Eldorado Gold Corporation
Skouries Project Feasibility Study
Conference Call Transcript

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Speakers:

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Operator:
Welcome to the Skouries Project Feasibility Study and Conference Call with Eldorado Gold Corp.

As a reminder, all participants are in listen-only mode, and the conference is being recorded. After the presentation, there'll be an opportunity to ask questions.

I would now like to turn the conference over to Lisa Wilkinson, Vice President, Investor Relations. Please go ahead, Ms. Wilkinson.

Lisa Wilkinson:
Thank you, Operator.

Good afternoon, everyone. I'd like to welcome you to our Skouries Feasibility Study Conference Call and Webcast.

Before we begin, I would like to remind you that we will be making forward-looking statements during the call. Please refer to the cautionary statements included in the presentation and news release.

Joining me on the call today, we have George Burns, President and Chief Executive Officer; Brock Gill, Senior Vice President, Projects & Transformation; Joe Dick, Executive Vice President and Chief Operating Officer; and Phil Yee, Executive Vice President and Chief Financial Officer. Other members of the Senior Leadership team will also be available for the Q&A session.

Our news release detailed the highlights for the Skouries feasibility study. You can find a copy of this news release on our website; it has also been filed on SEDAR and EDGAR.

All dollar figures discussed today are U.S. dollars, unless otherwise stated.

We will be speaking to the slides that accompany this webcast. You can download a copy of these slides from our website.

After the prepared remarks, we will open the call for Q&A. At that time, we will invite Analysts to queue for questions. I will now turn the call over to George.

George Burns:
Thanks, Lisa, and good day, everyone.

Today marks an important milestone as we continue to advance the Skouries project. The feasibility study news release, issued earlier today, reiterates the robust economics expected of a world-class asset, with an after-tax IRR of 24% and an after-tax NPV of $1.8 billion, using spot prices of $1,800 per ounce gold and $4.25 cent per pound copper. Once completed, the project will have a significant beneficial impact on Eldorado's overall production and cash cost. Skouries will also provide a foundation for regional growth through future exploration in the Halkidiki region in Greece.

The Skouries project is aligned with our strategy of developing high-quality assets that add value to our growing Company. As you can see in this slide, the potential impact of Skouries on Eldorado's production profile is about a 30% increase in gold production and a 40% reduction in total cash cost per ounce, based on 2020 results, moving Eldorado to be one of the lowest cost producers amongst our peers.

Eldorado has significantly de-risked the Skouries project in a number of ways, including through the infrastructure built to date, the amended investment agreement ratified by the Greek Government in March 2021, and the feasibility study which reflects an enhanced execution plan and a more sustainable project.

I will now turn things over to Brock to walk you through the highlights of the feasibility study.

Brock Gill:
Thank you, George. Hello, everyone, and thank you for your time, today.

I'm going to take us through three areas. First, the economics; secondly, the headline capital and the choices we made between the pre-feasibility and feasibility studies; and finally, the de-risking we have done to prepare ourselves for execution once the project is approved.

The Skouries project represents an exciting opportunity for Eldorado. It's a high-grade gold copper for free deposit that will be mined using a combination of conventional open-pit and underground mining techniques. The project has strong economics, with an after-tax IRR of 19% and an after-tax NPV of

$1.3 billion based on the feasibility price assumptions of $1,500 per ounce gold and $3.85 per pound copper. The mine life is 20 years, with an average annual production of 140,000 ounces of gold and annual copper production of 67 million pounds, or an annual gold equivalent production totalling 312,000 ounces, with exploration upside to extend mine life.

Using $1,500 gold prices, the average cash costs are negative $368 per ounce sold over the life of the mine, and the average all-in sustaining cost is negative $17 per ounce sold over the life of the mine. In the first five years, the average cash operating costs are expected to be negative $435 per ounce. The payback period of this project is very compelling at less than four years, and it is expected to generate, on average, $215 million of free cash flow per year for these first five years of operation.

I'm now going to take us through the capital and its evolution. The capital cost to complete Phase 1 of the Skouries project is $845 million. As you can see on the slide, there's three major scope areas. First, the integrated waste facility and water management. A considerable portion of the capital cost to go is directed to establish Skouries as a best-in-class and sustainable gold mine, which Joe will speak to later.

