



TSX: STGO | OTCQX: STPGF

# Mongolia's Premier Precious Metals Company

Corporate Presentation  
December 2022





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# Disclaimer

## TECHNICAL INFORMATION

The technical and geoscientific content in this presentation has been compiled, reviewed and approved by Enkhtuvshin Khishigsuren, Vice President of Exploration of the Company and a “Qualified Person” as defined by NI 43-101. Scientific and technical information relating to the mineral properties mentioned in this presentation and the Feasibility Study that are considered to be material mineral properties of the Company are contained in Steppe Gold’s annual information form for the year ended December 31, 2021, and the NI 43-101 technical report entitled “NI 43-101 Technical Report Feasibility Study for the Altan Tsagaan Ovoo (ATO) Phase 2 Expansion Project of Mongolia”, dated November 30, 2021.

Tim Fletcher (P. Eng.), David Frost (FAusIMM), Daniel Gagnon (P. Eng.), and Ghislain Prevost, (P. Eng.) from DRA Global Ltd, Richard Jupp from Knight Piesold Pty Ltd, Ulziibayar Dagdandorj and Dan Michaelson (FAusIMM (CP)) from Ulzii Environmental LLC, and Robin Rankin (MSc DIC MAusIMM (CP)) are all “Qualified Persons” as defined by NI 43-101, and have approved the scientific and technical information in the Feasibility Study. Mr. Robin Rankin was responsible for the mineral resource estimate of the Feasibility Study. Mr. Rankin confirmed that he has reviewed the information in this Feasibility Study as it relates to the mineral resource estimate. The effective date of the current mineral resource estimate is March 30, 2021.

## CAUTIONARY NOTE FOR UNITED STATES INVESTORS

Technical disclosure regarding our properties included herein (the “Technical Disclosure”) has not been prepared in accordance with the requirements of United States securities laws. Without limiting the foregoing, the Technical Disclosure uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in the Technical Disclosure have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System. These standards differ significantly from the requirements of SEC Industry Guide 7, and resource information contained in the Technical Disclosure may not be comparable to similar information disclosed by U.S. companies.

The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and normally are not permitted to be used in reports and registration statements filed with the Securities and Exchange Commission (the “SEC”).

Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases.

Additionally, disclosure of “contained ounces” in a resource is permitted disclosure under Canadian securities laws, however the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measurements. Accordingly, information contained in the Technical Disclosure may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States federal securities laws and the rules and regulations thereunder.

# Company Overview

Steppe Gold is Mongolia's premier precious metals company, has commenced production and is projected to produce 90,000 ounces gold from the operational oxide zone of ATO Gold Mine in 2023/2024. The Company completed a feasibility study into expansion of the ATO Gold Mine to approximately **90,000 – 100,000 ounces of gold per annum** from the development of underlying fresh rock ores.

## INVESTMENT HIGHLIGHTS:

01.

### Proven in-country team

Proven track record. Strong social licence to operate and strong support from Mongolian investors.

02.

### Production Commenced in 2020

Mine fully commissioned and permitted. Initial Phase - I oxide zone is estimated to produce ~ 160,000 ounces of gold.

03.

### Resource expansion

Updated resource estimates recently announced for ATO 1, 2 , 4 deposits and initial resource for Mungu deposit, increasing reserves from 210k oz to ~1.6M oz Au Eq. at ATO Gold Mine.

## BANK COVERAGE:

HANNAM&PARTNERS

STIFEL | GMP

CAPITAL MARKETS  
HAYWOOD

## OTCQX: STPGF | TSX : STGO

Share Price	USD \$0.78 / CA \$1.07
Current Shares Outstanding	69.5 (m)
Outstanding Convertible (US\$3.0m)	4.3 (m)
Warrants & Options - (Strike @\$2.00)	11.3(m)

## CAPITAL STRUCTURE:

Mongolian Nationals	16%
Insiders and Management	15%
Family Office Investors (US & Europe)	13%
Eric Sprott	10%
LIM Advisors	7%
Fidelity International Ltd	6%
Elliot Management/Triple Flag	4%
Others	29%



# Company Milestones



# Management Team & Board



**Matthew Wood**  
Executive Chairman

Mr. Wood is a mineral resource explorer and developer with over 30 years of global industry experience in mining investments.

