



The 'New' Americas Gold Play

DENVER GOLD FORUM
September 2010

PRIMERO
TSX:P

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Unless otherwise indicated, all dollar values herein are in US\$.

Investment Highlights

Established Mexican operations

Proven management & board

Long life, low cost production

Ideal growth platform – cash flow funded

Attractive valuation – re-rating opportunity



Capital Structure

Cash ~\$50 million

Debt \$50 million¹

Convertible note \$60 million

(1) 5 year, 6% note repaid \$5M/yr with balloon payment at end of year 5

Shares outstanding 88 million

Fully diluted 117 million

Warrants outstanding 22 million

Options outstanding 8 million



Strategy of Growth

Acquisition Track Record

GROWTH

- 2010-2011: Optimization & resource expansion
- 2011-2012: Potential Latin American acquisitions
- Leading mid-tier gold producer by 2013

LOW CASH COST

- Below industry average cash costs

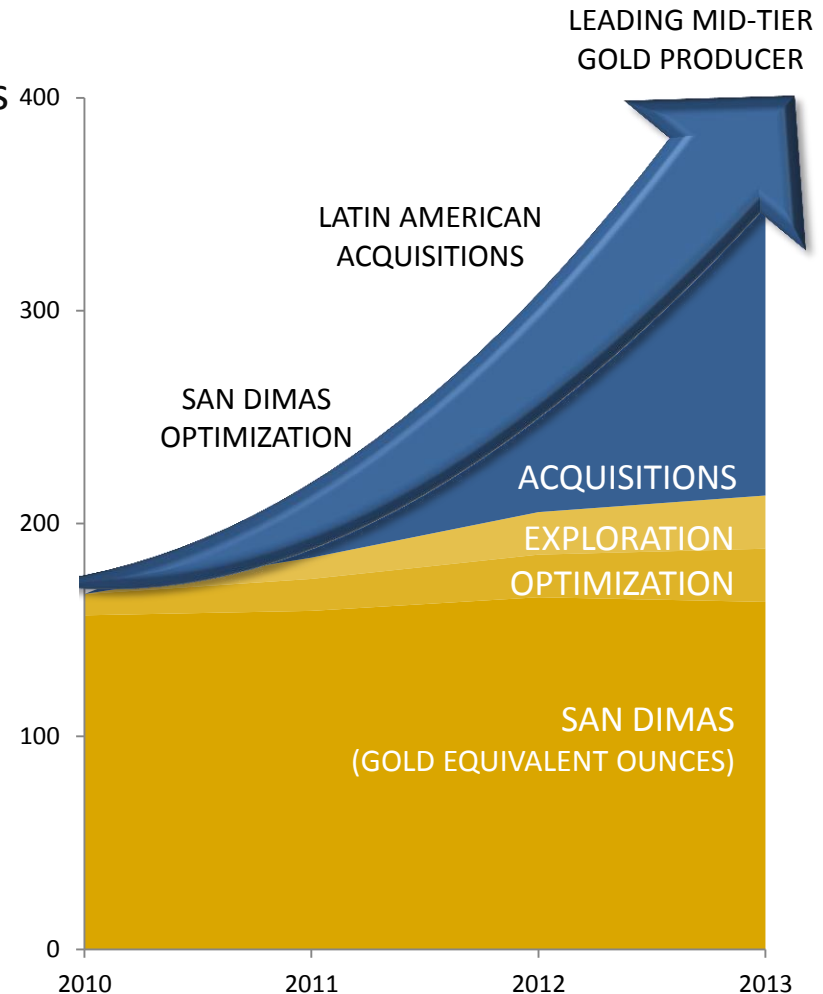
LOW RISK

- Maintain balance sheet strength
- Un-hedged gold
- Americas pro-mining jurisdictions only

