

Pegasus Metals Limited

# AGM PRESENTATION

November 2018



# Disclaimer

## Competent Persons Statement 1

The information in this report that relates to the geology and Exploration Results relating to the Dablo Project in Burkina Faso is based on, and fairly reflects information compiled by Mr Grant Osborne, whom is a member of the Australian Institute of Geoscientists. Mr Osborne is a consultant to Pegasus Metals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Osborne consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

## Competent Persons Statement 2

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy Project is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a contractor to Pegasus Metals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the data in the form and context in which it appears.

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Pegasus Metals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context

in which the findings are presented have not materially modified from the original market announcements.

## Forward Looking Statements

Pegasus Metals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Pegasus Metals Ltd, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.



# Corporate Summary

## Share Price past 12 months



## Capital Structure

Ordinary Shares 177 M

Current Share Price \$0.017  
at 28 Nov 2018

Market capitalisation \$3.01 M

## Board

Ms Bronwyn Barnes – Non-Executive Director  
Mr Grant Osborne – Non-Executive Director  
Mr Neil Porter – Non-Executive Director

## Substantial Shareholders

Fotios entities	28.3%
Barnes entities	4.9%
Wyllie Group Pty Ltd	3.7%
<i>Top 100 shareholdings total</i>	<i>87.4%</i>



# Pegasus Metals Limited – Projects Overview

## Burkina Faso

- Premium destination for mineral exploration
- First mover advantage in emerging Ni-Cu-PGE-Au Province
- Multiple sulfide horizons at base of peridotite-pyroxenite packages
- New discoveries being made with each drill programme
- Gold potential barely addressed



## Mt Mulcahy

- Archaean VMS Cu-Zn-Co-Au-Ag mineralisation in a folded regional keel
- Prospective VMS horizon known for at least 12 kilometres along strike- excellent potential exists for additional VMS discoveries
- Initial resource identified at South Limb Pod: 647 kt @ 2.4% Cu, 1.8% Zn, 0.1% Co, 0.2 g/t Au for 15.2 kt Cu metal

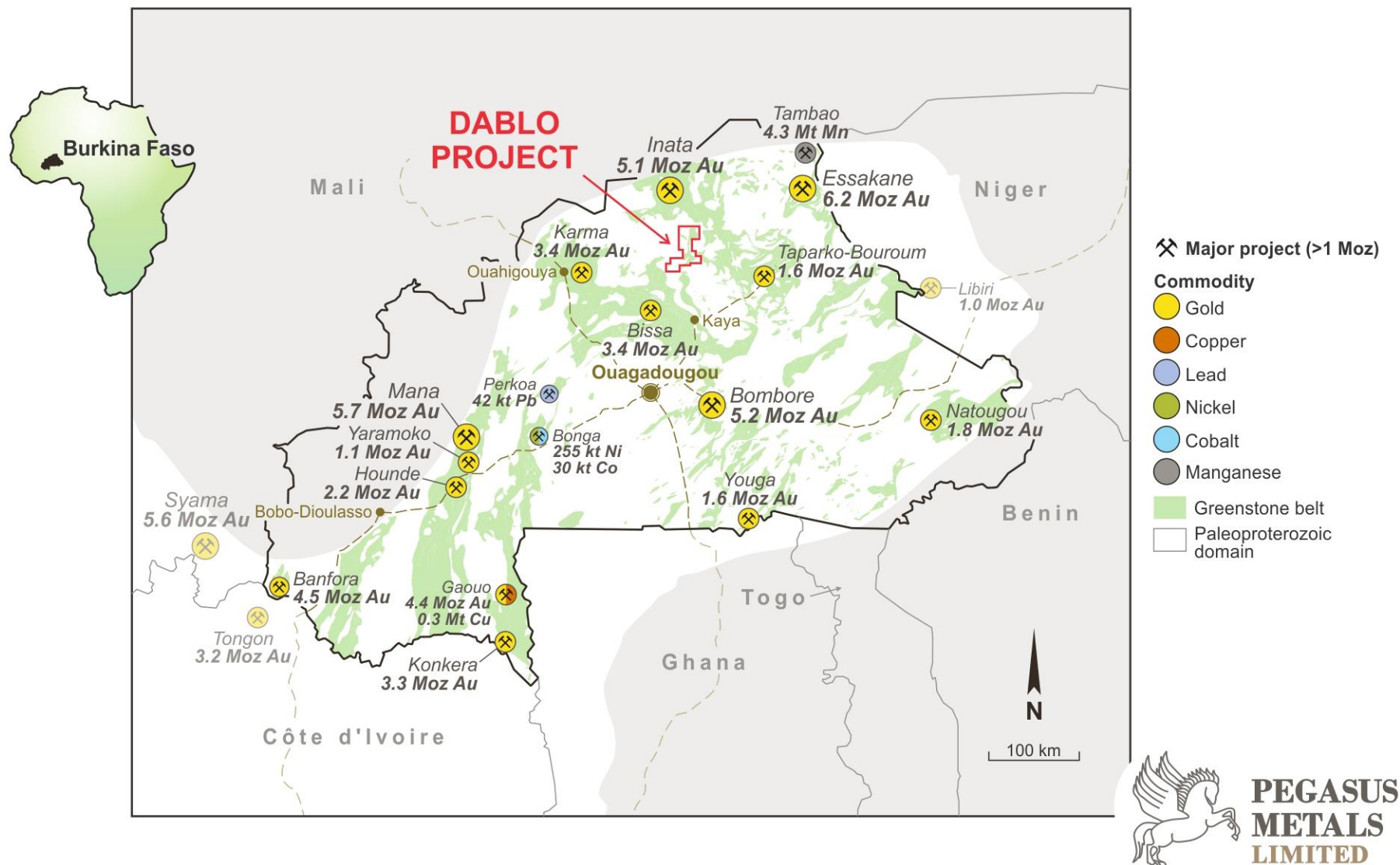
# Burkina Faso – Country Overview

- Former French colony, now a Democracy with recently elected new President (2015)
- Population of 18 million in a country roughly similar in size to Victoria
- One of the world's top 20 gold producers - 11 operating gold mines, 5 under construction and 5 under development
- Historically under explored for minerals other than gold
- Ranked 8<sup>th</sup> overall for attractiveness in investing in mining in Africa by the Fraser Institute's 2016 Annual Survey of Mining Companies
- Ranked 20<sup>th</sup> Internationally and 3<sup>rd</sup> overall in the sub-Saharan region in the 2017 National Resource Governance Index
- New Mining Code – 2015 – provides clarity, secure operating environment, transparent financial regime