Founder of Hunnu Coal Limited sold for ~A\$500M (2011). Awarded the Order of the Polar Star, the highest state honour that can be awarded to a non-citizen of Mongolia.



**Bataa Tumor-ochir**  
President & CEO

Mr. Bataa Tumor-Ochir, a Mongolian citizen, has a wealth of global experience in the mining and oil and gas industry.

Mr. Bataa Tumor-Ochir is responsible for new business acquisitions, development and government and community relations. He is also responsible for daily operations in Mongolia.



**Aneel Waraich**  
Executive Vice President & Director

Mr. Waraich is a financial services professional with 15 years of progressive experience in capital markets having worked on over \$1B in deals.

Founder of ATMA Capital Markets focusing on advising public and private companies in the Natural Resources sector.



**Patrick Michaels**  
Director

Mr. Michaels is the Chairman of Zuri-Invest AG and the Chairman of Asty Capital AG in Zurich, Switzerland. Mr. Michaels has been involved in numerous financings of gold mines in North America as well as various other countries and is a well-respected financial adviser and fund manager throughout Europe.



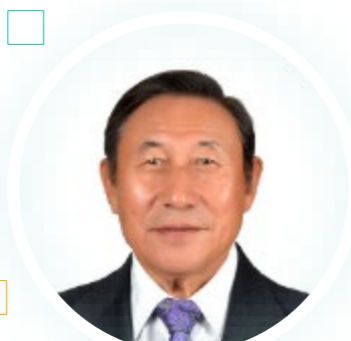
**Jeremy South**  
Senior Vice President and Chief Financial Officer

Mr. South has over 35 years of experience in M&A, capital markets and private equity in Europe, North America and Australia, including senior positions in investment banking at Deutsche Bank, NatWest Markets and Deloitte. He has been working in Mongolia since 2011.



**Greg Wood**  
Chief Operating Officer

Mr. Wood was a Systems Accountant with over 12 years extensive experience in financial reporting, financial analysis, developing key performance indicators and modelling of financial reports over a number of industries including transport, media and infrastructure and held management positions at Asciano and Patrick Stevedores.



**Dr. Zamba Batjargal**  
Director

Dr. Batjargal has more than 35 years' experience working for the government entities in Mongolia dealing with issues of environmental protection and climate change. He was the Minister of the Environment of Mongolia from 1990 to 1996. Dr. Batjargal has extended experience of work outside of Mongolia being engaged in international bi-and multilateral cooperation activities.



**Sereenen Jargalan**  
Director

Ms. Jargalan has been a professor at the Mongolian University of Science and Technology since September 2003 and head of the Department of Mineral Exploration since 2011 where she teaches Ore Geology and Metallogeny to Bachelors, Masters and Doctorate students.



**Steve Haggarty**  
Director

Mr. Haggarty is the Managing Director of Haggarty Technical Services Corporation and a registered member of the Professional Engineers Ontario. Mr. Haggarty has over 35 years of industrial experience both on-site and at a corporate level, involving several precious metal and copper producers, with a background in project design, commissioning, start-up, metallurgy, process optimization, project management, reclamation and closure.



**Enkhtuvshin Khishigsuren**  
Vice President Exploration

Mr. Khishigsuren has over 30 years of Mongolian mineral exploration experience, and advising many successful multinational companies. He has focused his expertise on the precious metals exploration sector, and is credited for having discovered several prospective gold, molybdenum and copper deposits, including the Olon Ovoot multimillion ounce gold deposit.



# Mongolia Today



**Mongolia's economic growth is expected to accelerate to above six percent in 2023-2024**



**A proud mining jurisdiction, with the sector leading 90% of exports and the country's largest employer**



**Large scale assets across the periodic table - Cu, Au, Fe and a leading regional coal portfolio**



**Rio Tinto has committed \$5bn to consolidate control of Oyu Tolgoi: a leading global copper project**



**Mongolia is critical to China's Belt & Road Initiative: two way supply**



**Government's New Revival Policy:**

- ▶ **Investor friendly;**
- ▶ **Borders open and increased rail infrastructure coming online by 2023; and**
- ▶ **Growing Technology Hub**





