

Balance Sheet Check

Tech Report p 430	Payability	
	Gold	99.9%
	Silver	99.0%

Tech Report p. 402	Mine Operating Costs		New Cost
	Mining	\$/t milled	7.61
	Processing	\$/t milled	8.05
	Transport & Refining	\$/t milled	0.10
	General & Admin	\$/t milled	2.17
	Total	\$/t milled	17.93

Financials	Corporate G&A	\$/oz	15.00
	Exploration	\$/oz	27.00

	Capital Costs		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Tech Report p 433	Sustaining Capital	250,000,000	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	1,573,630
	Sustaining tonnes	242,592,000	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	1%

Tech Report p 435	Reclamation	
	Total Reclamation Costs	100,000,000

Filings	Financial	
	PP&E Opening Balance	1,850,000,000
	Taxes	30%

Assumptions	Working Capital	
	Accounts Receivable days	2
	Accounts Payable days	30
	Inventory Days	20

Discount Rate 5%

Asset Acquisition Cost 3,000,000,000

LIVE SCENARIO	3	Units	Avg.	Total	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
Balance Sheet Check																	

Mining

Mining Schedule

Mineral Inventory

Opening Balance	t	170,691,250	na	281,200,000	261,070,000	240,995,000	220,920,000	200,845,000	180,715,000	160,640,000	140,565,000	120,490,000	100,360,000	80,285,000	60,210,000	40,135,000
Less: Ore Mined	t	(20,088,750)	(241,065,000)	(20,130,000)	(20,075,000)	(20,075,000)	(20,075,000)	(20,130,000)	(20,075,000)	(20,075,000)	(20,075,000)	(20,130,000)	(20,075,000)	(20,075,000)	(20,075,000)	(1,527,000)
Closing Ore Balance	t	150,602,500	na	261,070,000	240,995,000	220,920,000	200,845,000	180,715,000	160,640,000	140,565,000	120,490,000	100,360,000	80,285,000	60,210,000	40,135,000	38,608,000
Strip Ratio	x	2	na	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Waste Mined	t	40,177,500	482,130,000	40,260,000	40,150,000	40,150,000	40,150,000	40,260,000	40,150,000	40,150,000	40,150,000	40,260,000	40,150,000	40,150,000	40,150,000	3,054,000
Total Material Moved	t	60,266,250	723,195,000	60,390,000	60,225,000	60,225,000	60,225,000	60,390,000	60,225,000	60,225,000	60,225,000	60,390,000	60,225,000	60,225,000	60,225,000	4,581,000
Ore mined	t	20,088,750	241,065,000	20,130,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	1,527,000
Gold Grade	g/t	1.05	na	1.09	1.05	1.24	1.06	0.89	1.01	0.95	1.34	1.01	1.04	1.08	0.78	0.78
Silver Grade	g/t	1.65	na	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64	1.64
Contained Gold	oz	674,911	8,098,932	705,442	677,698	800,329	684,152	576,003	651,880	613,155	864,871	653,666	671,243	697,060	503,432	38,293
Contained Silver	oz	1,056,032	12,672,389	1,058,201	1,055,310	1,055,310	1,055,310	1,058,201	1,055,310	1,055,310	1,055,310	1,058,201	1,055,310	1,055,310	1,055,310	80,272

Milling Schedule

Mill Feed	t	20,088,750	241,065,000	20,130,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	1,527,000
Recovery																
Gold	%	89.2%	89.2%	89.1%	88.6%	89.7%	89.5%	88.4%	88.9%	89.0%	88.9%	89.7%	89.8%	90.3%	88.6%	88.6%
Silver	%	89.2%	89.2%	89.1%	88.6%	89.7%	89.5%	88.4%	88.9%	89.0%	88.9%	89.7%	89.8%	90.3%	88.6%	88.6%
Production																
Gold	oz	602,257	7,227,088	628,549	600,440	717,895	612,316	509,187	579,522	545,708	768,870	586,339	602,776	629,445	446,041	33,928
Silver	oz	942,068	11,304,815	942,857	935,004	946,613	944,502	935,450	938,170	939,226	938,170	949,206	947,668	952,945	935,004	71,121
Payability																
Gold	oz	100%	na	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Silver	oz	99%	na	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Payable Metal																
Gold	oz	601,866	7,222,391	628,140	600,050	717,428	611,918	508,856	579,145	545,353	768,371	585,958	602,385	629,036	445,751	33,906
Silver	oz	932,647	11,191,766	933,428	925,654	937,147	935,057	926,095	928,789	929,833	928,789	939,714	938,191	943,415	925,654	70,410

LIVE SCENARIO	3	Units	Avg.	Total	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
Balance Sheet Check																	