RESPONSIBILITY

- Sustainable growth
- Commitment to leading CSR programs

TARGETED GROWTH OBJECTIVE¹



Financial Strength

Sufficient Capital to Fund Growth

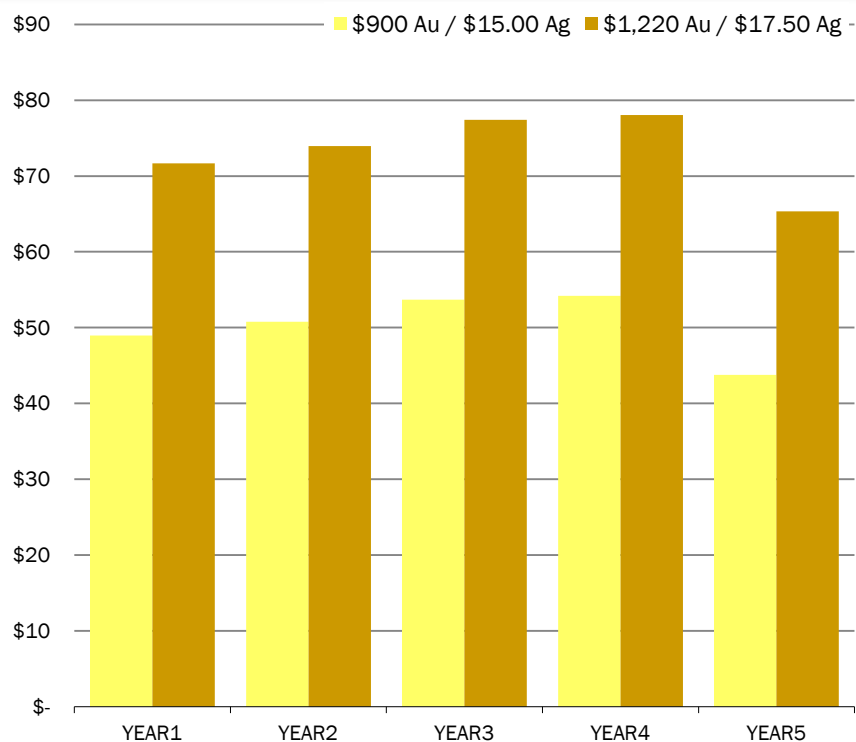
 **Cash flow** engine to fund growth

 **~\$50 million** cash

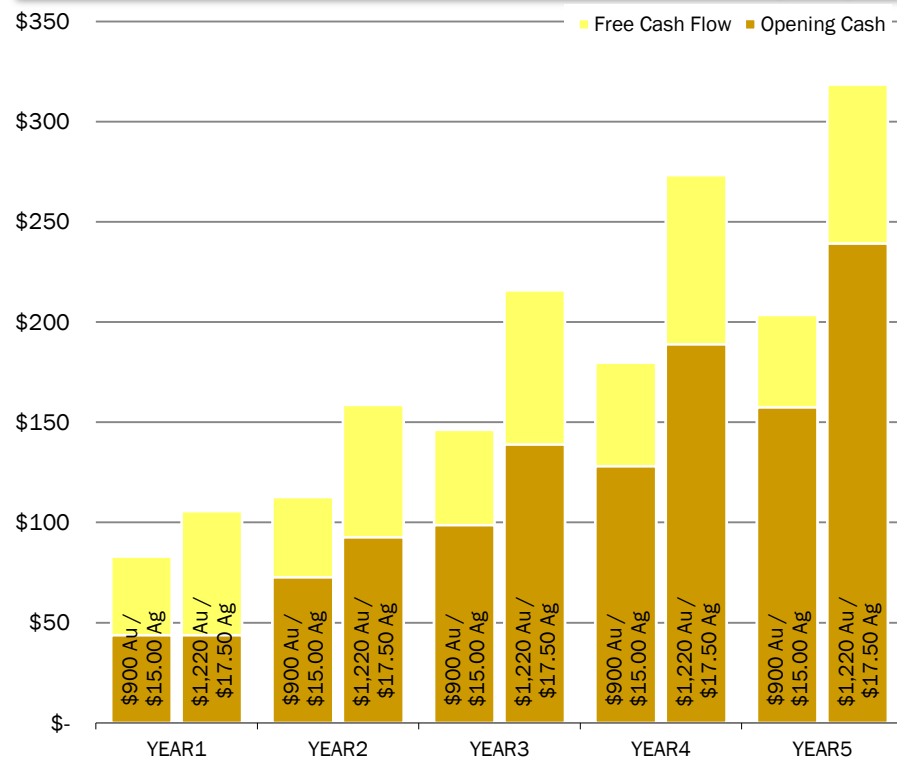
 **~\$70 million** operating cash flow/yr

 **Robust** operating margins

After Tax Operating Cash Flow^{1,2} (\$M)



After Tax Cumulative Cash Balance^{1,3} (\$M)



1. Includes Silver Wheaton contract impact, resulting in an effective tax rate of approximately 55%

2. Includes interest expense on the Goldcorp promissory and convertibles notes

3. Free cash flow includes interest expense on the Goldcorp secured promissory and convertible notes and principal repayment on the Goldcorp secured promissory note (principal on convertible note is paid through excess cash from financing and exercise of warrants)

Improved Cash Flow

Amended Silver Agreement



Old Agreement

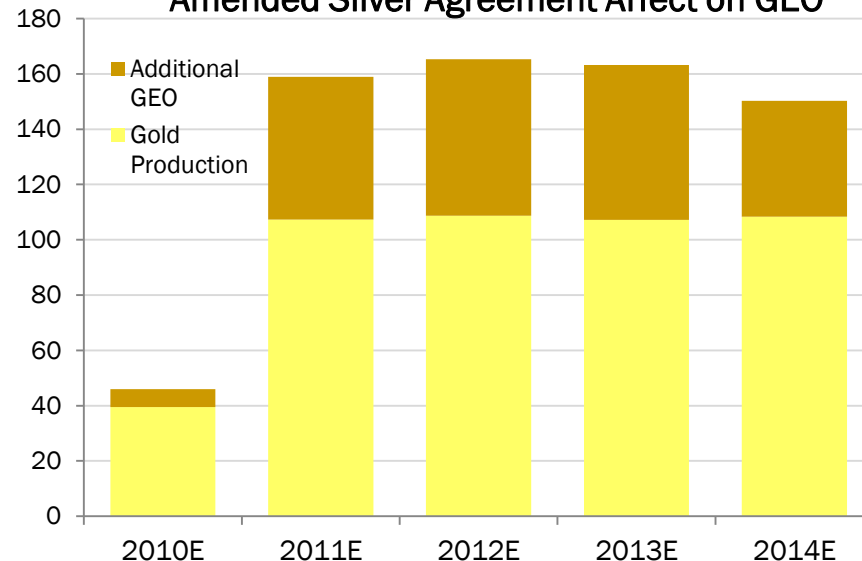
To 25 Years All silver sold at ~\$4 for 25 years (19 years remaining)

Amended Agreement

- First 4 years** First 3.5 million oz Ag plus 50% of excess sold to SLW at ~\$4
50% of Ag production above 3.5 million oz sold at spot
- Year 5 to LOM** First 6 million oz Ag plus 50% of excess sold to SLW at ~\$4
50% of Ag production above 6 million oz sold at spot



Five year average annual :	Amended Agreement ¹	Goldcorp 2009
Production		
Gold (oz)	107,000	113,000
Gold Eq (Eq Au oz)	157,000	113,000
Spot Silver Exposure ² (oz)	1,800,000	0
Cash Cost¹		
Co-product (per Eq oz)	\$337	\$392
By-product (per oz)	\$60	\$287

Amended Silver Agreement Affect on GEO



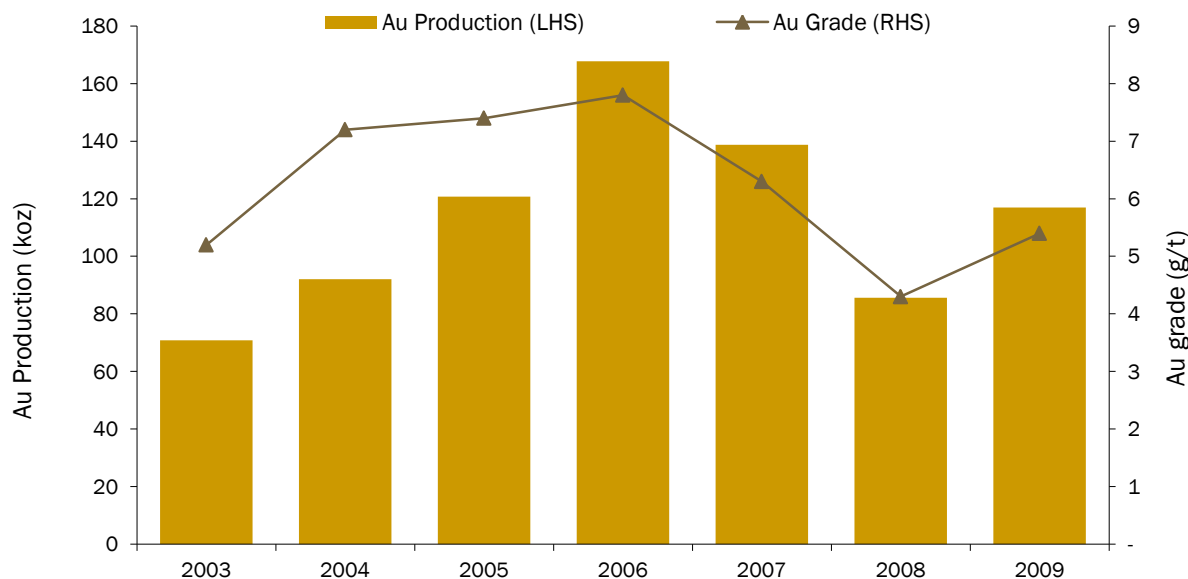
San Dimas

Solid Platform with expansion & exploration potential

-  **World-class** gold-silver mine plus 227km² of exploration concessions in epithermal district
-  **250 year** history with historical production estimated at **11 million ounces** of gold and over 582 million ounces silver



