



Avocet Mining PLC Annual General Meeting

9 June 2016

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Inata Gold Mine

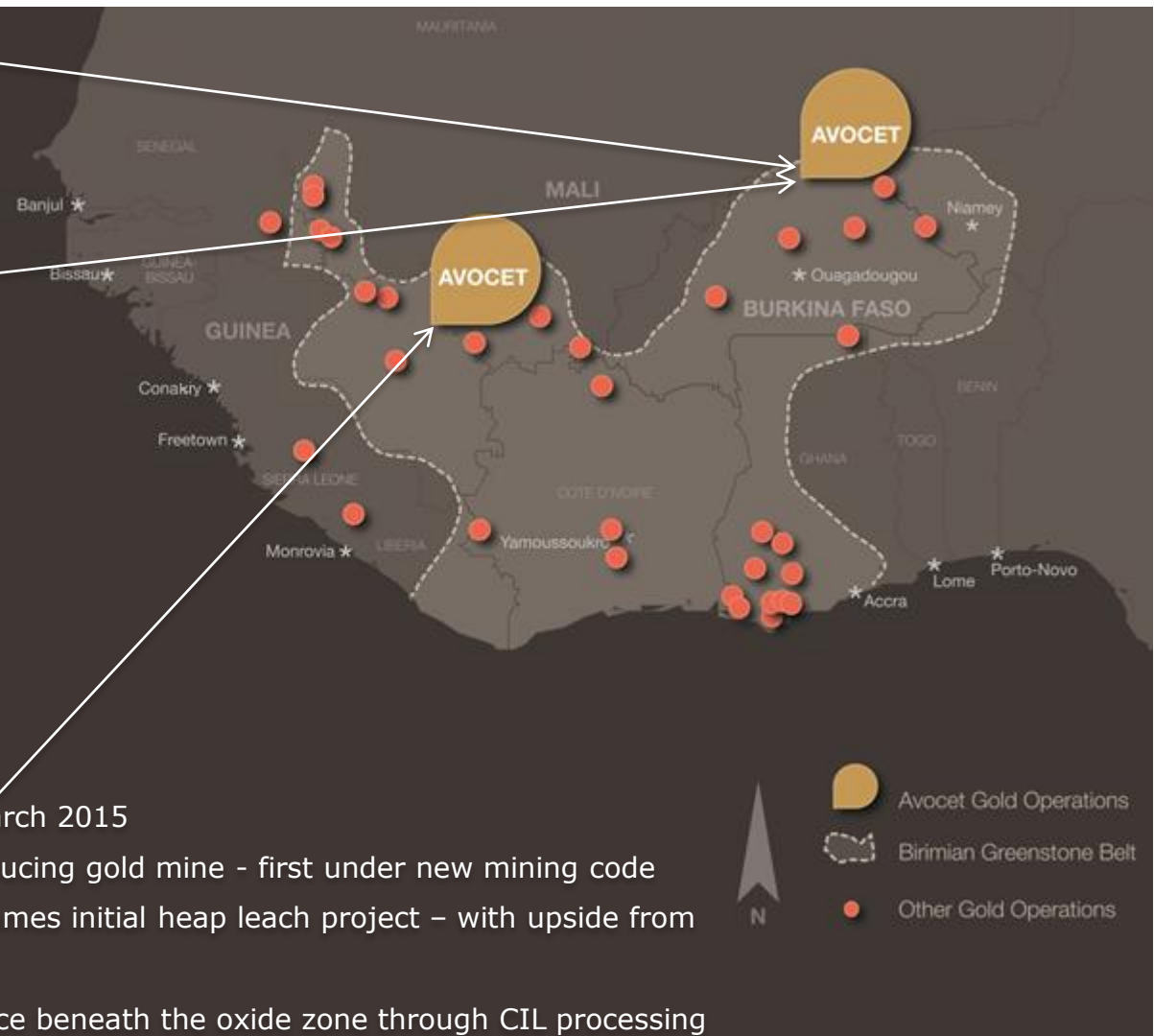
- Producing mine with exploration potential
- Inata Mineral Resources of 3.3 Moz, excluding Souma

