

# TIMMINS

G O L D C O R P



TSX : TMM

NYSE-MKT: TGD

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DELIVERING SUCCESS  
THROUGH  
OPERATIONS &  
DEVELOPMENT

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January 15, 2013

Certain statements contained in this presentation may constitute forward-looking statements and are made pursuant to the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities laws. Forward-looking statements are statements which relate to future events. Such statements include estimates, forecasts and statements as to management’s expectations with respect to, among other things, business and financial prospects, financial multiples and accretion estimates, future trends, plans, strategies, objectives and expectations, including with respect to production, exploration drilling, reserves and resources, exploitation activities and events or future operations. Information inferred from the interpretation of drilling results and information concerning mineral resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when, and if, a project is actually developed.

In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential”, or “continue” or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry’s actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggestions herein. Except as required by applicable law, Timmins Gold does not intend to update any forward-looking statements to conform these statements to actual results.

Lawrence A. Dick, Ph.D., P.Geo., who is recognized as a Qualified Person under the guidelines of National Instrument 43-101, approved the technical disclosure regarding the San Francisco Project contained herein. Mr. Dick is a consultant to the Company and was formerly a director of the Company.

## Mineral Reserve Estimates

Timmins is subject to the reporting requirements of the applicable Canadian securities laws, and as a result we report our mineral reserves according to Canadian standards. Canadian reporting requirements for disclosure of mineral properties are governed by National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”). The definitions of NI 43-101 are adopted from those given by the Canadian Institute of Mining, Metallurgy and Petroleum. U.S. reporting requirements are governed by the SEC Industry Guide 7 (“Guide 7”). These reporting standards have similar goals in terms of conveying an appropriate level of confidence in the disclosures being reported, but embody different approaches and definitions. For example, under Industry Guide 7, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. In particular, we report “resources” in accordance with NI 43-101. While the terms “Mineral Resource,” “Measured Mineral Resource,” “Indicated Mineral Resource” and “Inferred Mineral Resource” are recognized and required by Canadian regulations, they are not defined terms under standards of the SEC and generally, U.S. companies are not permitted to report resources in documents filed with the SEC. As such, certain information contained in this press release concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the SEC. In addition, an “Inferred Mineral Resource” has a great amount of uncertainty as to its existence and as to its economic and legal feasibility, and you cannot assume that all or any part of an “Inferred Mineral Resource” will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. You are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into Mineral Reserves, and not to assume that all or any part of an “Inferred Mineral Resource” exists, or is economically or legally mineable. In addition, the definitions of “Proven Mineral Reserves” and “Probable Mineral Reserves” under CIM standards differ in certain respects from the standards of the SEC.

- Canadian based production and development Company trading on the **Toronto Stock Exchange and NYSE-MKT**
- Produced 94,500 ozs in 2012
- Completed Phase 2 crusher expansion in Q4, 2012
- Estimated production of 125,000 -130,000 ozs in 2013
- Multi-million ounce gold deposit
- Significant exploration upside at San Francisco Mine and numerous regional targets
- 200,000 meter drill program planned for 2013

## ***Investment Case:***

1. Unhedged pure gold producer
2. Growing cash flow and profits
3. Gold resources and production increasing
4. Expansion funded from cash flow
5. **28% return on equity**
6. Team in place for future growth



***\$85m share capital turned into over \$430 million market cap***

## Management

- President - Arturo Bonillas, Eng
- Chief Executive Officer - Bruce Bragagnolo, LLB
- Chief Financial Officer - Darren Prins, CA
- VP Exploration - Miguel Soto, Eng
- VP Corporate Development - Alex Tsakumis, BA
- VP Business Development - Taj Singh, M.Eng, P.Eng
- VP Finance - Miguel Bonilla, CPA
- VP Operations Mexico - Arturo Montano, P. Min. Eng

## Board of Directors

- Barry Fraser LLB (Chairman)
- Arturo Bonillas, Eng
- Bruce Bragagnolo, LLB
- Miguel Soto, Eng
- Eugene Hodgson, BA
- Frank Cordova, PHD Law
- Paula Rogers, CA
- Keith Peck, CBV

## Institutional Holdings >60%

• Sentry Investments	18.25%
• Van Eck	7.60%
• RBC	5.65%
• Oppenheimer	4.04%
• Connor Clark	3.34%
• Baker Steel	2.75%
• Intact	2.45%
• Sprott	2.06%
• Royce	1.82%
• CIBC	1.65%