Financials

Metal Prices

Gold	\$/oz	1,400	na	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Silver	\$/oz	18	na	18	18	18	18	18	18	18	18	18	18	18	18	18	18

Payable Metal

Gold	oz	601,866	7,222,391	628,140	600,050	717,428	611,918	508,856	579,145	545,353	768,371	585,958	602,385	629,036	445,751	33,906
Silver	oz	932,647	11,191,766	933,428	925,654	937,147	935,057	926,095	928,789	929,833	928,789	939,714	938,191	943,415	925,654	70,410

Tonnage

Mill Feed	t	20,088,750	241,065,000	20,130,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	20,075,000	20,130,000	20,075,000	20,075,000	20,075,000	1,527,000
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Financial Statements

Gross Revenue																	
Gold	\$	842,612,244	10,111,346,928	879,396,416	840,069,640	1,004,399,289	856,685,013	712,398,114	810,803,105	763,494,443	1,075,718,971	820,340,789	843,338,534	880,650,882	624,051,732	47,468,343	
Silver	\$	16,787,650	201,451,796	16,801,711	16,661,777	16,868,638	16,831,027	16,669,711	16,718,193	16,736,999	16,718,193	16,914,854	16,887,444	16,981,472	16,661,777	1,267,374	
Total Revenue		859,399,894	10,312,798,724	896,198,127	856,731,416	1,021,267,928	873,516,040	729,067,825	827,521,299	780,231,442	1,092,437,165	837,255,643	860,225,978	897,632,354	640,713,509	48,735,717	

Royalties																	
Average	\$	1.4%	144,379,182	12,546,774	11,994,240	14,297,751	12,229,225	10,206,950	11,585,298	10,923,240	15,294,120	11,721,579	12,043,164	12,566,853	8,969,989	682,300	
Total Royalties	\$	12,031,599	144,379,182	12,546,774	11,994,240	14,297,751	12,229,225	10,206,950	11,585,298	10,923,240	15,294,120	11,721,579	12,043,164	12,566,853	8,969,989	682,300	

Unit Operating Costs

Mining	\$/tonne	7.61	na	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61
Processing	\$/tonne	8.05	na	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05	8.05
Transport & Refining	\$/tonne	0.10	na	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
General & Admin	\$/tonne	2.17	na	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17
Total	\$/tonne	17.93	na	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93	17.93

Total Operating Costs																	
Mining	\$	152,875,388	1,834,504,650	153,189,300	152,770,750	152,770,750	152,770,750	153,189,300	152,770,750	152,770,750	152,770,750	153,189,300	152,770,750	152,770,750	152,770,750	11,620,470	
Processing	\$	161,714,438	1,940,573,250	162,046,500	161,603,750	161,603,750	161,603,750	162,046,500	161,603,750	161,603,750	161,603,750	162,046,500	161,603,750	161,603,750	161,603,750	12,292,350	
Transport & Refining	\$	2,008,875	24,106,500	2,013,000	2,007,500	2,007,500	2,007,500	2,013,000	2,007,500	2,007,500	2,007,500	2,013,000	2,007,500	2,007,500	2,007,500	152,700	
General & Admin	\$	43,592,588	523,111,050	43,682,100	43,562,750	43,562,750	43,562,750	43,682,100	43,562,750	43,562,750	43,562,750	43,682,100	43,562,750	43,562,750	43,562,750	3,313,590	
Total	\$	360,191,288	4,322,295,450	360,930,900	359,944,750	359,944,750	359,944,750	360,930,900	359,944,750	359,944,750	359,944,750	360,930,900	359,944,750	359,944,750	359,944,750	27,379,110	

Total Operating Costs (By-Product)		355,435,236	4,265,222,837	356,675,963	355,277,213	357,373,863	355,342,947	354,468,139	354,811,855	354,130,991	358,520,677	355,737,625	355,100,470	355,530,131	352,252,963	26,794,036
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Capital Costs																	
Development Capital	\$	#DIV/0!	0														
Sustaining Capital	\$	20,702,198	248,426,370	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	1,573,630	
Total Capital Costs	\$	20,702,198	248,426,370	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	1,573,630	

All-In Costs																	
By-Product Cash Cost	\$/oz	601	na	567.83	592.08	498.13	580.70	696.60	612.65	649.36	466.60	607.10	589.49	565.20	790.25	790.25	
Total Capital	\$/oz	35	na	33.03	34.48	28.84	33.81	40.77	35.72	37.94	26.92	35.40	34.34	32.89	46.41	46.41	
Corporate G&A	\$/oz	15	na	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	
Exploration	\$/oz	27	na	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	
All-In Costs	\$/oz	678	na	643	669	569	657	779	690	729	536	685	666	640	879	879	

