



**DuSolo**  
FERTILIZERS



**Corporate Presentation March 2017**

# CAUTIONARY STATEMENT

Certain statements in this presentation may contain forward-looking statements within the meaning of applicable securities laws. Readers can identify many of these statements by looking for phrases or statements that include words such as “may”, “could”, “would”, “might”, “believes”, “expects”, “will”, “intends”, “projects”, “anticipates”, “estimates”, “continuous” or similar words or the negative thereof. Forward-looking statements include statements regarding DuSolo’s exploration and development plans with respect to its properties and are subject to such forward-looking risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward looking statements are subject to risks and uncertainties. Such risks include mineral price volatility, change in equity markets, the uncertainties involved in interpreting geological data, permitting and environmental, increase in costs and other risks involved in the mining exploration and development industry

There can be no assurance that forward-looking information referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. In addition, many of the factors are beyond the control of DuSolo. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information herein is qualified by this cautionary statement. The Company undertakes no obligation to publicly update such forward looking statements to reflect new information, subsequent events or otherwise.

The TSX Exchange has not reviewed and does not accept the responsibility of the accuracy and adequacy of the information provided in this presentation.

Qualified Person - The resource estimate was signed off by Mr. Porfirio Cabaleiro Rodriguez an Associate Consultant of Coffey Consultoria e Serviços Ltda., and was prepared in compliance with the standards of disclosure as set out in NI43-101. Mr. Rodriguez is an “independent qualified person” for the purposes of NI43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and has verified the data disclosed in this release. For more information please refer to the technical report filed on SEDAR and titled “Bomfim Agro-Mineral Phosphate Project, Technical Report and Initial Resource Estimate Tocantins and Goiás States, Brazil,” filed on March 5, 2014, effective December 31, 2013, and amended on February 6, 2015.

Disclosure - The Company’s decision to produce DANF, its DANF production targets and cash flow projections were not based on a feasibility study of mineral reserves demonstrating economic and technical viability. Without a technical report demonstrating economic and technical viability, there is increased uncertainty as to whether the Company will be able to economically produce DANF in a long run and as to whether the Company will be confronted with any unforeseen technical impediments. Similarly, the Company had not completed a preliminary economic assessment before making production and project expansion decisions. It has now completed a preliminary economic assessment of the Santiago DANF Project, please refer to the news release dated March 23, 2017.

# BRAZIL + AGRICULTURE + FERTILIZER = OPPORTUNITY

- ◆ Agriculture is Brazil's biggest economic activity
- ◆ Fertilizer Consumption forecast to grow by 2.8% y-o-y from 2016 to 2025\* based on expected growth in agriculture
- ◆ Positive Direct Application Natural Fertilizer ("DANF") PEA
  - Current Operation - Post-tax NPV<sub>10%</sub> US\$13m
  - Upside Case - Post-tax NPV<sub>10%</sub> US\$30m
- ◆ Next Stage – Acid Granulated PEA
- ◆ Attractive physical and chemical characteristics
- ◆ Market & Sales development to increase volume and prices
- ◆ Strong Shareholders – Tembo Capital, M&G Investments

\*(source AgroConsult March 2016)

# WHY INVEST IN DUSOLO?

## Resources

- Flagship Bonfim Project has at surface, high-grade phosphate mineralization
- 2016 drilling to identify and further define high grade resources
- Significant land package – 20,807ha

## Operations

- Production of Direct Application Natural Fertilizer (DANF) in 2016/17
- Processed and sold all stockpiles in 2016 – restarted extraction in October 2016
- Successful 2016 program to optimize operations and reduce costs

## Markets

- Demand for fertilizer expected to recover in the mid to long-term
- Market Research and Development throughout 2016 to expand sales and improve prices
- Optimize Logistics and continue cost reductions

## Products

- Positive DANF PEA completed
- Acid Granulation PEA started
- Agronomic testwork underway for New Products
- Value-add opportunities with New Products and Sales / Marketing development