## Management Holdings 4%



# Analyst Coverage and Share Structure

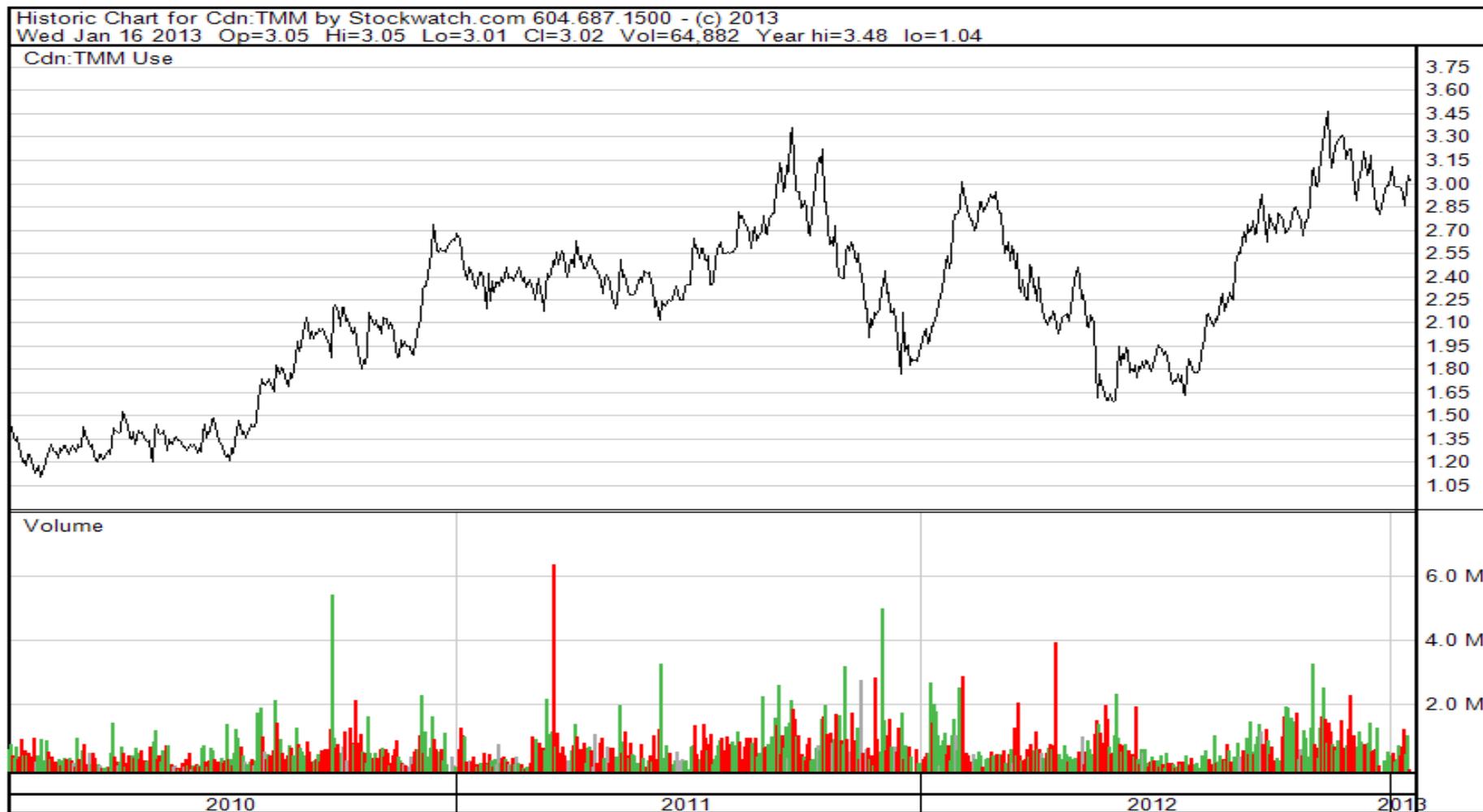
Firm	Analyst
Canaccord Genuity	Nick Campbell
Casimir Capital	Stuart McDougall
Dahlman Rose	Adam Graf
Dundee Securities	Joe Fazzini
Macquarie Securities	Michael Siperco
MGI Securities	Mark Pais
M Partners	Ingrid Rico
National Bank	Shane Nagle
Stonecap Securities	Brian Szeto
RBC	Sam Crittenden
PI Financial	Philip Ker

Toronto Stock Exchange NYSE- Market	TMM TGD
<b>Common Shares</b>	143.9 M
<b>Options @ \$2.07 (average)</b>	9.1 M
<b>Fully Diluted</b>	153.0 M
<b>Market Capitalization</b>	\$430 M
<b>Current Price</b>	\$3.05
<b>52 Week Range</b>	\$1.49 - \$3.48
<b>Cash (end of Q3)</b>	>\$28 M
<b>Debt (due Aug 2013)</b>	18 M



Source Deloitte Capital Market Perspectives December 2012

# 3 Year Share Price



**48%** increase in share price since the open on Jan 3, 2012

# Desirable Location – Sonora, Mexico

- Well developed infrastructure
- 2 km from Pan American Hwy
- Sufficient water rights
- Power from grid
- Skilled local labour force from neighboring communities
- Strong community relations and sustainability programs in place
- State Government supports mining
- Mexico Rated a Top Mining Jurisdiction by Fraser Institute



# Overview - San Francisco Gold Mine



- Two 100% owned open pit heap leach operations (San Francisco/La Chicharra), no royalties
- 45,000 hectare land package with excellent infrastructure and desirable location
- Gold reserve of 1.33 M ounces (72.3 M tonnes @ 0.572 g/t Au) Extent of Mineralization is open along strike and at depth
- Targeted production of 125,000 – 130,000 ozs Au in 2013
- Drilling continues to expand deposit in all directions around and beneath the main pit with significant regional exploration potential
- Phase 2 of crusher expansion to 24,000 tpd crushing capacity completed in Q4 2012

# Operations Expansion Nearing Completion



- Production estimated to 125,000 - 130,000 oz\* commencing 2013
- ADR gold plant capacity at 175,000 oz/yr
- Stage 2 expansion to 24,000 tpd complete and operational
- Installation of additional crushing capacity for expansion to over 30,000 tpd in Q2, 2013
- Additional land purchased and all permits in place for expansion at La Chicharra Pit