San Dimas Historical Gold Production



P&P Reserves (at Dec 31 2009)	Gold	Silver
Contained (M oz)	0.9	61
Grade (g/t)	4.8	339
Inferred Resources (at Dec 31 2009)	Gold	Silver
Contained (M oz)	1.6	155
Grade (g/t)	3.3	317
Production (k oz/yr)	107	
Estimated 5 year average.		
Est. LOM (years)	25+	

1. Average annual production and cash cost for next 5 years, gold equivalent based on \$900/oz gold and \$15/oz silver
 2. Attributable to Primero under amended silver purchase agreement and based on NI 43-101 report
 Source: NI 43-101 technical report

San Dimas

2010 Guidance



	Goldcorp Inc.		Primero Mining Corp.	
	Reported Jun 30, 2010	Unaudited Jul 1, 2010 to Aug 5, 2010	Estimated Aug 6, 2010 to Dec 31, 2010	Estimated Full Year 2010
Gold produced (ounces)	45,800	7,700	37,000-42,000	90,000-95,000
Silver produced⁽¹⁾ (ounces)	2,315,500	429,900	1,755,000-1,955,000	4,500,000- 4,700,000
Total cash costs⁽²⁾ (per gold equivalent ounce)	\$529 ⁽³⁾	\$655	\$450 - \$480	\$500 - \$530
Total cash costs⁽²⁾ - by-product (per gold ounce)	\$411	\$555	\$330 - \$360	\$390 - \$420
Capital expenditures (US\$ millions)	10	4	12	26

1) Refer to slide 7 for silver purchase agreement details

2) Cash costs are a non-GAAP performance measure

3) Calculated from Goldcorp Inc.'s Second Quarter 2010 Report

Material assumptions used to forecast total cash costs⁽¹⁾ for 2010 include: \$1,200 per ounce for gold; by-product silver price of \$4.04 per ounce; an oil price of \$95 per barrel and foreign exchange rates of 1.03 Canadian dollars and 12.63 Mexican pesos to the US dollar.



Optimization

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Established Infrastructure

Building for the Future

📌 Mill capacity 2,100 tpd - **expansion potential**

📌 Tailings filtering plant capacity 2,100 tpd

RECENT INVESTMENTS

📌 New tailings pumping system

📌 Tunnels connecting Central Block to Sinaloa Graben

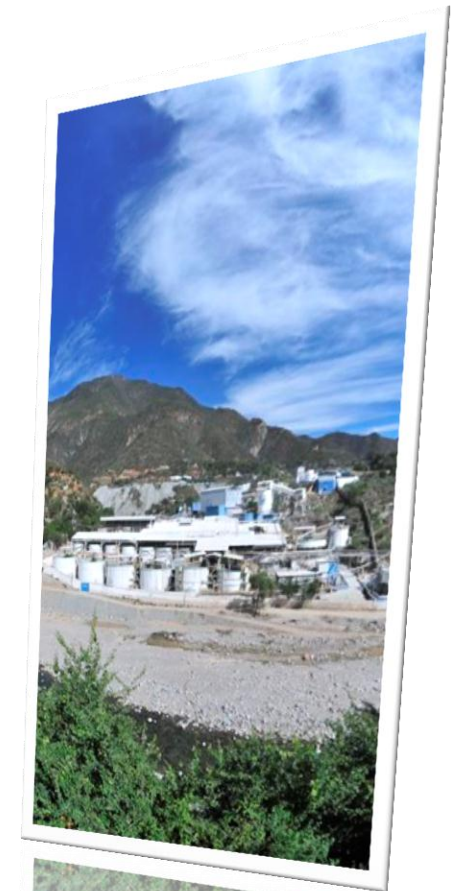
📌 Las Truchas Hydro Plant

CURRENT PROJECTS

📌 Tailings Filter 3

📌 Waste Rock Impoundment

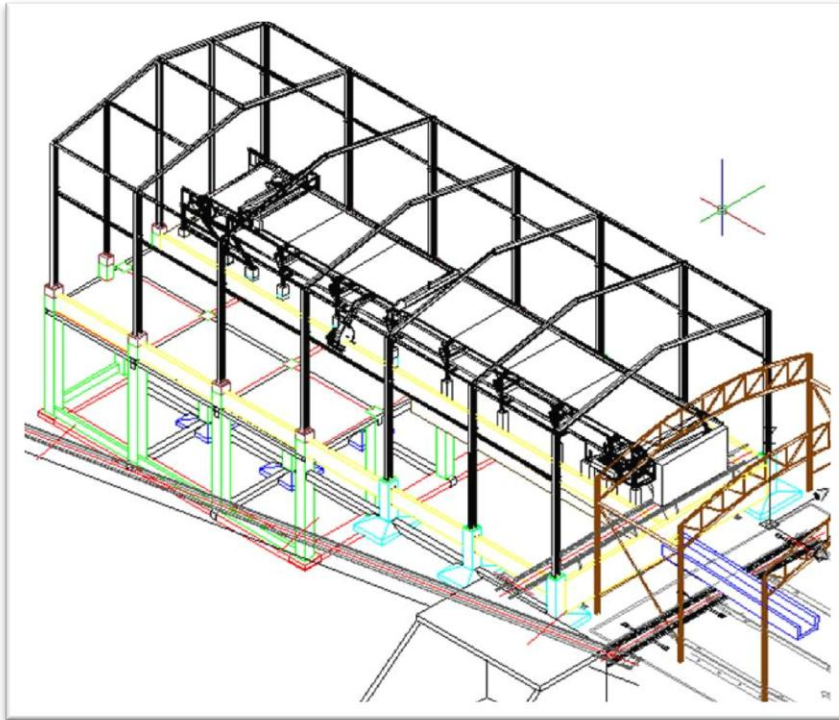
📌 New Sub Station



Infrastructure Projects

Tailings Filter 3

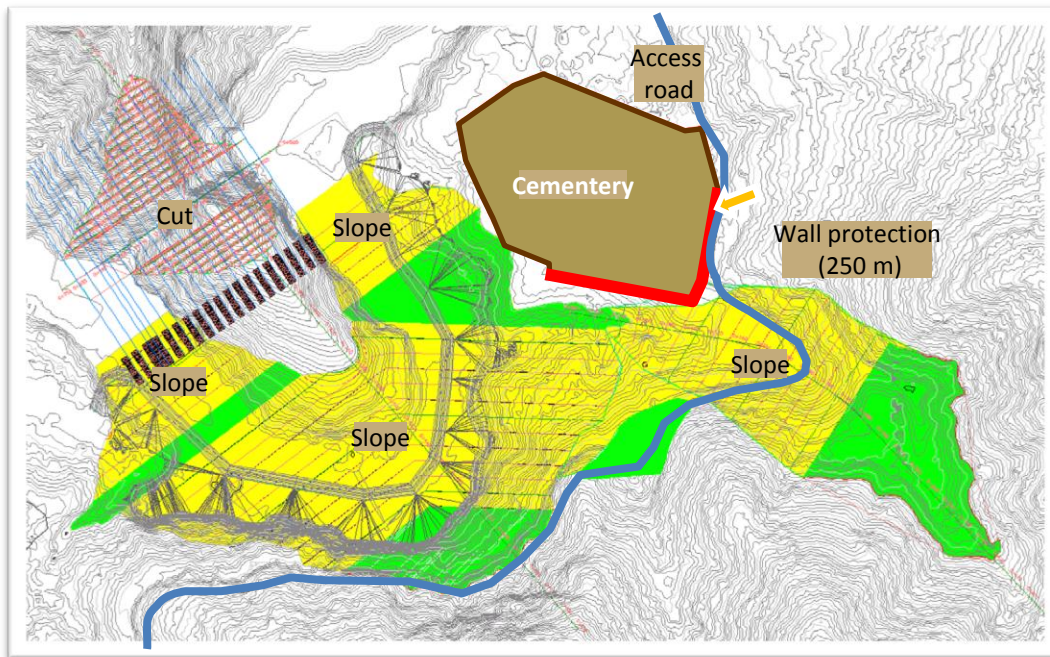
- 100% filtering capacity
- Eliminates wet tailings
- Allows process plant flexibility