# POSITIVE DANF PEA – CURRENT OPERATIONS

## POSITIVE RESULTS SUPPORT EXISTING PRODUCTS AND OPERATIONS

- Post-tax NPV<sub>10%</sub> - US\$13m
- Opcosts US\$18.47/t
- Zero Capex – already operating
- Indicated Resources of 1.16Mt at 8.23% P<sub>2</sub>O<sub>5</sub>, including 0.29Mt at 14.78% P<sub>2</sub>O<sub>5</sub>
- Inferred Resources of 2.70Mt at 8.58% P<sub>2</sub>O<sub>5</sub>, including 0.82Mt at 14.72% P<sub>2</sub>O<sub>5</sub>
- Life of Mine (“LOM”) 12.5 years
- LOM Production of 543Kt of 12% DANF and 635Kt of 15% DANF
- Supports full mining & environmental permit applications

## UPSIDE CASE POTENTIAL

- Post-tax NPV<sub>10%</sub> - US\$30m
- Increase Prices through Market Development
- Utilize Tax-losses in Brazil –c.US\$2.0m available



# ACID GRANULATION PEA – 2H 2017

## POSITIVE RESULTS SUPPORT NEXT STEP TO COMPLETE ACID GRANULATED PRODUCT PEA

- New Product Stream
- Higher Solubility + Sulphur = Higher Prices
- Plant Relocation – significantly reduce transport costs
- Modular design – potential to increase production in stages reducing initial Capex
- Process Design and Capex Estimate underway
- Supports permitting applications



# STRATEGY TO DELIVER INCREASING VALUE

**POSITIVE DANF PEA** - NPV10 US\$13M

**DANF UPSIDE CASE** - NPV10 US\$30M

- Improved Marketing
- Higher Prices
- Expand Market & Sales

**TAX LOSSES IN BRAZIL**

**FULL PERMIT APPLICATIONS**

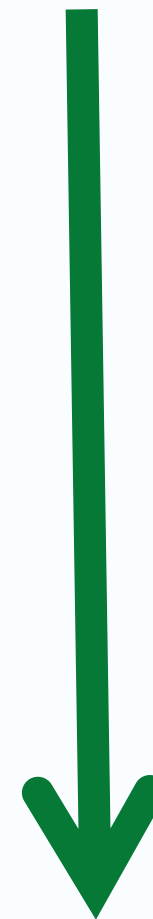
**ACID GRANULATION PEA – 2H 2017**

- Upgraded product – solubility + sulphur
- Additional product stream
- Potential for modular construction and reduced Capex