\* Micon International NI 43-101 F1 Technical Report Mine Plan November 1, 2011

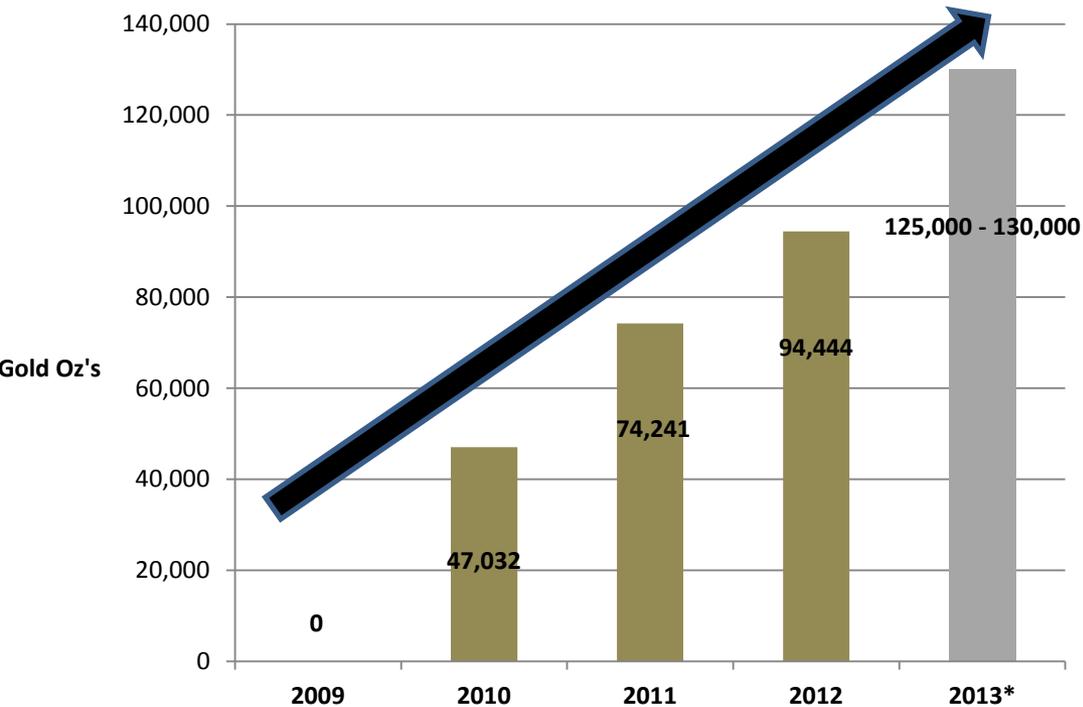
# Operating Performance To Date

Category	Fiscal 2010	Fiscal 2011 (9 months)	2012
Average Grade (g/t Au)	0.851	0.813	0.846
Waste Mined (kt)	17.6	13.4	17.7
Total Mined (kt)	22.0	19.2	26.0
Strip Ratio	3.99	2.34	2.14
Gold Ounces Sold	62,762	56,777*	94,128
Days	365	275	365
Average Ore Processed (t/d)	12,088	14,293	15,114
Total Mined (t/d)	60,365	70,084	71,280

\* 72,000 for calendar period

# Commercial Gold Production Steadily Increasing

## 5 year Gold Production



- Recoveries on target 68.5% LOM
- \*Estimated Production expanding to 125,000 - 130,000 oz gold in 2013

# SF Gold Mine Reserve & Resource Estimate

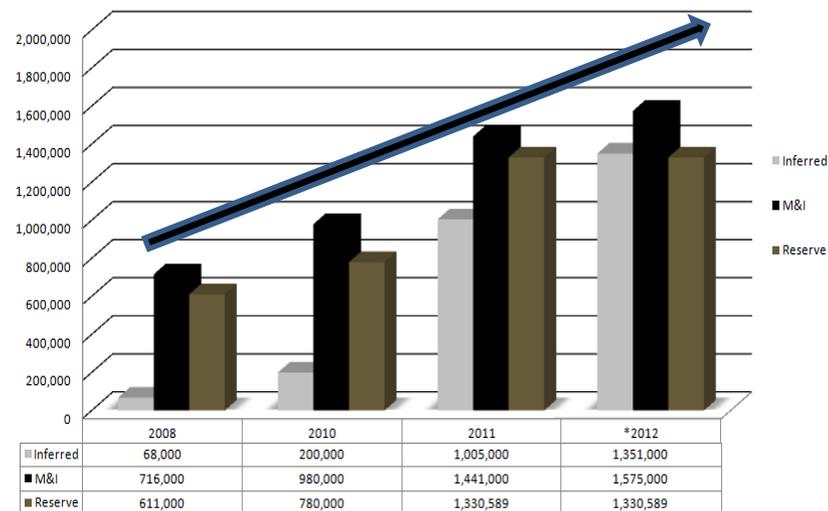
Category	Metric Tons x 1000	Gold g/t	Contained Gold Ounces
Measured	58,010	0.61	1,131,000
Indicated	23,787	0.58	444,000
<b>Total Measured + Indicated</b>	<b>81,797</b>	<b>0.60</b>	<b>1,575,000</b>
Inferred	93,202,	0.45	1,351,000

**Mineral Resource Estimate** with Drill Data as of the end of **November 30, 2011**  
(inclusive of mineral reserve); Gold Price US \$1,200/oz

Ore Type	Metric Tons x 1000	Gold g/t	Contained Gold Ounces
Proven	49,030	0.584	920,000
Probable	23,361	0.546	410,000
<b>Total</b>	<b>72,391</b>	<b>0.572</b>	<b>1,330,000</b>

