Altan Tsagaan Ovoo (ATO), NE Mongolia
New Precious – Base Metal Discovery
PDAC 2012
Boris Kotlyar
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All figures are in United States dollars unless otherwise stated.
Outline of Presentation

- Introduction and Global Setting
- Location
- History and Ownership
- Recent Exploration & Resources
- Geological Setting—Regional- to District-scale
- Altan Tsagaan Ovoo (ATO)
  - Geology
  - Mineralization
  - Alteration
- Summary
Introduction and Global Setting
History & Ownership

- ATO located on Tsagaan Ovoo license, in NE Mongolia, originally owned by Cogegobi/Areva (COGEGOBI), a French Uranium Co

- COGEGOBI explored (stream sediment sampling and traversing) and first recognized mineralized rock at ATO in early 2000s, but thought it was a gently dipping vein system

- Centerra visited property in the fall 2009 and recognized precious – base metal potential from key outcrops

- Centerra began exploration early May 2010

- Finally acquired all rights late in 2010 from COGEGOBI
Altan Tsagaan Ovoo (ATO), Key Outcrop

Looking WNW (fall 2009)

Banded silica, broken sinter, repeatedly recrystallized
Yellowstone, USA - fresh, white silica sediment deposited on the wetland. Leaves and stems of arrowgrass (*Triglochin maritimum*) have grown up through the silica.
Not only reeds, but native Au as well.
Recent Exploration and Resources

- Exploration May 2010 through December 2011 discovered three mineralized pipes
- Exploration included:
  - Geological mapping, stream sediment and soil sampling, trenching
  - Geophysics – ground and airmag and gamma-spectrometry, D-D IP and gravimetric survey
  - ASTER and Quick Bird images interpretation
- 181 core holes through August 15, 2011; 31,130 m drilled
- Initial Measured and Indicated resources are **22.3 Mt @ 1.2 g/t Au** and **824 kOz Au**, **5.6 Moz Ag**, **270 Mlb Pb** and **488 Mlb Zn**
Onon Graben – Precious & Base Metal Province
Early Permian volcaniclastic, sedimentary rocks, and rhyolite - 285.9 Ma

Cretaceous graben (silt, sandstone, conglomerate, basalt)

Jurassic sandstone, conglomerate

ATO Jur pipes mineralized to > 700 m depths

MZ gr/gd 189 Ma

PZ gr 279.5 Ma
Altan Tsagaan Ovoo (ATO)

Looking WNW, 2011
Detailed Geology at ATO

Jur conglomerate

Pipe 1

Pipe 2

Pipe 4

Sinter
Section A – A’, Au > 0.3 g/t; Pb > 0.3 %

Au Pipe 2

Pipe 1

Pipe 4

J cong

Mineralized breccia

Permian volcanics

High Base Metals  Low Base Metals

Pb

Post mineral diorite

100 m

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<table>
<thead>
<tr>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
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<tr>
<td>3.31 g/t</td>
<td>20.9 g/t</td>
<td>1.72%</td>
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<tr>
<td>9.76 g/t</td>
<td>54.9 g/t</td>
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<td>2.92 g/t</td>
<td>25.8 g/t</td>
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<tr>
<td>3.80 g/t</td>
<td>8.9 g/t</td>
<td>1.33%</td>
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**Schematic Alteration**

**Pipe 1, schematic**

- **Sinter**
- **MZ conglomerate**
- **Oxide base**
- **Mineralized breccia**
- **Permian volcanics**
- **Post mineral diorite**

**Relative abundance**

- **Low**
  - **Sinter+clay**
  - **Oxide base**
- **High**
  - **Mg chlorite**
  - **Quartz veinlets**
  - **Phlogopite white mica**
  - **Gypsum**

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Typical Alteration (from top to bottom)

- Sinter + clay
- Quartz veinlets
- Mg chlorite
- Gypsum
## Mineralization Styles

<table>
<thead>
<tr>
<th>Depth</th>
<th>Mineralization Style</th>
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<tbody>
<tr>
<td>ATO-20, 85.9 m</td>
<td>Sphalerite-qtz multiple-banded veins</td>
</tr>
<tr>
<td>ATO-20, 142.7 m</td>
<td>Amethystine quartz-sphalerite veins</td>
</tr>
<tr>
<td>ATO-111, 266.5 m</td>
<td>Flat-lying galena sphalerite flooding</td>
</tr>
<tr>
<td>ATO-111, 275.1 m</td>
<td>Steep sphalerite veins</td>
</tr>
</tbody>
</table>
Setting of Gold in Sulphides & Quartz

ATO-14-67.4

ATO-15-142.7

Au : Ag = 20
Multiple crystals of Au
Silver in Sulphides

Miargyrite (Ag$_2$S•Sb$_2$S$_3$)

Mg chl

ATO-171-86.6

10 microns
Altan Tsagaan Ovoo, Summary

- **ATO is an intermediate sulfidation system (IS)**
  - Neutral low temperature, near paleo surface fluids, bladed silica after calcite indicates boiling. Related to J magmatic event
  - Banded silica, broken sinter, repeatedly recrystallized at paleo top

- **ATO is confined to pipe bodies**
  - Multiple collapse and upward transport, repeated brecciation followed by continued ingress of steep and shallow veins, veinlets and flooding

- **ATO is Mg chlorite and silica dominant system**
  - Quartz, clinochlore (high Mg, Al silicate), kaolinite, gypsum (peripheral after anhydrite), NO adularia

- **ATO is dominated by free gold, base metal and Ag sulphides**
  - Lead-phosphates (near surface) – Pb-carbonates – galena (at depth)
  - Zinc-carbonate (near surface) – low Fe sphalerite (at depth)
  - Au in quartz & in sulphides; Ag in tetrahedrite & miargyrite
Thank you!