



DYNACOR

Corporate Presentation
Fourth Quarter, 2019

This presentation contains certain forward-looking statements regarding operational information, future exploration and development plans and anticipated future production. Words such as, “potential”, “building”, “inferred”, “if”, “will”, “expect”, “forecast”, “estimate”, “consider”, “may”, “possible” and similar expressions have been used to identify these forward-looking statements. These statements are management’s current beliefs and are based on information currently available to management.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic, political and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place under reliance forward-looking statements.

Forward-looking statements and other information contained herein concerning the metals and mining industry and Dynacor’s general expectations concerning the industry are based on estimates prepared by management using data from publicly available industry sources as well as from private sources, industry analysis and on assumptions based on data and knowledge of the this industry which the Company believes to be reasonable. However, this data is inherently imprecise. While Dynacor is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. There is no certainty the projections will be met.

Stability/Safety
Historical Proof
of Success
and Income

Sells environmentally responsible clean gold;

Twenty (20) years of experience in manufacturing and selling gold dore bars produced through ore purchased from hundreds of Peruvian artisanal small-scale miners (ASMs);

Developing artisanal small-scale miner's (ASMs) health and education programs;

One of the lowest share counts in the mining space;

*In December 2019, entered into a short-term bank loan in the amount of \$3.0 million; The bank loan was fully reimbursed in February 2020;

Returns cash to shareholders; Pays quarterly dividend and buys back stock;

100% owned exploration project (Tumipampa) with three different mineralized zones; (Developed crosscut in underground epithermal vein system/disseminated zone/skarn associated with porphyry);

Partnering with artisanal small-scale mining groups ASMs to extract gold-mineralized material from Dynacor's 100% owned high-grade underground vein system;

Ninth (9) consecutive year of net income and positive cash flow.

* In December 2019, the Corporation entered into a bank loan agreement with a local Peruvian bank in the amount of \$3.0 million to support its working capital needs following the retention of its shipment and as its ore purchases were reaching record level. The bank loan was fully reimbursed in February 2020.

A reliable
gold selling
model that
has
delivered 9
consecutive
years of
profit



A dividend paying company;



Plans to leverage expertise and expand business model to international level;



Decades of experience in the business of purchasing and processing ore from ASMs;



Blue chip long-term strategic partner in PX Precinox | PX Group;