# Dablo, Burkina Faso – Location and regional projects



# The Dablo Nickel-CU-PGE Deposit

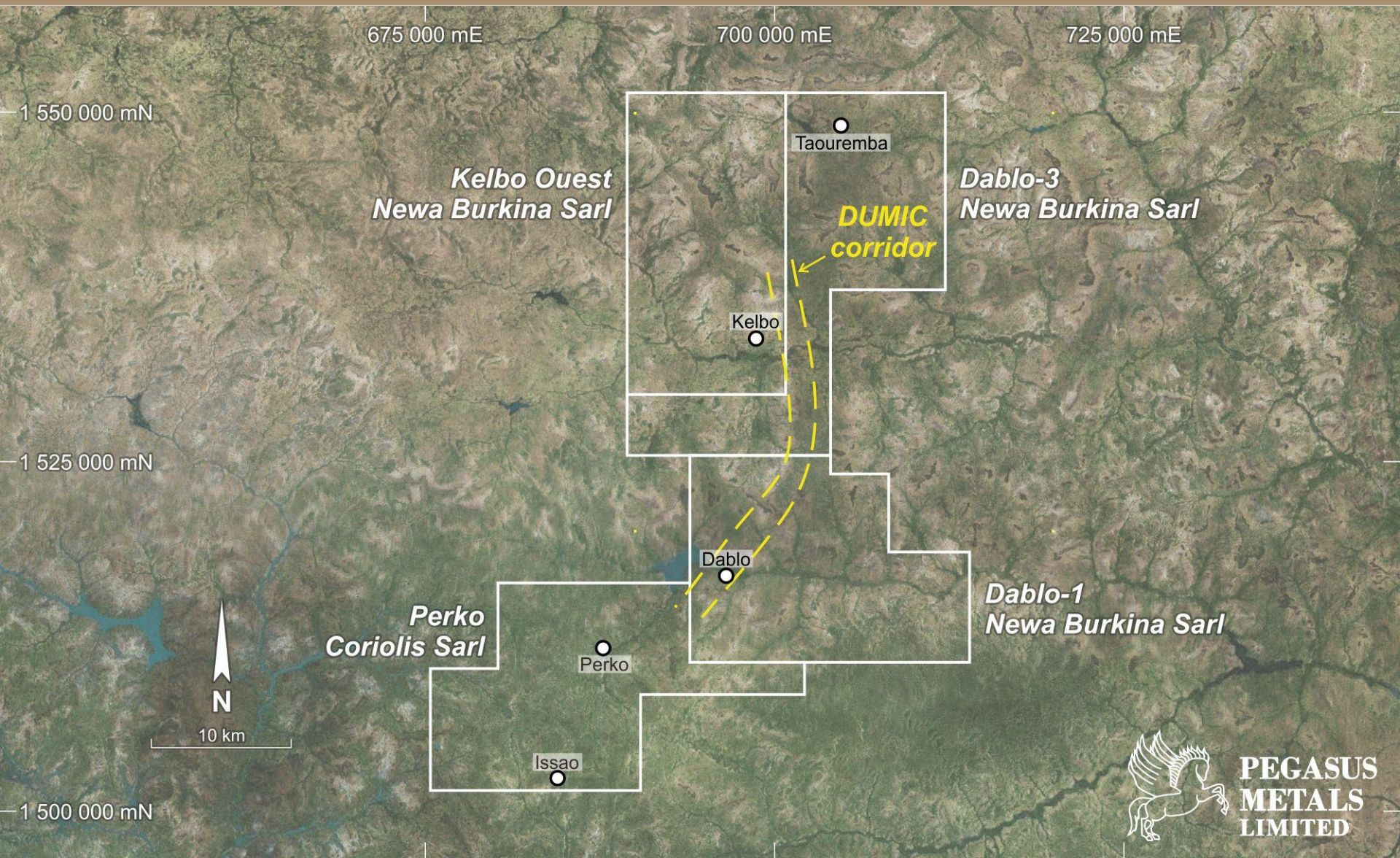
## Drill Ready with Walk Up Targets

- First mover advantage in emerging Ni-Cu-PGE Province
- Tenement package of 981 km<sup>2</sup> along the Dablo UltraMafic Intrusive Complex(DUMIC)
- Strike length of 6 km identified within >35 km anomalous trend
- Historic JV between Newa/First Quantum 2010 - 2014
- \$6M spent to date with work completed including:
  - Ground TM Survey
  - Airborne VTEM Survey
  - Soil geochemistry, geological mapping, and local prospect scale work (rock chipping, IP)
  - 5 diamond holes for 915 m completed in 2014 –
  - Best result returning **39.0 m at 0.87% Ni, 0.27% Cu, 3.77 g/t Pt+Pd and 0.74 g/t Au**



