



**INVESTOR UPDATE CALL  
FEBRUARY 2020**



# Access Details

**Toronto Local/ Overseas direct: +1-647-478-7145**

**Toll-Free Dial-in (US/Canada): 1-800-719-7514**

**Conference Code: 398340**

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## Question Details

To facilitate the planned Q&A portion of this call please email all questions *before the call* to:

**questions@rogueresources.ca**



## On the call today

- **Sean Samson**,  
President, CEO and  
Director



- **Paul Davis**, VP,  
Technical and  
Director





# Forward Looking Statements

*This presentation contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "intends", "target", "estimates", "projects", "continue", "potential" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved.*

*In particular, but without limiting the foregoing, this presentation contains forward-looking statements pertaining to the following: the increasing demand for Armour; the continued evolution of the product mix; the future purchase volumes and pricing of the Preferred Partners; finalization of purchase orders; meeting remaining Ministry regulatory requirements at Bobcaygeon Quarry; closing of the acquisition of the Orillia Quarry; securing financing for the Orillia Quarry; operations at the Bobcaygeon Quarry; sales from the Bobcaygeon Quarry; obtain debt financing for the Company's operations on terms acceptable to the Company or not at all.*

*The forward-looking statements contained in this presentation reflect several material factors and expectations and assumptions of the Company including, without limitation: business strategies and the environment in which the Company will operate in the future; commodity prices; exploration and development costs; mining operations, drilling plans and access to available goods and services and development parameters; regulatory restrictions; the ability of the Company to obtain applicable permits; activities of governmental authorities (including changes in taxation and regulation); currency fluctuations; the global economic climate; and competition.*

*The Company believes that the material factors, expectations and assumptions reflected in the forward-looking statements contained in this presentation are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this presentation are not guarantees of future performance and should not be unduly relied upon. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation, those risks identified in the Company's most recent annual and interim management's discussion and analysis, copies of which are available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.*

*If the closing of the Orillia Quarry acquisition does not occur for any reason including the receipt of applicable regulatory approvals, or if revenues and/or profitability from the Bobcaygeon Quarry are not sufficient, then there is a specific risk that the market price of the Company's securities will be negatively impacted.*

*The forward-looking statements contained in this presentation are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.*

***Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this presentation.***



# Current Rogue Structure and Assets

TSX-V Symbol:	RRS
Shares Outstanding:	24.2M
Fully Diluted:	33.3 M
Share Price:	\$0.08
Market Capitalization:	\$1.9M
Management Ownership <sup>(1)</sup> :	~10%
Management, plus Friends, Family, Advisors Ownership <sup>(1)</sup> :	~40%

