

Euro Sun Announces Robust Definitive Feasibility Study for the Rovina Valley Gold-Copper Project in Romania

March 1, 2021 (Source) –

- **Average annual gold equivalent production of 146,000 ounces over first 10 years at an average AISC of \$790/gold equivalent ounce**
- **Total initial capex of \$399 million**
- **Pre-tax Net Present Value of \$447 million; IRR of 21.3% at \$1,550/oz gold and \$3.30/lb copper**

Euro Sun Mining Inc. (TSX: ESM) (“Euro Sun” or the “Company”) is pleased to announce the positive results of the Definitive Feasibility Study (“DFS”) on the Colnic and Rovina open pits – the initial phase of development of its Rovina Valley Gold and Copper Project (the “Rovina Valley Project”) in Romania. Along with the DFS, the Company is also providing an updated mineral resource estimate for the Rovina Valley Project incorporating current metal prices and operating parameters. All amounts are in US dollars unless otherwise indicated.

Euro Sun is utilizing a phased development approach for the Rovina Valley Project. The Rovina Valley Project consists of two open pit gold-copper deposits, Colnic and Rovina, and the underground Ciresata gold-copper deposit. **The DFS is focused on the exploitation of the two open pit operations.** The Ciresata underground deposit is expected to be phased in following the completion of the Colnic and Rovina pits.

HIGHLIGHTS

- **Average annual gold equivalent production of 146,000 ounces in year 1-10, consisting of 106,000 ounces of**

- gold and 19 million pounds of copper per annum
- Average AISC of \$790/gold equivalent ounces in years 1-10
- Initial capex is expected to be \$399 million (including \$12.7 million in pre-strip)
- Pre-Tax NPV5% of \$447 million with an IRR of 21.3% and Post-Tax NPV5% of \$359 million with an IRR of 19.2% at \$1,550/oz gold and \$3.30/lb copper
- Processing 21,000 tonnes per day incorporating simple flotation and dry stack tailings
- Phase 1 production of over 1.3 million ounces of gold and 400 million lbs of copper (185k tonnes) over 16.8 years

Scott Moore, Euro Sun's CEO states, "The 2021 Definitive Feasibility Study highlights a positive economic project for our initial phase of development at the Rovina Valley Project. An expanded life of mine to almost 17 years coupled with a conservative metal price model has delivered an NPV almost 100% higher than the PEA of 2019. The DFS delivers a much higher degree of confidence in both the capital required to build the project and the operating costs, even when utilizing higher cost dry stacking. At spot copper and gold prices, the NPV almost doubles again highlighting the enormous leverage of the Rovina Valley Project."

Table 1: Definitive Feasibility Highlights

DFS Phase 1 Highlights	Life of Mine	First 10 Years
Gold price	\$1550/oz	
Copper price	\$3.30/lb	
Processing Rate	21,000 tonnes per day	
Mine Life	16.8 Years	
Average annual gold equivalent production	132,000 ounces	146,000 ounces

Average annual gold production	81,000 ounces	106,000 ounces
Average annual copper production	24.3 million pounds	19 million pounds
All-in sustaining costs	\$813/oz Au eq	\$790/oz Au eq
Pre-strip Capital	\$12.7 million	
Initial Capital	\$386.6 million	
Total Initial Capital	\$399.2 million	
Sustaining Capital	\$47.7 million	
Pre-Tax NPV (5% discount rate)	\$447 million	
Pre-Tax IRR	21.3%	
Post-Tax NPV (5% discount rate)	\$359.3 million	
Post-Tax IRR	19.2%	

The technical report related to the DFS results will be filed on SEDAR within 45 days, in accordance with National Instrument 43-101 ("NI 43-101") The study has been prepared with input from the following independent consultants:

Caracle Creek International Consulting MINRES – CCIC (South Africa)	Mineral resources
DRA (South Africa)	Mining, mineral reserves
ERM (Romania)	Environmental and social
Klohn Crippen Berger (KCB) (Canada)	Tailings facilities, Geotechnical and Hydrogeology
Lawrence Consulting (Canada)	Geochemistry
SENET (South Africa)	Processing plant and infrastructure