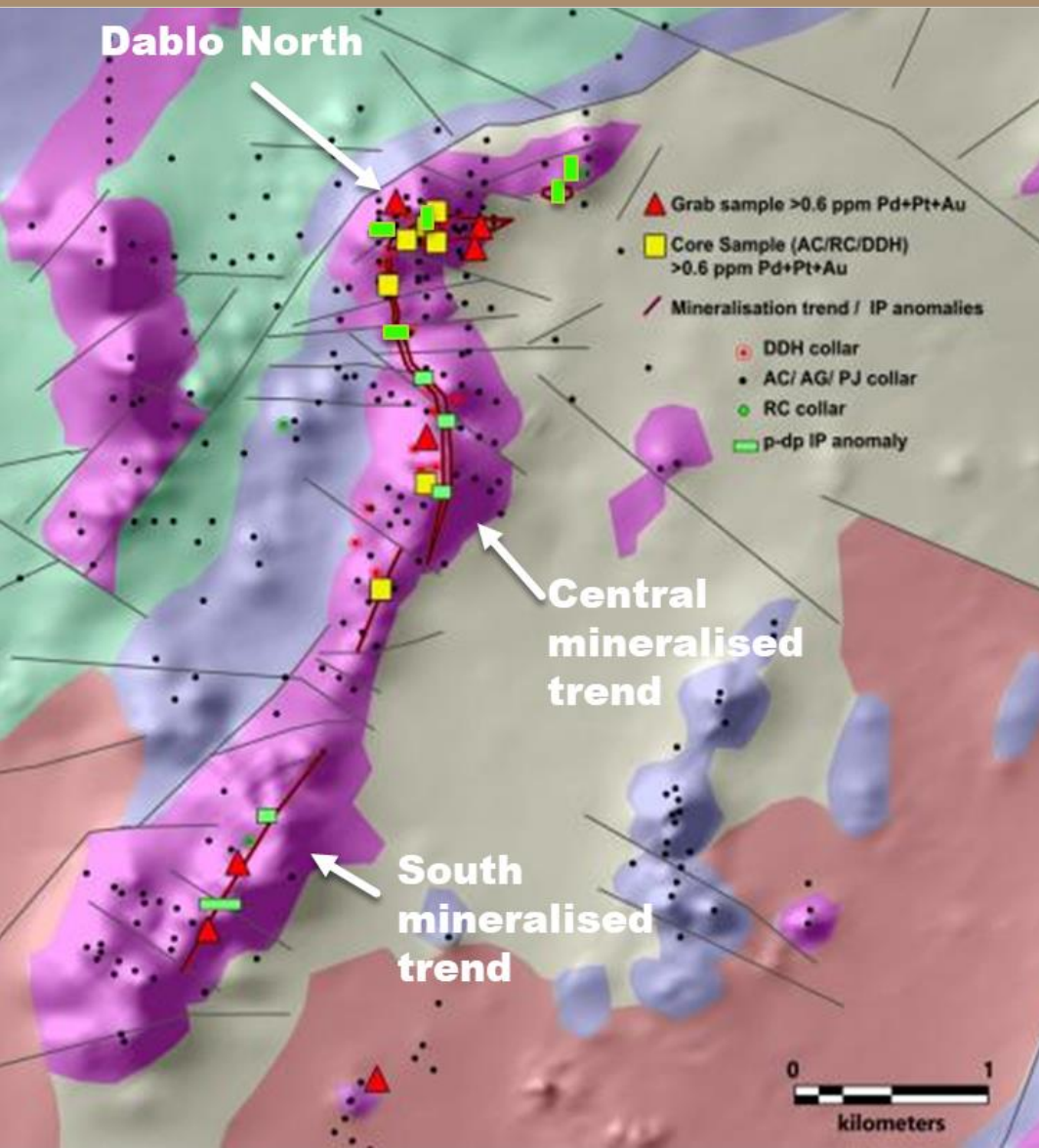


# Dablo Project – Tenement location



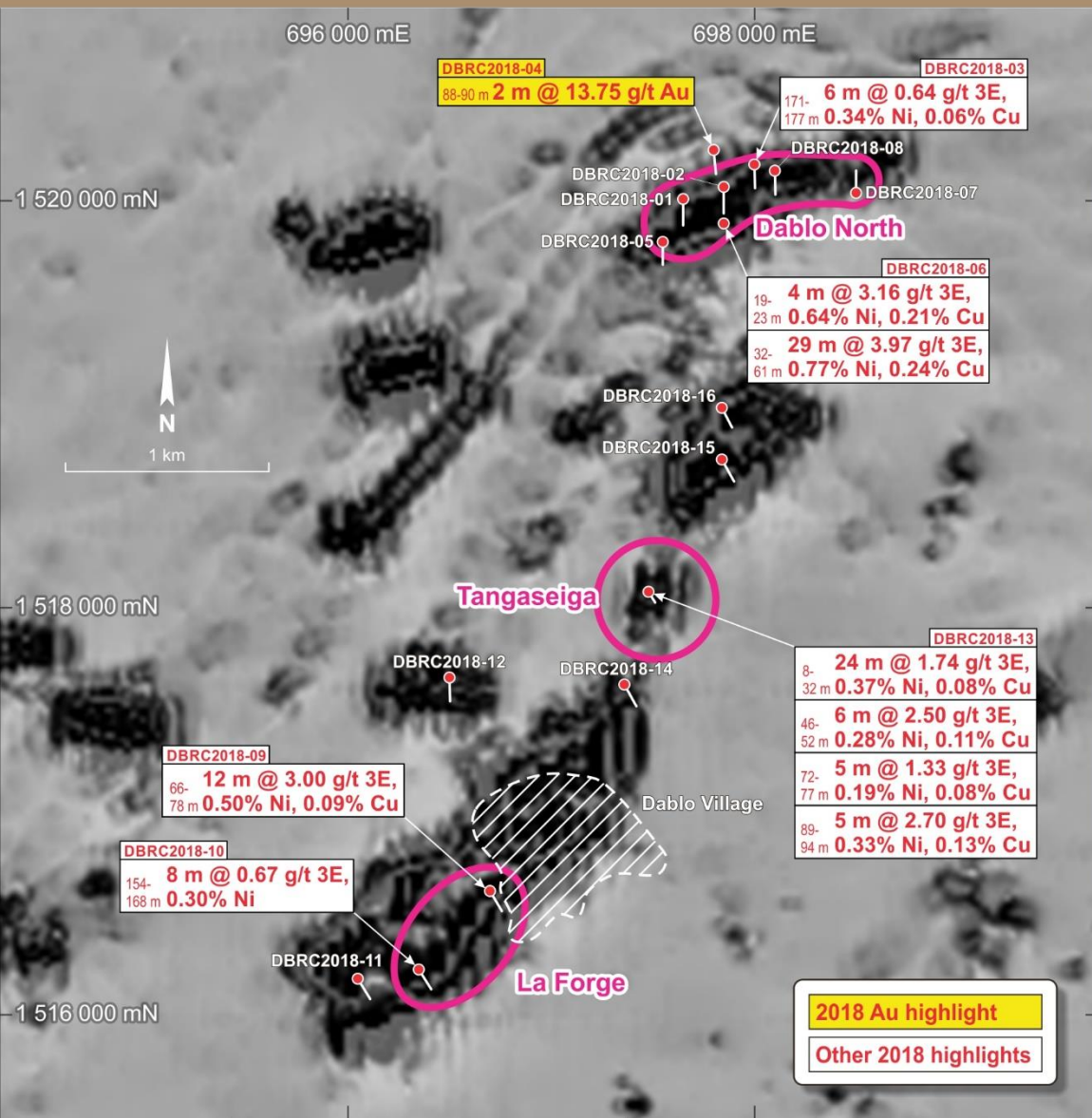


# Dablo Main Intrusion



- 6 km of known chonolith-style (dynamic) ultramafic-mafic intrusion hosted by Birimian granite-greenstone
- Multiple sulfide horizons identified at base of peridotite-pyroxenite packages (magma pulses)
- Mineralised sequence coincident with Pole-Dipole IP anomaly on every line