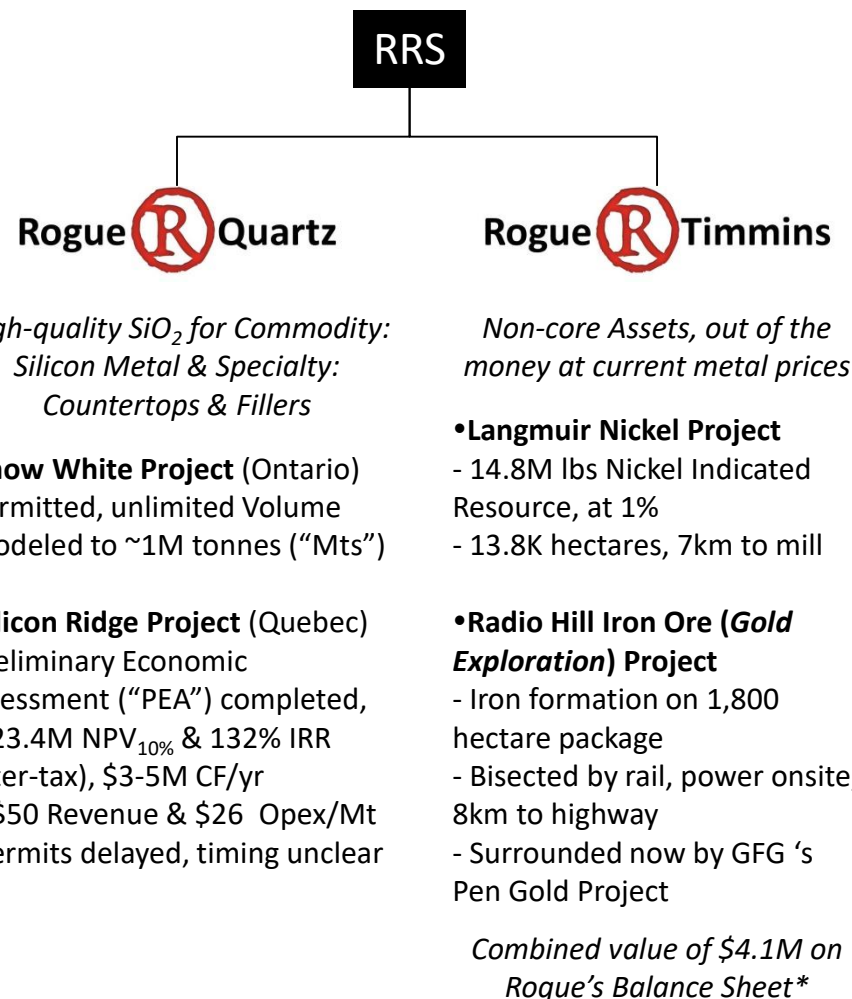
(1) – Fully diluted options and equity

## Major Shareholders

High Net Worth Investors in Canada and Europe

**Listed in Frankfurt: GDO3**

\* From Rogue's most recent Financials- posted on SEDAR





## Rogue has been searching with 3 criteria

*Not tied to any metal, Rogue looks at rock value\*, searching for grade that can withstand the ups and downs of the price cycle.*

*Require advanced stage, to develop a <3 year path to cash flow.*

*Projects need to be in politically stable jurisdiction with supportive mining regulations.*

**1- Grade    2- Stage    3- Jurisdiction**

*Team is experienced in analyzing, financing, advancing, building and running operations- Rogue plans to make money, as miners.*

*\* = Rock Value = amount of marketable commodity X a conservative, long-term price.*

*This allows comparison of deposits across different commodities and, combining with assumed average costing, a comparison of profitability despite different mining methods.*