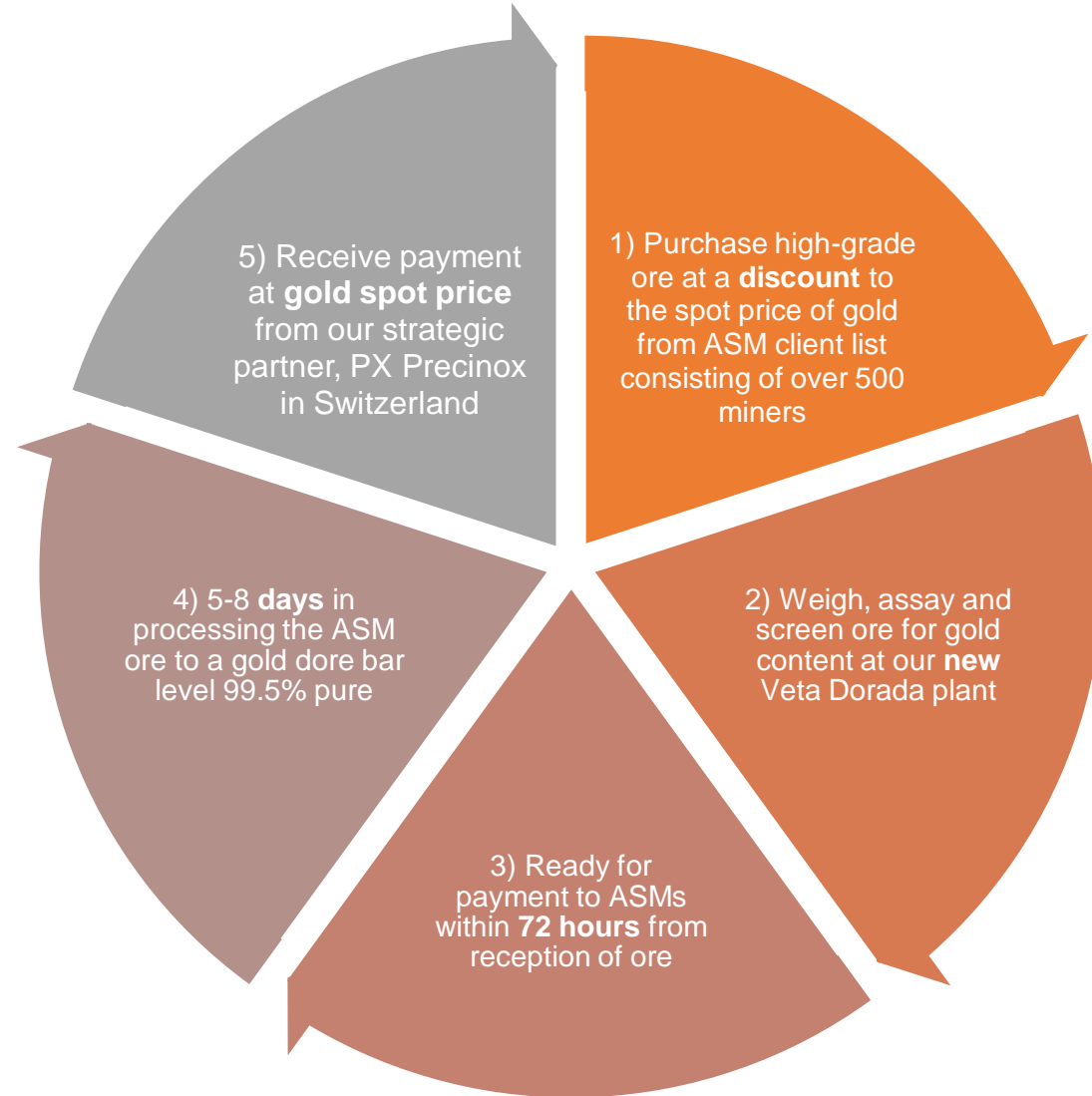


Strong balance sheet with cash on hand of approximately US \$15.0 M (C\$ 21.0 M) (Date of Year-End Report – March 30, 2020);




Only 39 million shares outstanding.

Our Business Cycle



PLANS TO EXPAND WORLDWIDE



 Dynacor ore-processing operations

Plant Overview

- CIP circuit includes weighing, assaying, crushing and milling on site
- In the hub of ASM high-grade operations (South Peru)
- Strategically located 5 km (5 minutes) off the main Pan American Highway
- Operating on full electrical power via national grid
- New and modern design opened in late 2016
- Designed for possible expansion
- Currently processing over full capacity of 300 TPD