Infrastructure Projects

New Waste Rock Impoundment

- 3 million m³ Capacity
- Proper disposal for waste rock
- San Luis bridge: safer, all seasons access



Infrastructure Projects

Las Truchas Hydro Plant

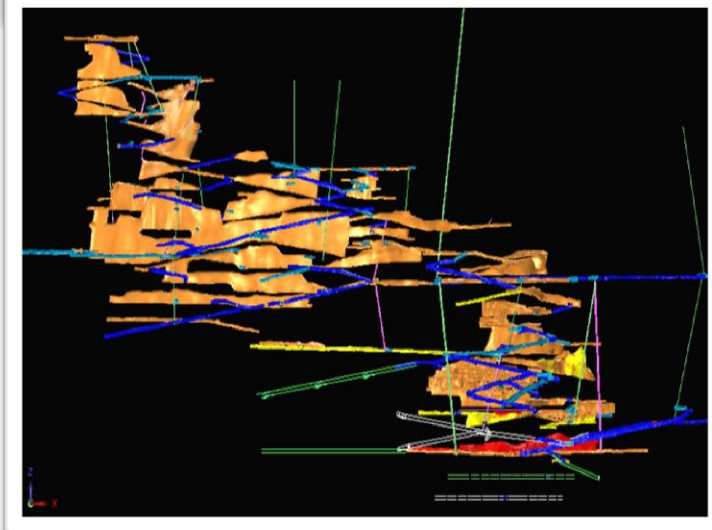
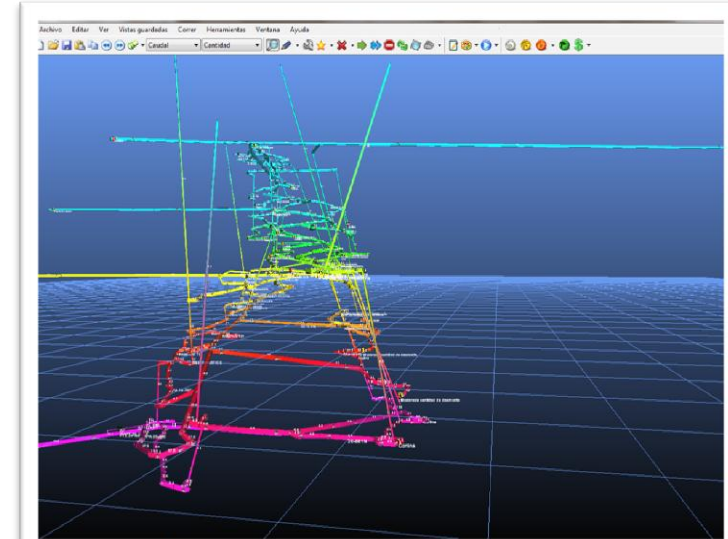
- Clean, low cost energy
- 7.3MW of installed capacity
- Truchas avg cost: \$0.015 per kw/hr
- CFE general Grid avg cost: \$0.11 per kw/hr
- Provides 76% of San Dimas energy demand
- Savings of ~\$4.8M per year
- Saves 23,500 tonnes of CO₂ greenhouse gas
- Power line prepared for 14 MW
- 2011:** Stage 2 - additional 7MW



Optimization Review

Expansion Opportunity

- 🧱 Mine planning:
 - Ensure sufficient production headings
 - Strategic tunnel planning
- 🧱 Operate mill at design capacity
 - Current:~1,900 tpd, Design: 2,100 tpd
- 🧱 Match milling to leaching capacity
 - Mill: 2,100 tpd, Leach: 2,500 tpd
- 🧱 Complete technical review in 2010