**PLANT RELOCATION**

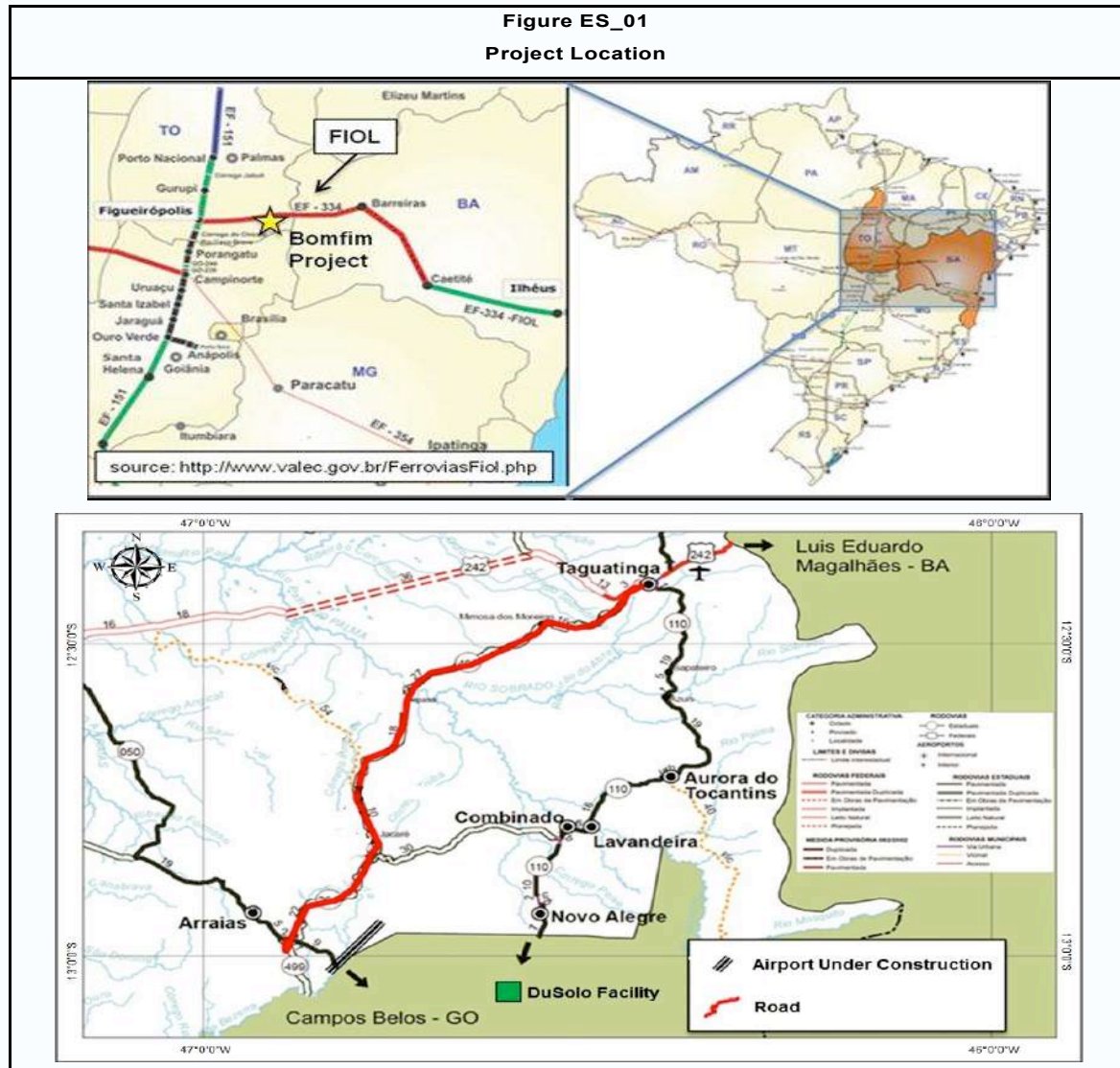
- Reduced transport costs
- Improved operational management & safety
- Purpose built layout with room to add Acid Granulation + Expansions

