Euro Sun Files Definitive Feasibility Study Technical Report for the Rovina Valley Gold-Copper Project

written by Raj Shah | April 14, 2021

April 14, 2021 (Source) – **Euro Sun Mining Inc. (TSX: ESM)** ("Euro Sun" or the "Company") is pleased to announce it has filed the National Instrument 43-101 compliant technical report supporting 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 (the "Technical Report"). Included in the Technical Report is an updated mineral resource estimate and the maiden mineral reserve statement for the open pit deposits, namely Colnic and Rovina, incorporating feasibility level operating parameters and metal price update for the resources. All amounts are in US dollars unless otherwise indicated.

The Technical Report titled **NI 43-101 TECHNICAL REPORT ON THE ROVINA VALLEY PROJECT IN ROMANIA** dated April 14, 2021 was prepared by Nicholas Dempers, Principal Process Engineer, New SENET Pty; David Thompson, Principal Mining Engineer DRA Projects (PTY) Ltd; Sivanesan Subramani, B.Sc. Geo, Caracle Creek International Consulting MINRES; Robert Cross, P.Eng., P.Geo. Geological Engineer Klohn Crippen Berger (KCB) (Canada); Carlos Diaz, MASc, B.Eng., KCB Canada; Andrew Hovey, BSc Earth Sciences, RPGEO, KCB, Brisbane; Richard Lawrence B.Sc, Phd, Lawrence Consulting Ltd; Kevin Leahy, BSc (Hons), PhD, CGeol, SiLC Technical Director, Environmental Resource Management Ltd.

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, *"With the filing of the NI 43-101 compliant study, Euro Sun can now begin detailed project finance discussions with international banks and credit funds as well as off-take agreements with smelters to optimize the funding package for our initial phase of development at the Rovina Valley Project. We have initiated our Strategic Environmental Assessment this month and look forward to providing ongoing updates on the advancement in permitting relating to all associated approvals required to begin construction."*

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 can be found on the Company's website at www.eurosunmining.com and under the Company's profile on SEDAR at www.sedar.com.

In connection with the filing of the Technical Report, the Company has also filed an amended and restated annual information form dated April 14, 2021, which now references the

Technical Report and updates certain non-material information found under the heading "Mineral Projects – *Environmental"* and includes an updated risk factor under the heading "*Environmental and other Regulatory Requirements*".

Qualified Persons

Mr. Nicholas Dempers, Principal Mining Engineer, New Senet Pty who is an independent Qualified Person as defined under NI 43-101, has reviewed and approved the technical information pertaining to the Technical Report disclosed in this press release.

The mineral resource update referred to 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. S Subramani was responsible for the mineral resource estimate of the Feasibility Study.

Mr. Randy Ruff, P. Geo, an employee of Euro Sun and a qualified person as defined 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 technical contents of this press release.

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 initial rate of return) 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, environmental risks , expected plans for the Ciresata underground deposit, and expected plans for seeking funding for the Rovina Valley Project.

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 but not limited to: (1) there being no significant disruptions affecting the Company's operations whether due to extreme weather events and other or related natural disasters, economic 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; (7) labor and materials costs increasing on a basis consistent with the Company's current expectations; and (8) the availability of funding for the Rovina Valley Project being consistent with the 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, 2020 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.