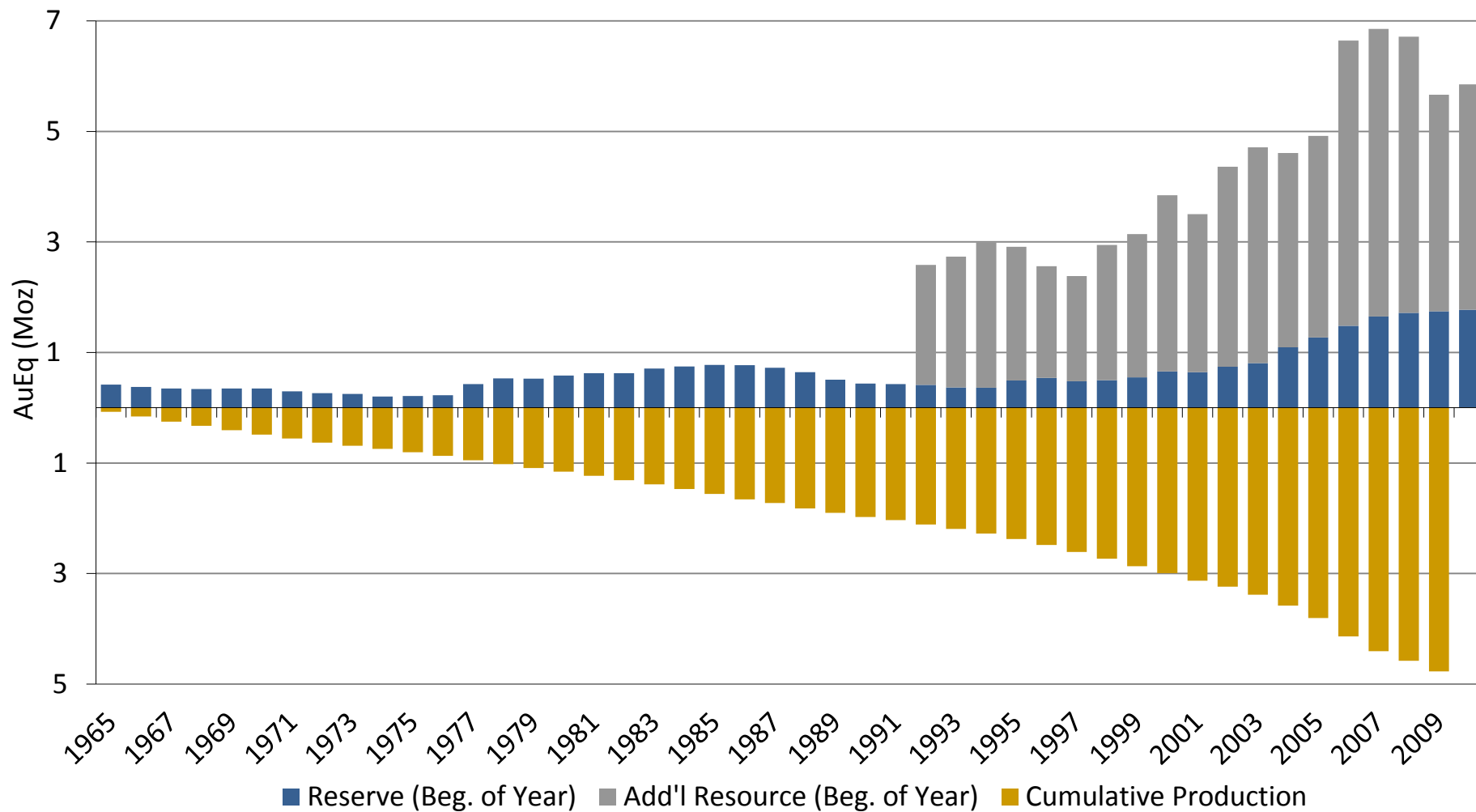


Growth

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Long History of Reserve Growth

San Dimas Historical Reserve Growth and Cumulative Production¹

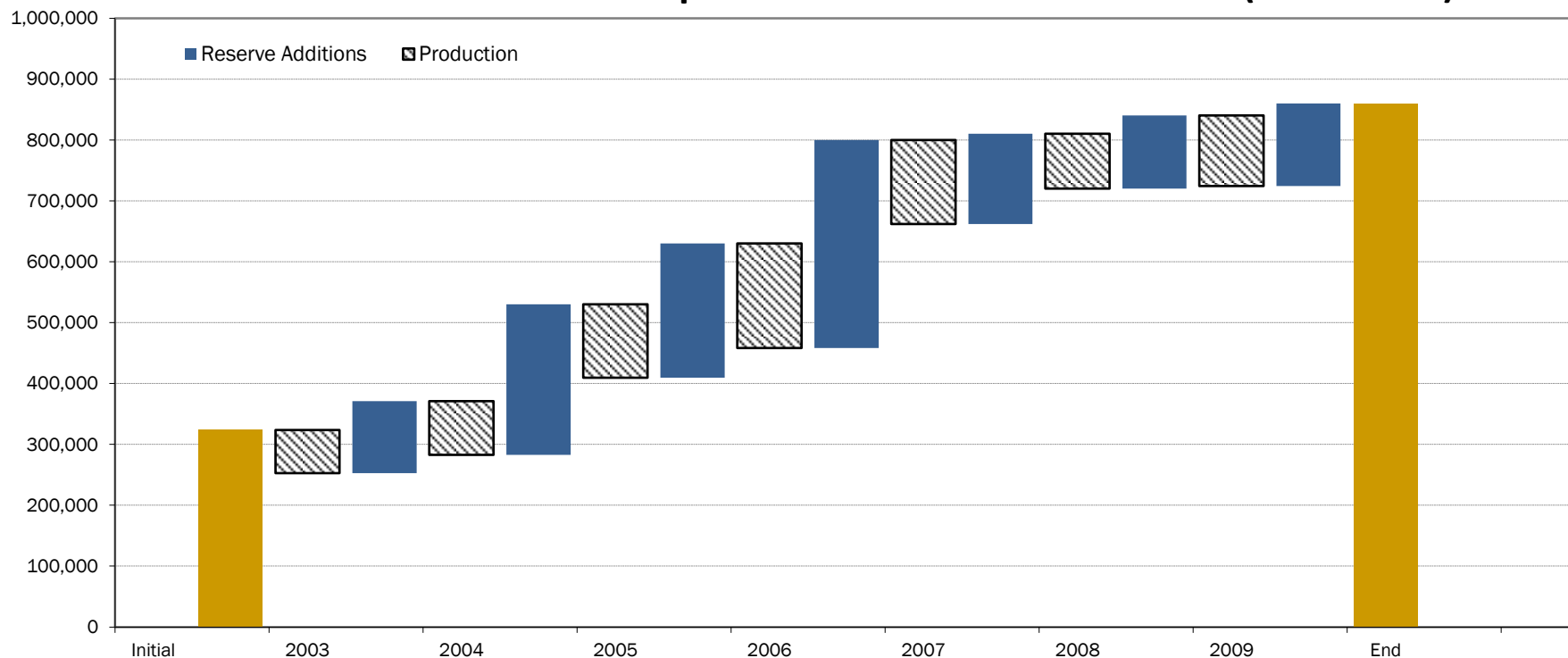


¹ Shows San Dimas total gold equivalent ounces, part of which is under a silver purchase agreement as detailed in slide 7

Proven 90% Resource Conversion

Opportunity for Long Term Strategic Planning

San Dimas Reserve Replacement based on Au ounces (2003-2009)¹



Proven & Probable Reserves (as at Dec. 31, 2009)

million tonnes	Gold (g/t)	Silver (g/t)	Gold (Moz)	Silver (Moz)
5.6	4.8	339	0.9	60.9

Inferred Resources (as at Dec. 31, 2009) (exclusive of reserves)

million tonnes	Gold (g/t)	Silver (g/t)	Gold (Moz)	Silver (Moz)
15.2	3.3	317	1.6	154.6