- Limited drilling:
  - 17 historic diamond holes (2183 m)
  - 5 diamond holes in 2014 (915 m)
  - 3 RC holes in 2015
- Regolith averages 12 m with almost no outcrop

# Dablo Project – Regional discoveries 2018 drilling

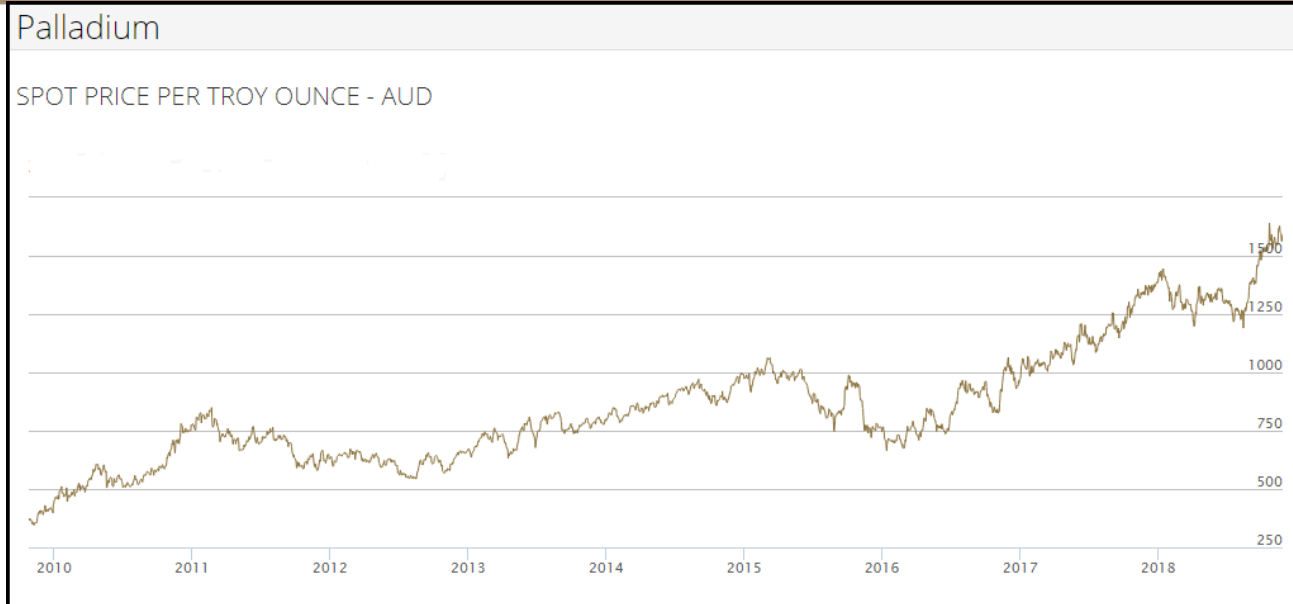


- Discovery hole at Tangaseiga
- Discovery holes at La Forge
- Newly discovered orogenic gold prospect (near Dablo North)