Souma Project

- Souma deposit 20km from Inata process plant – currently 0.7Moz with significant growth potential
- Positive initial results received from ongoing Souma drilling programme
- Oka Gakinde – ferro-vanadium target within Bélahouro licences

Tri-K Development Project

- Exploitation permit granted 27 March 2015
- Potential to be Guinea's next producing gold mine - first under new mining code
- Low capex development plan assumes initial heap leach project – with upside from near-mine exploration drilling
- Potential to exploit 2.6Moz resource beneath the oxide zone through CIL processing



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- Inata – maximise cash flows whilst operating within safety and compliance standards
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- Tri-K – conclude project development plans and secure investment to allow construction of the mine to commence as early as practicable
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- Souma – raise funds to initiate a Feasibility Study and submission of a Mine Licence application
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- Head Office – secure long term funding to allow the Company to meet ongoing corporate obligations.
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- Safety – A LTI was incurred, the first since September 2013
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- Production of 20,528 oz compared to 17,379 oz in Q4/15
 - Underpinned by recovery of 91% compared to 67% in 2015
 - Soft oxide ore allowed a 17% increase milled tonnage compared to Q4/15
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- Cash costs of \$925/oz compared to \$1,094/oz in Q4/15 and FY15 of \$1,058/oz
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- Guidance for the full year of 75-85,000 ounces at a total cash cost (including royalty) of \$900-1,050/oz
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Inata gold mine – Q1 operating statistics

	Q4 2015	Q1 2016
Ore mined (k tonnes)	290	310
Waste mined (k tonnes)	3,494	2,993
Total mined (k tonnes)	3,784	3,303
Ore processed (k tonnes)	509	544
Average head grade (g/t)	1.22	1.21
Process recovery rate	89%	91%
Gold Produced (oz)	17,379	20,528
Cash costs (US\$/oz)		
Mining	335	291
Processing	430	375
Administration	251	183
Royalties	78	75
	1,094	925



Sustained downward pressure on all controllable costs

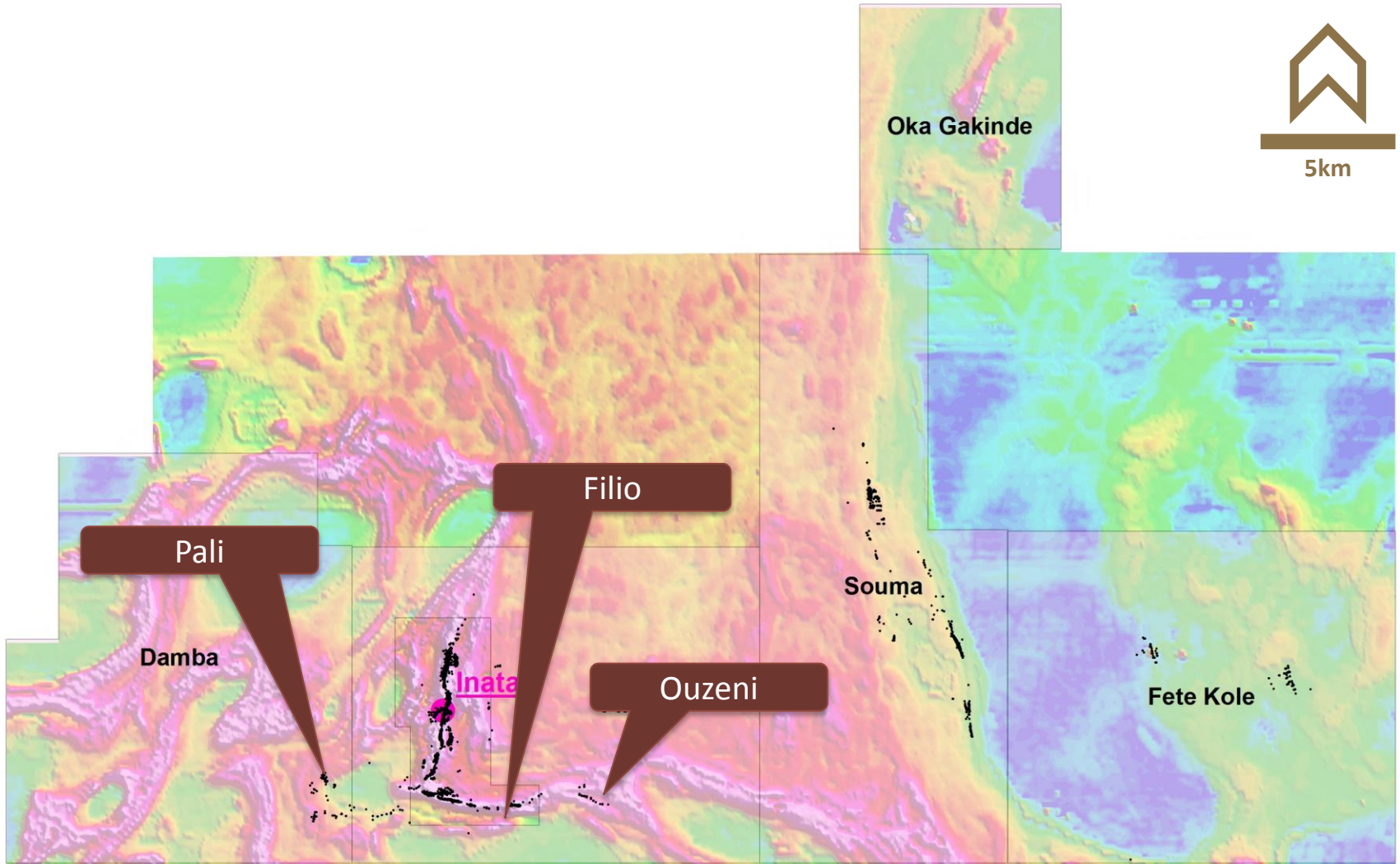
- Life of Mine (LoM) indicates production to continue to Q4 2018
- Key challenges are:
 - Creditor pressure
 - Availability of mine fleet and plant
 - Tight margins in the context of volatile gold prices
 - Variable recovery levels from complex ore types at depth
- Inata mine has debts of US\$27m Trade Creditors, US\$33m to Ecobank (bank loan and VAT advances), and US\$3m to Coris Bank



