**EURO SUN INCREASES NPV BY 41% TO $630 MILLION AT THE ROVINA VALLEY GOLD-COPPER PROJECT IN ROMANIA**

**TORONTO, February 9th, 2022 --** **Euro Sun Mining Inc. (TSX: ESM)** (“Euro Sun” or the “Company”) is pleased to provide the results of its optimized and updated 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, one of Europe’s largest gold-copper development projects. Euro Sun is dedicated to the responsible development of the Rovina Valley Project, which may become an important source of strategic metals within the European Union. All amounts are in US dollars unless otherwise indicated.

**Key Highlights Include (summary table set out in Table 1):**

* **Pre-Tax NPV increased 41% to $630 million, with an IRR of 22.7%, based on $1,675/oz gold and $3.75/lb copper**
* **Estimated to produce 1.47Moz of gold and 403Mlbs of copper over the life of the project at an AISC of $787/gold equivalent ounce**
* **Approximately 43 million tonnes or 19% less waste material expected to be mined resulting in a 1.45:1 strip ratio over LOM**
* **The updated study incorporates the most current cost and capital expenditure data, with initial CAPEX of $448 million**
* **The Rovina Valley Project incorporates dry stack tailings and is a cyanide free operation**

Scott Moore, Chief Executive Officer Euro Sun Mining Inc. comments “This updated study has proven the long-term viability of the Rovina Valley Project, one of the largest undeveloped Copper-Gold projects in Europe. The substantially improved economics based upon conservative long term commodity prices, indicate further possible upside as the project moves toward production. With operating after-tax cashflows anticipated to be of more than US$1 billion and a highly competitive AISC of US$787 gold equivalent ounce oz, this is clearly a high-quality project. We are moving methodically along the permitting route and look forward to providing further positive updates over the first half of 2022.”

The optimized and updated DFS for the Rovina Valley Project continues to focus on responsible mining procedures including, dry stacking, continuous revegetation, and a cyanide free processing facility. The enhanced project benefits from positive geotechnical study results, reducing waste removal and strip ratios, driving a 9% increase in gold production and a 41% increase in pre-tax NPV. The DFS also incorporated updated cost estimates and metal price assumptions.

Euro Sun is incorporating strong responsible mining procedures into every aspect of the project and 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 Ciresata underground deposit is expected to be phased in following the completion of the Colnic and Rovina pits, assuming future mining studies are completed, and positive results are obtained.

**Table 1: Updated Definitive Feasibility Highlights**

|  |  |  |
| --- | --- | --- |
| **2022 DFS Highlights** | **Life of Mine** | **First 10 Years** |
| Gold price | $1,675/oz | |
| Copper price | $3.75/lb | |
| Processing Rate | 21,000 tonnes per day | |
| Mine Life | **17.2 years** |  |
| **Average annual gold equivalent production** | **136,000 ounces** | **139,000 ounces** |
| Average annual gold production | 82,000 ounces | 107,000 ounces |
| Average annual copper production | 23.2 million pounds | 14.0 million pounds |
| **All-in sustaining costs** | **$787/oz Au eq** | **$823/oz Au eq** |
|  |  |  |
| Pre-strip Capital | $14.1 million |  |
| Initial Capital | $447.7 million |  |
| Sustaining Capital | $68.3 million |  |
|  |  |  |
| **Pre-Tax NPV (5% discount rate)** | **$630 million** |  |
| **Pre-Tax IRR** | **22.7%** |  |
| **Post-Tax NPV (5% discount rate)** | **$512 million** |  |
| **Post-Tax IRR** | **20.5%** |  |

Chief Operating Officer Sam Rasmussen adds “The additional geotechnical investigation and laboratory test work completed last year allowed Euro Sun to update the mining plan at both the Colnic and Rovina pits. These optimizations allowed us to lower the stripping ratios and maximize production in both pits, at a lower unit mining cost, while also extending the life of mine. These key optimizations further bolster the robustness of the Rovina Valley Project.”

The technical report related to the updated 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 |
| Knight Piésold (South Africa) | Tailings facilities, and Hydrogeology |
| Middindi Consulting (South Africa) | Geotechnical |
| Lawrence Consulting (Canada) | Geochemistry |
| SENET (South Africa) | Processing plant and infrastructure |
| SENET and Sidus Consulting | Economic valuation / financial modelling |

**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 the Rovina and the Colnic deposits and does not include the Ciresata deposit, which the Company expects will be brought into the project for development later, assuming future mining studies are completed, and positive results are obtained. 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 possesses 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 expected to be mined with a standard open-pit mining method using rigid dump trucks and hydraulic loaders. The open pit mining operation is anticipated to last approximately seventeen years, during which the lower-grade material will be stockpiled if possible, for treatment at the tail end of mining operations.

Over the life of the project, it is expected that 140.0 Mt of ore will be mined. Of this ore, 123.3 Mt will be delivered to the processing facility and 16.7 Mt low grade ore stockpiled where possible for future processing. In aggregate, over the life of the mine, a total of 203.1 Mt of material will be mined and placed on the waste facility, representing a life of mine stripping ratio of 1.45:1.