# A new entry into Landscape Stone

RRS

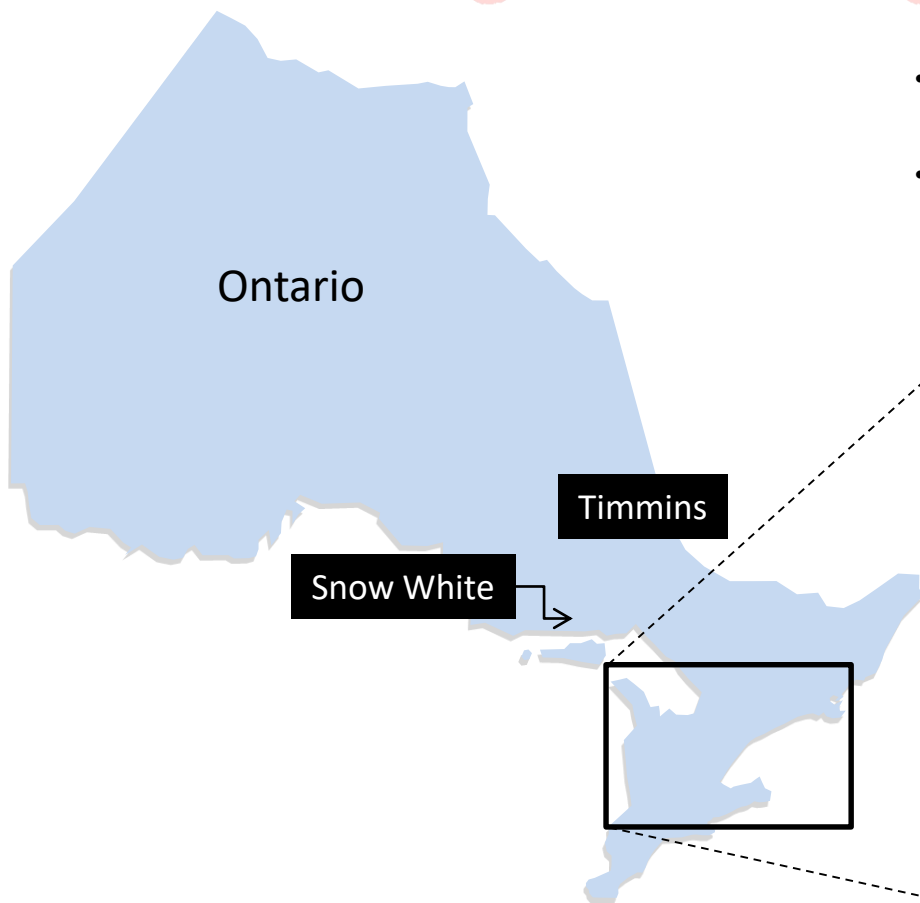
Rogue  Quartz

Rogue  Timmins

Rogue  Stone

## NEW- LANDSCAPE STONE- Southern Ontario-

- **Johnston Farm Quarry (Bobcaygeon)** 85% Rogue, 20,000 Mts / yr
  - Purchased Oct 2019, Rogue has operated since November
- **Speiran Quarry (Orillia)**, permit for 20,000 Mts / yr
  - Continuous operation for more than 25 years.
  - Has averaged \$131/Mt Revenue and \$68/Mt Opex (5 yrs)
  - Terms negotiated to purchase in March 2020







# Limestone for Landscape supply- source

*Bobcaygeon*



Armour Stone



*Orillia*

*Orillia*

Step



Flag



*Orillia*





# Limestone for Landscape supply- *installed*





# Limestone for Landscape supply- *demand*

- In 2019, the Great Lakes water levels were 35 to 90cm higher than average, after historic lows in 2014.
- The swings and increased storm activity, have been linked to Climate Change. (*Army Corps of Engineers*)
- This has a devastating effect on shorelines and limestone block (example- Armour) is used to rebuild and buttress shores.



Western Michigan



Eastern Michigan



Lake Huron Shore, Ontario





# Limestone for Landscape supply- *extraction*





## Parts of our Predictable Business

The Stone

Customers

Operations

Financing





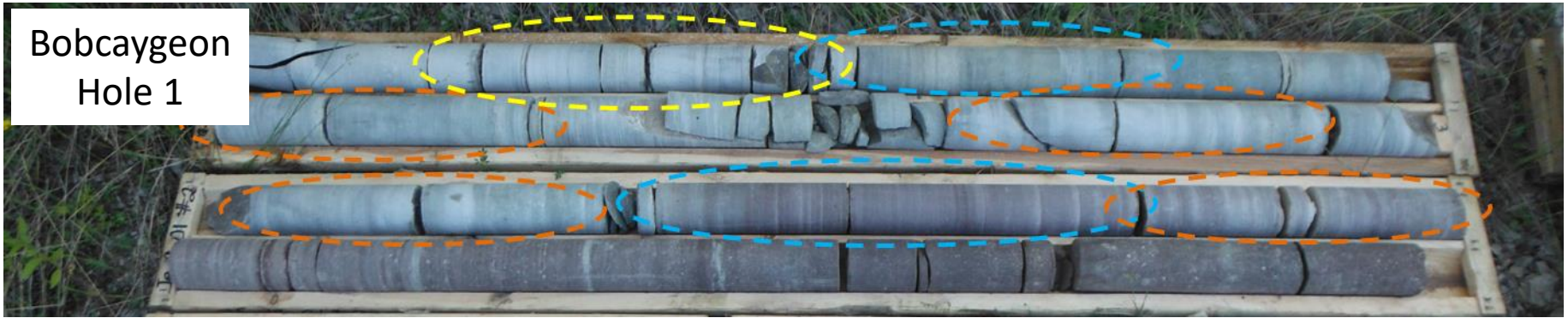
# Parts of a Predictable Business- *The Stone*