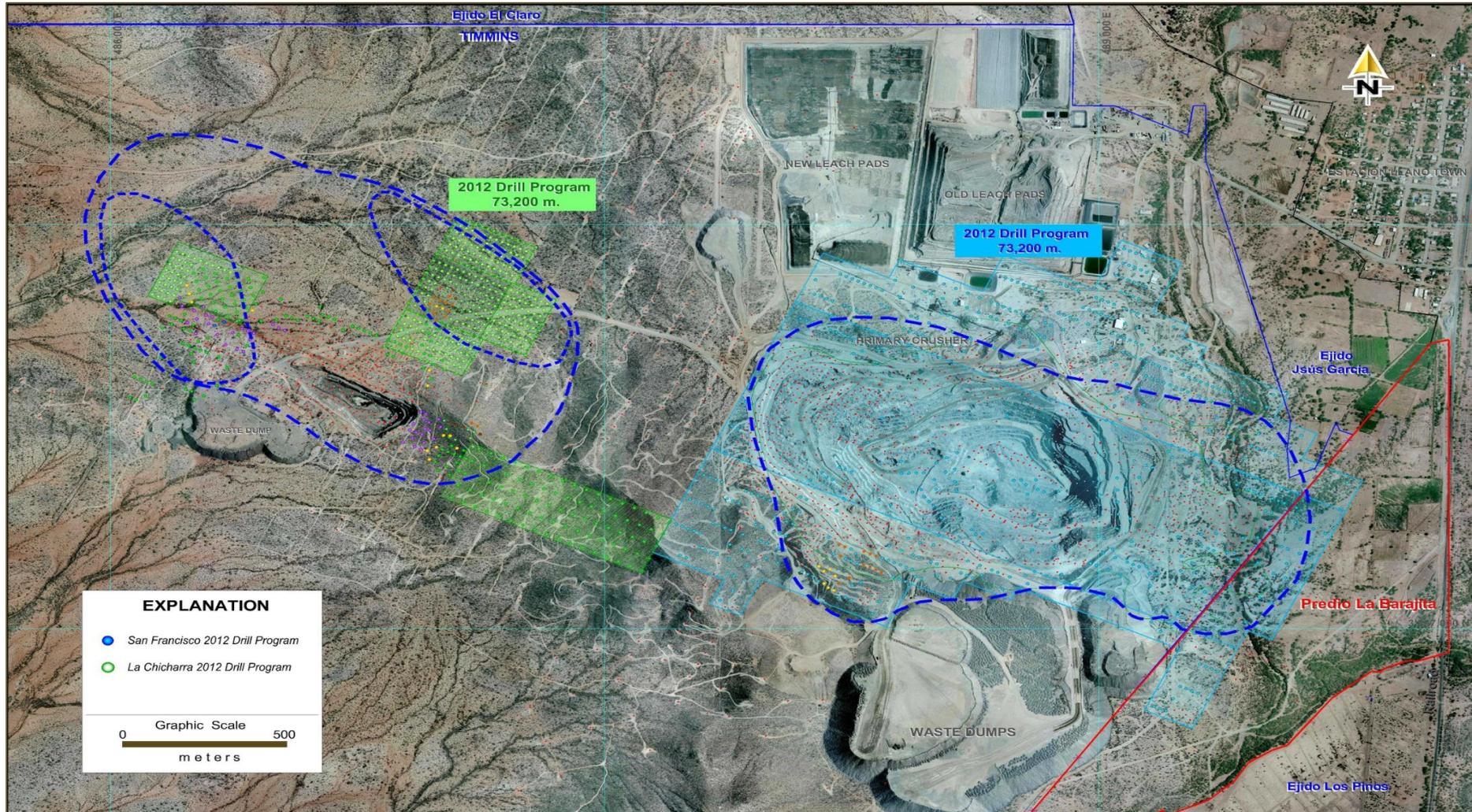
**Mineral Reserve** Within the San Francisco and La Chicharra Pits with  
Topography @**June 30, 2011**; Gold Price US \$1,100/oz