EBITDA	\$	487,177,008	5,846,124,092	522,720,453	484,792,426	647,025,427	501,342,065	357,929,975	455,991,250	409,363,452	717,198,294	464,603,164	488,238,064	525,120,751	271,798,770	20,674,307
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LIVE SCENARIO		3	Units	Avg.	Total	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
<i>Balance Sheet Check</i>																		
Depreciation																		
% of production	%	na	na	8.3%	9.0%	9.9%	11.0%	12.4%	14.1%	16.5%	19.7%	24.6%	32.5%	48.2%	92.9%	100.0%		
Opening Balance	\$	1,064,772,833	na	1,850,000,000	1,715,512,503	1,579,525,567	1,441,486,562	1,301,169,528	1,157,894,107	1,012,087,617	862,877,822	709,594,623	550,791,557	385,696,895	210,637,212	16,351,895		
Add: Capital Expenditures	\$	20,702,198	248,426,370	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,688,028	20,688,028	1,573,630
Subtotal	\$	1,085,475,030	na	1,870,744,707	1,736,200,530	1,600,213,595	1,462,174,590	1,321,914,235	1,178,582,134	1,032,775,645	883,565,850	730,339,330	571,479,585	406,384,923	231,325,240	17,925,525		
Less: Depreciation	\$	(173,506,206)	(2,082,074,475)	(155,232,205)	(156,674,963)	(158,727,032)	(161,005,062)	(164,020,128)	(166,494,517)	(169,897,822)	(173,971,227)	(179,547,772)	(185,782,690)	(195,747,710)	(214,973,345)	(17,925,525)		
Closing Balance	\$	911,968,824	na	1,715,512,503	1,579,525,567	1,441,486,562	1,301,169,528	1,157,894,107	1,012,087,617	862,877,822	709,594,623	550,791,557	385,696,895	210,637,212	16,351,895	-		
EBIT	\$	313,670,801	3,764,049,617	367,488,249	328,117,463	488,298,394	340,337,003	193,909,847	289,496,733	239,465,629	543,227,067	285,055,392	302,455,374	329,373,041	56,825,425	2,748,782		
Taxes	\$	30%	1,129,214,885	110,246,475	98,435,239	146,489,518	102,101,101	58,172,954	86,849,020	71,839,689	162,968,120	85,516,617	90,736,612	98,811,912	17,047,627	824,635		
Net Income	\$	219,569,561	2,634,834,732	257,241,774	229,682,224	341,808,876	238,235,902	135,736,893	202,647,713	167,625,941	380,258,947	199,538,774	211,718,762	230,561,128	39,777,797	1,924,148		
Asset Level Balance Sheet Items																		
Accounts Receivable				4,910,675	4,694,419	5,595,989	4,786,389	3,994,892	4,534,363	4,275,241	5,985,957	4,587,702	4,713,567	4,918,533	3,510,759	267,045		
Inventory				49,106,747	46,944,187	55,959,886	47,863,893	39,948,922	45,343,633	42,752,408	59,859,571	45,877,022	47,135,670	49,185,334	35,107,590	2,670,450		
Accounts Payable				29,315,833	29,200,867	29,373,194	29,206,270	29,134,368	29,162,618	29,106,657	29,467,453	29,238,709	29,186,340	29,221,655	28,952,298	2,202,250		
Non-cash working capital				24,701,589	22,437,739	32,182,681	23,444,012	14,809,447	20,715,378	17,920,992	36,378,075	21,226,015	22,662,897	24,882,213	9,666,050	735,246		
Change in non-cash working capital				24,701,589	(2,263,850)	9,744,942	(8,738,669)	(8,634,566)	5,905,931	(2,794,386)	18,457,083	(15,152,060)	1,436,882	2,219,316	(15,216,163)	(8,930,804)		

LIVE SCENARIO	3	Units	Avg.	Total	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
Balance Sheet Check					-	-	-	-	-	-	-	-	-	-	-	-	-