Significant Exploration Upside

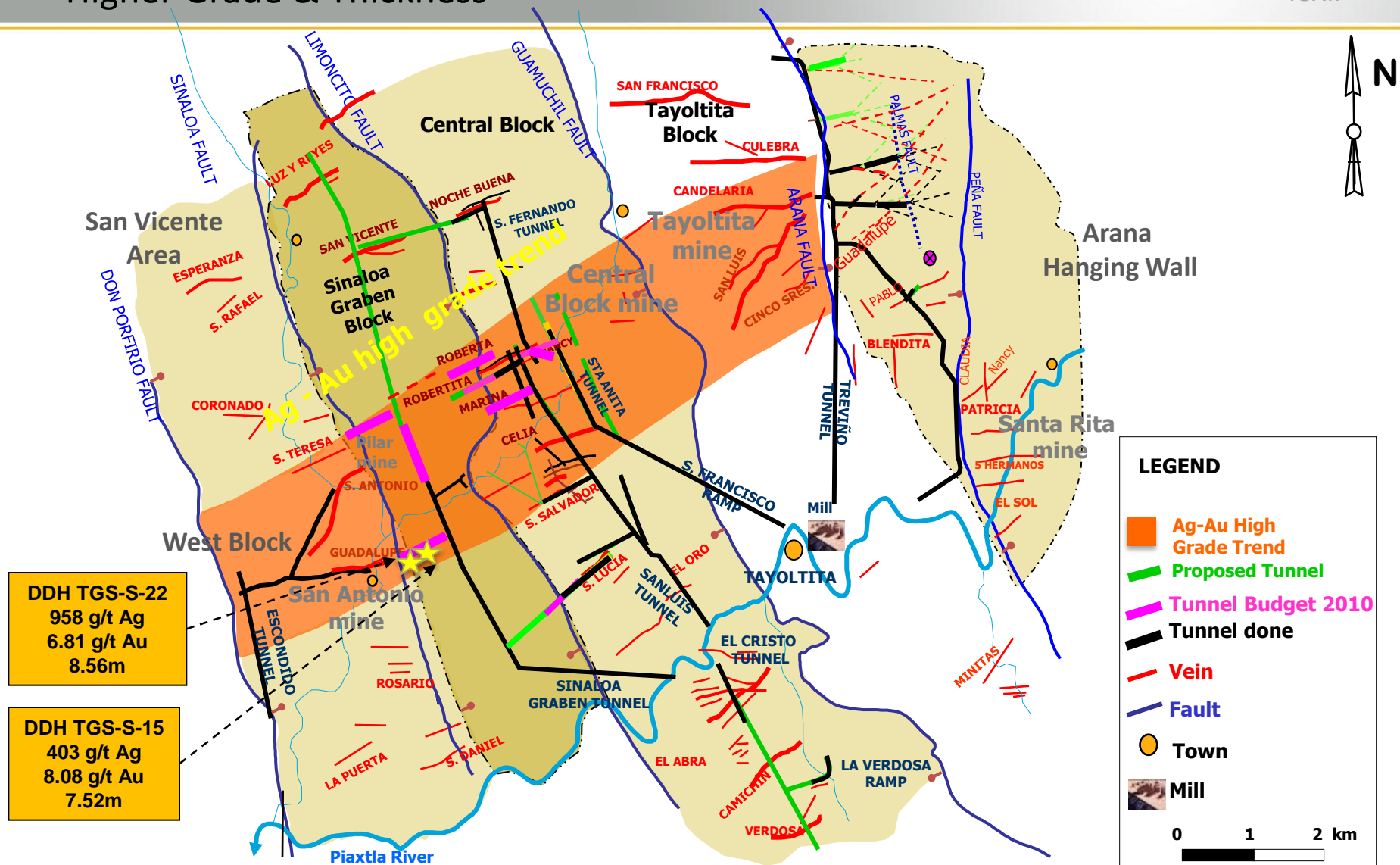
A Key Focus

- More than **100 known veins** in district
- Significant new **high-grade** veins in the **Sinaloa Graben**
- Sinaloa Graben **million ounce** resource potential (only 27koz at Dec. 31, 2009)
- Additional **discoveries** likely and will add to current reserves
- Likely lead to **increased** 2011 exploration budget



Sinaloa Graben

Higher Grade & Thickness



DDH TGS-S-22
958 g/t Ag
6.81 g/t Au
8.56m

DDH TGS-S-15
403 g/t Ag
8.08 g/t Au
7.52m

(Source: San Dimas Geological Office)