## Reserve and Resource Growth

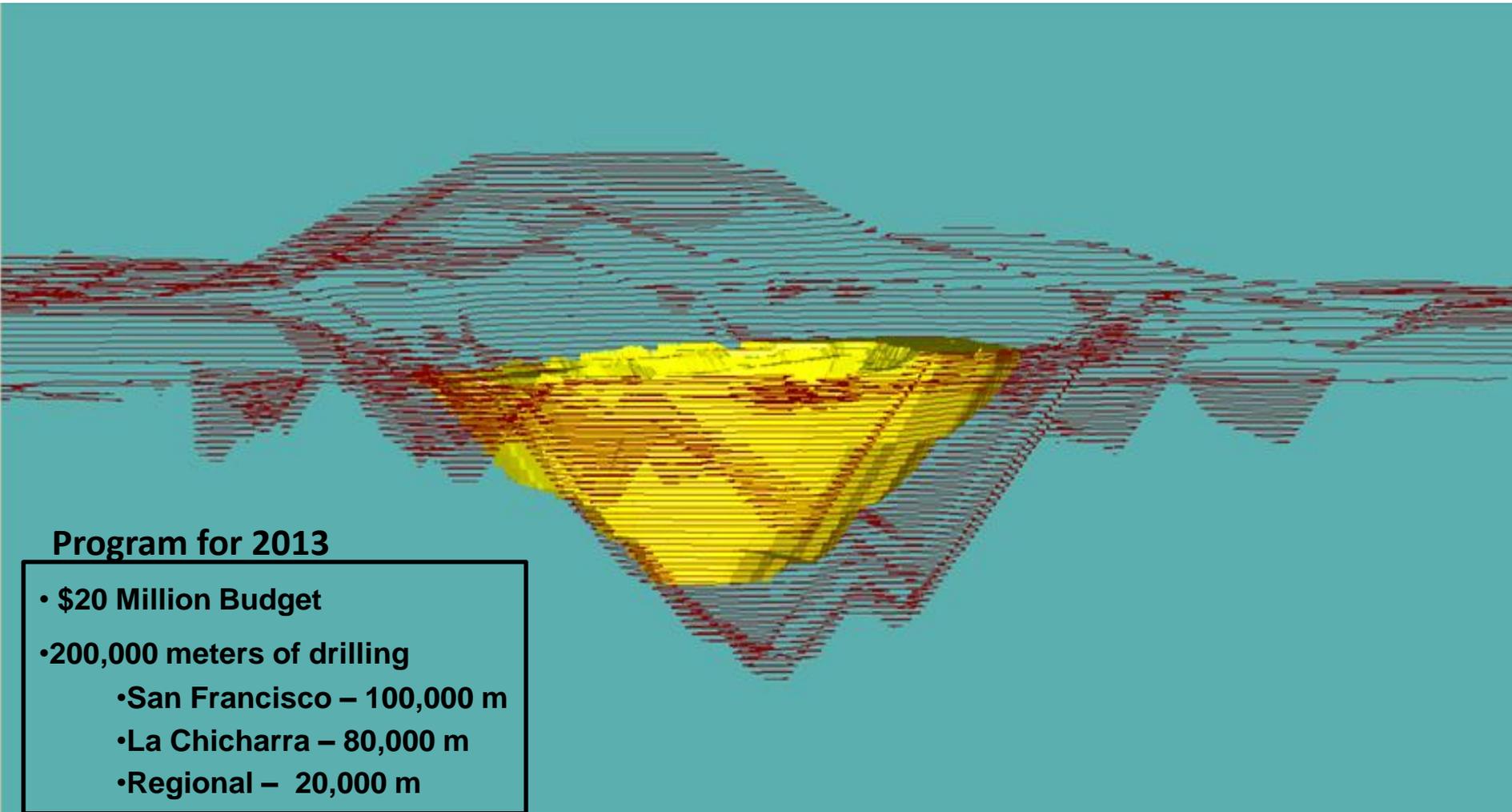


\* Reserve to be updated later this year

# San Francisco and La Chicharra Pits



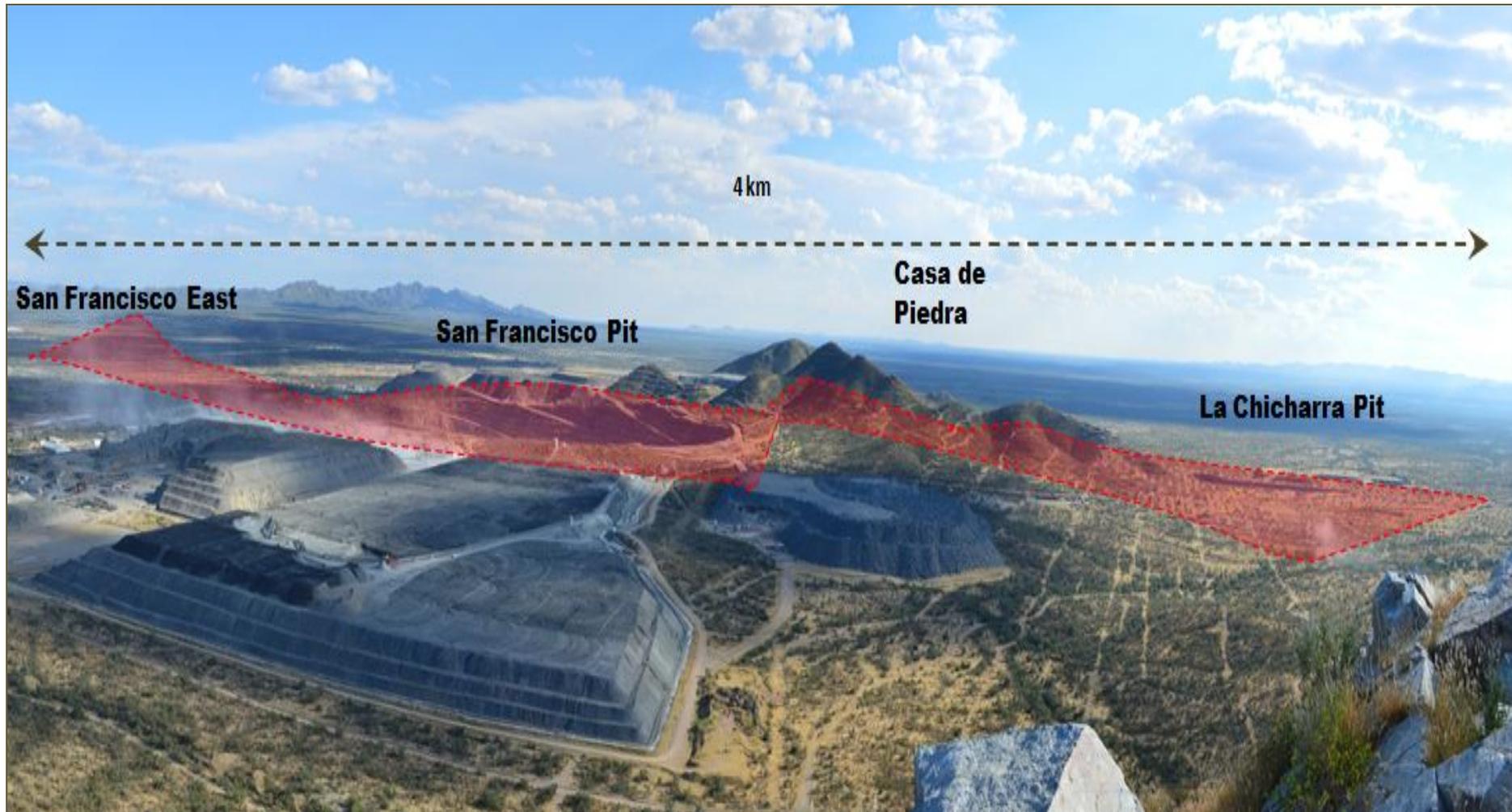
# San Francisco Resource Growth



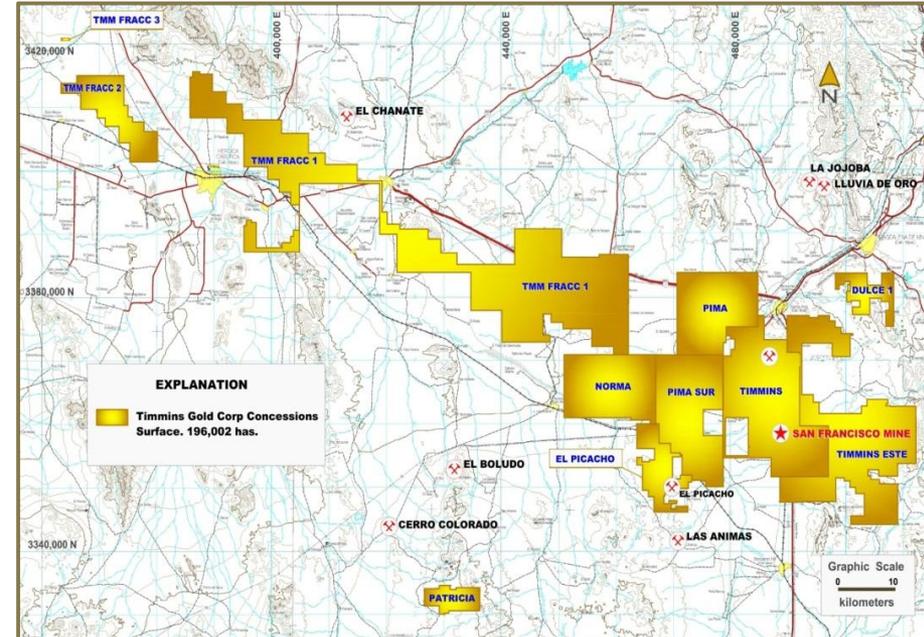
## Program for 2013

- \$20 Million Budget
- 200,000 meters of drilling
  - San Francisco – 100,000 m
  - La Chicharra – 80,000 m
  - Regional – 20,000 m

