

Bonterra Resources Inc. (TSXV:BTR) *Drilling Continues to Expand Gladiator*

Exploration Update

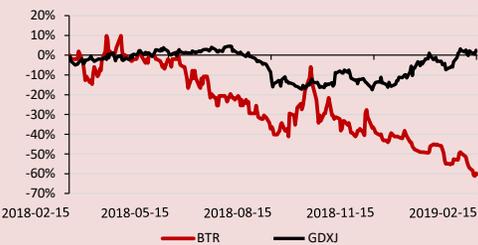
(Currency is CAD\$ unless noted otherwise)

Closing Price		\$2.01
Consensus NAVPS		\$5.02
52 Week Low / High	\$1.92 /	\$5.80
Consensus P/NAV		0.40x
CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	46.0	51.7
Market Capitalization (\$MM)		\$92.5
Enterprise Value (\$MM)		\$85.1
Last Reported Quarter Cash (\$MM)		\$9.7
Total Debt (\$MM)		\$2.3

STOCK CHART



RELATIVE PERFORMANCE



RELATIVE VALUATION

	US\$EV/oz AuEq	P/NAV
Peer Group Average*	\$39	0.46x
Bonterra Resources Inc.	\$42	0.40x

*Capital IQ Consensus

MAJOR SHAREHOLDERS

Management (8.55%), Kirkland Lake Gold Ltd. (8.31%), Van Eck Associates Corporation. (5.55%), Sprott Asset Management, LP. (5.2%)

DISCLOSURE CODE:

1,2,3,4

(Please refer to the disclosures listed on the back page)

Source: RCKS, Company Information, Capital IQ

Company Description

Bonterra Resources Inc., an exploration stage company, engages in the acquisition, exploration, and evaluation of mineral properties in Canada. The company explores for gold and silver deposits. It holds interest in the Gladiator Deposit, the Moroy Deposit and Bonterra Mill, and the Barry Deposit located in the provinces of Ontario and Quebec, Canada. The company was incorporated in 2007 and is headquartered in Val-d'Or, Quebec.

Impact: Mildly Positive

Results from Bonterra's ongoing drilling program demonstrate the significant expansion potential of this deposit, beyond the ~2Moz that we believe already exists. **With a mill in-place and a basket of growing deposits, we believe the company is likely to be the first company in production in the rapidly growing Urban-Barry camp.**

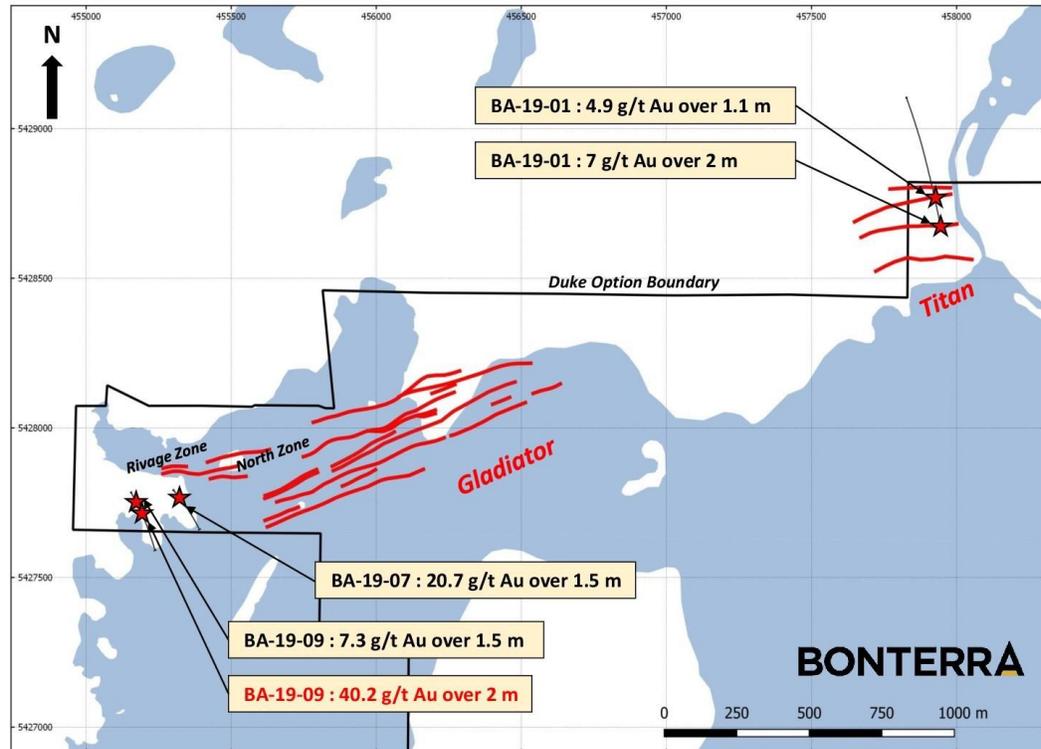
Highlights:

- **Gladiator continues to grow.** Step out holes at Gladiator extend the North and Rivage zones to the Southwest where the company is encountering the same distinctive sphalerite mineralization as seen at the main Gladiator deposit. The extension which dips to the east, was intersected near surface (<150m) returning highlights of 40.2g/t Au over 2m (BA-19-09) and 20.7g/t Au over 1.5m (BA-19-07). These results are step-outs from the portion of the deposit that we believe contains up to 2Moz.
- **Titan is further away, but more of the same.** The company is still developing an understanding of the newly discovered Titan target where it hit a quartz vein stockwork mineralization with many similarities to Gladiator. Results intersected high-grades highlighting 7g/t Au over 2m (BA-19-01) and the the structure remains unconstrained in all directions. Results to date suggest that, together with Coliseum, Gladiator's strike could span as much as 5km (a 3.8x increase over the current footprint).
- **Assembling the pieces for the Urban Barry camp.** With an expansion planned for the Urban Barry Mill in H1/19, the company is well positioned with multiple growing deposits, to quickly become the next Canadian producer. We highlight that operating assets in Canada of this scale (100 to 200k oz/year), have been prime takeover targets in recent years, suggesting to us that Bonterra is on the cusp of becoming an endangered species.

Valuation:

Mill expansion and coming resource update show this company's fundamental value is ahead of its current pricing. Based on currently reported resources for Gladiator, Barry and Bachelor, Bonterra trades at US\$42/oz, a premium to peers but once we factor in our estimate of ~C\$50M for the Urban-Barry mill, and what we estimate could be a ~2M oz Au deposit at Gladiator, Bonterra would trade at a substantial discount to peers at US\$13/oz. **Upcoming catalysts** include, 1) Ongoing exploration results.

Figure 1: Recent Drill Results



Source: Company Reports

Figure 2: Comparable companies

Company	Ticker	Price (C\$/sh)	YTD Perf.	Shares (M)	Mkt. Cap C\$M	Cash C\$M	Debt C\$M	EV C\$M	US\$EV/oz AuEq	Consensus P/NAV	
Bonterra Resources Inc.	TSXV:BTR	\$2.01	-22%	46	\$92	\$10	\$2	\$85	\$42	0.40x	
Anaconda Mining Inc.	TSX:ANX	\$0.27	20%	119	\$32	\$4	\$1	\$30	\$12	0.20x	
Osisko Mining Inc.	TSX:OSK	\$3.16	3%	264	\$835	\$102	\$0	\$733	\$71	0.77x	
Marathon Gold Corporation	TSX:MOZ	\$0.98	27%	166	\$163	\$6	\$0	\$157	\$35	0.49x	
IDM Mining Ltd.	TSXV:IDM	\$0.06	0%	520	\$31	\$4	\$0	\$27	\$26	0.25x	
Radisson Mining Resources Inc.	TSXV:RDS	\$0.10	0%	136	\$14	\$1	\$0	\$13	\$22	NA	
Victoria Gold Corp.	TSXV:VIT	\$0.51	38%	804	\$410	\$41	\$83	\$452	\$70	0.58x	
									Median	\$31	0.49x
									Average	\$39	0.46x

Source: Company Reports

Derek Macpherson | VP Mining Analysis
Edmond Thorose | VP Corporate Development
Alex Pitcher | Associate, Mining Analysis
Beatrice Cigagna | Associate, Mining Analysis

Red Cloud Klondike Strike Inc.
 105 King Street East, 2nd Floor
 Toronto ON, M5C 1G6
RCKSTalk@RedCloudKS.com
www.redcloudks.com/rcks-talk

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Bonterra Resources	TSXV:BTR	1,2,3,4

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