*Background image is greyscale magnetic first vertical derivative*

# Dablo Project- PGE-rich, particularly Palladium

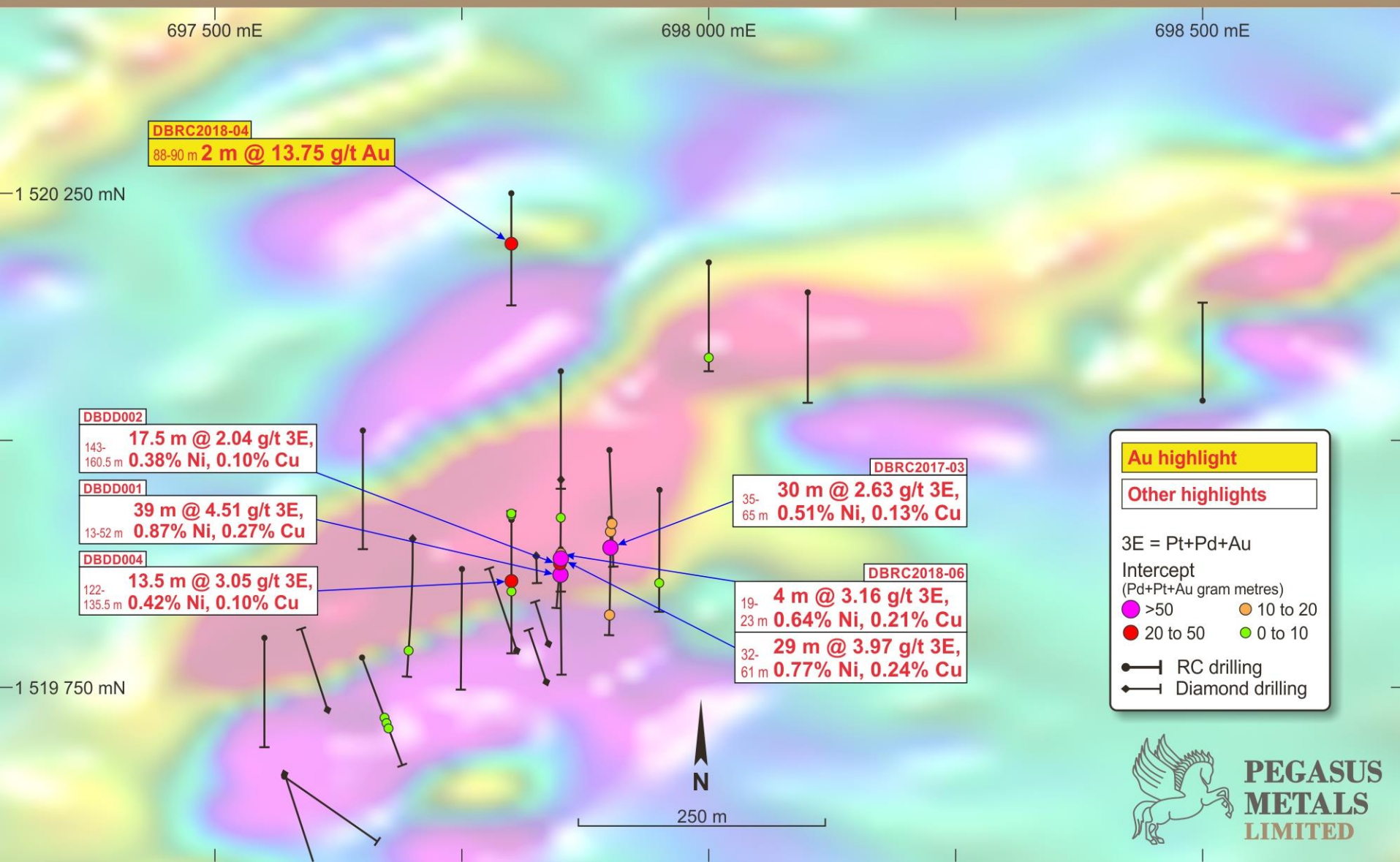
- PGE's- **Pt, Pd**, Ir, Os, **Rh**, Ru
- Dablo intersections refer to 3E  
(3E=**Pd+Pt**+Au)
- Dablo Pd/Pt/Au historic ratio approximately 7/4/1
- Pd spot price\* AUD \$1586/oz
- Pt spot price\* AUD \$1145/oz
- Au spot price\* AUD \$1675/oz
- Pd market remains in deficit
- Very few Pd-rich projects worldwide; most production is from deep thin reef mining underground
- 2015 world production only 208t (*source-USGS*)
- Uses
  - price mostly driven by use in catalytic converters (Pt- for diesel; Pd- for petrol); also
    - catalysts for bulk-chemical production and petroleum refining;
    - in electronic applications,
    - in multilayer ceramic capacitors
    - hybridized integrated circuits;
    - in glass manufacturing;
    - jewelry;
    - in laboratory equipment,
    - dental applications.
    - Exchanges traded products, and as bars and coins