# Expansion Drilling

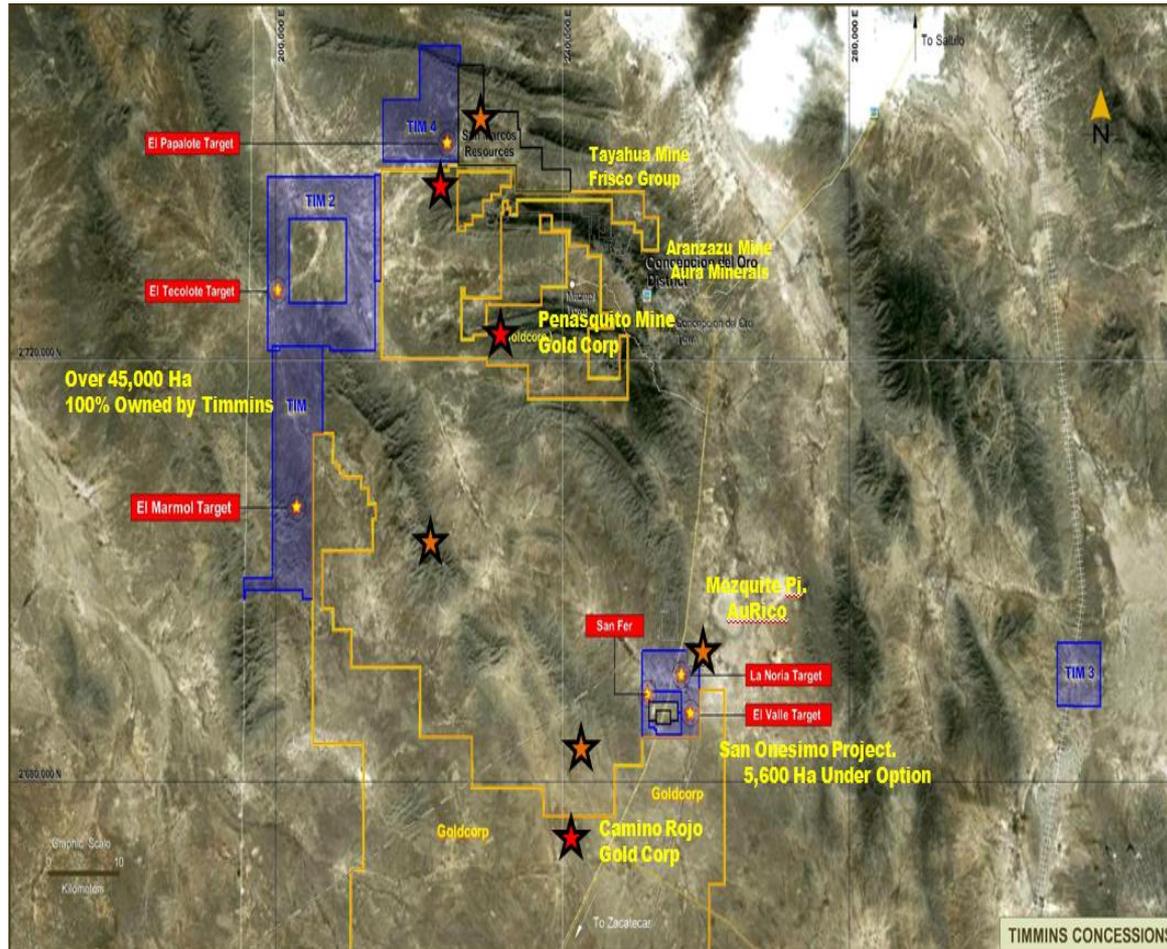


# Large Claim Package Sonora



- Over 200,000 Has land package in Northern Sonora along the Sonora-Mojave Megashear
- Timmins completed approximately 100,000 meters drilling at San Francisco in 2012
- Geological characteristics of deposit indicates mesothermal in nature

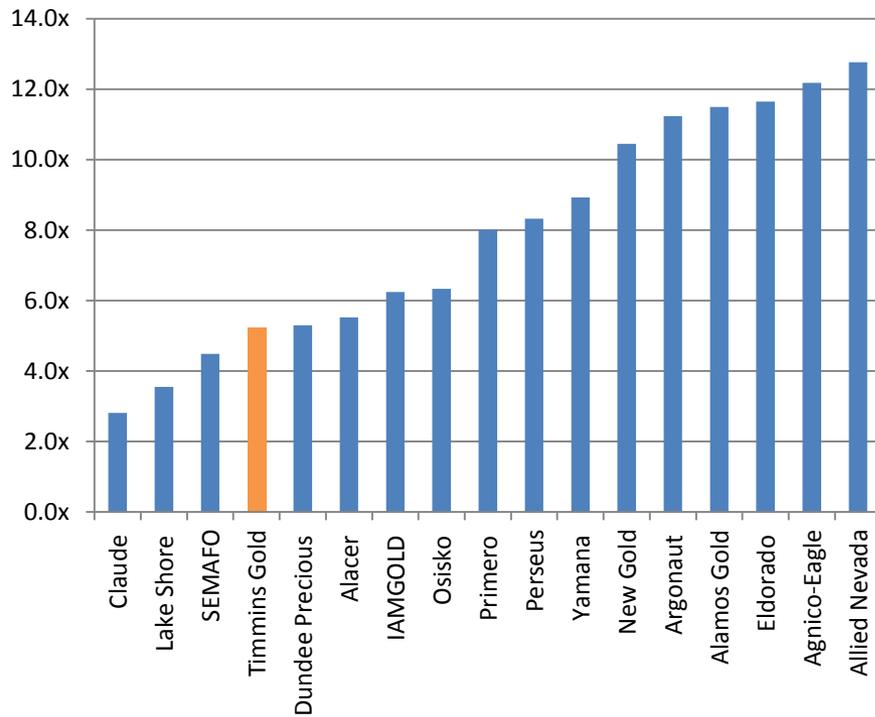
- San Francisco district located within Mojave-Sonora Megashear, a belt of metamorphic rocks that host multi-million oz deposits
- Major N-W trending structures control mineralization at San Francisco and continues beyond the final pit limits