2017



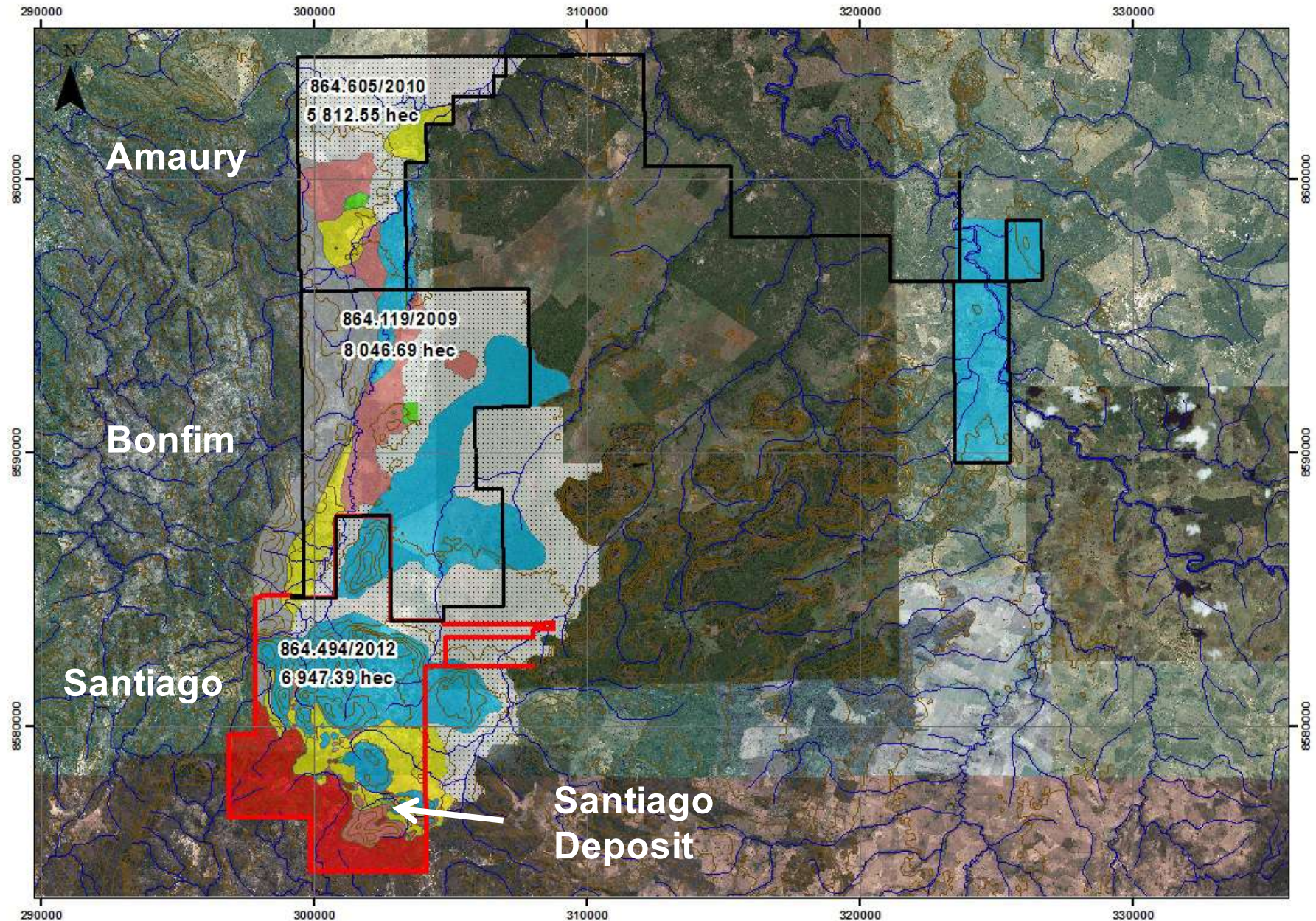
2018

# BONFIM PROJECT IS LOCATED ALONG THE BRAZILIAN PHOSPHATE BELT



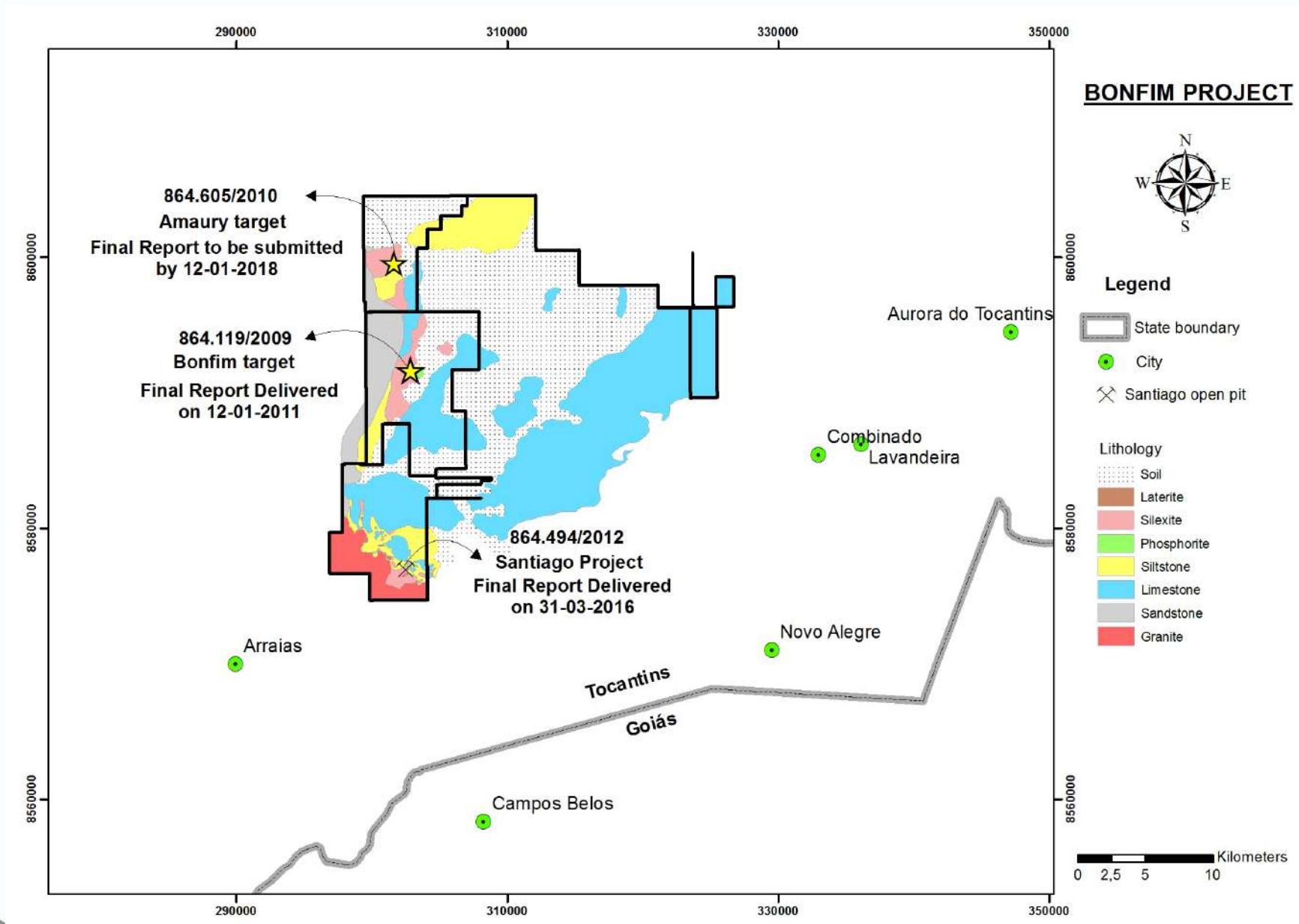


# EXPLORATION ASSETS - CONCESSIONS





# EXPLORATION ASSETS



