.212	10.91
<b>Total Proven &amp; Probable Resource</b>	<b>617,916</b>	<b>0.300</b>	<b>0.084</b>	<b>0.395</b>	<b>21.12</b>

# Measured & Indicated Resource\*

Ore Type/Resource Class	Resource Ktonnes		Tot Cu (%)	Sol Cu (%)	Gold (g/t)	
<b>Copper Leach Resource</b>						
Measured Resource	20,961		0.439	0.317	0.205	
Indicated Resource	75,214		0.347	0.228	0.155	
Meas/Ind Resource	96,175		0.367	0.247	0.166	
Inferred Resource	26,027		0.266	0.157	0.093	
Resource Type/Resource Class	Resource Ktonnes	Eq Cu (%)	Tot Cu (%)	Sol Cu (%)	Gold (g/t)	Eq Au (g/t)
<b>Mill Resource</b>						
<b>Measured Mineral Resource</b>						
Oxide Mill Resource	21,671	0.827	0.382	0.191	0.787	1.463
Sulfide Mill Resource	80,829	0.491	0.258	0.037	0.427	0.899
Total Measured Resource	102,500	0.564	0.284	0.070	0.503	1.014
<b>Indicated Mineral Resource</b>						
Oxide Mill Resource	62,858	0.648	0.270	0.139	0.575	0.985
Sulfide Mill Resource	719,560	0.388	0.230	0.029	0.305	0.749
Total Indicated Resource	782,418	0.407	0.233	0.038	0.327	0.765
<b>Measured/Indicated (M&amp;I) Mineral Resource</b>						
Oxide Mill Resource	84,529	0.689	0.299	0.152	0.629	1.111
Sulfide Mill Resource	800,389	0.399	0.233	0.030	0.317	0.763
Total Meas/Ind Resource	884,918	0.426	0.239	0.042	0.347	0.792
<b>Inferred Mineral Resource</b>						
Oxide Mill Resource	17,457	0.625	0.234	0.125	0.520	0.832
Sulfide Mill Resource	155,513	0.330	0.202	0.024	0.249	0.642
Total Inferred Resource	172,970	0.355	0.205	0.034	0.276	0.655

\*This mineral resource includes the mineral reserves described on the previous slide.

Equivalent copper and equivalent gold values are based on a gold price of \$1,250/oz and a copper price of \$3.00/lb and use these equations: Heap Leach Resource: Eq Cu = Tot Cu and Eq Au = 0.0 (no gold rec.); Mill Oxide Resource: Eq Cu = Tot Cu + 0.62 x Au and Eq Au = Au + 1.61 x Tot Cu; Mill Sulfide Resource: Eq Cu = Tot Cu + 0.52 x Au and Eq Au = Au + 1.91 x Tot Cu

# Process Flow Sheet