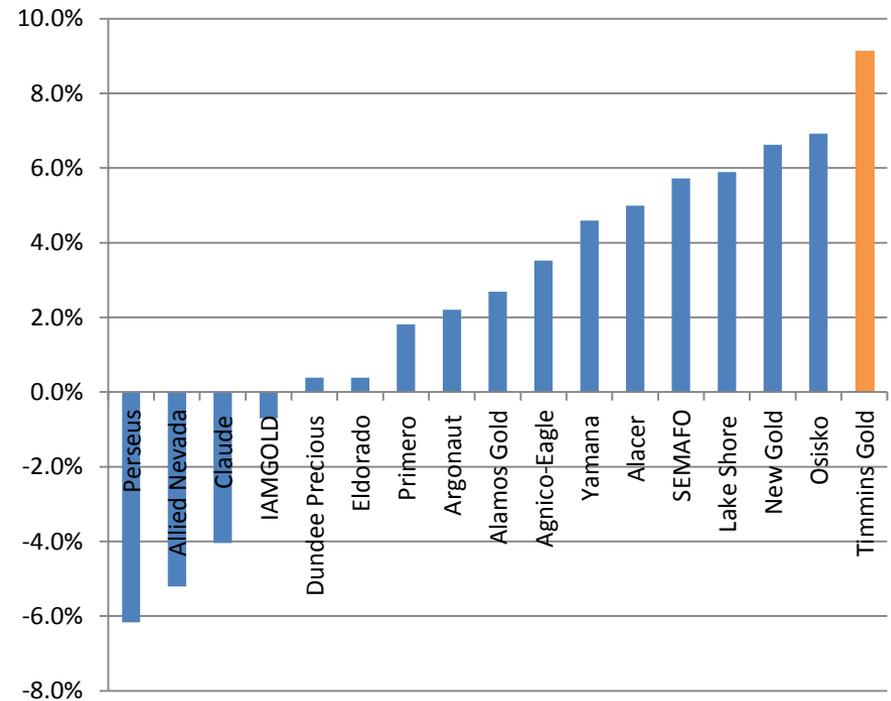
- Over 50,000 ha land package
- Contiguous to Goldcorp's Penasquito Mine & 20 km NW of Goldcorp's Camino Rojo project
- Geological setting similar to Penasquito
- Samples returned assays over 1 g/t Au and over 450 g/t Ag
- First phase drill program has commenced at San Onesimo