Step

Armour Stone

Flag

Bobcaygeon  
Hole 1



Hole 2



Hole 4





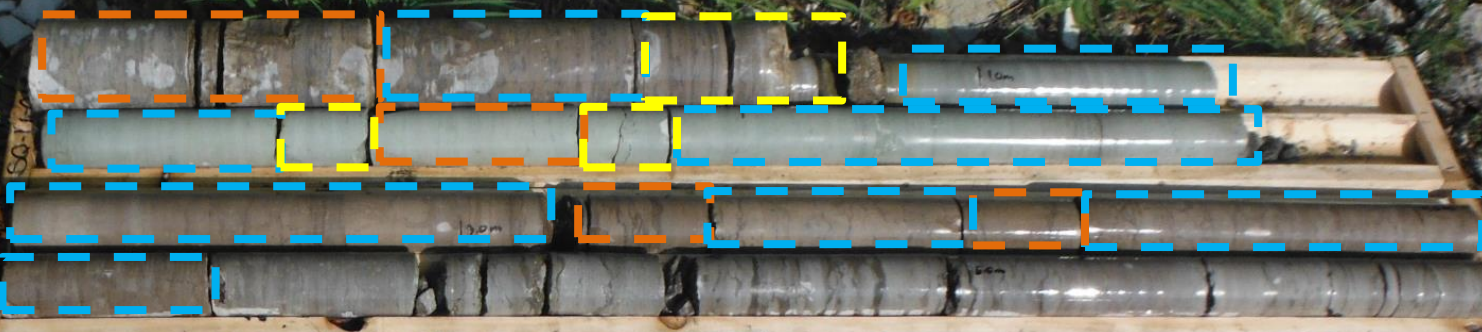
# Parts of a Predictable Business- *The Stone*