Two deposits are being targeted as further sources of ore to extend the mine life beyond 2018:

- Ouzeni and Pali – located 7-8km SE and 7km SW of the plant respectively. Although both lie outside the Inata mining permit, it is hoped that the government would allow an extension to the permit area to include these deposits, without the need for a full feasibility study. A drilling campaign estimated to cost **US\$1-2m** would be required to firm up the existing 5.2m tonnes of inferred resource at 1.62g/t (270k ounces).
- Conversion to Reserves of **100-150k ounces** would not be an unreasonable outcome.

Deposit	Classification	Tonnes	Au g/t	Ounces
Pali	Inferred	2,260,000	1.83	133,500
Ouzeni	Inferred	2,930,000	1.45	136,200
Total		5,190,000	1.62	269,700



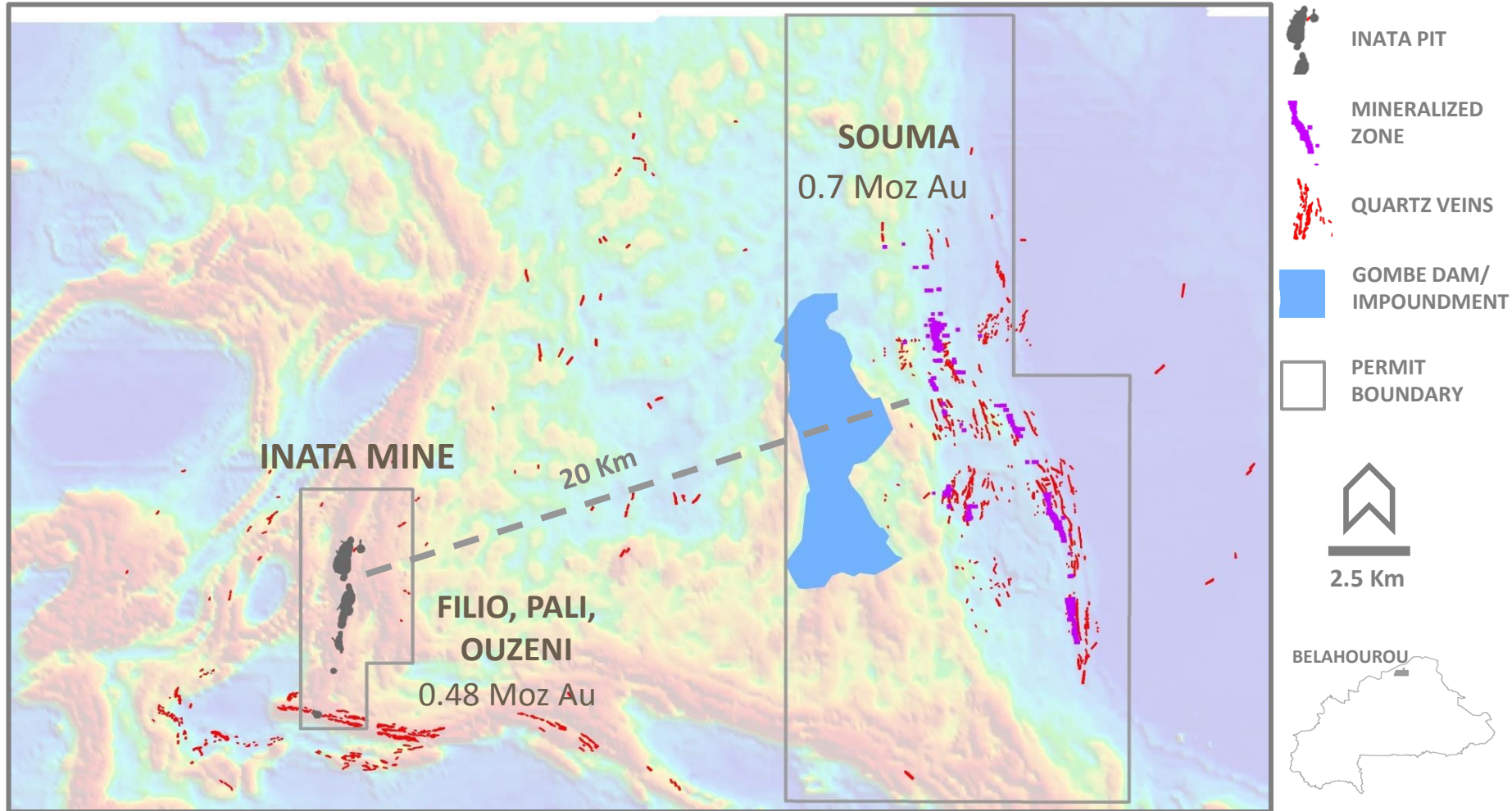


Souma

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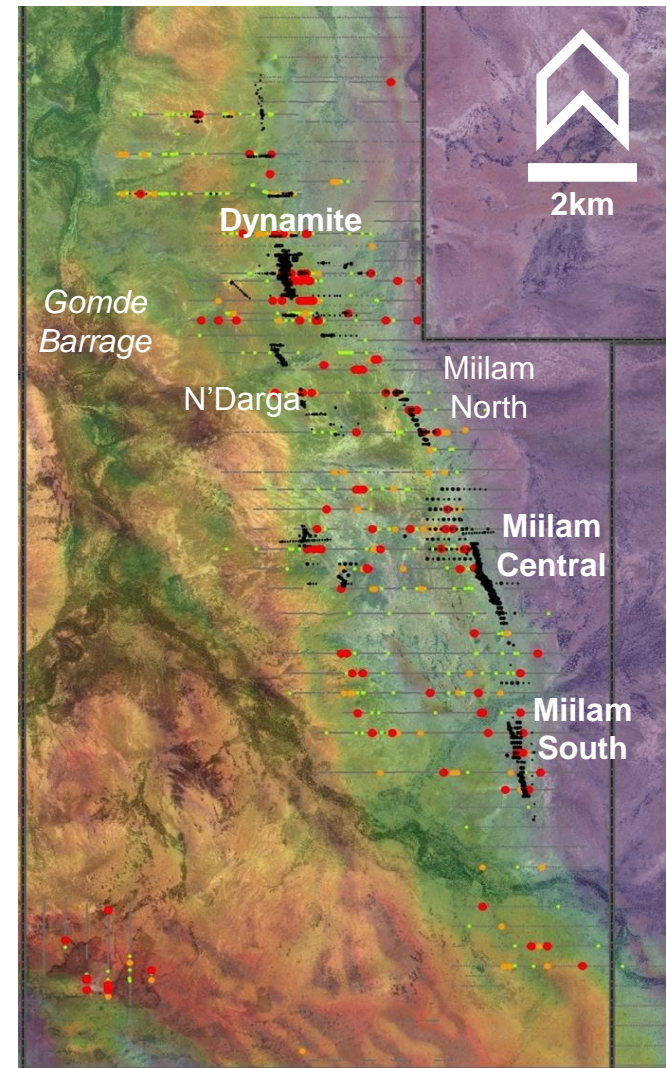