Rovina Valley Gold-Copper Project Overview

The Rovina Valley Project is situated in the Hunedoara county of Transylvania in western – central Romania. The Rovina Valley Project consists of three deposits, Rovina to the North, Colnic Central and the Ciresata deposit to the south. The DFS only incorporates with the Rovina and the Colnic deposits while the Ciresata deposit can be brought into the project for development later. The Rovina exploration licence is held by Samax Romania S.R.L a Romanian registered company which is a wholly owned subsidiary of ESM. Since November 2018, ESM has possessed an exploitation permit and mining licence with a renewable 20-year validity.

The Colnic and Ciresata deposits are described as gold-copper porphyries while the Rovina deposit is termed a copper-gold porphyry. All three of these deposits are located such that they can access a central processing plant. The Rovina Valley Project processing facility is being designed to produce a gold and copper concentrate from the Colnic and Rovina deposits.

The Rovina Valley Project is within the Golden Quadrilateral Mining District of the South Apuseni Mountains, an area with a history of mining dating back to Roman times. This has supported the development of excellent infrastructure including rail, power and paved access roads. In addition, there are two international airports less than 180km from the project location. These being in the cities of Timisoara and Sibiu. The town of Brad is within 5km of the project site from where there will be a good source of local skilled labour. Sourcing the right skills and resources locally supports ESM community upliftment opportunities.

The Rovina Valley Project is planned to be mined with a standard open-pit mining method using articulated trucks and a

hydraulic loader. The open pit mining operation is anticipated to last approximately sixteen and a half years, during which the lower-grade material will be stockpiled on a pad close to the primary crusher location for treatment over another eighteen months.

Over the life of the project, it is expected that 133.4 Mt of ore will be mined. Of this ore, 119.4 Mt will be delivered to the processing facility and 14 Mt low grade ore stockpiled for future processing. A total of 246.7 Mt of material will be mined and placed on the waste facility, representing a life of mine stripping ratio of 1.85:1.

Tailings Management

KCB have designed a waste management facility within the project area for the co-deposition of waste rock and filtered rougher tailings. Process plant rougher tailings will be filtered in the plant where the resultant filter cake will be transported by conveyors and will be co-mingled with waste rock prior to deposition. The cleaner tails will be filtered separately from the rougher tailings and the resultant filter cake will be transported by conveyors and deposited separately within a lined zone contained within the boundary of the co-mingled facility and will be stored separately in a lined zone of the waste management facility. This design has been engineered to reduce the risk of development of impacted seepage from potentially acid generating waste rock and capture the impacted seepage from the cleaner tailings. After completion of mining the Colnic pit, the waste rock and rougher tailings will be preferentially backfilled into the Colnic pit, while the cleaner tails will continue to report to the lined zone of the waste management facility.

Capital Costs

The estimated capital costs for the Rovina Valley Project were in almost all cases built up from quotations and proposals from equipment and service providers. The DFS costs currently

utilize an owner purchased and operated mining fleet. All financial analysis for the Life of Mine includes the total design, construction and commissioning, production, and closure.

Project Opportunities

The DFS has been completed based upon the development of the Colnic and Rovina pits only. Further developing and treating the resource at Ciresata could further extend the life of the operation while utilising the same infrastructure and processing capabilities already in operation.

Rovina Valley Project 2021 Resource Update

Three porphyry deposits, Rovina (Cu-Au), Colnic (Au-Cu), and Ciresata (Au-Cu), from north to south, comprise the Rovina Valley Project and lie within Euro Sun's 100% owned Rovina Mining License in west-central Romania. **All three deposits are in close proximity and, given similar metallurgy, can be treated at a central processing facility.** Colnic and Rovina are amenable to open-pit mining and are included in the current 2021 DFS, and Ciresata is envisioned as a bulk underground mining operation and will be evaluated for its economic potential in a later study.