Process and infrastructure. This will complete the process and filter plants and materials handling, including the primary crusher and dry stack tailings. Mining. We'll use the open-pit material for the waste facility, and in the underground, it's comprised of 8,000 metres of development, the test stoping program, and supporting infrastructure.

Moving on. Overall, there's been an increase in the capital cost from the pre-feasibility to the feasibility. There are four key areas contributing to the increased cost. The first area contributing to the increased capital cost is the execution model. Our project execution approach in the feasibility study reflects an EPCM delivery model with a tier-1 partner to ensure delivery of a quality facility that meets or exceeds operational targets of through-put recovery and OpEx.

We have also incorporated our learnings during the initial construction phase of our current operations and our effective management of COVID-19 into our training and execution strategies. An EPCM approach allows for a reduction in interfaces and allows Eldorado to focus on operational readiness, training, governance, and working with our stakeholders. It also includes an additional factor to account

for inflation during the execution period, which was not included in the pre-feasibility study. This change in execution model increased the capital cost estimate by $53 million, or 8%.

The second area is the increase in input cost over the past four years. The feasibility study has been updated to reflect the current commodity prices for steel, copper, and cement. The labour cost assumptions have also been updated. This area increased the capital cost estimate by $51 million, or 7%.

Third, we made a deliberate choice to upgrade water management infrastructure for resiliency to account for increased precipitation intensity, specifically including a larger contact water management pond, increase the capacity of the water treatment plant, increase the number of water reinjection wells, and update the spillway design. These choices will better position Skouries to handle major weather events through the life of the mine and eventual closure and improve safety at the mine site.

We also made the choice to defer a portion of the underground mine to reduce execution risk and improve operational readiness. This focusses our efforts on the critical readiness areas of training and commissioning to achieve first gold through the open-pit processing, tailings, and water management.

The underground activity is confined in the test stoping program and core infrastructure. This deferral will significantly reduce peril activities and, therefore, risk. The overall CapEx for the underground has remained the same. Combined, the upgraded water management and open-pit mining with underground test stoping increased the capital cost estimate by $33 million, or 5%.

The fourth and final factor is foreign exchange. In the four years since the pre-feasibility study was published, the euro has strengthened against the U.S. dollar. After adjusting the input estimates for current foreign exchange rates, the capital cost estimate increased by $19 million, which represents 3%.

Skouries remains a very attractive and executable project that will have a positive impact on Eldorado, and can be a cornerstone of the portfolio, along with Kisladag and Lamaque.

At this point, I would like to shift gears and look at the significant de-risking activities that have been done on the project. Prior to entering care and maintenance, construction of the Skouries project was

approximately 50% complete. This includes placement of major mill mechanical equipment, stripping of the open pit, and preparatory civil works.

To further de-risk the project, the amended investment agreement was ratified in March 2021, which provides investor protection mechanisms, including a permitting framework, and enables a clear path to production and stable operations.

Finally, the feasibility has now been completed and reflects a more executable project, specifically with regards to the underground deferral, water management, and the execution model. Essentially, we have made deliberate choices to build resiliency into the Skouries project by de-risking and optimizing, which results in confidence in the strong project returns.

Eldorado has a successful track record of executing capital projects, including building the Lamaque mine and bringing it into commercial production in 18 months. Our recent completion of the decline connecting the Triangle mine with the Sigma mill at Lamaque, and the high pressure grinding roll circuit at Kisladag, which is expected to increase recovery at the mine by approximately 4%. We are confident that, once approved, El Dorado will successfully deliver the Skouries project on time and within budget.

I will now turn it over to Joe to highlight the social benefits project.

Joseph Dick:
Thanks, Brock.

Eldorado's values are ESG based and, as such, are embedded into the Skouries project design, specifically through dry stack tailings, water management, and CSR support. In the four years since Skouries was placed on care and maintenance, the external context has changed and societal expectations have been elevated. We are seeing this expressed by our communities and our investors. The evolution to these items have led us to deliver choices in scope.

I'd like to take a moment to talk about dry stack tailings. We have mentioned it previously, and it deserves highlighting. Eldorado's dry stack tailings applications and experience at Efemcukuru and Kokkinolakkas are best-in-class. We are confident that our Skouries dry stack tailings plan will add to that list.