\* Kitco bid prices as at 28<sup>th</sup> November 2018 pm



# Dablo North – Drilling highlights

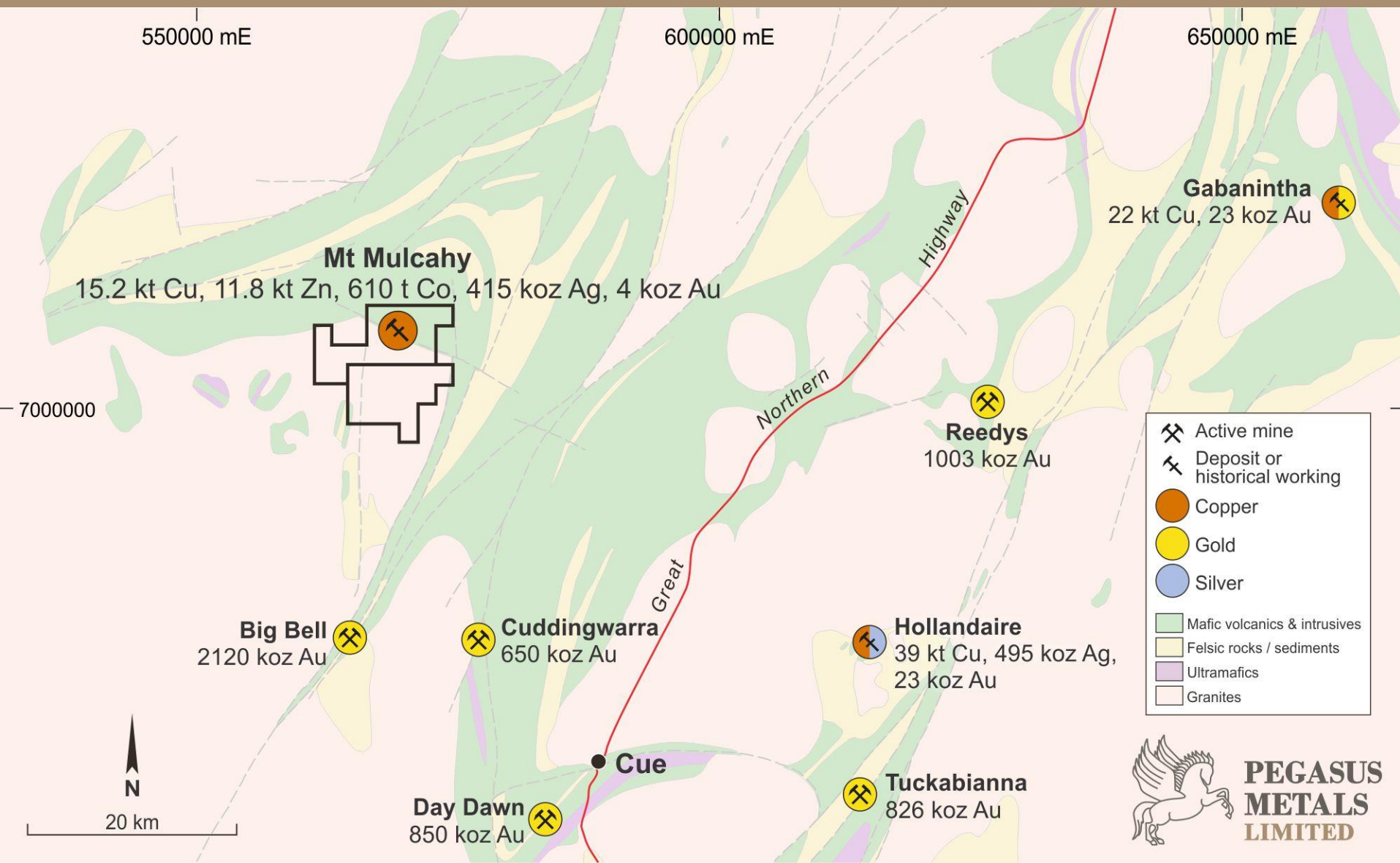


# The Mt Mulcahy Project

- Located 50 km north of Cue in WA's Murchison Mineral Field
- 100% owned by Pegasus
- Archaean VMS-style mineralisation
- Historic exploration conducted in the 1970s & 80s
- Similar geological setting to the world-class Golden Grove VMS deposits and Silver Lake's Hollandaire copper discovery
- Resource 647 kt @ 2.4% Cu, 1.8% Zn, 0.1% Co, 0.2 g/t Au for 15.2 kt Cu metal at South Limb Pod



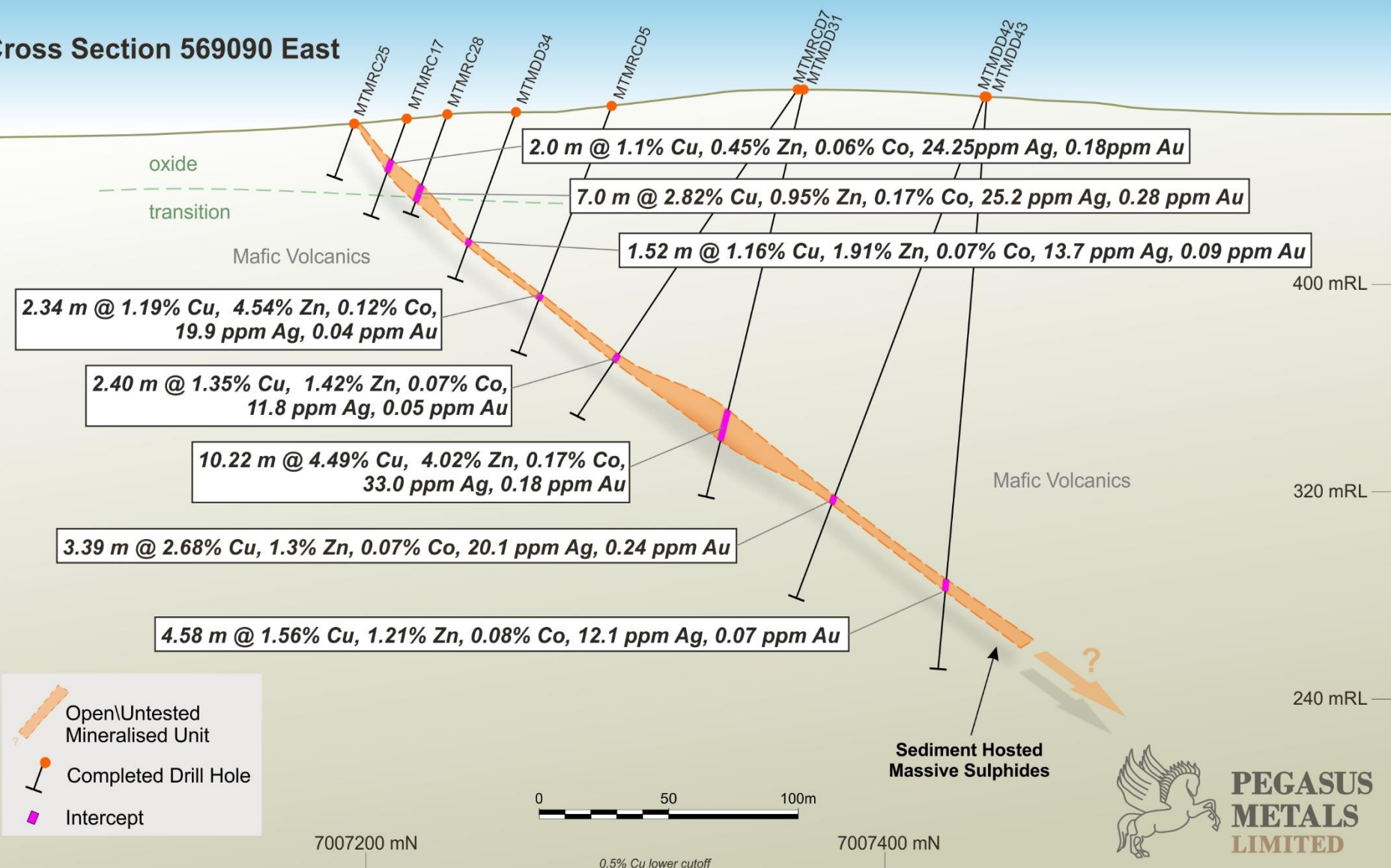
# Mt Mulcahy Project – Location and regional projects