# Gold's Value Proposition

- ✓ Throughout history, gold has been seen as a special and valuable commodity and seen as the longest standing currency
- ✓ Acts as a hedge against inflation and deflation alike, as well as a good portfolio diversifier
- ✓ Retains its value not only in times of financial uncertainty, but in times of geopolitical uncertainty
- ✓ Central banks bought a record 399 tonnes of gold worth around \$20 billion in the third quarter of 2022, lifting global demand & reinforcing long term value for the metal
- ✓ In the last 20 years, gold outperformed most major asset classes
- ✓ Gold producers have been at the forefront of adopting new responsible mining practices and technologies





# Asset Overview: Altan Tsagaan Ovoo (ATO) Gold Mine

## Highlights

- ▶ A multi-phase precious metals project, covering 5,492 hectares, located in Dornod, North East Mongolia
- ▶ Mining commenced in 2018 and production commenced in 2020
- ▶ Phase 1 oxide has produced over 70,000 oz to date, with an estimated 90,000 oz to go before the fresh rock phase commences
- ▶ Reserves of 1.6m oz Au Eq, Resource estimate at the ATO Gold Mine is around 2.2m of Au Eq Feasibility Study dated October 2021
- ▶ With a 10.5 year mine life, with an assumed start date in 2024. Phase 2 expansion assumes producing 90-100,000 ounces of gold equivalent per annum from the fresh rock ore.
- ▶ Robust project economics at conservative metal prices





# Altan Tsagaan Ovoo (ATO) Gold Mine

Fully Permitted and Commenced Gold Production in 2020





# Mineral Reserve Estimate, **Effective June 30, 2021**

Phase 2 Expansion assumes producing ~100,000 ounces of gold equivalent per annum from the fresh rock ore. Gold recovery is fore- cast to be 79%, with further recoveries of up to 10% through CIP/CIL plant in later years.

ATO gold mine is estimated to generate \$1.72 bn in revenue and over \$584m in EBITDA with a CAPEX of \$128m, a rapid payback of capital in 3 years after taxes.

Category	Material	Ore (kt)	GRADES					METAL PRODUCED		
			AuEq (g/t)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Au (koz)	Ag (koz)	AuEq (k oz)
			<b>Combined (ATO &amp; Mungu)</b>							
Proven	Oxide	1,618	1.54	1.45	12.81	0.54	0.40	75	666	80
	Transition & Fresh	13,277	2.10	1.26	8.58	0.53	0.94	536	3,657	897
Probable	Oxide	1,324	1.16	1.01	19.45	0.26	0.20	43	828	49
	Transition & Fresh	10,186	1.69	0.98	13.79	0.37	0.69	316	4,344	550
Proven & Probable	Oxide	2,942	1.37	1.25	15.80	0.41	0.31	118	1,494	130
	Transition & Fresh	23,462	1.93	1.14	10.78	0.46	0.84	849	8,002	1,448
<b>Total</b>		<b>26,404</b>	<b>1.86</b>	<b>1.14</b>	<b>11.18</b>	<b>0.46</b>	<b>0.78</b>	<b>968</b>	<b>9,491</b>	<b>1,579</b>