In recent years, we have all been witness to the tragedy associated with slurry tailings dam failures, the associated loss of life, and the environmental damage caused. Our dry stack plan eliminates that risk. The additional benefit is it requires less space, reduces water consumption, and maximizes recovery of processed water for reuse. We see these combined benefits as the foundation for our choice to incorporate dry stack tailings in the Skouries scope, and see it as the type of decision making that demonstrates our continued commitment as a responsible community partner.

The Skouries water management plan, compliant with the Greek and EU legislation, is based on current view environmental modelling, with higher storm intensity and higher return event frequency than prior versions. The water diversion, water storage, water treatment and water injection well capacities are in line with the new water balance generated during this feasibility study. Again, scope choices that demonstrate our values and practice.

The Skouries operating scope considers underground mine electrification to the fullest extent practical, and full project deployment of technology to improve efficiency and decrease energy intensity. We will continue with energy and greenhouse gas studies to demonstrate our alignment with the Greek State and the EU as their efforts continue to reduce the carbon intensity of the Greek electrical grid.

With respect to our local communities, the Skouries project will have a significant positive economic impact on the local economy. The operational readiness and training plans included in the Skouries feasibility study will ensure local hiring preference and provide skills that are transferrable beyond mining.

Over the life of the Kassandra mines, $80 million will be committed to CSR programs across community, cultural, social, environmental and charitable purposes. This alignment of values, accomplished through advancing the common interests of project stakeholders, has resulted in a better Skouries project as we advance toward project approval. It also provides the right touchstone as we continue to improve our ongoing operations.

With that, I will turn it back to George for an update on the Skouries project financing and closing remarks.

George Burns:
Thanks, Joe and Brock.

The completion of the Skouries feasibility study supports our process of advancing financing for the project. We are evaluating all available options, including joint venture equity partners, project in debt financing, and lastly, streams.

We are seeking attractive competitive non-recourse financing from Greek banks and the EU resilience and recovery fund. Our focus on selecting a financing package will be driven by value optimization and de-risking for the future.

Subject to financing and Board review and approval, we would look to restart construction at Skouries in mid-2022. With timely completion of construction in two and a half years, low-cost production from Skouries represents a significant upside in our five-year production profile. We continue to work hard to deliver this important milestone for our shareholders, employees, local communities, and other stakeholders.

Finally, I want to thank our team for their hard work and effort in completing this study. As I have said before, we are looking forward to developing the Kassandra assets as a cornerstone of the Company. The completion of this feasibility study puts us one step closer to reaching that goal and delivering value to all of our shareholders.

Thank you for your time. I will now turn it over to the Operator for questions from our Analysts.

Operator:
Thank you. We will now begin the question-and-answer session.

The first question comes from Kerry Smith with Haywood Securities. Please go ahead.

Kerry Smith:
Thanks, Operator. Phil or George, could you just sort of break out roughly, even in percentage terms, how the CapEx would be spent over the two-and-a-half-year build, or maybe three years, I would say, starting in 2022, ’23 and ’24?

George Burns:
Sure. I'll hand that one over to Brock

Brock Gill:
Yes. Thank you.

Just in terms of the overall capital, over those kind of few years, the $845 million is split roughly 30% into direct process and infrastructure, 22% in the open pit and underground, 14% in the waste facility and water management, and 34% in kind of indirects, owners, and contingency. Then in terms of the cost profile of that, it's kind of about I want to say 15% in the first year, then the bulk into '23, and then '24 we come up into commercial production at the back end.

Kerry Smith:
So, 15% in 2022, and you're saying the bulk in 2023, so 60%? I'm just trying to get a rough handle, 65%.

Brock Gill:
If you want the actual numbers, it's about $168 million, $170 million in year one, kind of $450 million-ish in the second year, and kind of the balance of $225 million in the third.

Kerry Smith:
Right, okay, okay. That's helpful. Thank you.

The second question I had, maybe Brock might be able to answer. Just exactly what has been deferred on underground? Just delaying the start of the underground development, and that's the only change? You just push it out a couple of years? Or could you just explain exactly what's been done?