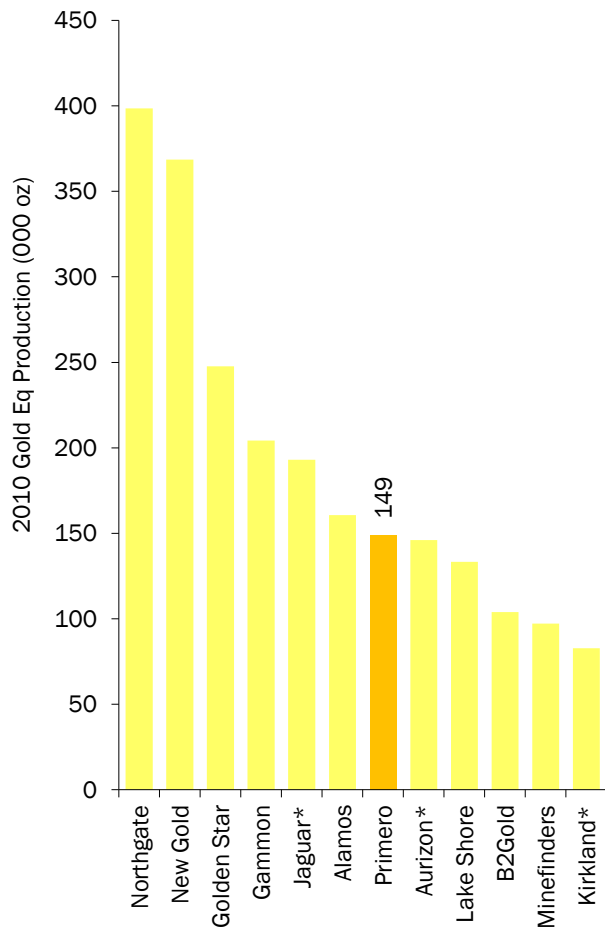


The Value Proposition

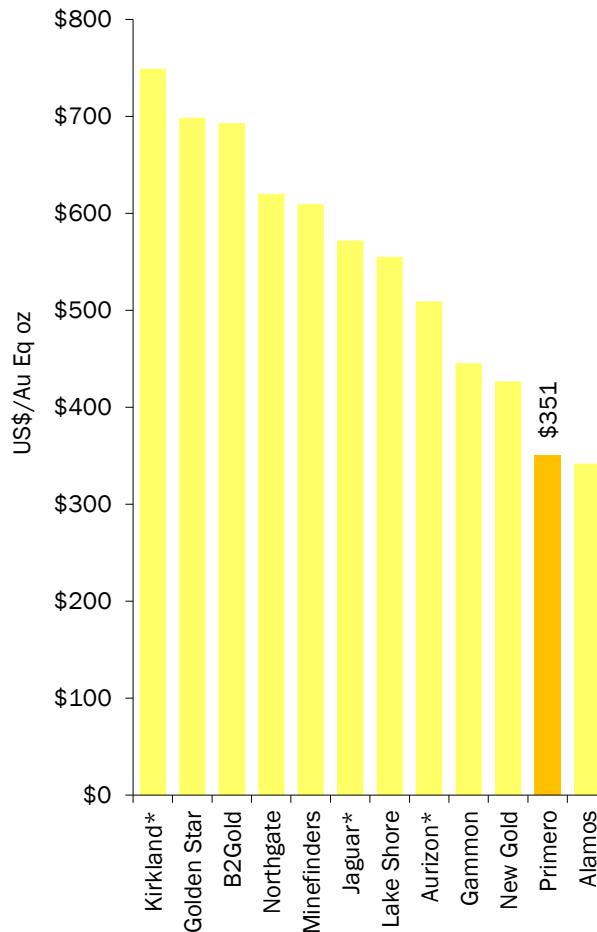
PRIMERO

Unlocking Value

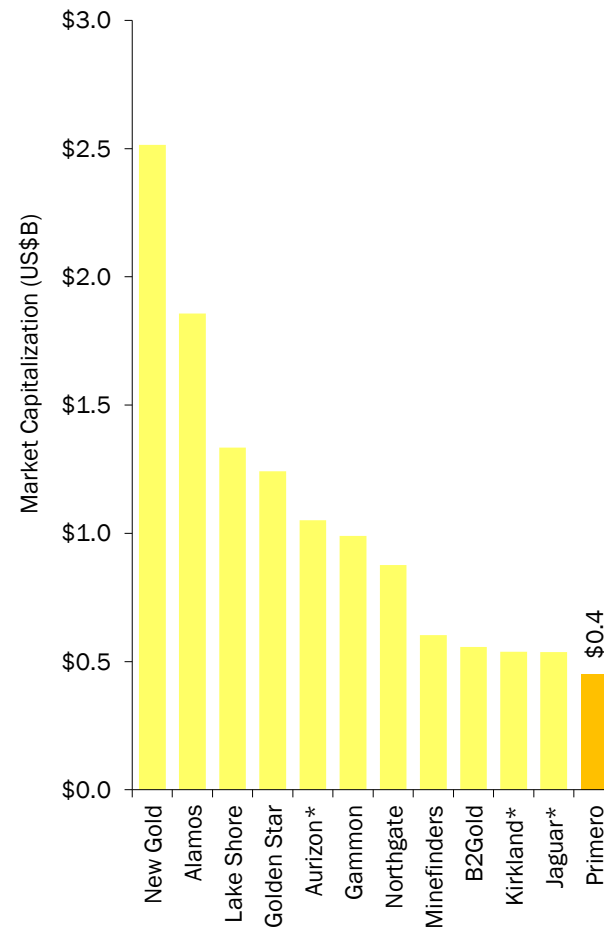
2010E Gold Eq Production (000 oz)¹



2010E Cash Cost (\$/Au Eq oz)^{1,2}



Market Capitalization (\$B)¹

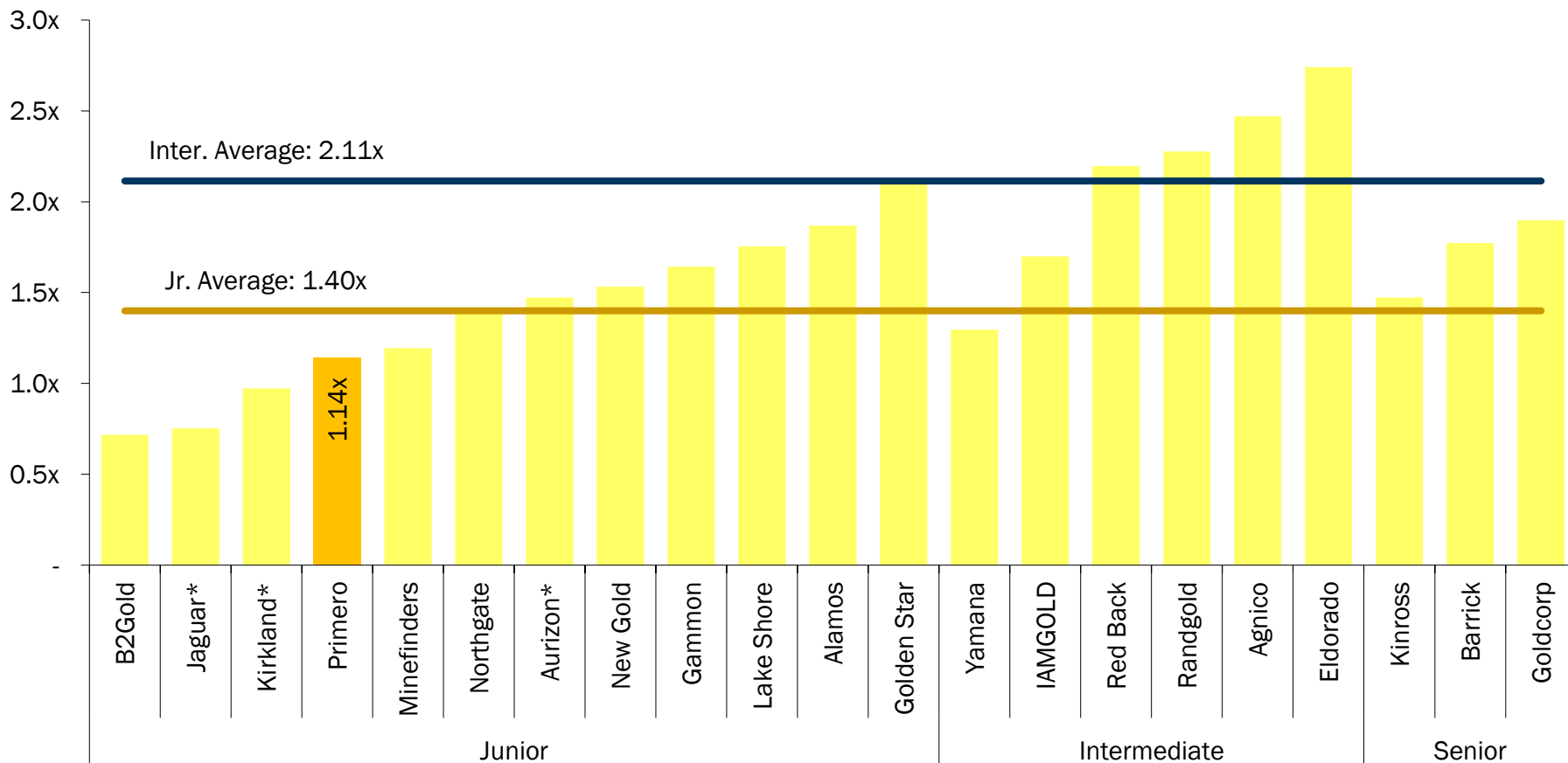


1. Estimates based on Canaccord Genuity research (except for names noted with "*" which are based on company reports and street estimates); Canaccord Genuity prices: Gold Price: 2010: \$1,215, 2011: \$1,200, 2012: \$1,100, 2013: \$1,000, 2014: \$900, LT: \$900; Silver Price: 2010: \$18.80, 2011: \$19.00, 2012: \$18.00, 2013: \$17.00, 2014: \$16.00, LT: \$16.00; Assumes Primero 2010E gold equivalent production using full year silver credit. Represents annualized amount.