Euro Sun is releasing an updated National Instrument (NI) 43-101 compliant mineral resource estimate ("2021 Resource Estimate") as provided by independent consultants CCIC (Geology) and DRA (Engineering) for the Colnic and Rovina deposits and included a detailed technical review of the resource models. The 2021 Resource Estimate updates the NI 43-101 compliant 2019 Resource Estimate on the Rovina and Colnic deposits completed by AGP Mining Consultants Inc. (Technical Report filed on SEDAR: Rovina Valley Project, Preliminary Economic Assessment, NI 43-101, Feb. 20, 2019) primarily to reflect the updated operating parameters used in the DFS and higher metal prices on resource constraining Lerchs-Grossman algorithm pit optimizer using appropriate cut-off grades. The geologic model and interpolated block models

for Colnic and Rovina are not changed in this current estimate.

Mineral resources were estimated in conformance with the CIM Mineral Resource and Mineral Reserve definitions referred to in NI 43-101 and are considered to have reasonable prospects for economic extraction. The technical report related to the mineral resource estimate shown below will be filed on SEDAR at www.SEDAR.com within 45 days.

Qualified Persons

The mineral resources results stated in this press release have been reviewed and approved by Mr. Sivanesan (Desmond) Subramani (Pri. Sci. Nat – 400184/06), Principal for Mineral Resources at Caracle Creek International Consultants, who is an independent Qualified Person as defined by National Instrument 43-101. Mr. D Subramani was responsible for the mineral resource estimate of the Feasibility Study. Mr. D Subramani confirmed that he has reviewed the information in this press release as it relates to the mineral resource estimate.

Table 2: Rovina Valley 2021 Mineral Reserve Estimate Colnic and Rovina Deposits

Deposit	Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (koz)	Cu (t)
Colnic	Proven	24.27	0.64	0.11%	500.5	26 860.9
	Probable	49.49	0.52	0.08%	828.7	41 004.7
Rovina	Proven	24.01	0.32	0.28%	247.8	67 469.3
	Probable	35.62	0.22	0.20%	249.5	72 896.1

Colnic & Rovina	Proven	48.28	0.48	0.20%	748.3	94 330.2
	Probable	85.11	0.39	0.13%	1 078.2	113 900.8
Total	Proven & Probable	133.40	0.43	0.16%	1 826.5	208 231.0

The Mineral reserve estimate uses a base gold price of \$1,500/oz and a base copper price of \$3.00/lb

Notes:

- All tonnes quoted are dry tonnes. Differences in the addition of deposit tonnes to the total displayed is due to rounding.
- The estimate of Rovina Valley Gold Project Mineral Reserves are not at this stage materially affected by any known environmental, permitting, legal, title, taxation, socioeconomic, marketing, political, or other relevant issue. Furthermore, the estimate of Project Reserves is not materially affected by any known mining, metallurgical, infrastructure, or other relevant factor.
- Mineral Reserve estimates follow the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") definitions standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.

Table 3: Rovina Valley 2021 Mineral Resource Estimate Colnic and Rovina Deposits

Deposit	Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (Moz)	Cu (Mlb)	Au Eq* (g/t)	Au Eq* (Moz)
Colnic	Measured	29.1	0.65	0.12	0.61	77	0.82	0.77
	Indicated	97.5	0.49	0.10	1.53	215	0.63	1.98

Rovina	Measured	33.1	0.36	0.29	0.38	212	0.77	0.82
	Indicated	78.1	0.26	0.22	0.66	379	0.57	1.43
Colnic & Rovina	Measured	62.2	0.50	0.21	0.99	289	0.79	1.58
	Indicated	175.6	0.39	0.15	2.19	594	0.60	3.41
Total	Measured & Indicated	237.8	0.42	0.17	3.18	882	0.65	4.99

Notes:

- **Au and Cu Equivalent determined by using a long-term gold price of US\$1,700/oz and a copper price of US\$3.50/lb with metallurgical recoveries not taken into account.*
- *Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
- *Mineral Resources are contained within a conceptual pit shells that are generated using the same economic and technical parameters as used for Mineral Reserves but at gold price of US\$1,700/oz and a copper price of US\$3.50/lb.*
- *Colnic and Rovina deposits are amenable to open pit mining and Mineral Resources are Pit constrained and tabulated at a base case cut-off grade of 0.35 g/t AuEq for Colnic and 0.25 % CuEq for Rovina*
- *Minor summation differences may occur, as a result of rounding.*
- *Mineral Resource estimates follow the CIM definition standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.*