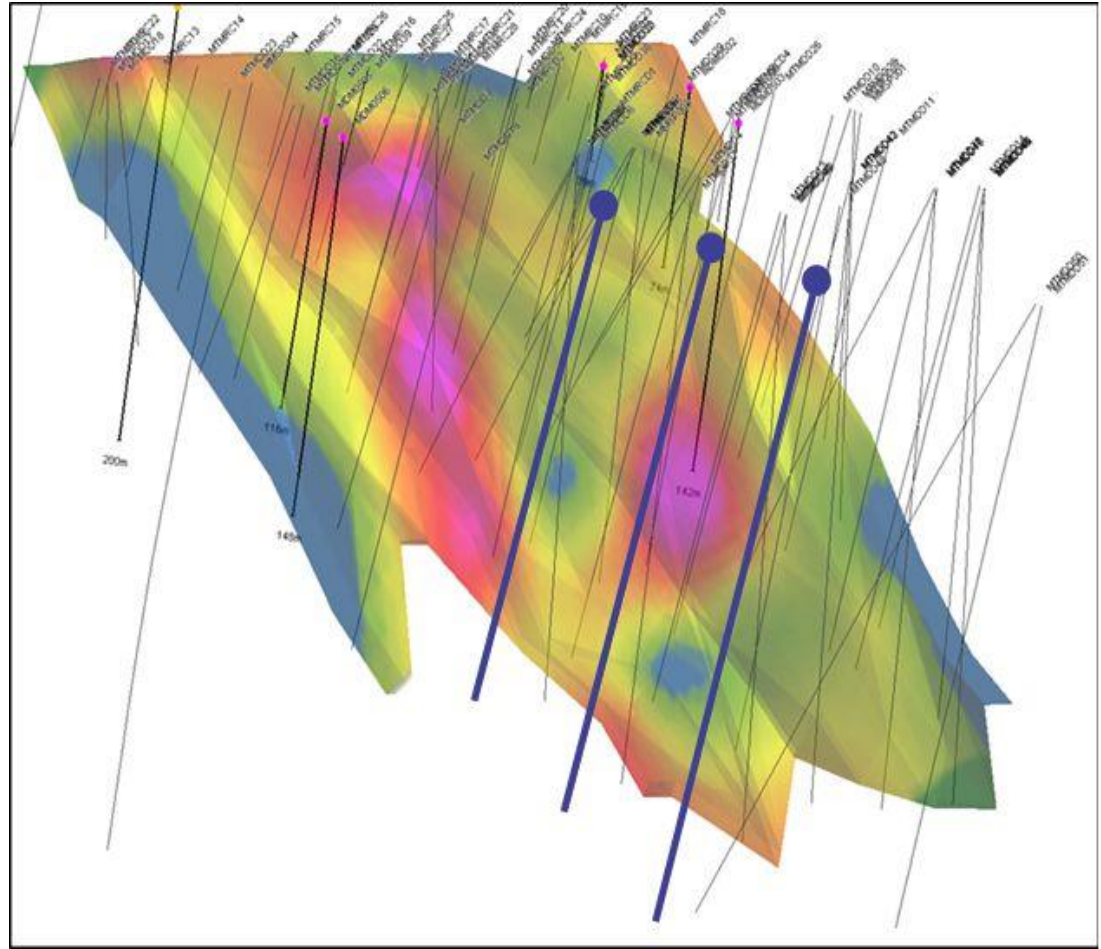
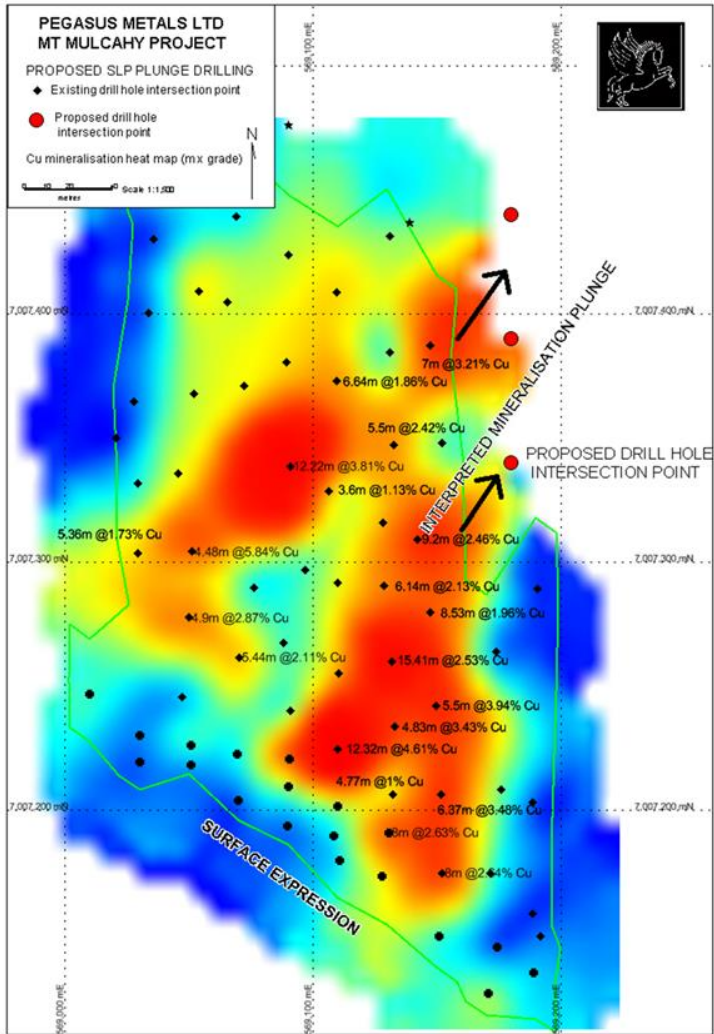
# Mt Mulcahy Project – Typical cross section