2. Cash cost based on total cash cost per gold equivalent ounce
Note: As of Sept. 2, 2010

P/NAV Multiples

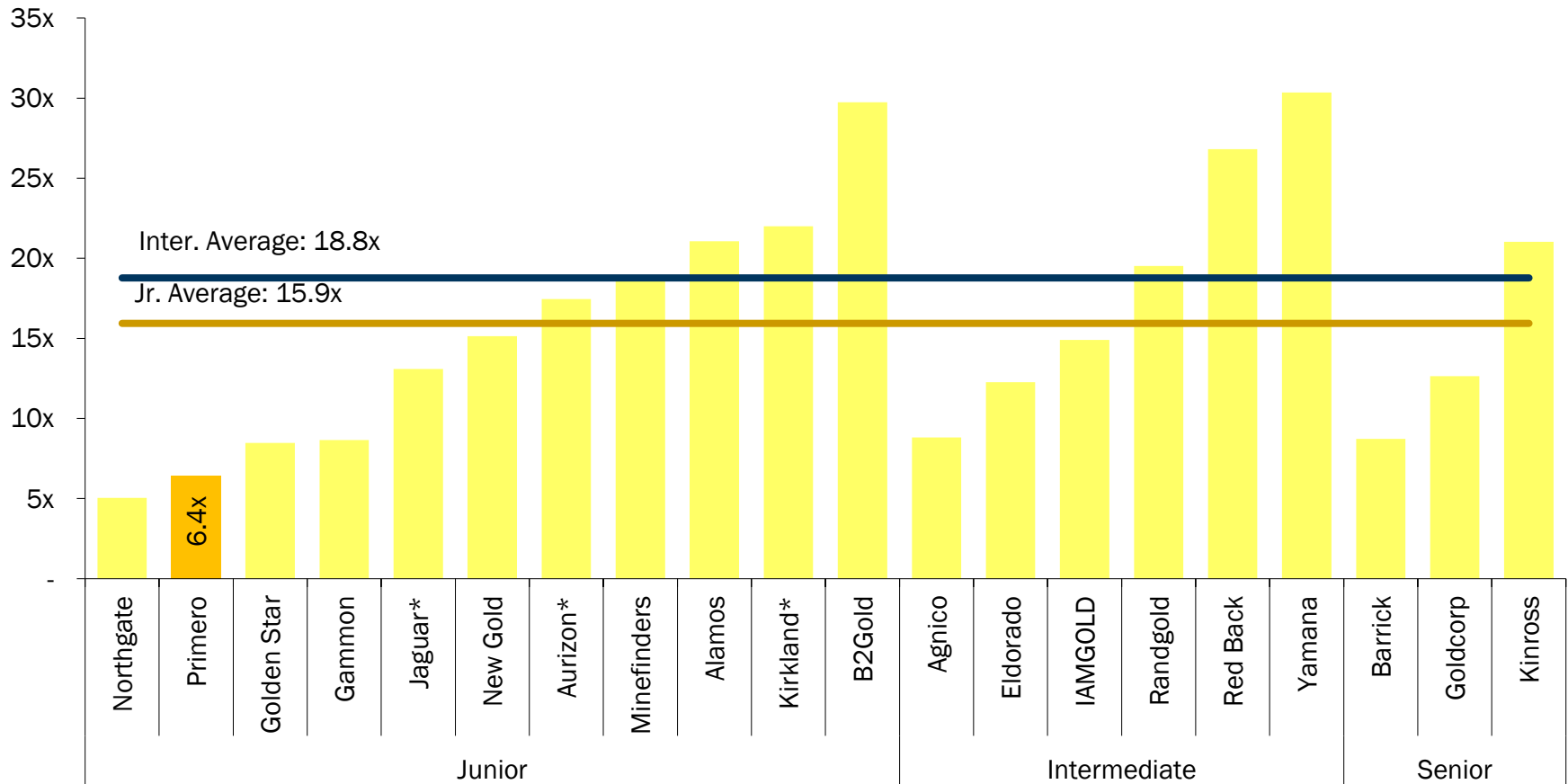
P/NAV Multiples (5% \$850 Au/ \$15.5 Ag)^{1,2}



1. Estimates based on Canaccord Genuity research (except for names noted with "*" which are based on company reports and street estimates); Canaccord Genuity prices: Gold Price: 2010: \$1,215, 2011: \$1,200, 2012: \$1,100, 2013: \$1,000, 2014: \$900, LT: \$900; Silver Price: 2010: \$18.80, 2011: \$19.00, 2012: \$18.00, 2013: \$17.00, 2014: \$16.00, LT: \$16.00
2. Primero NAV calculation assumes non-NI 43-101 resources upside
Note: As of Sept. 2, 2010

Cash Flow Multiples

Cash Flow Multiples (2010)^{1,2}



1. Estimates based on Canaccord Genuity research (except for names noted with "*" which are based on company reports and street estimates); Canaccord Genuity prices: Gold Price: 2010: \$1,215, 2011: \$1,200, 2012: \$1,100, 2013: \$1,000, 2014: \$900, LT: \$900; Silver Price: 2010: \$18.80, 2011: \$19.00, 2012: \$18.00, 2013: \$17.00, 2014: \$16.00, LT: \$16.00
 2. Operating cash flow includes interest payments on Goldcorp note
 Note: As of Sept. 2, 2010

Why Primero Mining?

Established Mexican operation

- 107,000 oz Au, 7.1 M oz Ag (2010-2014 average)
- Significant cash flow
- Market preferred geography

Proven management & board

- Acquisition & operations track record

Long life, low cost production

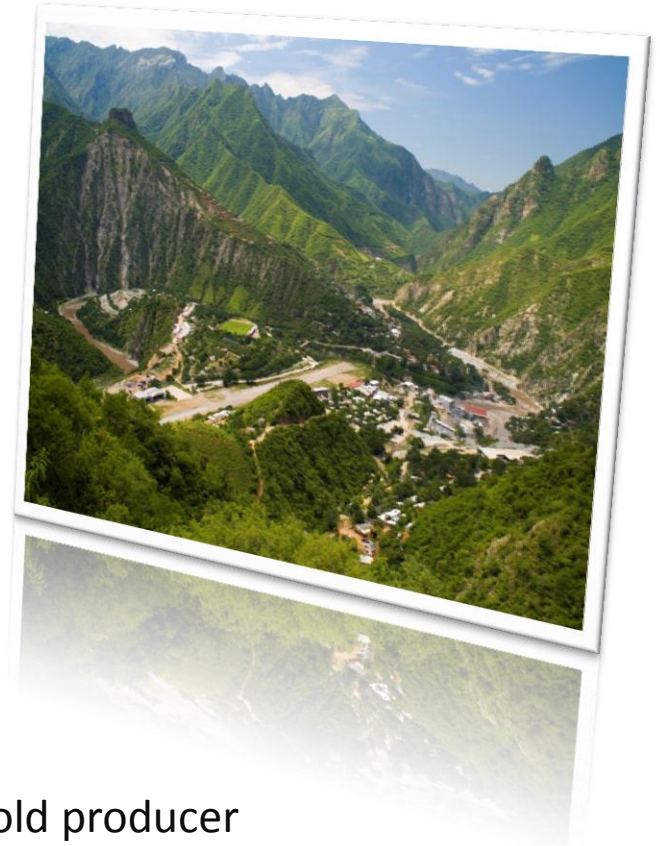
- P&P reserves of 860,000 oz Au and 61 M oz Ag
- Total resources of 2.5 M oz Au and 216 M oz Ag
- Industry low \$337/oz cash cost (2010-2014 average)

Ideal growth platform

- Well positioned to quickly become a leading mid-tier gold producer

Attractive valuation – re-rating opportunity

- Potential re-rating as Primero trades at a discount to peers on all significant value metrics





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The 'New' Americas Gold Play