# PRODUCING FERTILIZERS TO SUPPORT BRAZIL'S GROWING AGRICULTURAL INDUSTRY

## EXISTING PRODUCTS

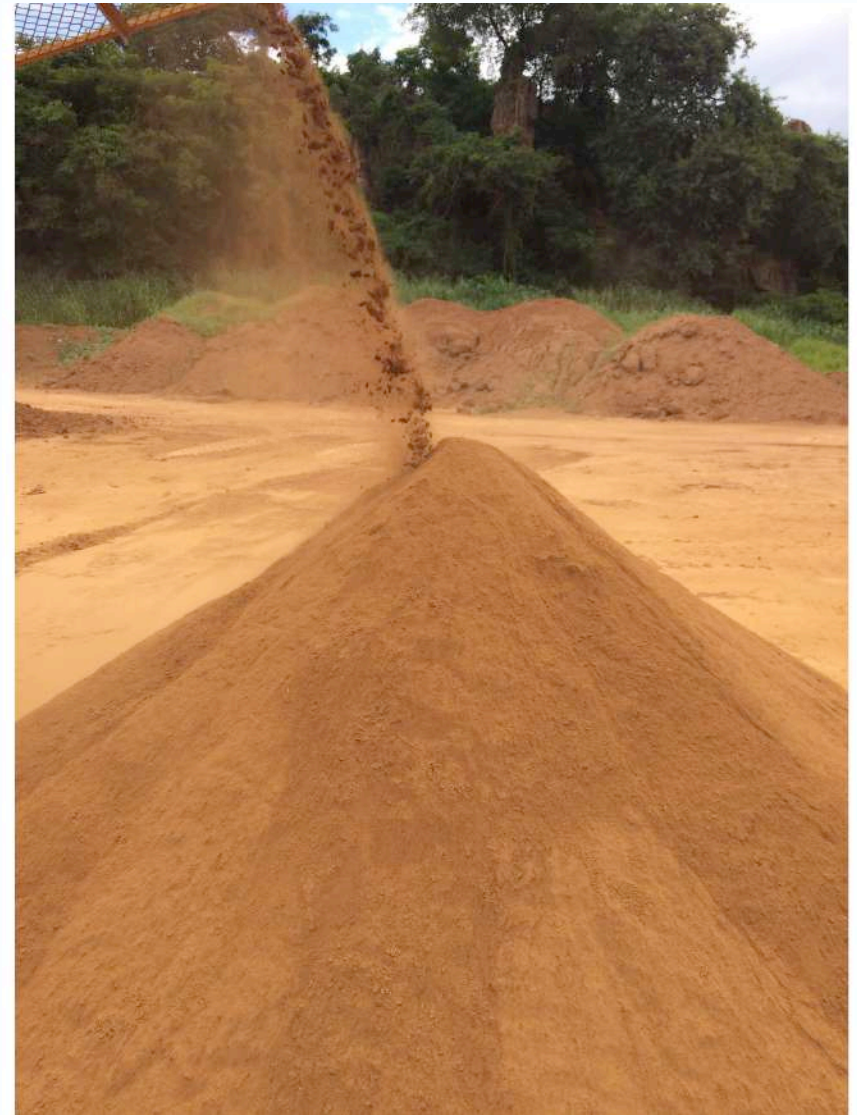
- 15% and 12%  $P_2O_5$  Direct Application Natural Fertilizer – “DANF” – sold to local markets

