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# Developing the outstanding Fekola Project

September 2014

ASX:PIR

# Executive Summary



- Papillon is an ASX-listed gold development company focused on Mali, West Africa
- Currently subject to merger via scheme or arrangement with TSX listed B2Gold Corp.
  - ✓ Scheme consideration of 0.661 B2Gold ordinary shares per Papillon ordinary share
  - ✓ Implied offer value of A\$1.86 per Papillon share (at date of Scheme Booklet)
  - ✓ Implied transaction value of A\$668 million (at date of Scheme Booklet)
- PFS complete confirming technical viability, Fekola Project advancing rapidly towards production
- Mining and Environmental Permits awarded, granting tenure of 30 years
- Definitive Feasibility Study completion expected in Q4 2014 targeting 4Mtpa base case
- Significant, ongoing, geological resource growth potential
- Board and Management with current project gold development experience in West Africa
- Strong cash position (~A\$43 million, 30 June 2014)

# Transaction Update



- Transaction has received positive shareholder support for both companies
- Endorsement of transaction by major proxy advisors is very positive:

*“...we find the proposed transaction strategically compelling and financially reasonable for Papillon shareholders... Based on these factors, along with the unanimous support of the board, we believe the proposed merger is in the best interests of shareholders. **Accordingly, we recommend that shareholders vote FOR this proposal.**” Glass Lewis*

*“The transaction is a result of arm’s length negotiations conducted between representatives of B2Gold and Papillon...Overall, in light of the reasonable strategic rationale, the favourable market reaction and no significant governance concerns, **a vote FOR this resolution is warranted.**” ISS Proxy Advisory Services*

Transaction Timeline	
Item	Date & Time
B2Gold Shareholders Meeting to approve matters in connection with the Transaction	Vancouver, 2.00pm PST on 12 September 2014
Papillon Resources Scheme Meeting to vote on the Transaction	Perth, 10.00am WST on 15 September 2014
Second Court Hearing for approval of the Scheme	22 September 2014
Last trading day of Papillon Resources on the ASX	23 September 2014
Implementation Date for the Scheme and issue of the Scheme Consideration to registered Papillon shareholders	3 October 2014

# Papillon Resources – Fekola Project

## Management Experience

- ✓ Experienced development team in West Africa with current knowledge and credibility

## Project Risk

- ✓ Additional technical expertise via B2Gold
- ✓ Independent Resource Estimate
- ✓ Independent studies undertaken using specialist consultants for key disciplines

## Project Economics

- ✓ Mining Permit awarded for Fekola
- ✓ Production over 300Koz per annum, 10 yrs +
- ✓ Base case processing 4Mtpa
- ✓ All in sustaining cash costs < US\$750/oz

## Robustness of Project

- ✓ Significant flexibility and ability to reduce cash operating costs
- ✓ Robust economics at various commodity prices

## Current Cash Position

- ✓ Over \$40 million in the bank
- ✓ Additional financial strength from proposed B2Gold transaction

## Availability of Capital

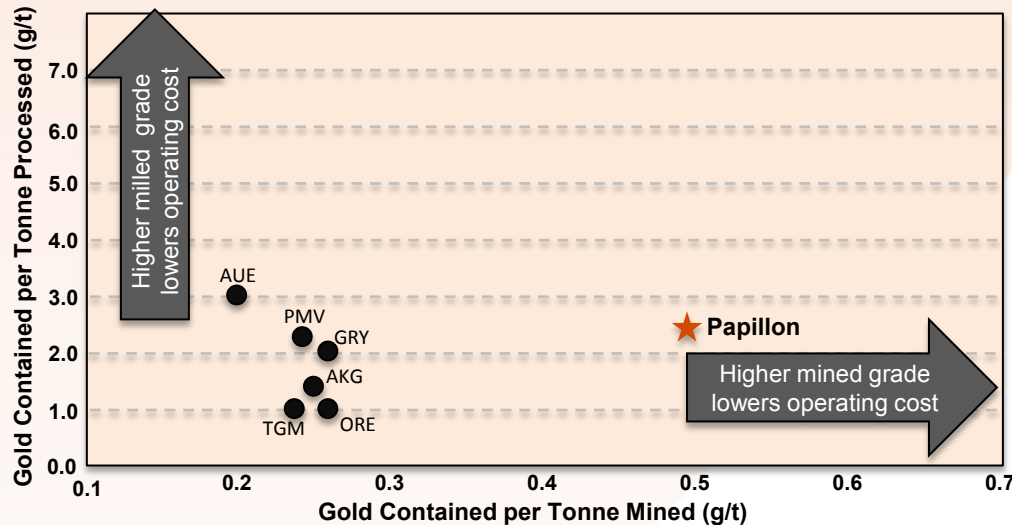
- ✓ Bankable in the current gold price environment
- ✓ B2Gold has significant balance sheet capacity