Joseph Dick:
Yes. Go ahead, Brock.

Brock Gill:
Okay. I think the way I would look at it is, is that the underground, we've got at the moment two addeds (phonetic 18:44) coming in, and so we've got about a kilometre and a bit on one, and 900 metres on the

other. We've got to connect the two as part of it, and then we've got a test stoping program that we're going to focus on in the infrastructure to support those items.

As I said, what we wanted to do was de-risk the start-up of the mine and focus exclusively kind of on the underground getting to first production through the open pit; and therefore, we made a deliberate choice to defer, and as you said, you're correct, it's only a deferral of about $60 million of the underground to the other side of first production. The total of growth capital in the underground remains the same as it did in the PFS. So, it's a deferral for de-risking purposes.

Kerry Smith:
Okay, and that deferral amount is about US$60 million, into—upward into the later production years?

Brock Gill:
Correct.

Kerry Smith:
Okay. Okay, great.

Then just for the underground, can you just remind me how big the stopes are? I mean, you're going to have to be up when the open pit finishes in Year 11 or Year 9, or whatever it is, you're going to be up 18,000 tonnes a day from the underground, which is a big number. Just remind me how big the stopes are that you expect to be mining there.

Joseph Dick:
Kerry, this is Joe. How you doing?

Kerry Smith:
Hi, Joe. Great, thank you.

Joseph Dick:
Generally, stope sizes are—they're 60-metre height, and that's what we're looking to validate in the test stoping program. Kerry would have to go back and get the absolute other dimensions on them, but the

biggest one is the stope height; but they're generally, to recollection, about 20 metres in the other dimensions, so…

Kerry Smith:
Okay, okay. So again…

Joseph Dick:
(Multiple speakers 20:41) helpful.

Kerry Smith:
Yes, 4,000 or 5,000 tonne stopes maybe, I guess. I'm just trying to think about how many stopes you need just to (inaudible 20:48). Just wanted to get a better sense. And do you have—are there any permits that you would need between now and the start of construction, let's say the middle of next year, that you would need? And I'm not just talking about the small permits, but anything major. Or is everything that's a large permit already in hand, and it's just (audio interference 21:10) that you need to apply for as a normal course of business?

George Burns:
Yes, Kerry. It's George.

If you go back to 2017 when Skouries was put into care and maintenance, at that point we had all the environmental permits; the only exception was for dry stack tailings. Obviously, that's a pretty massive improvement in the environmental aspects of the projects and risk, and we were in execution mode. What happened at that time, some of those construction permits were time based, needed to be renewed, and the renewals were withheld. Since then, we have the revision to the EIA that enables us to employ dry stack tailing, so that's in hand. We got that in Q2 of this year. All of the construction permits that were being withheld in '17 have been approved.

As you pointed out, there're some routine construction permits that'll unfold as the project advances, but we're in a ready-to-start mode from a permitting perspective. We've got a very supportive Greek Government. We've got a good relationship with the regulators, and very confident permitting is not going to be an issue for us to advance the project.

Kerry Smith:
Okay, okay.

Joseph Dick:
I would just add—Kerry, I would just add that in the FS and in our considerations the permitting plan, and transparency with that, and the current government is well received, and I think sets us up well for execution.

Kerry Smith:
Right, okay. Okay, great.

Maybe just one last quick question, for Phil. What would the percentage of the capital be in euros? Like, how much of your CapEx is actually denominated in euros?

Philip Yee:
You have that number?

Brock Gill:
Unfortunately, Kerry, this is Brock, sorry. Would have to get back to you on the euro breakdown.

Kerry Smith:
Okay.

Brock Gill:
I'll check as we go through the call.

George Burns:
Yes, I mean, it's going to be the labour, and some of the supplies are coming out of Europe, so it's a pretty good chunk; but we'll get you a more exact number.

Kerry Smith:
Okay. Okay, that's great. Thanks very much, guys, and then Merry Christmas. Happy holidays.

George Burns:
Yes, thanks, Kerry.

Operator:
The next question comes from Josh Wolfson with RBC Capital Markets. Please go ahead.

Josh Wolfson:
Thank you, very much.