## SIMPLE PROCESSING

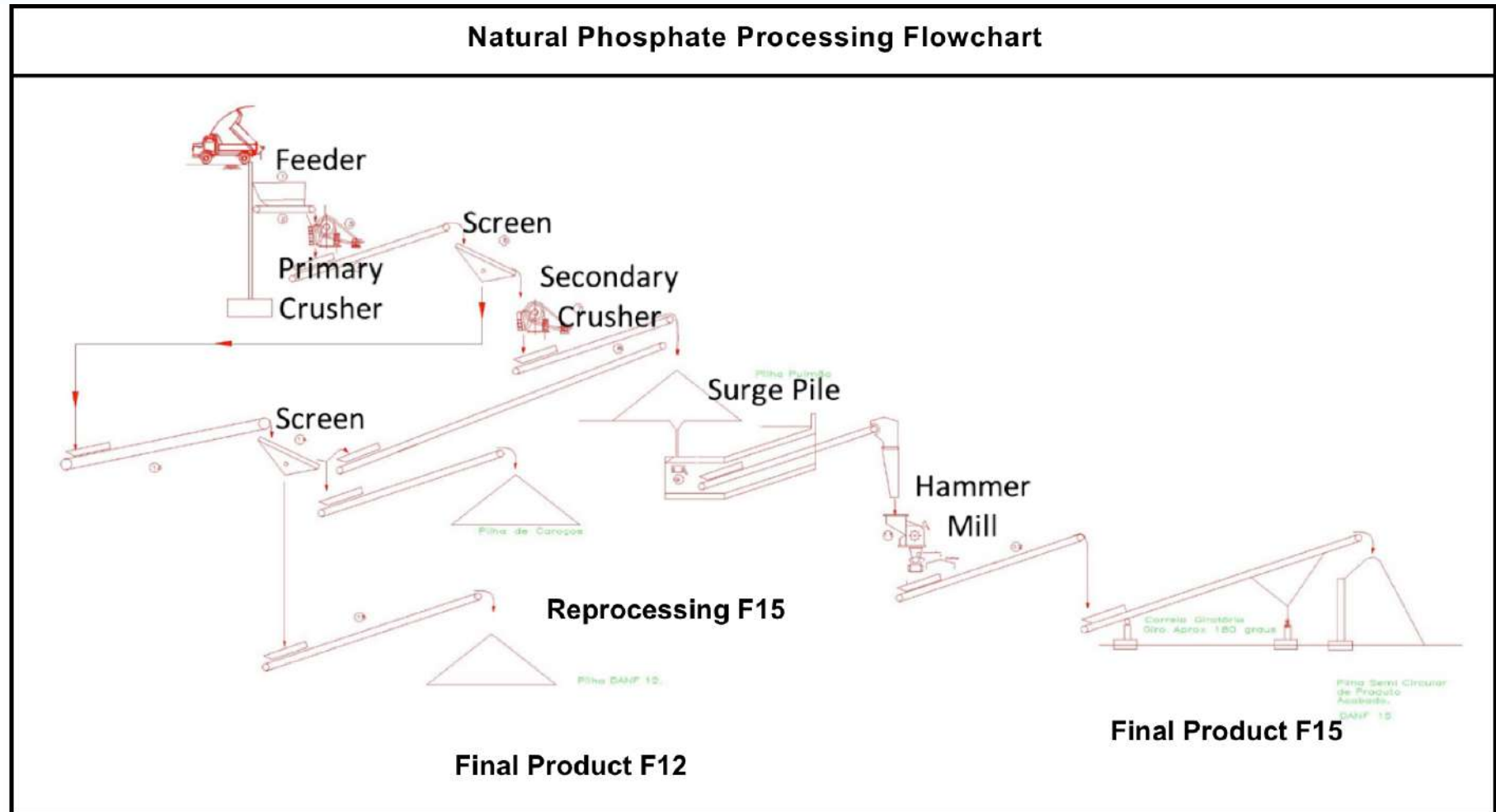
- Crushing, screening and blending to achieve required grades