**World Class  
Fekola  
Project  
Poised for  
Development**

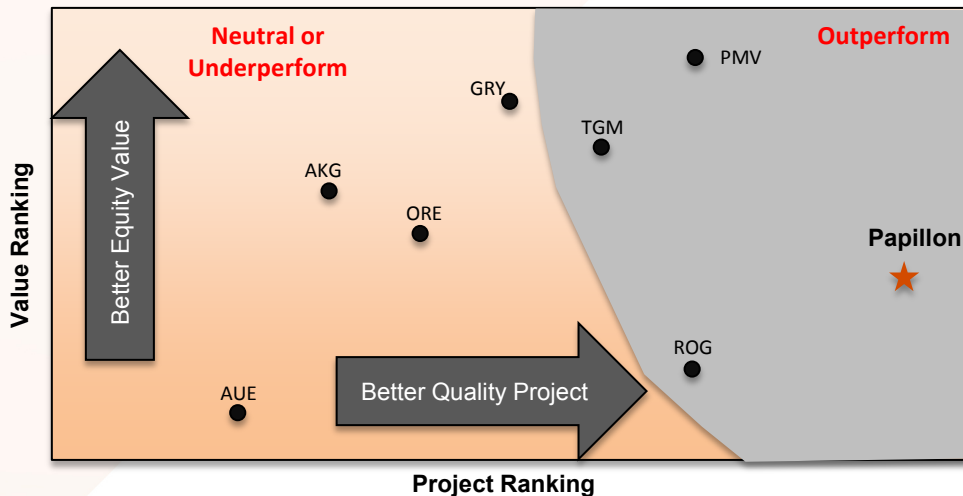


# Fekola – Best in Class Development Asset

*Fekola has all the attributes required for a profitable mine...*



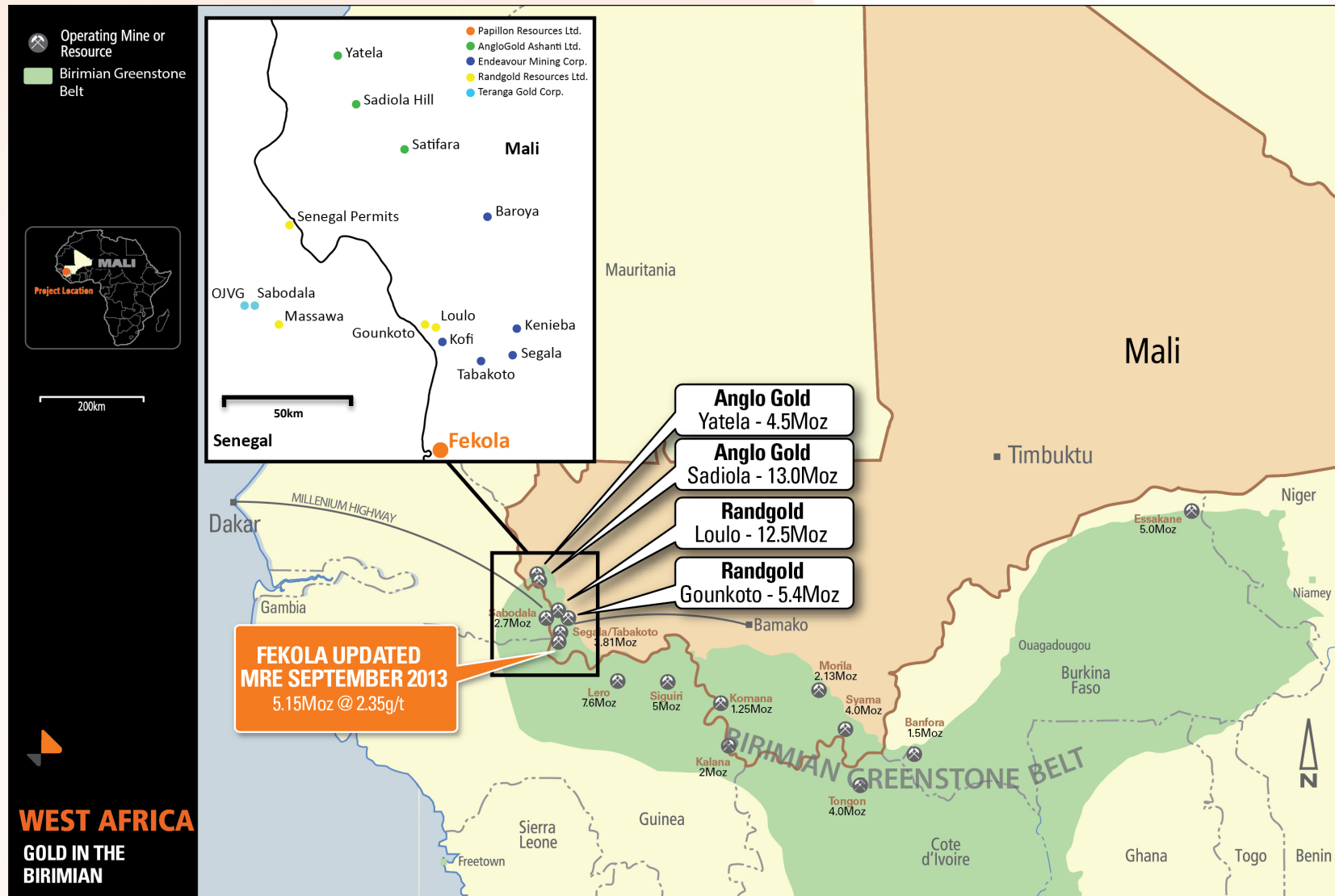
- Large Resource – 5.15Moz
- Single continuous open pit ore body
- Excellent grade – ~2.4 g/t
- Homogenous high grade shoot
  - Increases flexibility in mine planning
- Low strip ratio (3 : 1 Yrs 1-5)
- Favourable metallurgy > 90% recoveries
- Manageable capex and project development logistics
- Favourable African risk profile



# Mali West – World Class Exploration Potential

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*40Moz+ discovered within 150km of the Fekola Project...*