Just following off on some of those permitting questions that Kerry had, the outstanding sort of modification for the EIA for the Olympias processing and Stratoni port, is there any sort of linkage there with Skouries at all, or is that unrelated?

Brock Gill:
Sure, Josh. This is Brock. Hello.

The revision to the current EIA is, as you suggested, aimed at the expansion of the Olympias plant, which includes the port facility at Stratoni. The EIA, as an entirety, kind of encapsulates the other modifications we've made. But the key point, as was just said, is that we have all the permits in place through the current EIA to commence construction at Skouries.

As Joe said, I think a key piece to that, also, is that what we've done is we've developed an integrated schedule that ties up for meeting with our execution and then changed what I would call our engagement approach with the regulators to assist us with better permitting approaches as we go through to understand their concerns.

George Burns:
Maybe just add to the timing. So, on the Olympias plan, our plan was to submit the permit request this quarter. We're on track to deliver that. We're expecting to have approvals on that expansion by roughly mid-next year.

Joseph Dick:
Josh, one last comment. There have been parliamentary and legislative changes in permitting in

Greece that make the whole process a bit more manageable and a bit more transparent, so we're pretty happy with that.

Josh Wolfson:
Got it. Okay.

Then just a couple of details on some assumptions. Could you let me know what oil price assumption was used as well as the royalty and tax rate assumed?

George Burns:
Phil, do you want to handle the tax questions?

Philip Yee:
Hi, Josh. It's Phil here.

In terms of the royalty, as part of the revised investment agreement, there was a 10% increase in the applicable rate. The rate is based on the gold price at the time, and it's… I think, for example, the current gold price around $1,800 U.S. equates to about $1,300 per ounce on a euro basis, and that's about, I think, if I remember correctly—I don't have the table in front of me, but I think it was 3% at $1,300 euro. The 10% increase that would kick in at maybe 3.3%.

The tax rate in Greece is currently at 22%. We do have some accumulated tax offsets, like tax losses, but the upfront rate is 22%.

Now, oil price, can I turn that over to Brock?

Brock Gill:
I think we would have to—or we will have to defer the oil price conversation and take it offline. I don't have that number on us. What I can say is that the oil price impact, given what we've got in front of us relative to other underground projects—sorry, underground mining projects, is lower than most.

Josh Wolfson:
Great. Thank you.

Then maybe one more. When you think about labour productivity, there have been some challenges at Olympias, and also just generally, the uncertainties associated with COVID, and in terms of productivity and absenteeism and so forth. How do you think about managing that risk or what the effect is on sort of those items when you think about scheduling or capital costs?

Joseph Dick:
Josh, Brock will answer the productivity assumption for Skouries, and then maybe I'll follow up on some comments on Olympias.

Brock Gill:
Yes. The way we've looked at it is, in terms of building up our productivities, we've taken the standard construction approach in how one builds it up in terms of where we're at in the world, weather impacts. Then we're layered into that our experience in Greece, so the challenges that you've mentioned, and some of that is played out, obviously, in our choice of execution model, as we said earlier.

Then, we've basically come up with our productivity factor. What I'm going to speak is an average, it's obviously by discipline of around 1.3, with most being north of 1.3. Probably a bit of colour that's worth noting on this is, with the site that's approximately 50% built, and much of that is in the process plant, so standard construction risks of getting out of the ground in terms of civil work and mill placements in those highly constrained areas, as well as the structural steel that sits overtop of the mechanical equipment that's already set, is behind us. The productivities within the plant are going to be pulling cabling and piping; but from a critical path perspective, that's not on it, because the plant is built.

Most of our work, 50% of it sits in concrete and civils, and those are areas that allow for multiple work fronts and crews in at the same time. I think from a productivity factor we've got not only the right ones in there, but it's de-risked from the type of discipline work that's in front of us.

Joe.

Joseph Dick:
Relative to Olympias, kind of break this into two things, Josh.

First of all, the collective bargaining agreement. We're engaged with labour there, and the specific topics that we're looking at, I think you mentioned several of them. But certainly, productive time, and rather than kind of historically what we've seen around cost-of-living increase, we're shifting the thinking more towards pay for performance and that. But that's going reasonably well.