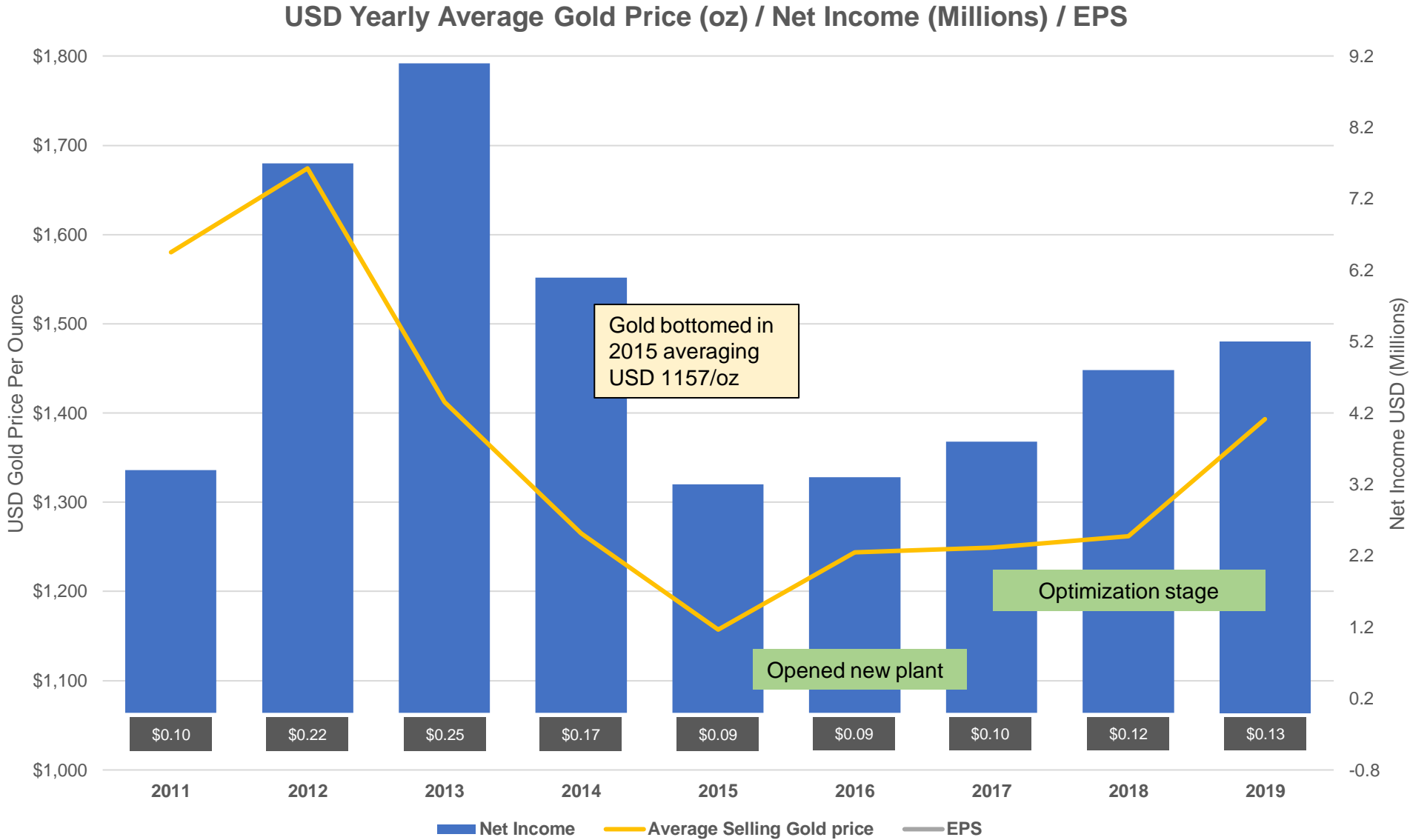


Plant in Pipeline

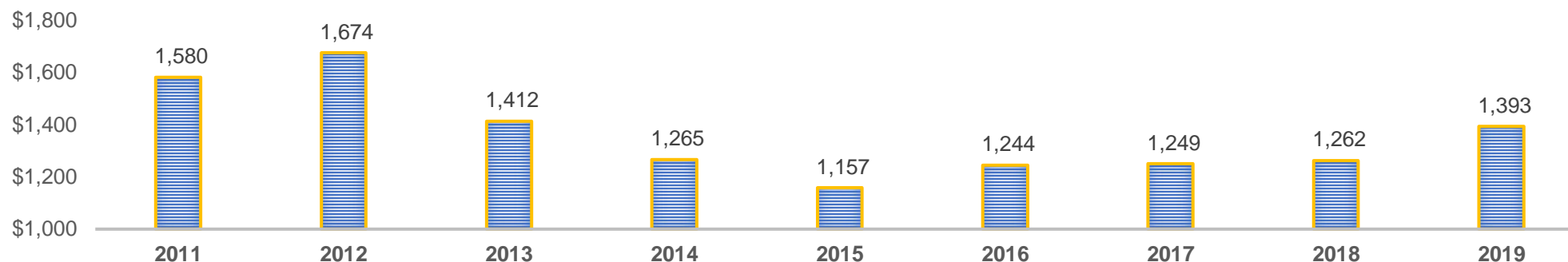
- Potential expansion project such as an ore processing plant in Senegal
- Entered into an agreement with Fonds Souverain d'Investissements Stratégiques S.A. and another third party to carry a due diligence study with the intention to build a processing plant and work with ASMs in south-east Senegal
- Due diligence has been performed and results have been discussed with future partners to confirm the next step going forward



NET INCOME/EPS HISTORY (2011-2019)