## Cross Section 569090 East



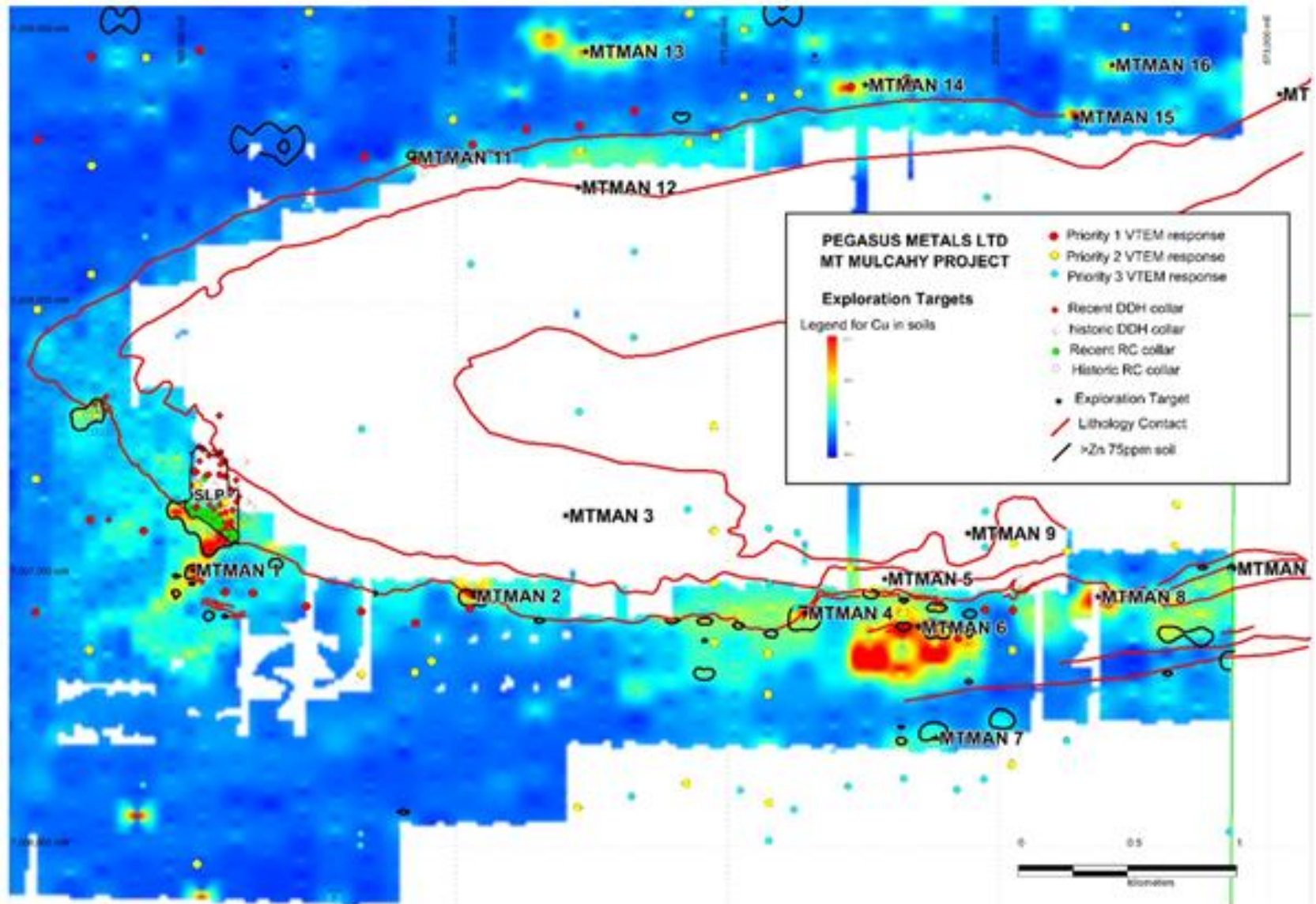
**PEGASUS  
METALS  
LIMITED**

# Mt Mulcahy Project – Proposed extensional drilling





# Soil geochemistry, VTEM anomalies and lithology contacts





# Mt Mulcahy Project – Resource table

Mt Mulcahy South Limb Pod Mineral Resource Estimate as at 30<sup>th</sup> June 2018

Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	193,000	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	372,000	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	82,000	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
<b>TOTAL</b>	<b>647,000</b>	<b>2.4</b>	<b>1.8</b>	<b>0.1</b>	<b>20</b>	<b>0.2</b>	<b>15,200</b>	<b>11,800</b>	<b>610</b>	<b>415,000</b>	<b>4,000</b>



# Future work

## Burkina Faso

- Follow-up Drilling to regional discoveries at Tangaseiga and La Forge
- Follow-up Drilling to orogenic gold discovery near Dablo North
- Soil sampling results from regional permits
- Assessment of regional gold potential

## Mt Mulcahy

- Extensional drilling of High grade plunge planned at South Limb Pod
- Reconnaissance of coincident VTEM and geochemical anomalies along the VMS prospective horizon
- Follow up Drilling of priority targets





Contact:

**Bronwyn Barnes**

t: +61 417 093 256