DCF Model

Free Cash Flow																	
EBITDA	\$	487,177,008	5,846,124,092	522,720,453	484,792,426	647,025,427	501,342,065	357,929,975	455,991,250	409,363,452	717,198,294	464,603,164	488,238,064	525,120,751	271,798,770	20,674,307	
Less Adjustments:																	
Capex	\$	20,702,198	248,426,370	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	20,744,707	20,688,028	20,688,028	20,688,028	1,573,630	
Taxes	\$	94,101,240	1,129,214,885	110,246,475	98,435,239	146,489,518	102,101,101	58,172,954	86,849,020	71,839,689	162,968,120	85,516,617	90,736,612	98,811,912	17,047,627	824,635	
Increase in NWC	\$	805,504	9,666,050	24,701,589	(2,263,850)	9,744,942	(8,738,669)	(8,634,566)	5,905,931	(2,794,386)	18,457,083	(15,152,060)	1,436,882	2,219,316	(15,216,163)	(8,930,804)	
Reclamation	\$	0	0	-	-	-	-	-	-	-	-	-	-	-	-	100,000,000	
Total Adjustments	\$	115,608,942	1,387,307,305	155,692,771	116,859,417	176,922,488	114,050,460	70,283,096	113,442,979	89,733,330	202,113,231	91,109,265	112,861,522	121,719,256	22,519,492	93,467,460	
Free Cash Flow		371,568,066	4,458,816,786	367,027,683	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)	
Discount Rate/Factor	5%	na	na	1.0000	0.9524	0.9070	0.8638	0.8227	0.7835	0.7462	0.7107	0.6768	0.6446	0.6139	0.5847	0.5568	
Discounted Cash Flow																	
Asset NPV	\$		3,435,646,378	367,027,683	350,412,390	426,397,223	334,557,050	236,647,800	268,395,534	238,512,918	366,061,338	252,795,373	241,971,066	247,653,524	145,748,431	(40,533,951)	
Asset IRR			na														
Transaction NPV	Purchase Price		435,646,378	(3,000,000,000)													
	Undiscounted Cash Flow			367,027,683	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)	
Transaction IRR	Net Cash Flow		8.2%	(2,632,972,317)	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)	
Payback																	
Purchase Price				(3,000,000,000)													
Free Cash Flow (undiscounted)				367,027,683	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)	
Total				(2,632,972,317)	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)	
Cumulative Years			7	(2,632,972,317)	(2,265,039,308)	(1,794,936,369)	(1,407,644,764)	(1,119,997,884)	(777,449,612)	(457,819,491)	57,265,572	430,759,472	806,136,014	1,209,537,509	1,458,816,786	1,386,023,634	

Sensitivity Analysis

Mine NPV	3,435,646,378
Transaction NPV	435,646,378
Breakeven Gold	1,288
IRR	8.2%

		IRR				
		Gold Price				
		1,000	1,200	1,400	1,600	1,800
Mining Cost (\$/tonne)	12.00	-10.7%	-2.4%	4.0%	9.6%	14.9%
	11.00	-9.0%	-1.3%	4.9%	10.5%	15.8%
	10.00	-7.5%	-0.1%	5.9%	11.4%	16.7%
	9.00	-6.1%	0.9%	6.9%	12.3%	17.5%
	8.00	-4.7%	2.0%	7.8%	13.2%	18.4%
	7.00	-3.5%	3.0%	8.7%	14.1%	19.3%
	6.00	-2.3%	4.0%	9.6%	14.9%	20.1%
	5.00	-1.1%	5.0%	10.5%	15.8%	21.0%
	4.00	0.0%	6.0%	11.4%	16.7%	21.8%

		NPV \$M				
		Gold Price				
		1,000	1,200	1,400	1,600	1,800
Discount Rate (%)	9.0%	(1,405)	(753)	(101)	552	1,204
	8.0%	(1,341)	(661)	19	699	1,379
	7.0%	(1,272)	(562)	148	858	1,568
	6.0%	(1,198)	(456)	286	1,029	1,771
	5.0%	(1,119)	(342)	436	1,213	1,990
	4.0%	(1,033)	(218)	597	1,412	2,227
	3.0%	(941)	(85)	771	1,627	2,483
	2.0%	(841)	59	960	1,860	2,760
	1.0%	(733)	215	1,164	2,113	3,061

Charts & Graphs

	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
Operating Cash Flow	387,772,390	388,621,037	490,790,966	407,979,633	308,391,587	363,236,299	340,318,149	535,773,091	394,238,607	396,064,569	424,089,522	269,967,305	(71,219,523)
Capex	(20,744,707)	(20,688,028)	(20,688,028)	(20,688,028)	(20,744,707)	(20,688,028)	(20,688,028)	(20,688,028)	(20,744,707)	(20,688,028)	(20,688,028)	(20,688,028)	(1,573,630)
Free Cash Flow	367,027,683	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)
Acquisition Cost	(3,000,000,000)												
Cumulative Free Cash Flow	(2,632,972,317)	(2,265,039,308)	(1,794,936,369)	(1,407,644,764)	(1,119,997,884)	(777,449,612)	(457,819,491)	57,265,572	430,759,472	806,136,014	1,209,537,509	1,458,816,786	1,386,023,634
Free Cash Flow	(2,632,972,317)	367,933,009	470,102,939	387,291,605	287,646,880	342,548,271	319,630,121	515,085,064	373,493,900	375,376,542	403,401,495	249,279,278	(72,793,153)
Gold Production	628,140	600,050	717,428	611,918	508,856	579,145	545,353	768,371	585,958	602,385	629,036	445,751	33,906
All-In Sustaining Cost	643	669	569	657	779	690	729	536	685	666	640	879	879