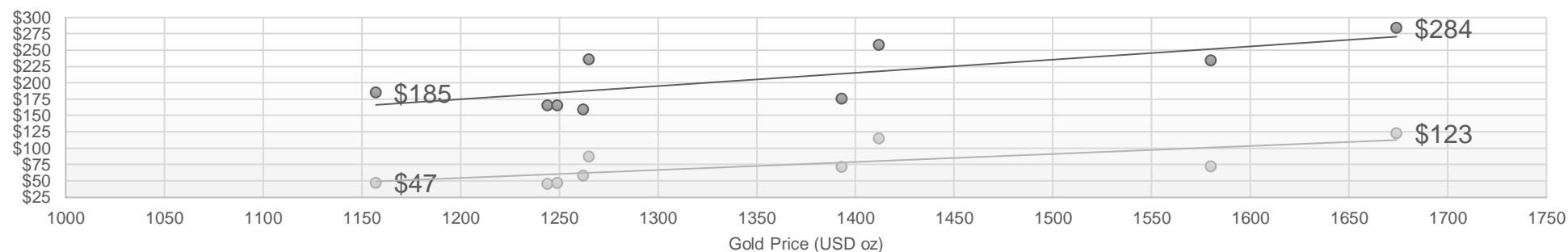
AVERAGE SELLING GOLD PRICE (USD PER OZ)



	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ounces Sold (eq)	47,185	62,734	79,416	69,727	68,170	73,366	81,405	82,893	73,643
Gross Operating Margin/Ounce Sold (eq)	234	284	258	236	185	165	165	159	176
Net Income/Ounce Sold (eq)	72	123	115	87	47	45	47	58	70
Average Selling Gold Price (USD/oz)	1580	1674	1412	1265	1157	1244	1249	1262	1393

Net
Income/oz
Sold (eq)
Increases
to **\$70** in
2019

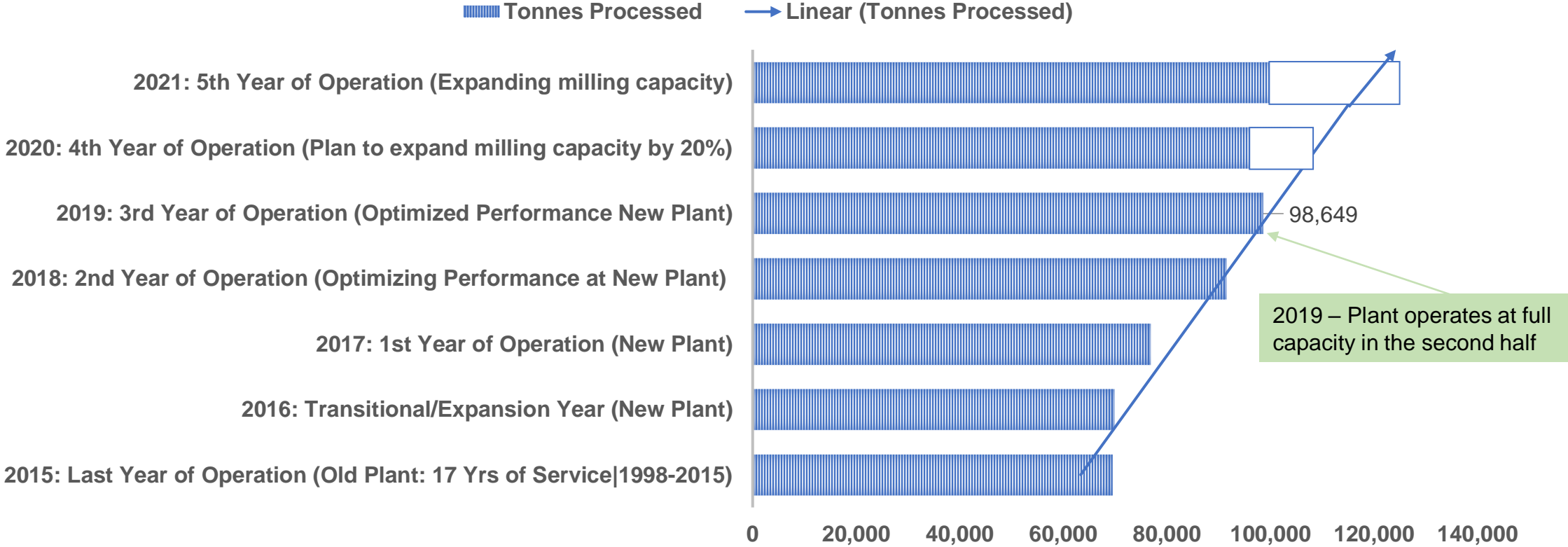
Gross Operating Margin & Net Income per equivalent gold ounce sold Correlation to Gold Price (USD oz)
2011-2019