# Key Financial Metrics

NPV  
After-Tax  
**\$232M**

IRR  
After-Tax  
**67%**

Site AISC  
**\$853/oz**

EBITDA  
**\$584M**

**LoM Phase 1 & 2 = 12.5**

After-Tax  
**3 years**  
**Payback**

Capital Expenditure  
Phase 2  
**\$128M**

LoM Grades  
Lead, 0.46%  
Zinc, 0.78%  
Gold, 1.14 g/t  
Silver, 11.18 g/t

Total Gross  
Revenue  
**\$1.72 Bn**



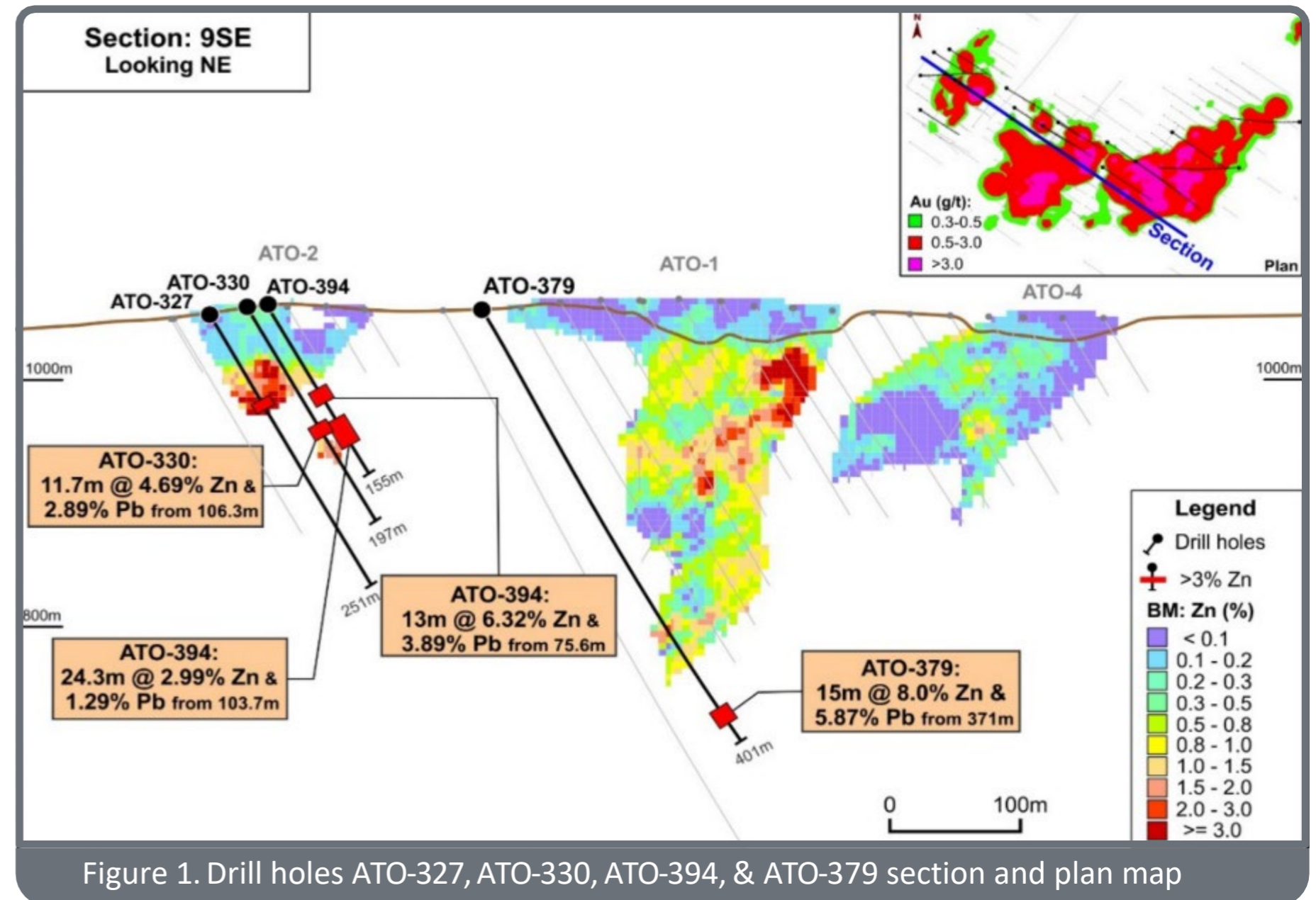
# New High Grade Zinc Discoveries

Recent Drilling resulted in an exciting new discovery of multiple high grade zinc sulphide intercepts beneath the existing ATO Gold Deposits.

Exceptional results and now extensive drilling program to commence in the coming month, with up to three drilling rigs utilized.

## Highlights:

- ✓ 20.95m at 10.56% Zinc and 3.13% Lead from 347.65m (ATO-364)
- ✓ 15m at 8.0% Zinc and 5.87% Lead from 371m (ATO-379)
- ✓ 55.4m at 4.23% Zinc and 1.83% Lead from 98.5m (ATO-391)
- ✓ 10.62m at 9.2% Zinc and 4.3% Lead from 201.15m (ATO-396)
- ✓ 23.5m at 6.28% Zinc and 1.63% Lead from 396m (ATO-423)





# Operations Q3/Q4

## Highlights

- ▶ Landmark power agreement has been reached to provide grid power to the ATO Phase 2 Expansions, to drive significant energy savings. Will reduce expected cash costs in excess of \$100/oz for Phase 2.
- ▶ New fixed crusher now substantially complete, and to be operational in April 2023 due to imminent winter conditions – will increase Steppe's current capacity by 4 times, up to 4Mt per annum/ at 50% of its power.
- ▶ Steppe Gold retains an inventory of 71,000 ounces of gold on a 70% recovered basis, allowing for strong near term production rates.
- ▶ Focus for balance of 2022 & into 2023: Maximizing gold production from the strong inventory on hand, continuing to work on operational efficiencies and strengthening supply chain logistics at the ATO Gold Mine, to commence preparations for the Phase 2 Expansion at the ATO Gold Mine.