## P/CF 13E

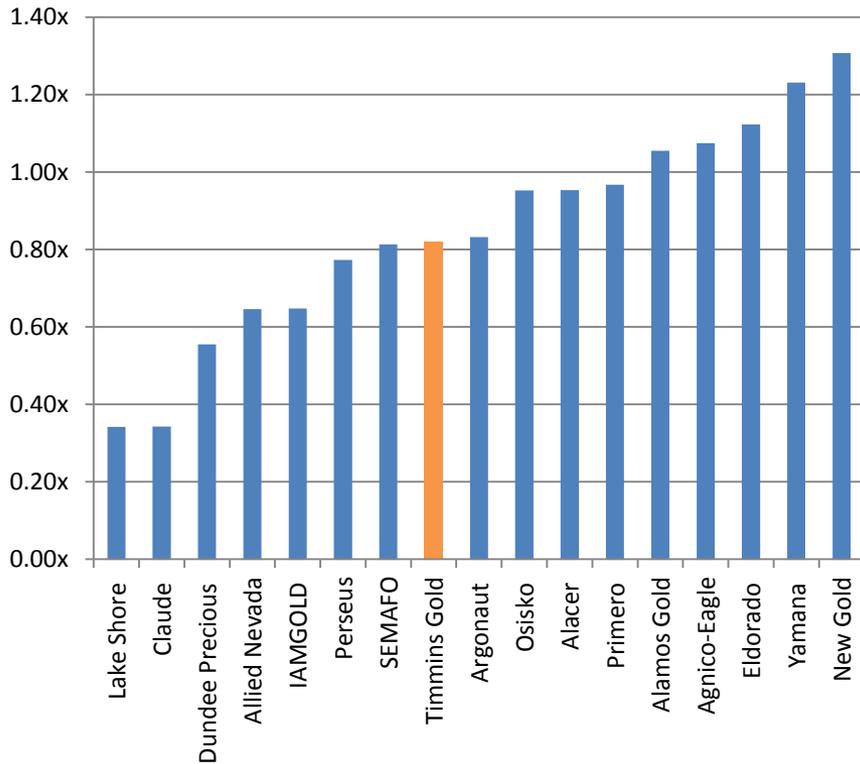


## FCF Yield 13E

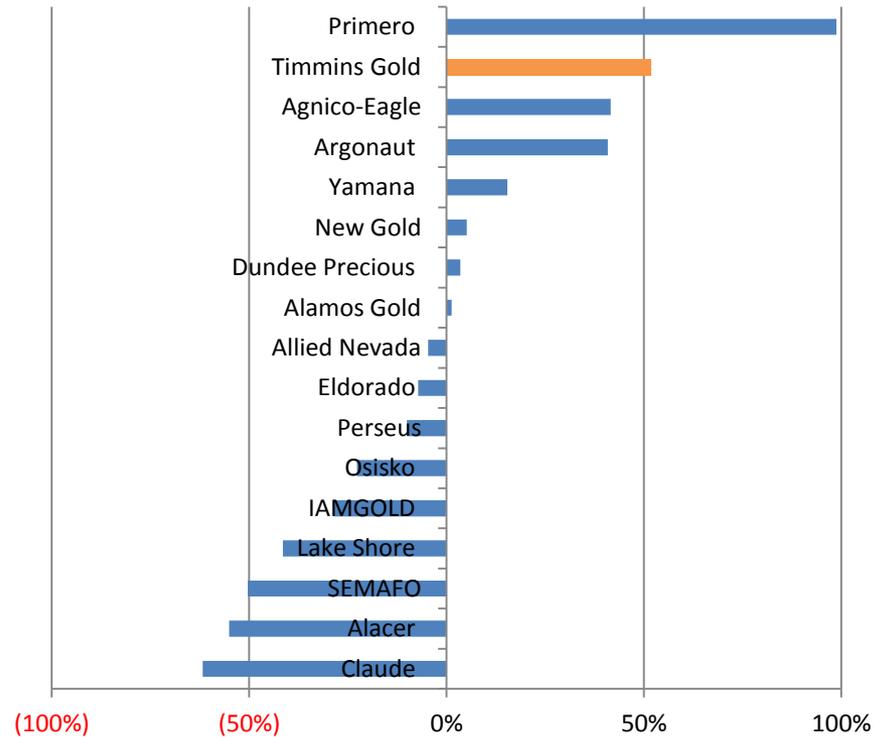


Source: RBC Capital Markets December 19, 2012

## P/NAV

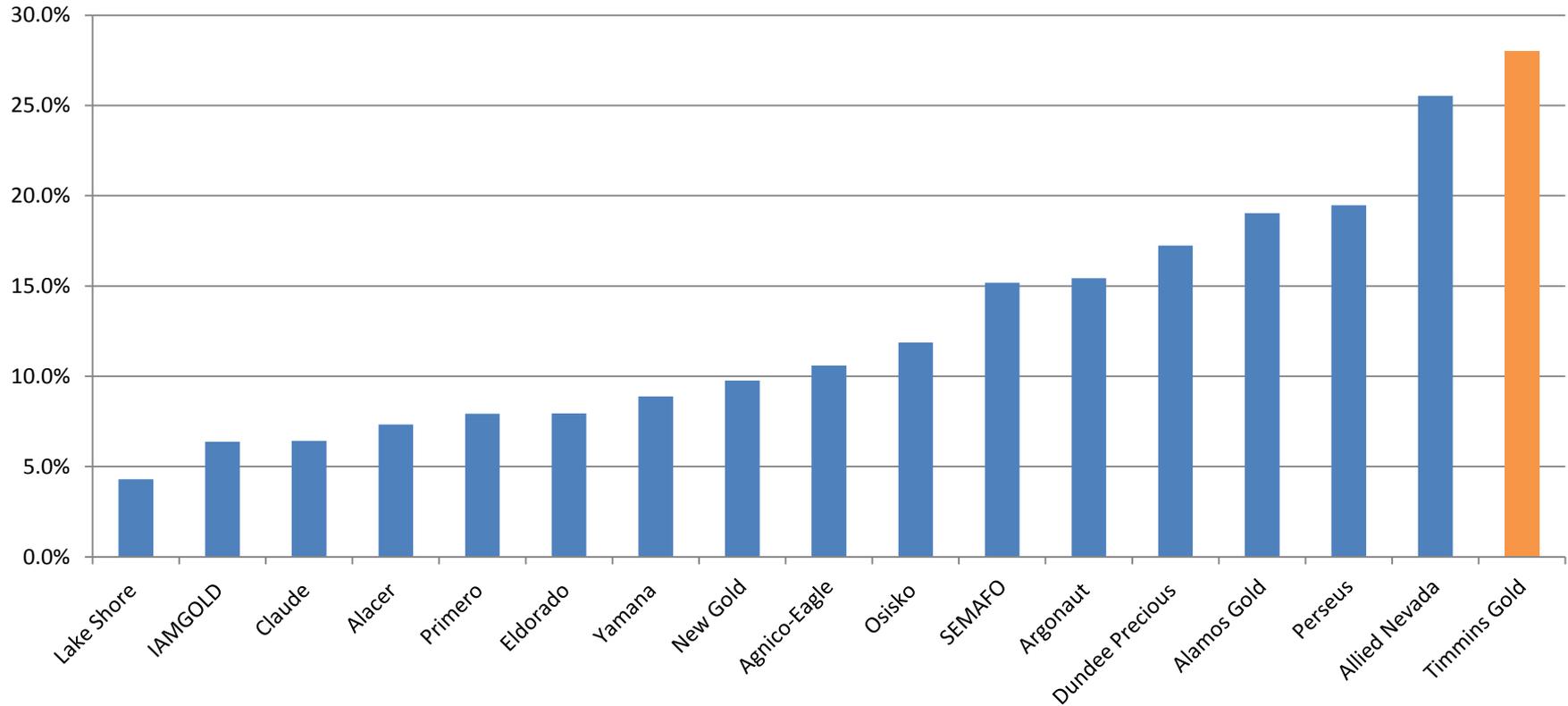


## 2012 Share Performance



Source: RBC Capital Markets December 19, 2012

# Return on Equity, 2013E



***TMM is tracking at 28% ROE***



Source: RBC Capital Markets December 19, 2012

# 2012 Highlights

- ✓ Record production of 94,444 ounces of gold versus 74,241 ounces in 2011
- ✓ Stage 2 crusher expansion complete. Throughput at 24,000 tpd
- ✓ Existing conveyors replaced with larger ones to meet increased crushing and stacking capacity
- ✓ Second stacker in place on pads
- ✓ Second carbon strip column installed to increase carbon strip capacity
- ✓ ADR columns modified to increase efficiency
- ✓ Electrowinning circuit expanded
- ✓ Larger tertiary crusher and new screen installed in main crushing circuit
- ✓ Over 100,000 m of drilling completed resulting in the discovery of three new mineralized zones around the La Chicharra pit and the continued extension of mineralization along strike 800m to the east of the San Francisco Pit
- ✓ Cost cutting measures implemented; signing of a new cyanide supply contract and a new mining contract in Q4
- ✓ Market cap increased from \$290M - \$425M

## Next 12 Months

- Complete Phase 3 of crusher expansion to increase crushing capacity by 8,000 tpd to 30,000-32,000 tpd
- Stabilize production at 125,000 - 130,000 ozs of gold per year
- Expand resources and reserves at San Francisco and La Chicharra pits
- Complete 200,000 meter drill program around the San Francisco and La Chicharra pits, and on the regional claims package
- Commence additional exploration and drilling on Timm Claims and San Onesimo
- Continue to self finance capital and exploration expenditures using mine operating cash flows
- Continue to build shareholder value through optimizing gold production, the exploration and development of existing projects, and potential acquisitions

# TIMMINS

GOLD CORP

TSX:TMM

TIMMINSGOLD.COM

NYSE MKT : TGD

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