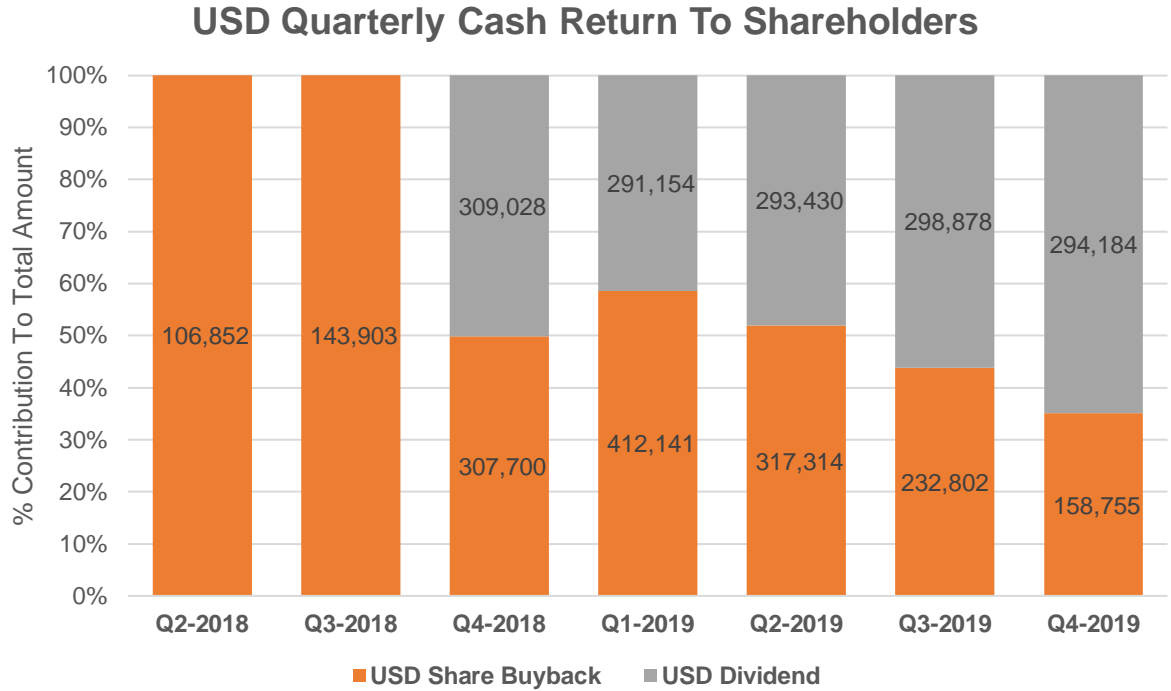
NOTE: Net income and gross operating margin per ounce are non-IFRS financial performance measures with no standard definition under IFRS.

● Gross Operating Margin per eq gold oz sold ● Net Income per gold eq ounce sold
 — Linear (Gross Operating Margin per eq gold oz sold) — Linear (Net Income per gold eq ounce sold)

TONNES OF ORE PROCESSED (DMT)