Location – 20km from Inata plant

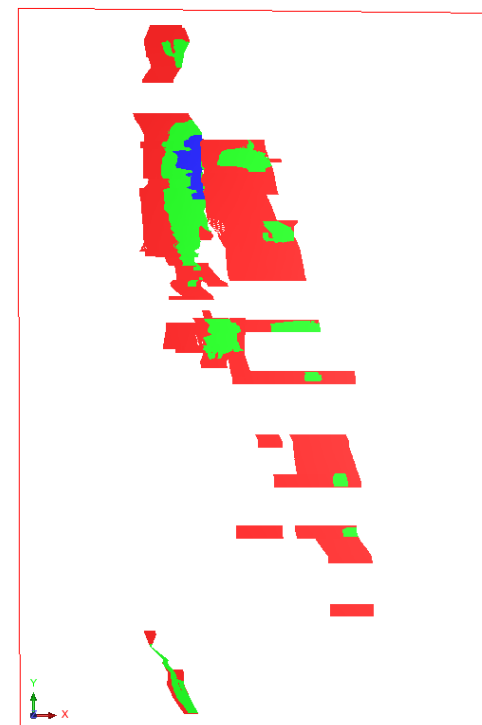


Souma – the future

- 20km from Inata Mine – within hauling distance across flat terrain
- 16 kilometre gold in saprolite anomaly
- Mineral Resource currently 0.7Moz. at 1.81 g/t
- High grade core of +2 g/t material
- 2016 plan to increase oxide resources and complete metallurgical testwork and submit Mine Licence application to Government prior to expiry of Exploration Licence in July 2017
- Entirely different geological setting – quartz hosted gold, no preg-robbing characteristics as seen at Inata



CLASS	Tonnes	Grade Au (g/t)	Metal (ozs)
Measured	-	-	-
Indicated	2,410,000	2.32	179,500
Meas+Indicated	2,410,000	2.32	179,500
Inferred	9,220,000	1.67	496,100
Meas+Ind+Inf	11,630,000	1.81	675,600



- A total of 676koz have been defined at Souma within five deposits
- While a significant number, it must be noted that 72% percent of this resource is Inferred
- Upgrade in resource imminent on Dynamite prospect – increase of some 100-200k ounces expected



Guinea – Tri-K

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- Exploration over a number of years outlined a 3m oz resource at Tri-K
- A Mining Permit was awarded for Tri-K based on a Heap Leach operation focused on the oxide portions of the Koulékoun and Kodiéran deposits, as outlined in a Feasibility Study submitted in Sep 2013
- The permit was awarded 27 March 2015.
- Discussions have taken place with Guinean authorities regarding extensions to deadlines
- Original Feasibility outlined a US\$88m capex project – however work in 2014/2015 identified ways to reduce costs and capex (to c US\$60m) and improve economics
- Heap leach chosen for Feasibility Study as lower risk (due to lower capex), reflecting more challenging financial markets for raising finance, together with perception of Guinea
- However considerable upside to the project exists:
 - Drilling programmes would expand reserves for both heap leach and CIL scenarios in the 7 contiguous exploration licences
 - CIL would allow transitional material to become treatable
 - Scope for consolidation with nearby deposits in Siguiri basin



Avocet Mining – a West African
focused gold mining
and exploration company

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