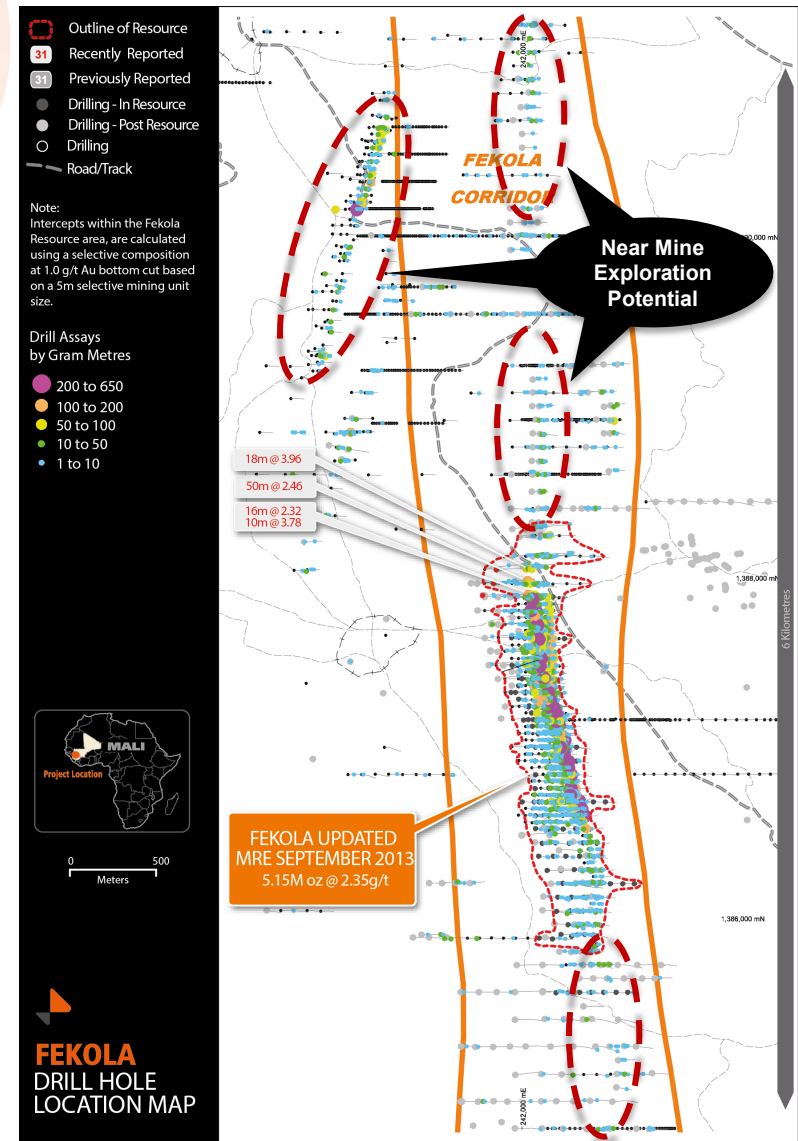


# Fekola – Significant Ongoing Growth Potential

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## *Near mine exploration potential is exceptional...*

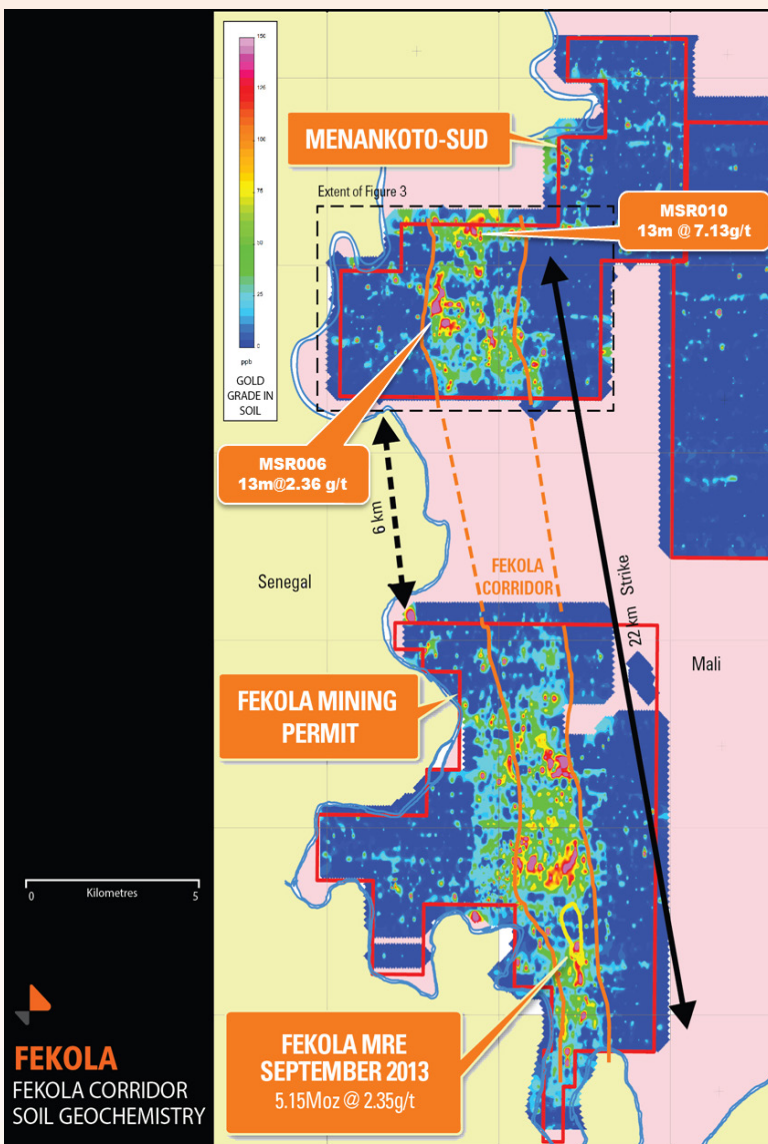
- Current MRE of 5.15Moz @ 2.35g/t
  - ✓ 90% (4.64Moz) classified as Measured & Indicated
- Based on drilling covering strike length of ~4km and to max. depth of 400m
- Represents a small proportion of strike extent of the Fekola Corridor (+11km)
- Fekola Mineralisation open at depth and along strike within the corridor
- Additional nearby surface targets to be tested with further drilling