DIVIDEND/NCIB HISTORY – CASH RETURN TO SHAREHOLDERS

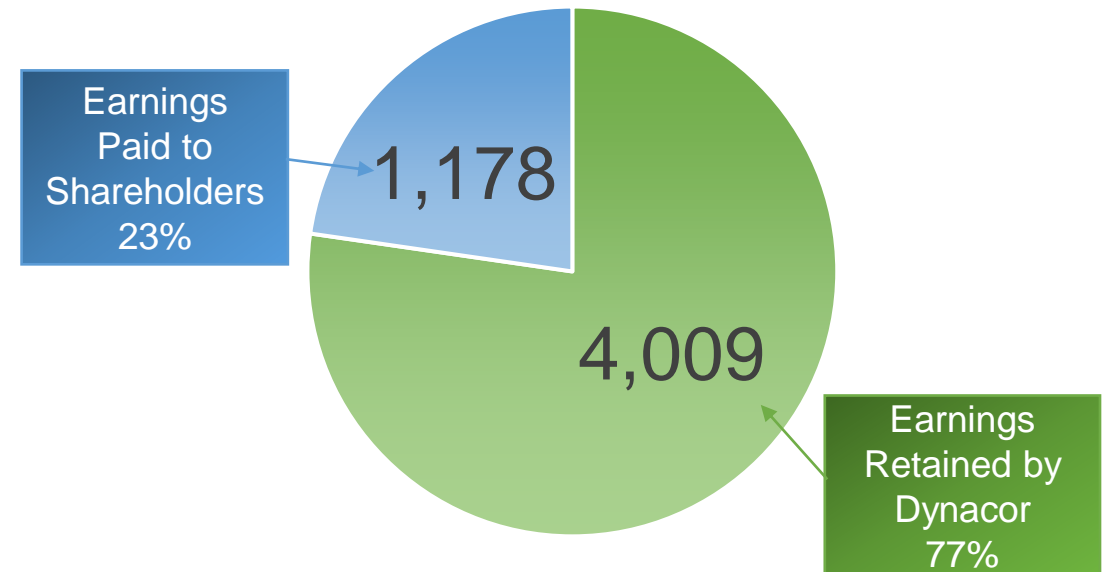


NCIB: During 2019, the Company has repurchased **847,721** common shares for a total cash consideration of \$1,121,012 (CA\$ 1,487,913), an average repurchase cost of \$1.32 (CA\$1.76) per share.

DIVIDEND: The Company has returned US **\$1,486,674** to its shareholders (CA\$ 0.05 per share) in consecutive quarterly dividends since October 3, 2018

USD (Millions)	Q1-19	Q2-19	Q3-19	Q4-19
Dividend Paid	0.3	0.3	0.3	0.3
Net Income	1.2	0.8	2.3	0.9
Payout Ratio		30%	21%	23%

Current Payout To Shareholders USD (000s) TTM



Payout Ratio - 23%

Dividend Increase

- Quarterly Payment: C\$ 0.015 per share, a 50% increase;
- Declared date: November 28, 2019;
- Paid to shareholders on January 6, 2020.

Market Summary

Stock Price (Q4-19: High-Low)	\$1.79 - \$1.51 CAD
Ticker Symbol	DNG – TSX
Shares Outstanding (Basic)	39.0M
Warrants	Nil
Quarterly Dividend	0.015 CAD
Dividend Yield	3.8% (2020-04-16)
Director & Senior Management Ownership	3.48%

Capital Structure

Market Capitalization	66M CAD
Debt	3M (The bank loan from December 2019 was fully reimbursed in February 2020)

Operational (2019)

- Processed a total of 98,649 tonnes of ore;
- Produced 80,677 ounces.

Financial (USD)

- 9th consecutive year of profits;
- Sales of \$102.5 million;
- Gross operating margin of \$13.0 million;
- Net income and comprehensive income of \$5.2 million (\$0.13 per share);
- Cash on hand of \$6.7 million at year-end 2019 compared with \$13.9 million in 2018 due to the increase in inventories and the decision to delay December 2019 gold exports in January 2020. Current cash on hand amounts to approximately \$15.0 million.

Cash Return to Shareholders (USD)

- The Corporation continued its normal course issuer bid share buyback program (847,721 shares were repurchased in 2019 compared to 446,367 shares in 2018);
- At the end of 2019, Dynacor increased its quarterly cash dividend payment to its shareholders to CA\$0.015 per share (first increased dividend paid in January 2020).

PX Precinox

- Is one of 10 companies under the PX Group
- Mastered the process of high quality refining
- A leading Swiss producer of gold bars
- Partner of the PX Impact Gold Program



WWW.PXGROUP.COM

Providing incentives and funding to develop our ASM communities

- Developed PX Impact Gold program to improve education and health throughout our ASM communities
- End users of our gold pay a premium which is invested into our development projects
- With a clear focus to improving environmental, social and ethical practices with our ASMs

Actively promoting legal and regulatory framework

- Assisting our ASMs in the necessary step of formalization
- Increasing awareness and reaching out to the government
- Liaising with government officials, NGOs and international agencies such as AGC

Taking a lead in organizing ASM operations

- Maintaining an updated list of ASMs
- Actively taking a stance against child labour/ refuse to provide service and aid as a condition
- Improving and promoting gender equality throughout our ASM operations