If you turn ourselves in towards what's going to happening inside the Olympias mine, we focus pretty hard on drill and blasts over the last number of months, and with any mine, getting that right sets you up for the rest of the cycle, and we're pretty pleased. Our drilling performance from a perspective of drill quality is much improved, and we're seeing that in lower dilution, and at the same time higher mining recoveries, resulting in better grade to the mill right now. As I look forward to that, and as we continue on the cycle, feeling pretty good about it.

From a people side, a real focus on leadership and safety as the right things to drive behaviour. Then, in our training and direct communication with labour is significantly better than it's been. As we begin to deploy technology in Olympias, we're pretty pleased with where we sit. It's been a long road, but it's deeply engrained culture; but we're making progress, and happy with where we're at today in how this is going to play out.

Josh Wolfson:
All right. Thank you very much.

Operator:
The next question comes from David Haughton with Global Mining Research. Please go ahead.

David Haughton:
Thank you, Operator.

Thank you, George, Brock, Joe, and Phil, for the update. I've got a couple of questions. Firstly, having a look at the press release, Page 8, you've got a very handy projection of cash flows, and you stated at the top. Should we assume that Year 1 is 2025, or is that not an accurate statement?

Brock Gill:
Yes, this is Brock. Thanks very much.

Yes, so the first gold's roughly the end of 2024. When you look at your table, you can say Year 1 is predominately 2025.

David Haughton:
Okay. If we make that simplifying assumption, then that would work out about the well.

Second question, back to rescheduling of the underground. When would you expect the Phase 1 of 2,500 tonnes per annum to start, and how long would it take to ramp up to the 2.5 million tonnes per annum? Start of Phase 1 underground, and the ramp-up time, please.

Brock Gill:
The deferral takes—sorry, this is Brock, again. The deferral is about a two-year deferral, approximately, and it's about seven years to get to the production rates.

David Haughton:
Okay, so, then we'd be starting the underground in 2027, meaningful production?

Brock Gill:
Yes. Probably a little later than that. Just trying to do the math. Basically, what we did is, like I said, an 18 month—I said two years, it's 18 to 24 months production, and we've got some optionality in there is why I'm saying that. Based on success as we bring up Skouries, or some questions around how we do it, we can accelerate or slow the underground, which is the excellent part about having an open pit in front of us. That's the optionality we have.

Think of first gold is the end of we'll call it '25, as you said, to simplify it, so we're really into '28 when we start to produce call it a meaningful fashion, and then as we said, about seven years after that, so it's a few-year ramp-up.

David Haughton:
Okay, and then, oh—okay, so, right. That seven-year ramp-up, is that to the 2.5 million tonnes per annum, or does that take us through to the Phase 2 level of 6.5 million tonnes per annum?

George Burns:
We're assuming about a four-year ramp-up to 2.5 million tonnes per annum once we get through test stoping, and kind of locked and loaded the mining method and the design.

David Haughton:
Okay, and then, just for clarity then on the start of Phase 2 underground production, when would we expect to see that commence?

George Burns:
Well, we have a nine-year open-pit life, and so you assume that four-year ramp-up to 2.5 million tonnes, the infrastructure, and to push the underground to the next level, start shortly thereafter, year 2027, I believe.

David Haughton:
Okay, 2027.

George Burns:
We hit 2.5 million tonnes, and then subsequent to that, we're investing in Phase 2 of the underground.

David Haughton:
Okay. All right.

Just last one on the underground. I'm thinking here about mining costs. What sort of mining costs would you expect for the underground operations?

George Burns:
Right here, just looking for that number.

Brock Gill:
It's about $19 a tonne in the underground.

David Haughton:

Okay, and then, when I have a look at Page 2 of the release, I can see that the life-of-mine cost is $13 per tonne processed. Is that a blend of open pit and underground, or is that only for the open pit?

George Burns:

That's a blend.

David Haughton:

Okay, got you. (Multiple speakers 36:11).

George Burns:

As I said, that's (inaudible 36:13).

David Haughton:

Yes.

George Burns:

Yes, it's a blend of underground and open-pit mining per tonne of ore processed, I would say at the end of the mine (multiple speakers 36:22).

David Haughton:

The $19 per tonne that you just provided me, is that on the underground tonnes moved, or is that also a processed number?