# Menankoto Sud – Highly Prospective Target

*An exciting early stage discovery within close proximity to Fekola*

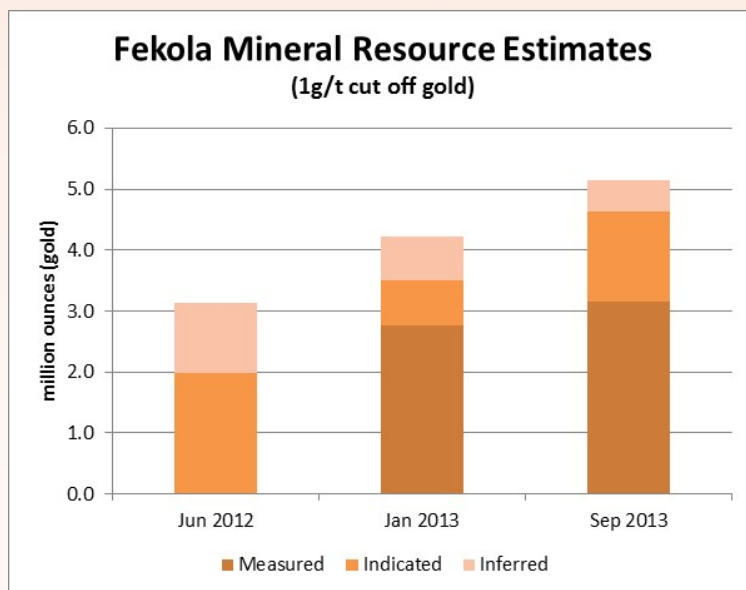


- Early stage drilling encountered shallow, high grade, mineralisation
- Similar grade x width to early Fekola Deposit drilling
- Interpreted to fall within northern extension of the Fekola Corridor
- Widespread gold-in-soil anomalism with numerous follow-up targets
- Analogous geological features to Fekola:
  - ✓ Fekola style meta-sedimentary package
  - ✓ Pelites, turbidite and argillites
- Induced Polarisation ('IP') survey currently being finalised to:
  - ✓ Assist with structural identification
  - ✓ Assist in targeting follow-up drilling



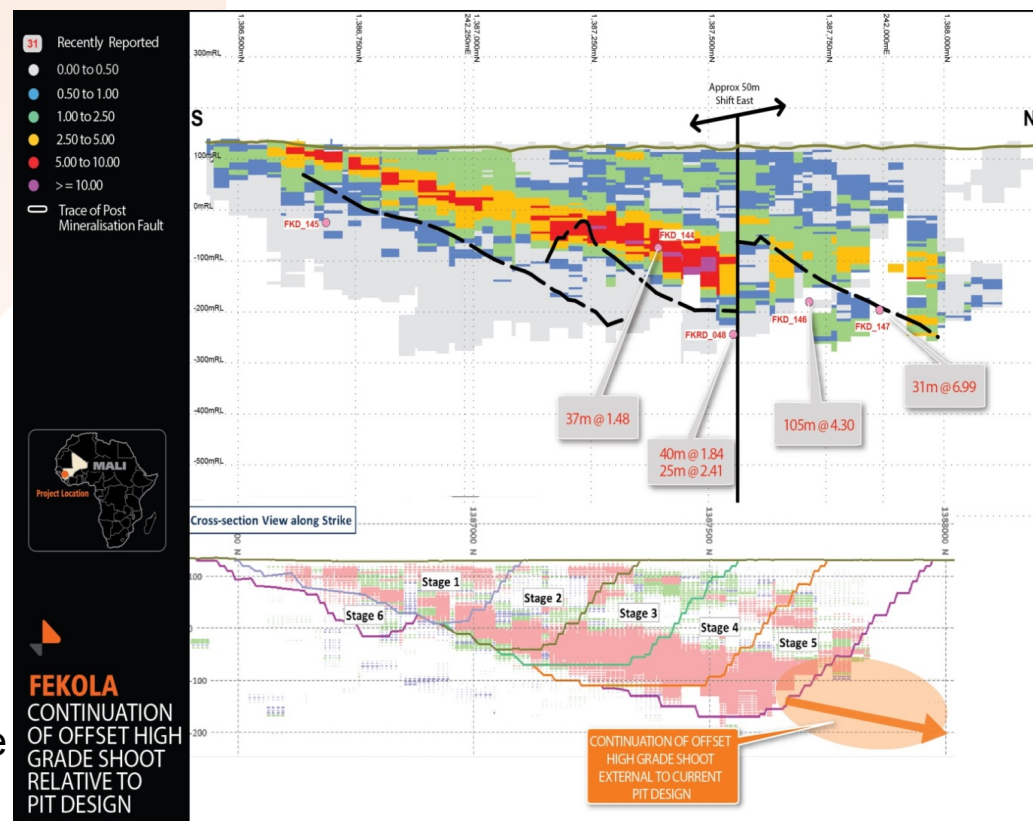
# High Grade Shoot Continues Outside MRE