## MAJOR AGRICULTURAL CUSTOMERS

- Majority of sales to large companies – Jalles Machado, COFCO, Bunge & Goiasa



# PLANT FLOWSHEET





# NEW PRODUCT DEVELOPMENT

## 12% & 15% P<sub>2</sub>O<sub>5</sub> DANF

- Working with Emprapa Research Agency to improve agronomic performance of our existing products
- Analysis of release profile, solubility and application particle size

## ACIDULATION & GRANULATION OF DANF

- Addition of Sulphuric Acid to improve the P<sub>2</sub>O<sub>5</sub> solubility and agronomic performance
- Granulation to improve physical characteristics – improved storage, handling and application

## BENEFICIATION OF LOWER GRADE MATERIAL

- Analysis of options to concentrate the lower grade P<sub>2</sub>O<sub>5</sub> – wet screening, flotation, cyclones
- Aim to find a way to economically process the lower grade resources

# PERMITTING

## MINING & ENVIRONMENTAL PERMITS AT SANTIAGO

- Currently operating under a GUIA – Exploration phase permits
- Based on the PEA for DANF, submit applications for the permanent mining and environmental permits
- Expected to be complete during 2017

## BONFIM CONCESSION

- Exploration Report submitted to convert exploration concession to mining concession
- Submission to Department of Mineral Production in January 2017
- Expected to be complete in 2017

# STRONG MANAGEMENT TEAM

**Giles Baynham**  
*President, CEO &  
Director*

Mr. Baynham is a mining engineer and financier with 19 years experience in the natural resources industry. He is experienced in the evaluation and financing of mining projects, from early stage exploration to production. He started his career as a mining engineer with Rio Tinto, before working at various financial entities including Mizuho Corporate Bank, NM Rothschild & Sons, and Endeavour Financial, and was a co-founder, Director and President of CB Gold Inc. Most recently he has served as a board member and Director of Corporate Development Aton Resources (TSX-V:AAN), which is developing a polymetallic deposit in Egypt.

**Leslie Shen**  
*CFO*

Mr. Leslie Shen brings over 8 years of experience in financial management and reporting. Fluent in English, Mandarin and Cantonese, he also conducted audit engagements for Chinese companies already listed or seeking a public listing in Canada.

Prior to joining the Company, Mr. Shen was a senior auditor at Manning Elliott LLP in Vancouver, where he provided assurance and advisory services to public companies listed in Canada and the United States. Before working with Manning Elliott, Mr. Shen held senior positions with Price Waterhouse Coopers LLP and BDO Canada LLP where he primarily provided assurance services to mining companies at different stages of development.

Mr. Shen holds a Bachelor of Business Administration degree from University of British Columbia and is a member of the Institute of Chartered Accountants of British Columbia and the Institute of Chartered Accountants of Canada.

**Cris Gallina**  
*Country Manager -  
Brazil*

Mr. Gallina is a Mining Engineer and MBA with 16 years of experience in operations, project development, strategic planning and mineral processing in large multinational companies - Rio Tinto and Vale. As a project manager, consolidating the disciplines of geology, mine planning, mineral processing, engineering, logistics, environment among others, Mr. Gallina has been involved with numerous projects from \$20 million to \$4 billion. Mr Gallina also has considerable experience in management (approx. 350 people) in the areas of mine, plant (crushing, mill, concentration), rail and port operations at projects in Brazil, Uruguay, Paraguay, Argentina and Australia.