Step

Armour Stone

Flag

Orillia  
Hole 1



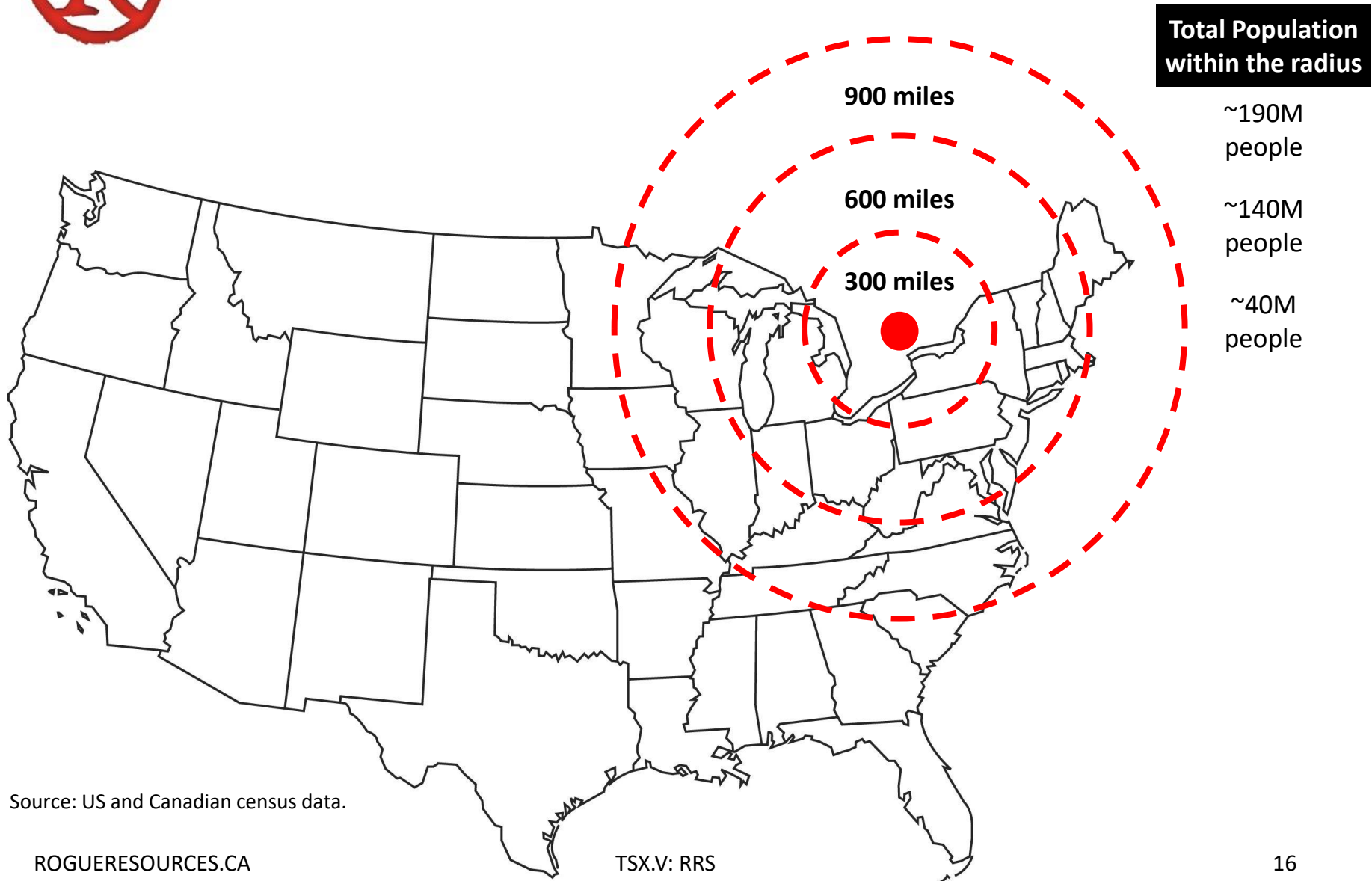
Hole 2







# Parts of a Predictable Business- *Customers*







## Parts of a Predictable Business- *Customers*

- Developed Detailed Price Lists by Product

	<b>Bulk</b>	<b>Skidded*</b>
Armour	\$	\$\$
Step	\$\$\$	\$\$\$\$
Flagstone	\$\$\$	\$\$\$\$

\* Plus additional charge for the skid itself

- All trucks priced as Full Truck Loads (~41 tonnes)
- One Price List for “Quarry” Price and
- Another for “Preferred Partners” who sign “Intent to Purchase Agreements”
  - Preferred Partners signup for >2000 tonnes per year



## Parts of a Predictable Business- *Customers*

- Signed Intent to Purchase Agreements with 8 large buyers for ~32,000 tonnes per year
  - 80% of Rogue Stone's Permitted Production
- Agreements included buyers from across Ontario and the US Midwest
  - Interest has extended to eastern Canada and down into the US southeast
- Agreements outline that:
  - Buyer will confirm Annual Volumes with Rogue on an annual basis, including expected volume by product category, agree wholesale price and delivery timing and payment terms to create a binding Purchase Order by April 30 each year
  - The Buyer always reserves the right to adjust volumes if quality of the Goods does not meet or exceed technical specifications



# Parts of a Predictable Business- *Operations*



**Operators**



**Labourers**



Same Ops Setup,  
Bobcaygeon & Orillia  
To each produce 20K  
tonnes per year



# Parts of a Predictable Business- *Financing*

## Debt

### Original Term Facility

- In 2019 secured a \$850K term loan with a major Canadian bank, secured against the Orillia Quarry, which was appraised by a 3rd party for \$5.8M. ***Rogue chose not to finalize this loan, to limit dilution.***

### New Term Facility

- Secured a **\$1.8M term loan** with a leading Canadian, nonbank lender, secured against Orillia and the Company's remaining assets.
- 12 month term, extendable to 18 months, with interest-only payments until the principal is due at maturity
- Interest rate equal to the higher of prime plus 8.05% or 12%.
- Plus, Rogue will issue the lender \$180K of bonus shares, priced at \$0.08 per common share.

**The New Term Facility will fund the Orillia Purchase Price and close out a second mortgage on Bobcaygeon**

- Rogue is also exploring **equipment finance options**, to shift the base case of renting a majority of the required mobile fleet to lower-cost, lease arrangements.

## Equity

### Private Placement Announced

- Plan to raise \$300K through a non-brokered Private Placement
- 8 cents per share, with a full 2-year warrant priced at 20 cents



## Parts of our Predictable Business

The Stone

Customers

Operations

Financing

**Rogue has focused on developing a Predictable and Profitable Business for  
Rogue Stone.**



# Potential from the Business

## Example- Orillia

- Over the last 5 years the Orillia Quarry has averaged \$131/tonne in Revenue and \$68/tonne operating expense on 2,722 tonnes of production per year, **~\$60 per tonne of stone**
- With two pieces of Equipment and a single Operator.



- Rogue Stone plans to:
  - properly Equip and Staff the quarries
  - Manage multiple working faces, for continuous supply of product
  - **To produce and sell 40K tonnes per year.**



# Rogue- the Current Value Opportunity

## 1. Stone- A Predictable Business-

- Tested the Stone- years of Production ahead
- Know the Customers- 80% of annual production now committed through Intent to Purchase Agreements in place with buyers
- Setup the Operations- will properly resource, to make the permitted tonnage

## 2. Stone- Positive Fundamentals-

- New permits and licenses are difficult to secure, so owning an existing license eliminates the time required for permitting/licensing
- Southern Ontario Stone is a recommended exploration target, a growing emphasis on “Green” construction practices

## 3. Rogue- Tight Share Count-

- < 25M shares outstanding, excellent share structure for share price appreciation

## 4. Rogue- now has Cash Flow-

- Acquired one operating quarry and acquiring second operating quarry with inventory for immediate sale, limited capex required to reach licensed tonnages
- Cash Flow opens creative opportunities for non-dilutive finance.