*The Fekola Deposit is open at depth...*



## Significant potential to:

- Add high-grade ounces to resource base
- Extend Fekola mine life
- Increase feed grade in early years of mine life



# Fekola – Achieving Development Milestones

*All key milestones achieved within prescribed timeframes...*

	2013				2014				2015+
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Drilling & Exploration	> 70,000m ✓			20,000m Program Complete					
Resource Updates	✓		✓						
Feasibility Study	Complete ✓								
Environmental Permitting	Permit Granted May 2013 ✓								
Mining Licence Application			Permit Granted February 2014 ✓						
Definitive Feasibility Study					Completion expected during 2H 2014...				

*...and continuing to aggressively pursue development milestones*

# Summary



*Papillon has achieved all of its major milestones...*

## HIGH QUALITY ASSET

- Large (5.15Moz), high grade (2.35g/t) resource
- Favourable metallurgy (leach recovery >93%)
- Proposed operations of simple open pit mining, conventional CIL and gravity process circuit

## RESOURCE GROWTH POTENTIAL

- Mineralisation open at depth and along strike
- Only small portion of highly prospective Fekola corridor explored
- New discovery at Menankoto Sud
- Potential to substantially increase resource base

## RAPIDLY DE-RISKING THE PROJECT

- FS confirms large scale, low cost project with strong economics
- +300koz pa production, <US\$750/oz<sup>1</sup> all-in cash costs
- Review / DFS underway, due for completion in 2014



## Capital Structure

<b>Shares on Issue</b>	352.0 million
<b>Share Price (3 September 2014)</b>	A\$1.68
<b>Market Capitalisation</b>	~A\$591 million
<b>Cash Position (30 June 2014)</b>	~A\$43 million
<b>Enterprise Value</b>	~A\$548 million

## Substantial Shareholders

<b>Van Eck Associates Corp.</b>	11.69%
<b>1832 Asset Management</b>	8.49%
<b>Directors &amp; associate entities</b>	5.8%
<b>Top 20 Shareholders</b>	74.2%

# Experienced Board and Management



## MANAGEMENT – PERTH

**Mark Connelly**  
Managing Director & CEO

Commercial executive with over 27 years experience in the gold mining industry including 5 years in West Africa. Specific focus on managing companies through development, construction and into production

**Hayden Locke**  
Corporate Executive

Engineering and commercial background with significant experience in investment banking and private equity in both Europe and Australia

**Peder Olsen**  
Project Manager

Project Engineer with significant recent experience in West African gold project development; former Project Engineer with Adamus Resources and Endeavour Mining

## MANAGEMENT – MALI

**Guy de Grandpre**  
Managing Director – Mali

Commercial executive with over 10 years experience operating in West Africa, most recently as a instrumental member of the foundation team for Kinross Mining's West African operations

**Andrew Boyd**  
GM – Geoscience

Geophysicist with over 20 years of exploration and mining experience; former GM - Geoscience for Mantra Resources

## BOARD OF DIRECTORS

**Ian Middlemas**  
Chairman

Chartered Accountant with over 20 years mining industry experience; extensive corporate and management expertise

**Robert Behets**  
Non-Executive Director

Geologist with over 20 years mining industry experience; Founding MD of Mantra Resources and ex-WMC executive; member of JORC Committee

**Alec Pismiris**  
Non-Executive Director

Corporate executive with over 25 years of experience in the securities, finance and mining industries



A map of the African continent is shown in a light gray color with white outlines for country borders. A specific region in West Africa, covering parts of Nigeria, Benin, and Togo, is highlighted with a dark orange, textured pattern. To the left of this highlighted area, the word "papillon" is written in a bold, black, sans-serif font. Below the highlighted area, the word "RESOURCES" is written in a smaller, black, sans-serif font. A large, solid orange shape, resembling a stylized drop or a large letter 'L', is positioned on the left side of the slide, partially overlapping the map.