Providing technical assistance

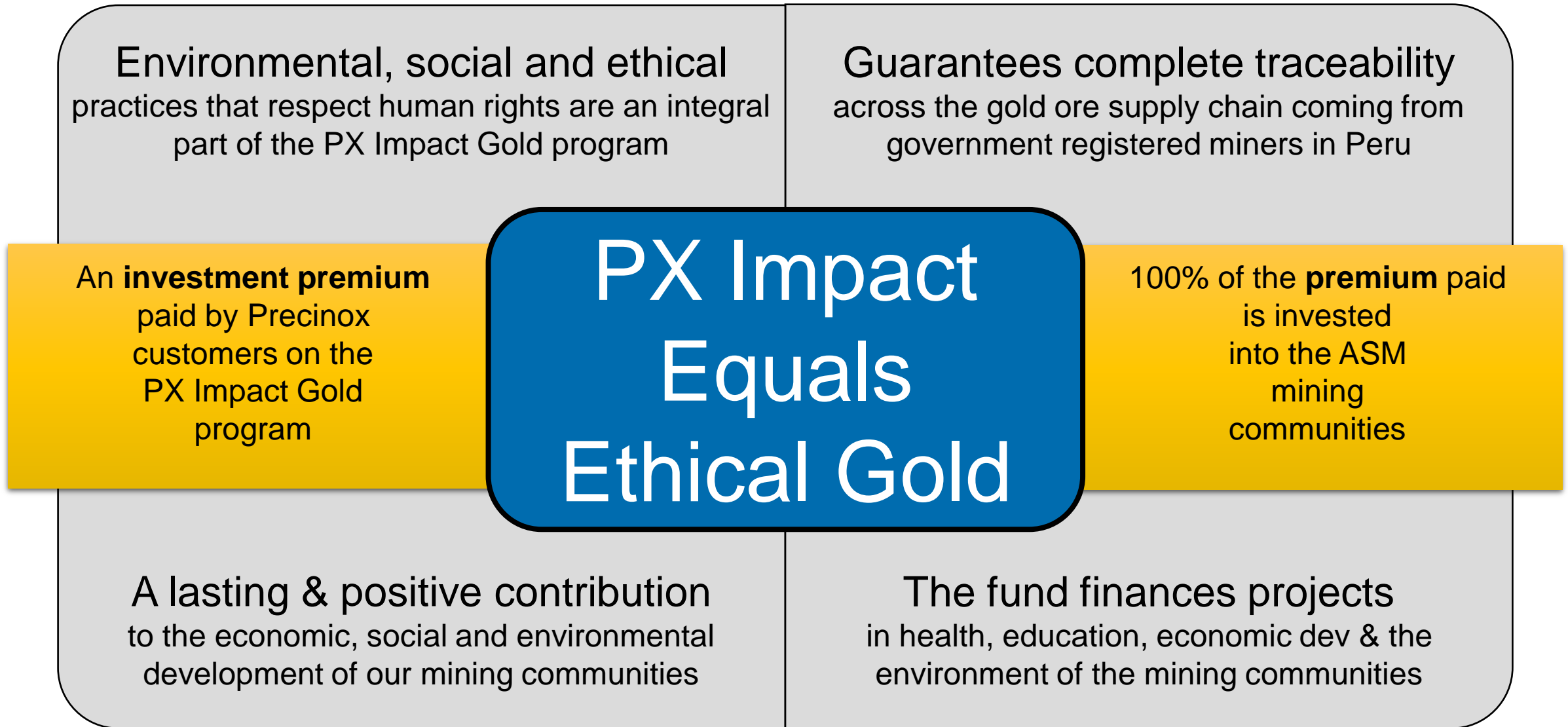
- Upgrading their technical tools, means and practices
- Providing professional assistance and in some cases financing to further develop their mines and levels of productivity
- Training/assist ASMs on several issues (e.g. organizational/financial management, occupational health, reclamation and transportation)

Employing ASMs within our own Operations

- Hiring local ASMs to work at our flagship exploration project, Tumipampa
- Often local ASM communities are hired by Dynacor to assist in their own development projects which we fund for free
- Relationship of trust with our ASMs enable other business arrangements and an all around win-win operation

YOUTUBE VIDEO PRESENTATION HERE: <https://youtu.be/8qmJiroL0ko>





A small premium is paid by a growing number of supportive firms from the fine luxury jewelry, watchmakers and investment sectors

- These firms are incorporating the use of responsibly sourced traceable gold that is produced from artisanal small-scale artisanal miners
- One hundred per cent of the premiums paid are used in the projects.
- The PX Impact program is behind the development of several CSR projects amounting to USD 160K.





DYNACOR

Head Office

625 René-Lévesque Blvd
West, Suite 1200
Montreal (Quebec)
H3B 1R2 CANADA

investors@dynacor.com
514.393.9000 #230