George Burns:

Yes, it's $19 per tonne of underground mined, and it's $5 per tonne of open pit mined.

David Haughton:

Okay. All right. Thank you very much for clarifying all of that, and I hope you guys have a great Christmas and a good New Year.

George Burns:

Thank you.

Operator:
The next question comes from Mike Jalonen with Bank of America. Please go ahead.

Michael Jalonen:
Oh, hi, George and everyone.

I just wanted to drill down on the financing package, how much you're looking at. And I believe you mentioned streams, just, was it yesterday? The day before, Wheaton obviously entered into Blackwater gold stream, $300 million, about 25,000 ounces a year, 35% on gold price cash cost. Just wondering if that's the ballpark you're looking at, or what versus debt versus JV partner, just some more clarity please, if you don't mind.

George Burns:
Sure. Thanks for the question, Mike.

I mean, at a high level, we've been talking for quite some time about our financing strategy, and it really remains unchanged. We're set up now with this feasibility study to engage with strategic partners on equity injection at the Kassandra level for Skouries and in Olympias. That's a primary part of your strategy.

Second, we're looking at project debt financing. I think the thing we've stated in today's remarks is that we've got some fairly attractive financing alternatives through Greek banks and EU COVID relief funding. That's just entered into the fray in the last couple of months, and the pricing around that looks pretty attractive, so we're obviously pursuing that. We've also looked at kind of some of the international banks' financing.

Streams has also been part of our strategy. There's probably a plus and a minus there that the terms around streams have improved pretty significantly in the last couple of years. The other side of this coin, though, is these are multi-decade assets with great exploration potential, and so when you bolt on a stream, you're paying for that throughout the life of the operation.

There's plus and minuses to every one of these alternatives, and as I said in my prepared remarks, we're going to make the ultimate decision on the overall financing package on the value that we get out

of that, each one of those funding opportunities, and the degree to which it de-risks the future operating and results from these assets.

At this point, we're pursuing all the alternatives and we're going to come up with the best blend to give us maximum value.

Michael Jalonen:
When would that be? You have a target date?

George Burns:
Oh, the date?

Michael Jalonen:
Well, just when you have this arranged.

George Burns:
Yes, I mean, with this news out, we're still focussed to try to get this across the line in the first quarter; but as we stated, we're right now thinking if we can get construction started at mid-year, it gives us all of Q1 and part of Q2 to try to wrap up this financing and set up Brock and team to start executing.

I guess the other important factor we mentioned in our opening remarks, is we still got to get to the Board, and go through our due diligence from a capital investment perspective and seek their approval; but I think it's safe to say we'll be targeting Q2 financing and a mid-year start-up at construction. That's our objective right now.

Michael Jalonen:
Okay, thanks.

Just one last question. I just noticed the copper price mill feasibility study, $2.75 to $3.85 a pound, big hike. What was that based on?

George Burns:
Well, I mean, if you look at the change in the last four years, with the focus on greenhouse gas

emissions and electrification on the planet, I think most Analysts have increased their copper price on the short, medium, and long term. We've tied our metal price assumptions based on our look at Analyst-consensus pricing, and think the prices assume this feasibility study are appropriate from where we're at in the market today. I'm a believer that there is going to be a pretty big focus on electrification on the planet and copper prices are going to be strong for the foreseeable future.

Michael Jalonen:
I guess maybe Bank of America wasn't in your consensus, because we're at $3.10 on a real basis. Okay. Well, thanks for that, and good luck.

George Burns:
Thanks, Mike.

Operator:
The next question comes from Carey MacRury with Canaccord Genuity. Please go ahead.

Carey MacRury:
Hi, everyone. Just one question for me.

In terms of you've talked in the past about pursuing a partnership at Skouries, I'm just wondering how that's going, and how you think about moving ahead on a 100% basis versus having a partner.

George Burns:
Yes, again, we're still focussed on finding the appropriate joint venture partner to inject capital and de-risk the project. We've had a number of parties that have been at the table for up to two years. We have a group of potential partners that are just now at the table. Those I call strategic partners, pair companies. In the end, we're finally now in the position to be able to negotiate terms. The feasibility study was kind of the last piece of the puzzle to be able to sit down and negotiate terms for us to determine what the right funding mechanism is for Skouries.