**Tailings Management**

Knight Piésold have advanced the design of 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. 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 updated 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 updated 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 infrastructure and processing capabilities anticipated to be in operation for the Rovina and Colnic deposits.

**Permitting Update**

The Company is currently completing the draft of the Planul Urbanistic Zonal (PUZ, Urban Zoning Plan) and expects to file with the County of Hunedoara in the coming weeks. It is expected to have the public audience on the draft plan sometime in early Q2, 2022 with final submission and approval of the PUZ in Q3 2022. Once the PUZ has been approved, submittal of the notification to complete the Environmental Impact Assessment (EIA) procedure will be filed with the Ministry of Environment.

**LSE Listing**

New eligibility requirements have been introduced by the London Stock Exchange and the Company is reviewing the new rules to determine the appropriate timing for moving ahead with a listing. Once the Updated Definitive Technical Report is filed the Company will have six months to complete the application to list on the London Stock Exchange.

**Rovina Valley Project 2022 Resource and Reserve Update**

Table 2: Rovina Valley 2022 Mineral Reserve Estimate Colnic and Rovina Deposits

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Deposit | Classification | Tonnage  (Mt) | Au (g/t) | Cu  (%) | Au (koz) | Cu (t) |
| Colnic | Proven | 25.60 | 0.65 | 0.11% | 535.0 | 28,158.7 |
| Probable | 47.99 | 0.55 | 0.09% | 848.6 | 43,190.4 |
| Rovina | Proven | 22.58 | 0.34 | 0.29% | 243.3 | 67,005.8 |
| Probable | 27.13 | 0.24 | 0.22% | 211.6 | 60,166.7 |
| Colnic & Rovina | Proven | 48.18 | 0.50 | 0.20% | 778.3 | 94,164.6 |
| Probable | 75.12 | 0.44 | 0.14% | 1,060.2 | 103,357.2 |
| **Total** | **Proven & Probable** | **123.30** | **0.47** | **0.16%** | **1,838.5** | **197,522** |

The Mineral reserve estimate uses a base gold price of $1,550/oz and a base copper price of $3.30/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 NI 43-101.*
* *Effective date of reserves are January 31, 2022*

Table 3: Rovina Valley 2022 Mineral Resource Estimate Update 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 | 29.2 | 0.65 | 0.12 | 0.61 | 74 | 0.81 | 0.76 |
| Indicated | 103.6 | 0.48 | 0.10 | 1.61 | 224 | 0.62 | 2.07 |
| Rovina | Measured | 33.2 | 0.36 | 0.29 | 0.38 | 213 | 0.77 | 0.82 |
| Indicated | 79.1 | 0.26 | 0.22 | 0.67 | 384 | 0.57 | 1.46 |
| Colnic & Rovina | Measured | 62.4 | 0.49 | 0.21 | 0.99 | 288 | 0.79 | 1.58 |
| Indicated | 182.7 | 0.39 | 0.15 | 2.28 | 607 | 0.60 | 3.53 |
| **Total** | **Measured & Indicated** | **245.1** | **0.42** | **0.17** | **3.27** | **895** | **0.65** | **5.11** |
| ***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 shell 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, because of rounding.* * *Mineral Resource estimates follow the CIM definition standards for Mineral Resources and Reserves and have been completed in accordance with NI 43-101. With and effective date of January 31, 2022* | | | | | | | | |

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). This preliminary economic assessment is preliminary in nature and there is no certainty that the preliminary economic assessment will be realized.* * *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 NI 43-101.* | | | | | | | | |

***On a consolidated basis of measured and indicated resources, the Rovina Valley Project includes 399.5 Mt containing 7.09 Moz gold and 1,410 Mlbs copper equal to 10.06 M gold equivalent ounces.***

**Qualified Persons**

The mineral reserve estimate stated in this press release have been reviewed and approved by Mr. David Alan Thompson (ECSA No. 201190010), Principal Mining Engineer for DRA Projects (Pty) Ltd, who is an independent Qualified Person as defined by National Instrument 43-101. Mr. D Thompson was responsible for the mineral reserve estimate of the RVP Feasibility Study that supports this press release. Mr. D Thompson confirmed that he has reviewed the information in this press release as it relates to the mineral reserve estimate.

The mineral resources estimate 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 NI 43-101. Mr. D Subramani was responsible for the mineral resource estimate of the DFS. Mr. D Subramani confirmed that he has reviewed and approved the information in this press release as it relates to the mineral resource estimate.

Mr. Randy Ruff, P. Geo., an employee of Euro Sun and a qualified person as defined by NI 43-101 has reviewed and approved the technical information in this press release other than the mineral resource estimates and the mineral reserve estimates.

**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](mailto: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, waste material, all-in sustaining cost, capital expenditures, cost savings, project economics (including pre-tax net present value and after tax cashflows) and other information contained in the updated DFS; 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 and the anticipated timing for the filing of the updated DFS as a NI 43-101 compliant technical report.

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, 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 do 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 gold equivalent ounce, net present value (“**NPV**”). These non-GAAP financial measures do not have any standardized 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, as defined by the World Gold Council is a common financial performance measure in the mining industry but have no standard definition under IFRS. AISC include 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.*