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**Additional Slides**



# Fekola Resource – Grade / Tonnage



## Fekola Project - Mineral Resource Estimate (July 2014)

Lower Cut-off Grade (g/t Gold)	Measured			Indicated			Total M&I			Inferred			Total		
	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (Moz)	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (Moz)	Tonnes (Mt)	Grade (g/t gold)	Contained Gold (Moz)	Tonnes (Mt)	Grade (g/t gold)	Contained Gold (Moz)	Tonnes (Mt)	Grade (g/t gold)	Contained Gold (Moz)
0.2	120.09	1.15	4.44	77.40	0.93	2.31	197.49	1.06	6.75	69.0	0.59	1.3	266.47	0.94	8.09
0.3	102.53	1.31	4.32	59.87	1.14	2.19	162.40	1.25	6.51	45.3	0.77	1.1	207.73	1.14	7.63
0.4	88.38	1.46	4.15	48.32	1.32	2.05	136.70	1.41	6.20	32.1	0.95	1.0	168.81	1.33	7.19
0.5	76.31	1.62	3.97	39.98	1.51	1.94	116.29	1.58	5.92	24.1	1.11	0.9	140.38	1.5	6.78
0.6	66.33	1.78	3.80	33.68	1.69	1.83	100.01	1.75	5.63	18.5	1.28	0.8	118.55	1.68	6.40
0.7	57.98	1.95	3.64	28.87	1.86	1.73	86.85	1.92	5.36	14.7	1.45	0.7	101.50	1.85	6.04
0.8	51.10	2.11	3.47	25.08	2.03	1.64	76.18	2.08	5.10	11.9	1.61	0.6	88.09	2.02	5.72
0.9	45.32	2.27	3.31	22.05	2.19	1.55	67.38	2.24	4.86	9.9	1.77	0.6	77.23	2.18	5.42
1.0	40.44	2.43	3.16	19.57	2.35	1.48	60.01	2.40	4.64	8.3	1.93	0.5	68.29	2.35	5.15
1.1	36.29	2.59	3.02	17.51	2.5	1.41	53.79	2.56	4.43	7.0	2.08	0.5	60.83	2.5	4.90
1.2	32.72	2.74	2.88	15.79	2.65	1.34	48.51	2.71	4.23	6.0	2.23	0.4	54.55	2.66	4.67
1.5	24.64	3.2	2.53	11.99	3.06	1.18	36.63	3.15	3.71	4.0	2.68	0.3	40.66	3.11	4.07

### Notes:

The resource is estimated on a 100% basis of which 90% is attributable to Papillon Resources Limited

All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding

# Important Notices



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*Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.*

## **Competent Persons Statement**

*The information in this presentation that relates to Exploration Results, Mineral Resources, and Production Targets was extracted from Papillon's ASX announcements dated 11 August 2014, 14 July 2014, 17 February 2014 and 26 June 2013 which are available to view on Papillon's website at [www.papillonresources.com](http://www.papillonresources.com).*

*The information in the original ASX announcements that related to Exploration Results is based on, and fairly represents, information compiled or reviewed by Mr Andrew Boyd of Cairn Geoscience Limited. Mr Boyd is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.*

*The information in the original ASX announcements that related to Mineral Resources is based on, and fairly represents, information compiled by Mr Nic Johnson of MPR Geological Consultants. Mr Johnson is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.*

*Papillon confirms that: (a) it is not aware of any new information or data that materially affects the information included in the original ASX announcements; (b) all material assumptions and technical parameters underpinning Mineral Resources, Production Targets, and related forecast financial information derived from the Production Targets included in the original ASX announcements continue to apply and have not materially changed; and (c) the form and context in which the relevant Competent Persons' findings are presented in this presentation have not been materially modified from the original ASX announcements.*

# Contact Details



**Mark Connelly**

Managing Director & CEO

+61 8 9222 5400

[mark.connelly@papillonresources.com](mailto:mark.connelly@papillonresources.com)

**Hayden Locke**

Corporate Executive

+61 8 9222 5400

[hayden.locke@papillonresources.com](mailto:hayden.locke@papillonresources.com)





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