At the end of the day, again, our decision is going to be based on how those perspective partners value the project versus our other funding opportunity. I would tell you nothing's really changed. Same overall

approach. We're now getting down to the point where we can talk real numbers and start focussing on the right funding formula.

Carey MacRury:
Just based on that, like based on your outlook of the project, just completing the feasibility, are you comfortable going 100% if necessary, or how do you think about that?

George Burns:
I think if you look at what we've done over the last couple years at Eldorado, we've positioned ourselves well that that could be an option. It's not the preferred option, but it is an option. I couldn't have said that six months ago. We refinanced the balance sheet a few months ago. One of the key objectives in that refinancing was to give us maximum flexibility for funding Skouries, and we were able to deliver on that.

It is an option; but again, it's hard for me to anticipate what the right answer to this question is without knowing the value offered by prospective JV partners. Stay tuned; hopefully we'll have that answer in a number of months.

Carey MacRury:
That's fair enough.

Then maybe non-related question, just on the reserve update tonight, just the update at Lamaque, it looks like you've had a lot of exploration success, but it looks like there's not a lot of ounces added. Is that just a function of time there, or is there anything specific happening on Lamaque, specifically?

Joseph Dick:
It's primarily a function of timing, so our drill cut-offs are mid-year, we're continuing to work forward on Ormaque as well as lower Triangle and extensions on Triangle. We're pleased with how it's coming, as well as satellite targets that we're working our way through. Lamaque, we remain highly positive.

George Burns:
Yes, and I might just characterize this. If you look at our acquisition just a few years ago, 2017, we put it into commercial production in 18 months, and every year we've replaced the reserves. If you look at the

maiden pre-feasibility study that was put out, the peak production level at that point was 130,000 ounces per year. We're now in excess of 200,000 ounces as a peak production, and we've replaced the reserve we've mined each year, and grew it a bit. To me, that's a great deal of success, and we've got a larger footprint now for more discovery, we're advancing on Ormaque, and we still have what we believe is great potential at the deeper portions of Triangle.

In my mind, our exploration success thus far has been extremely good, and I think there's a great future in front of us.

Carey MacRury:
Great. That's it for me. Thanks, guys.

George Burns:
Thank you.

Joseph Dick:
Thanks, Carey.

George Burns:
Operator, if there are no further questions, perhaps we can wrap up with a couple of comments.

Operator:
Please proceed.

George Burns:
All right, well, really happy to be able to get this feasibility study out to replace the pre-feasibility study. I think this positions us extremely well out of advance on financing, to position us for a restart. I was going to ask Brock to maybe recap a little bit on some of the questions that we had earlier on the schedule.

Brock Gill:
Yes. Thanks, George.

Just two quick ones for me. One, there was a question on euro denominated parts of the estimate. It's about 65% euro denominated is the answer to that one. Then, I just thought it might be helpful to recap the underground conversation, because there were a few different folks that asked kind of slightly the same question on what was deferred and what does the schedule look like. Thinking of those couple questions, I would say, essentially, we're trying to take advantage of the fact that we have a fully stripped pit and we're at the top of the ore body, which allows us some optionality, at the same time to reduce execution risk, and also allow us to focus on getting an asset up and operating.

How that plays into the schedule, it's an 18 months deferral, just simply put. We've then got a tonne of consistent ramp from 400,000 tonnes to 1.2 million to 2.5 million, kind of that starts in 2027, and we get to the 2.5 million tonnes in 2028. Then Year 8 is where we get to the second phase of the underground production. Those things together, and then obviously the open pit starts tapering off at that point. Kind of a very sequenced approach that we think leads to the best mine plan and the most de-risked approach that creates some optionality.

George Burns:
Then maybe just one last point on the capital cost. So, if you look at the pre-feasibility and the feasibility study, both anticipated initial capital up to commercial production. All studies had a second phase of underground growth capital, and both obviously have the life of mine sustaining in it. When you start digesting pre-feas versus feas, you've got to look at the total picture.

Any other questions in the queue, Operator?

Operator:
There are no more questions form the phone lines, and this concludes the question-and-answer session and today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.