Investor Presentation

HYBRID MINING & TECHNOLOGY COMPANY
High Potential & Advanced Stage Mining Assets combined with a Revolutionary & Exclusive Green Mining Method

Donald Brisebois, CEO
Jean-Yves Therien, VP Development

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What is Nippon Dragon?

- Hybrid Canadian Public Company – Mining & Technology
- Thermal Fragmentation Technology
- Rocmec 1 Gold mine – Québec Canada
- Denain & Courville – Québec Canada
THERMAL FRAGMENTATION
Exclusive, Patented & Revolutionary

An efficient, productive and GREEN mining method”

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Swiss cheese / Mining
Swiss cheese / Mining

- The art of making openings of different sizes economically and safely.

- The thermal fragmentation is a new high-precision tool for creating large openings and extracting ore.
Thermal Fragmentation

• What is it?
  – It is a mining method that uses heat in order to shatter/spall the high-grade veins greatly reducing the use of explosives
  – Extracting only the vein with minimal dilution
  – Could be used as a stand alone method or as the perfect complement to any conventional hard rock mining operation
Fragmented Rock around the world

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Mining has seen few changes since the invention of explosives. The depletion of known and renewable resources can no longer be extracted economically. Thermal fragmentation fills an important gap and is an essential extraction method. Experts estimate that the depletion of economically viable gold deposit around the world will happen within the next 20 years.
Mineralized ore versus Waste rock

Ore (Gold)

With the TF

50 cm

Without TF

250 cm

Waste (No Gold)

Before

After

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Other mining methods

• Thermal Fragmentation method replaces:
  – Room & Pillar method (flat or reef)
  – Shrinkage method (manpower intensive)
  – Small Long hole method (dilution problems)

• Nippon Dragon believes that the **Thermal Fragmentation mining technology is a necessity** for the mining industry in order to optimise current mining operations
Thermal - 7 Key Benefits

• Major dilution reduction (4:1 ratio approx.)
• Little or no wall damages caused by blast vibrations
• Significant cost savings related to ore handling and ore treatment (1 – 13 mm size fragments)
• 2 person team per machine (efficiency)
• Green technology (500 tpd vs 2,500 tpd)
• Cash cost reduction (30%-60% approx.)
• Selective mining
Thermal – Green Impacts

- Massive reduction in energy consumption and greenhouse gas emissions
- Significantly decreases environmental footprint
- Reduces the risk of environmental disasters
Fragmented mineralized ore

- Rock fragments from 0 to 13 mm
- Optimal in hard and dense rock
- The ore does not have to be crushed
Impacting the entire mining process

The Thermal Fragmentation mining method is a NEW Production Platform and positively impacts all stages of a mining operation.

**Mine**
- Old mines closed
- Uneconomical discovery
- Expands operations

**Extraction**
- Reduces mining costs
- Reduces dilution

**Transport**
- Smaller trucks
- Less equipment
- Less energy
- Less employees

**Disposal**
- Smaller tailing ponds
- Less risk
- Increase sustainability

**Milling**
- No need for primary crusher
- Smaller mills
- Less energy
- Less chemical products

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Sigma – Val D’Or

Éléonore – Baie James

Mont Polley - BC

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The Thermal Fragmentation mining technology is a productivity game changer and will increase grades around the world.

It will lead the way to re-open many closed mines which are deemed uneconomical with conventional mining methods.
Thermal unit

THERMAL FRAGMENTATION MINING METHOD

Self Propelled Diesel
Low Emission < 7 PPM

Width = 1.4 meter
Length = 2.5 meter
Height = 1.8 meter
Drill requires 2.7 m
Dragon vs Mini-Dragon

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We are currently working on several service contracts for mining companies in:

- Africa
- Australia
- Canada
- Japan
- USA
Patents – 10 Countries

- Canada
- United States
- Mexico
- Russia
- South Africa
- China
- Australia
- Morocco
- Tanzania
- Brazil

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ROCMEC 1 - Gold

Advanced stage, High potential & Fully permitted

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• NI43-101 May 2010 confirmed 479,100 oz all categories (3 gpt cut-off)
  – Bloc 600 m X 600 m X 275 m deep
  – Open all directions
• 83 hectares + 2,088 hectares unexplored
  – 83 Hectares Approx. 3% of surface area
• $41,000,000 expended to date (5 levels + ramp + shafts)
Rocmec 1 – Boucher Vein
Rocmec 1 – Exploration Program
Rocmec 1 – Potential of Boucher Vein

• 2,088 hectares virtually unexplored:
  – Mini-exploration November – December 2012
  – Boucher Structure = Faille Lac Labyrinthe
  – Report filed in February 2013
• Width of the structure is approx. 30 meters
• The structure runs for +3.5 km on our property
Long term goals and objectives

- World wide technology deployment through various licensing partnerships – **Nippon entered into its 1st exclusive Thermal Fragmentation distributorship agreement for South Africa in February 2014 with MaXem Holdings, a South African based multi-facet company offering equipment sales, mining services and contract mining. In November 2014, we make a similar agreement with NDR in Japan and now in Australia.**
- Gradually transform the mining industry – Market acceptance
- Gradually position our technology as a “Green” technology
- Introduce the technology to the construction industry
- Profits generated from production at our Rocmec 1 mine will support our expansion plans
- Reopening of ‘orphaned’ mines in Quebec and Ontario with very high ROI (+-50 closed mines are on our radar)

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Contact information

- Jean-Yves Therien – VP Development
  - E-mail: jytherien@nippondragon.com
  - Phone : 1 (514) 668-2244

- Donald Brisebois – CEO
  - E-mail: dbrisebois@nippondragon.com
  - Phone : 1 (514) 247-2549
Nippon Dragon Resources Inc.
7055 blvd. Taschereau, bureau 500  Brossard, Québec, J4Z 1A7
Canada
TEL: 1-450-510-4442

www.nippondragon.com