Table 4: Rovina Valley 2019 Mineral Resource Estimate Ciresata Deposit

Deposit	Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Au (Moz)	Cu (MLb)	Au Eq* (g/t)	Au Eq* (Moz)
Ciresata	Measured	28.5	0.88	0.16	0.81	102	1.13	1.03
	Indicated	125.9	0.74	0.15	3.01	413	0.97	3.92
Total	Measured & Indicated	154.4	0.77	0.15	3.82	515	1.00	4.95

Notes:

- *From Table 14-20, Technical Report "Rovina Valley Project, Preliminary Economic Assessment, NI 43-101, Feb. 20, 2019 " from AGP Mining Consultants Inc (available on SEDAR)*
- *Au and Cu Equivalent determined by using a long-term gold price of US\$1,500/oz and a copper price of US\$3.50/lb with metallurgical recoveries not taken into account.*
- *The Ciresata deposit is amenable to bulk underground mining and resources are tabulated at a base case 0.65 g/t Au eq.*
- *No Mineral Reserves have been defined at the Ciresata deposit. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
- *Minor summation differences may occur, as a result of rounding.*
- *Mineral Resource estimates follow the CIM definition standards for Mineral Resources and Reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.*

On a consolidated basis of measured and indicated resources, the Rovina Valley Project includes 392.2 Mt containing 6.98 Moz gold and 1,397 Mlbs copper equal to 9.94 M gold equivalent ounces.

Mr. Randy Ruff, P.Geo, an employee of Euro Sun and a qualified person as defined by NI 43-101 has also reviewed and approved the contents of this press release relating to the mineral resource estimation.

About Euro Sun Mining Inc.

Euro Sun is a Toronto Stock Exchange listed mining company focused on the exploration and development of its 100%-owned Rovina Valley gold and copper project located in west-central Romania, which hosts the second largest gold deposit in Europe.

For further information about Euro Sun Mining, or the contents of this press release, please contact Investor Relations at info@eurosunmining.com

Caution regarding forward-looking information:

This press release contains statements which constitute "forward-looking information" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities and operating performance. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and includes information regarding the Company's estimates, expectations, forecasts and guidance for production, all-in sustaining cost, capital expenditures, cost savings, project economics (including net present value) and other information contained in the feasibility study; as well as references to other possible events, the future price of gold and copper, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of the project and mining and processing activities, requirements for additional capital, government regulation of mining operations, and environmental risks.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflect management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. This forward-looking information may be affected by risks and uncertainties in the combined business of the Company and market conditions, including (1) there

being no significant disruptions affecting the Company's operations whether due to extreme weather events and other or related natural disasters, labor disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; (2) permitting, development, operations and production for the Rovina Valley Project being consistent with the Company's expectations; (3) political and legal developments Romania being consistent with current expectations; (4) certain price assumptions for gold and copper; (5) prices for diesel, electricity and other key supplies being approximately consistent with current levels; (6) the accuracy of the Company's mineral reserve and mineral resource estimates; and (7) labor and materials costs increasing on a basis consistent with the Company's current expectations. This information is qualified in its entirety by cautionary statements and risk factor disclosure contained in filings made by the Company with the Canadian securities regulators, including the Company's annual information form, financial statements and related MD&A for the financial year ended December 31, 2019 filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

The Company has included certain non-GAAP financial measures

in this press release, such as all-in sustaining costs (“**AISC**”) per ounce of gold sold, net present value (“**NPV**”). These non-GAAP financial measures do not have any standardised meaning. Accordingly, these financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with International Financial Reporting Standards (“**IFRS**”). AISC is a common financial performance measure in the mining industry but has no standard definition under IFRS. AISC includes operating cash costs, net-smelter royalty, corporate costs, sustaining capital expenditure, sustaining exploration expenditure and capitalised stripping costs. Other companies may calculate these measures differently and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.