# Operational Progress





# Operational Progress





# Steppe's 2022 Monthly Production Volume

## 2022 Monthly Production (oz Au)

Steady & Growing Production Profile





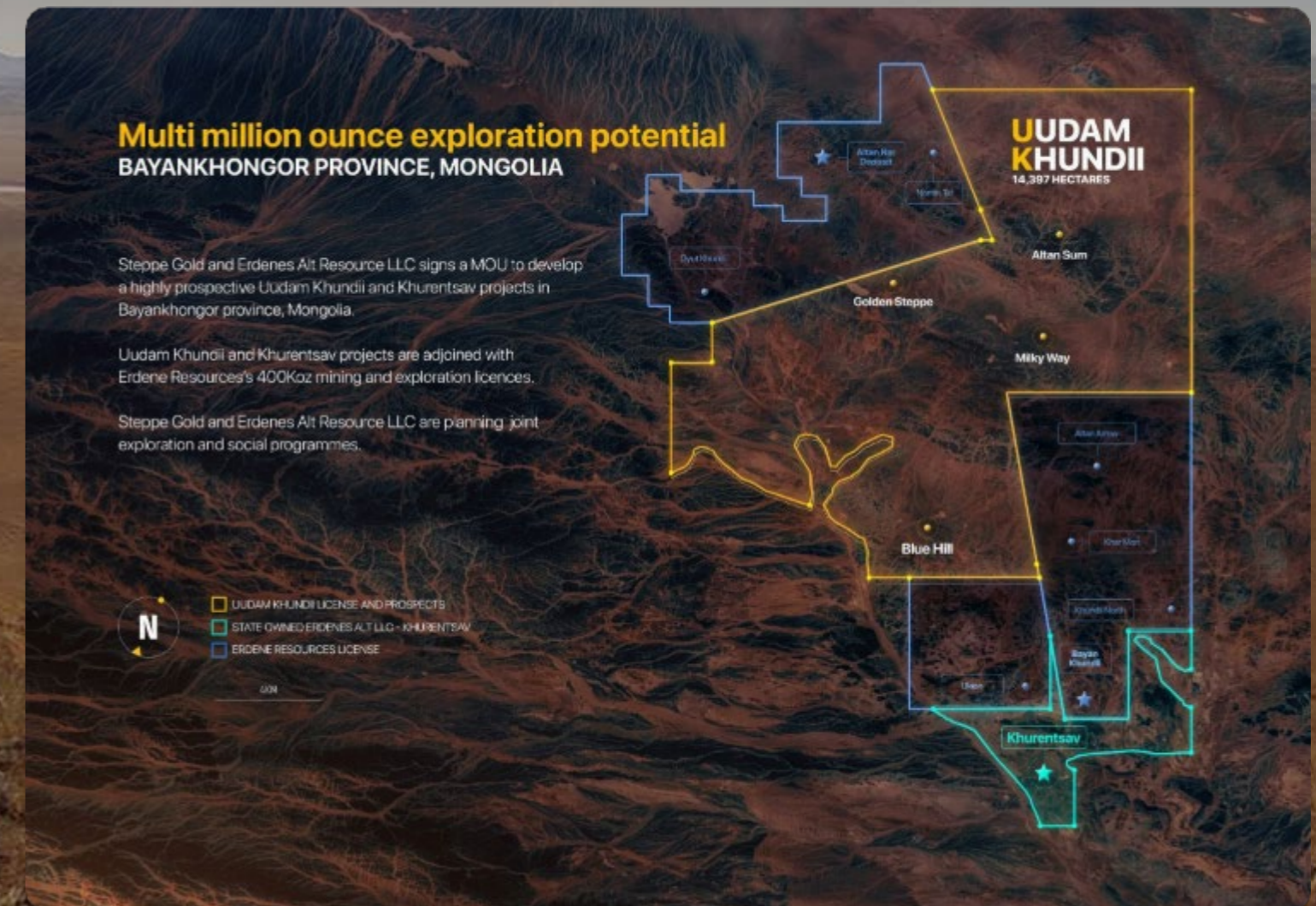
# Uudam Khundii (UK) Project

## CREATING A NEW, MULTI-MILLION OUNCE EXPLORATION POTENTIAL, GOLD DISTRICT IN BAYANKHONGOR

Partnership with state-owned Erdenes Alt Resource LLC announced to develop the highly prospective Khurentsav gold project that adjoins the Steppe Gold Uudam Khundii gold project

Identified 4 new discoveries: Maiden program commenced July 2022 with drilling of 3,000m with assays results pending

Initial results from 18 trenches for 933 meters at the Milky Way Prospect and the Altan Soum Prospect had highlighted a mineralized system of at least 700 meters in length and up to 12 meters wide with individual meter sampling results up to 1.49g/t gold, 450g/t silver, 2.98% copper, 3.98% lead and 0.31% Zinc.



### EXCLUSIVE RIGHTS

Uudam Khundii (“UK”) Project: Steppe Gold owns 14,400 hectares in a first of its kind, 80/20 JV with the provincial government of Bayankhongor.

### HIGHLY PROSPECTIVE AREA

Adjoining licences held by Erdene Resources (ERD)\* have discovered high grade gold silver mineralized zones trending on to Steppe’s licences.

### FURTHER ACQUISITIONS

The Company is currently assessing over 200,000 hectares of exploration licences for further acquisition.



# Exploration Strategy

- ✓ Ongoing exploration programs at both assets
- ✓ At ATO, extensional and infill drilling ongoing
- ✓ Further work continues at the Mungu Discovery throughout 2022 to assess expansion of this exciting discovery
- ✓ At UK, exploration drilling underway in 2022 after trenching and other preliminary work in prior years





# ESG Commitments

## Environmental:

- ▶ 92.9% Implementation Score on 2021 Environmental Management Plan (EMP)
- ▶ Signatory to Mongolia's One Billion Tree Campaign
- ▶ Successful Biodiversity Offset Plan in collaboration with local community, including the repopulation of essential marmot community and conservation of natural habitats