# STRONG NON-EXECUTIVE DIRECTORS

## **Peter Ruxton**

*Director*

Principal of Tembo Capital. Strong technical background having spent 15 years in the Australian mining industry with Billiton and Ross mining. Held numerous Directorships with both private and publically traded companies on various exchanges including the TSX.V, AIM, ASX, JSE and AMEX. Member of the Institute of Mining, Metallurgy and Materials (MIMM) and the Association of Mining Analysts (MAMA). Fellow of both the Geological Society of London (FGS) and the Society of Economic Geologists (FSEG). PhD in Economic Geology, BSc from the University of Leeds and MBA from the Universities of Manchester and Bangor.

Chair Compensation Committee

## **Duane Lo**

*Director*

Mr. Lo is a CPA CA with 13 years' experience in the financing, management and administration of mining operations and development projects in Brazil, Africa and other jurisdictions. From August 2009 to June 2015, Mr. Lo served as the Executive Vice President and Chief Financial Officer of Luna Gold Corp. where he was responsible for the financing, administration and corporate affairs of a gold mining operation in Northern Brazil. Prior to Luna Gold, Mr. Lo was the Corporate Controller for First Quantum Minerals Ltd., which is a well established global base metals and mining company.

Chair Audit Committee

## **Scott Morrison**

*Director*

Scott has a BSc (Geology) and a PhD (Metallurgical Engineering) and over 35 years' experience in the mining, extractive metallurgy, and manufacturing sectors. Much of his career has involved leadership positions with staff complements of between 50 to 5,000 people Dr. Morrison served as the CEO of Metalor from 2004-2013, Chairman from 2013-2015, and a retained advisor till 2016. He is currently a board member of Asa Resources PLC and Zinc Oxide LLC. He spent 20 years with SGS SA, the world leader in inspection testing and verification, and has had country and mineral/metals sectoral leadership assignments in the USA, Canada, Peru, Bolivia and Ghana. He has in-depth experience in leading multi-cultural international organisations.

## **David Cather**

*Director*

David was appointed CEO of Avocet Mining Plc in July 2012, after joining as COO in May 2012. David is an experienced mining engineer and brings over 30 years of mining experience to Avocet, most recently as COO with European Goldfields. David's career has included senior roles at Anglo American where he was Technical Director for its Industrial Minerals Division. He spent five years consulting to the industry on a variety of early stage projects including gold and base metal projects in DRC, Sierra Leone, Nicaragua, Philippines and Colombia. He is a graduate of the Royal School of Mines and has gained extensive senior level project development experience and operations management in both open pit and underground operations.



# COMPANY SNAPSHOT

## CAPITAL STRUCTURE

<b>Shares Outstanding</b>	242,144,579
<u>EXPIRY DATE</u>	
<b>Warrants @ .15</b> (Sept 28, 2018)	12,203,395
<b>Warrants @ .10</b> (Sept 28, 2018)	1,090,600
<b>Warrants @ .04</b> (Nov 20, 2017)	1,750,364
<b>Stock Option Plan</b>	8,595,000
<b>Fully Diluted</b>	265,783,938
<b>52 week low/high</b>	\$0.03 - \$0.07
<b>Current Market Cap</b>	~\$10.8M

## Major Shareholders

<b>Tembo Capital</b>	37.40%
<b>M&amp;G Investment Management</b>	14.90%

# SUMMARY – WHY DUSOLO?

## Strategy

- Strategically located in Brazil, one of the world's leading agrarian economies
- PEA shows positive economic potential – strategic plan to continue creating value through Upside Case, Acid Granulation, operational & market improvements

## Growth

- Existing sales and expanding marketing and sales team to grow volumes and improve pricing
- Advance Strategic Plan to add products and expand production
- Organic and M&A growth opportunities for continued value creation

## Opportunity

- De-risking Bonfim Project
- Santiago already operating – potential to add resources and additional deposits at Bonfim and Amaury Concessions

## Team

- Senior management with operational experience and proven track with producing assets
- Strong Shareholders

## Contact Us

**Address:** Suite 1100 – 1111 Melville Street, Vancouver, BC V6E 3V6

**Email:** [ir@dusolo.com](mailto:ir@dusolo.com) / [giles@dusolo.com](mailto:giles@dusolo.com)

**Phone:** 604-484-7122