## Question Details

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**questions@rogueresources.ca**





# APPENDIX



## Rogue Team- *bios*

- **Sean Samson**, CEO and President
- 20 years management experience
- Most recently: VP & Head of Corporate Development at FNI



- In his first 6 months at FNI Sean was also Interim COO, running their underground mine in Northern Ontario
- First came into mining in 2006, when he spent five years at Kinross Gold as VP, Commercial Development. At Kinross, ran most of the business functions for the Company- Supply Chain & Energy, Enterprise Risk, Capital Approvals, Continuous Improvement, etc.
- Prior to 2006, worked at Bain in Strategy and Private Equity and pre-MBA, trading in NYC and Eastern Europe
- Education: A.B. from Harvard University (US), MBA from Cambridge University (UK)
- 2012 won the Young Mining Leader Award from the Canadian Institute of Mining, as the top exec under 40
- 2015 was elected by the global Prospectors Developers Association of Canada membership to serve on its Board
- CleanTech advisor at the MaRS Innovation Centre
- Treasurer and Director on the Board of Mental Health Research Canada- the largest national charity focused on funding mental health research

- **Paul Davis**, VP, Technical & Director
- 25+ years of base metals exploration and mines management experience.
- Most recently: VP, Exploration at FNI (since 2005)
- Directly involved in six new nickel sulfide discoveries in Ontario with international experience in Finland and Australia
- Prior to joining FNI, worked on permitting and developing the Montcalm Nickel Mine outside of Timmins, Ontario, for Outokumpu Mines and managed the Alexo Nickel Mine near Iroquois Falls, Ontario, for Canadian Arrow Mines.
- Participated in raising >\$150M in equity and debt financing
- Education: BSc (Geology) from the University of Western Ontario, MSc (Economic Geology) from the University of Alabama (USA)



### Board of Directors:

**Chris Wolfenberg**  
Law Partner  
Fasken Martineau

**Christopher Berlet**  
Mining Engineer, CFA  
Mining Company CEO

**Stephen Delaney**  
Managing Director  
Beacon Securities

**Julie Ward P.Eng**  
Director at Canadian  
Shield Capital / Hatch



# Portfolio positioned for Climate Change

## Rogue Stone

- In 2019, the Great Lakes water levels were 35 to 90cm higher than average, after historic lows in 2014.
- The swings and increased storm activity, have been linked to Climate Change. (*Army Corps of Engineers*)
- This has a devastating effect on shorelines and limestone block (example- Armour) is used to rebuild and buttress shores.



## Rogue Quartz



Quartz like Rogue's

+



Heat

=



Silicon Metal

Into Aluminum alloys, lighter and stronger Car Bodies

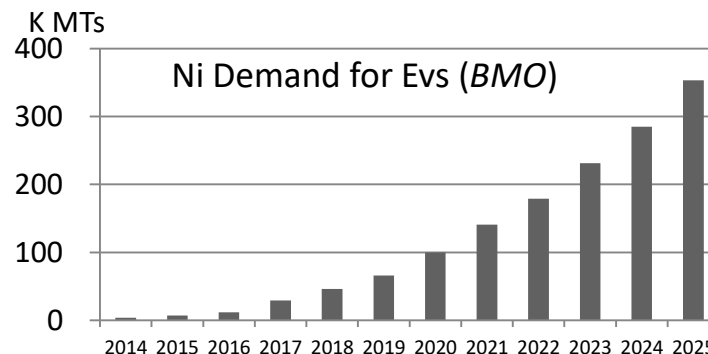


→ Upgraded, used in Solar Panels for Power Gen



## Rogue Timmins

- 15M lbs of Nickel in Resource
- A Class 1 Nickel asset, with a 43-101 Resource, nearby mill (10km), could position Rogue well if the EV growth kick really helps the nickel price





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TSX.V: *RRS*