## Social:

- ▶ Community Relations is at the core of Steppe's operating culture: local oversight with a 9 member council, and +75% of workforce from local community
- ▶ Corporate procurement policy to use only local suppliers & vendors for economic development purposes
- ▶ Successfully launched the UGAI CULTURE media project to preserve heritage of local Buryat group

## Governance:

- ▶ Regularly liaise and consult with all levels of government, while in compliance of all local regulatory requirements
- ▶ Committed to upholding governance best practices, as per our requirements through the TSX, OTC and FSE.
- ▶ Steppe's Board sets tone for our sustainability vision, through policies that safeguard our employees and the local environment, while creating long-term shareholder value



# Financial Highlights

- ▶ Ramp up in production commenced in the second quarter with over 10,000 oz, and Q3 coming in at ~13,300 oz: up 28% from Q2
- ▶ Q3 results released November 7, 2022:  
Revenue year to date at Sept 30 was \$44.4m on gold sales of 23,510 oz, at an EBITDA margin of 44% before stream payments
- ▶ Bank of Mongolia is currently paying a 5% premium for gold purchases – average achieved gold price over market
- ▶ Q3 site based AISC below \$800/oz; well below average in the market
- ▶ Net debt now \$6m as cash flow from operations has reduced debt levels
- ▶ Discussions ongoing with international and Mongolian lenders and traders for project finance options for Phase 2 Expansion





# 2023 and Beyond...

- Healthy reagent supply has been built-up, in preparation for post-winter operational upswing
- New fixed crushing unit will be operational, allowing for higher crushing rates in the remaining oxide phase
- Continue to maximize gold production levels from strong inventory on hand
- Further announcements on ongoing Phase 2 Expansion work, including camp expansion and plant design.
- Updates on ongoing discussions with international and Mongolian lenders and traders for project finance options for Phase 2 Expansion.







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