



AN EMERGING AMERICAN GOLD PRODUCER

Beaver Creek, Colorado

Kerr Mines

TSX: KER | OTC: KERMF

September 2018

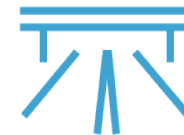
INVESTMENT OPPORTUNITY



PRODUCTION & CASH FLOW
Production start Q4 2019
Targeting 38,000 oz pa
EBITDA US\$22M at full production



INFASTRUCTURE & PERMITS
US\$50M invested in infrastructure
Low CAPEX needed to start up



PROLIFIC REGION
Safe, mining friendly Arizona,
USA
Top 10 mining jurisdiction
Supportive Community and Gov't



HIGH GRADE RESOUC
MII 420K oz @ +7.0 g/t
Multi Million Ounce potential



RESOURCE EXPANSION PLAN
Drill program focused on resource
conversion and expansion with objective
of doubling existing mine life



POSITIVE GOLD PRICE
Geo political tensions
Global Debt Growth

Transitioning to production & cash flow

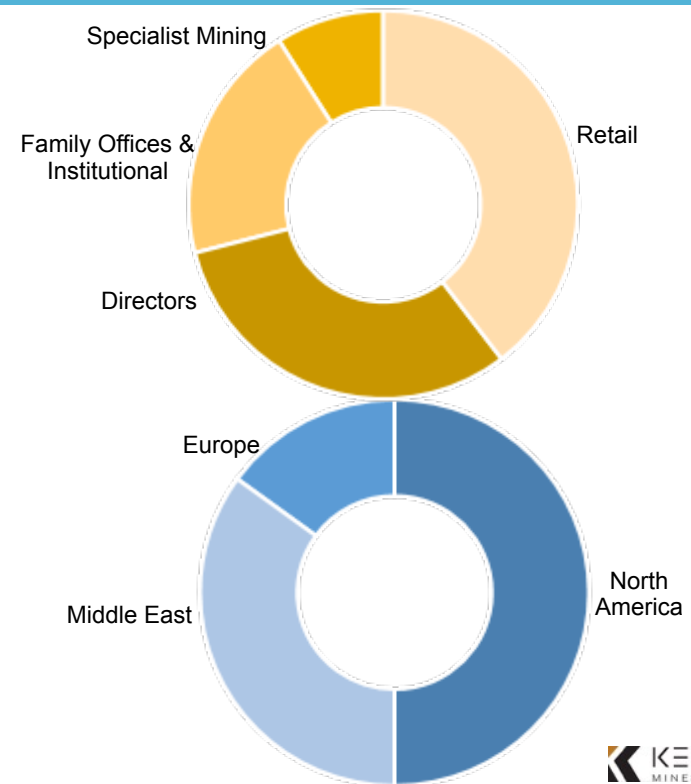
CAPITAL STRUCTURE

Shares & Balance Sheet*

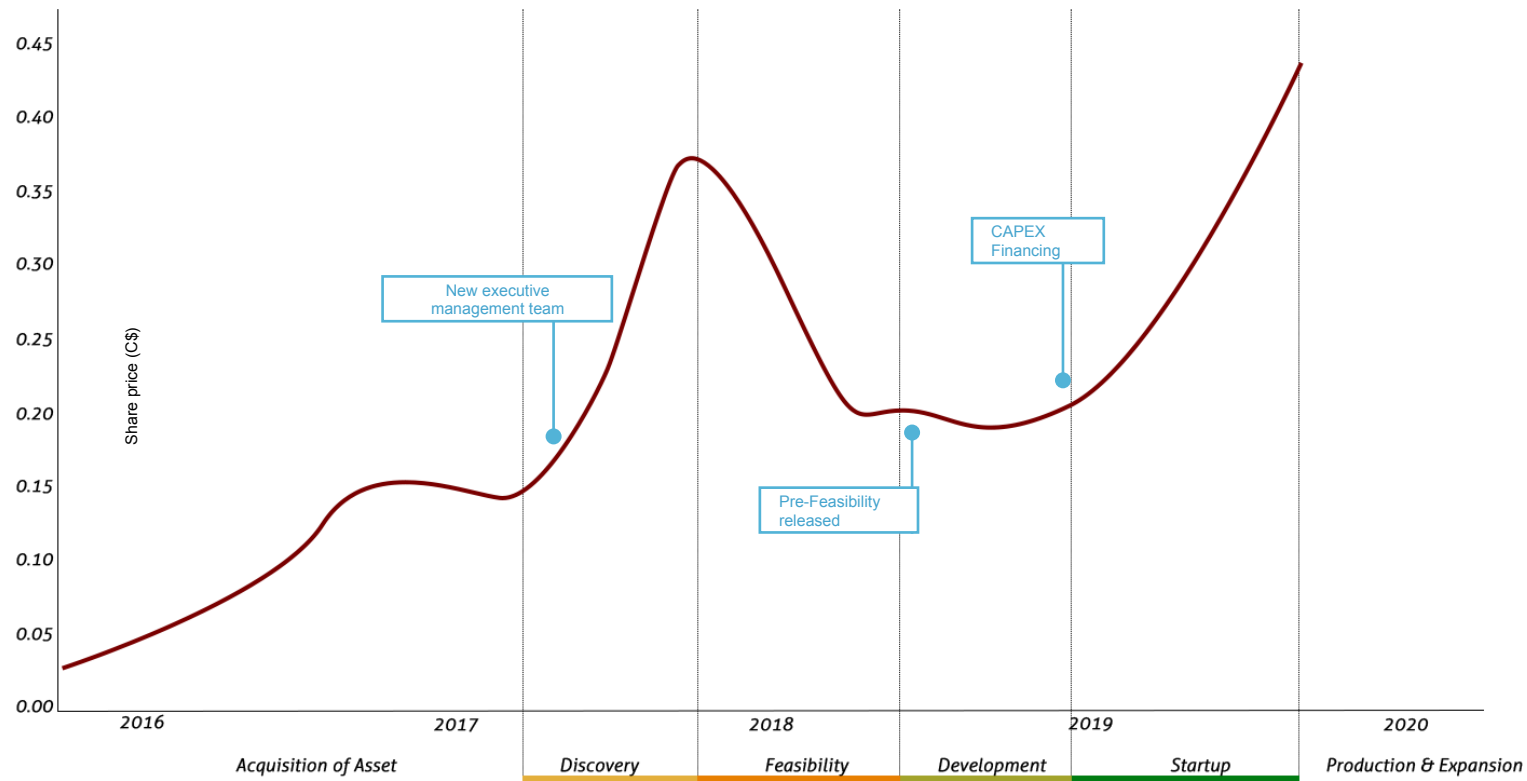
Ticker Symbol	TSX: KER OTC: KERMF
Shares Outstanding	255.7 million
Options	9.8 million
Warrants	22.2 million
Fully Diluted	287.7 million
52 week range	\$0.09 - \$0.41
Recent price	\$0.16
Market Cap	\$40.9 million
Cash (March 2018)	\$3.3 million

* Figures denominated in Canadian dollars

Shareholder Breakdown



JUNIOR MINING DEVELOPMENT CYCLE



At an inflection point of value creation in the cycle

VALUE CREATION STRATEGY

K Production

- On track for Q4 2019 gold production
- Detailed engineering progressing
- Permit modification process commenced

Increase production profile



K Resource Expansion

- Drill program for conversion of MII to P&P reserves
- Add mine life by expanding Copperstone & Footwall Zones at depth and strike

Extend mine life



K Blue Sky Exploration

- Multi-million ounce targets with existing gold mineralization
- South & SW target satellite deposits
- Three blue pearl exploration targets

Increase resource ounces



Strategic Growth Vision

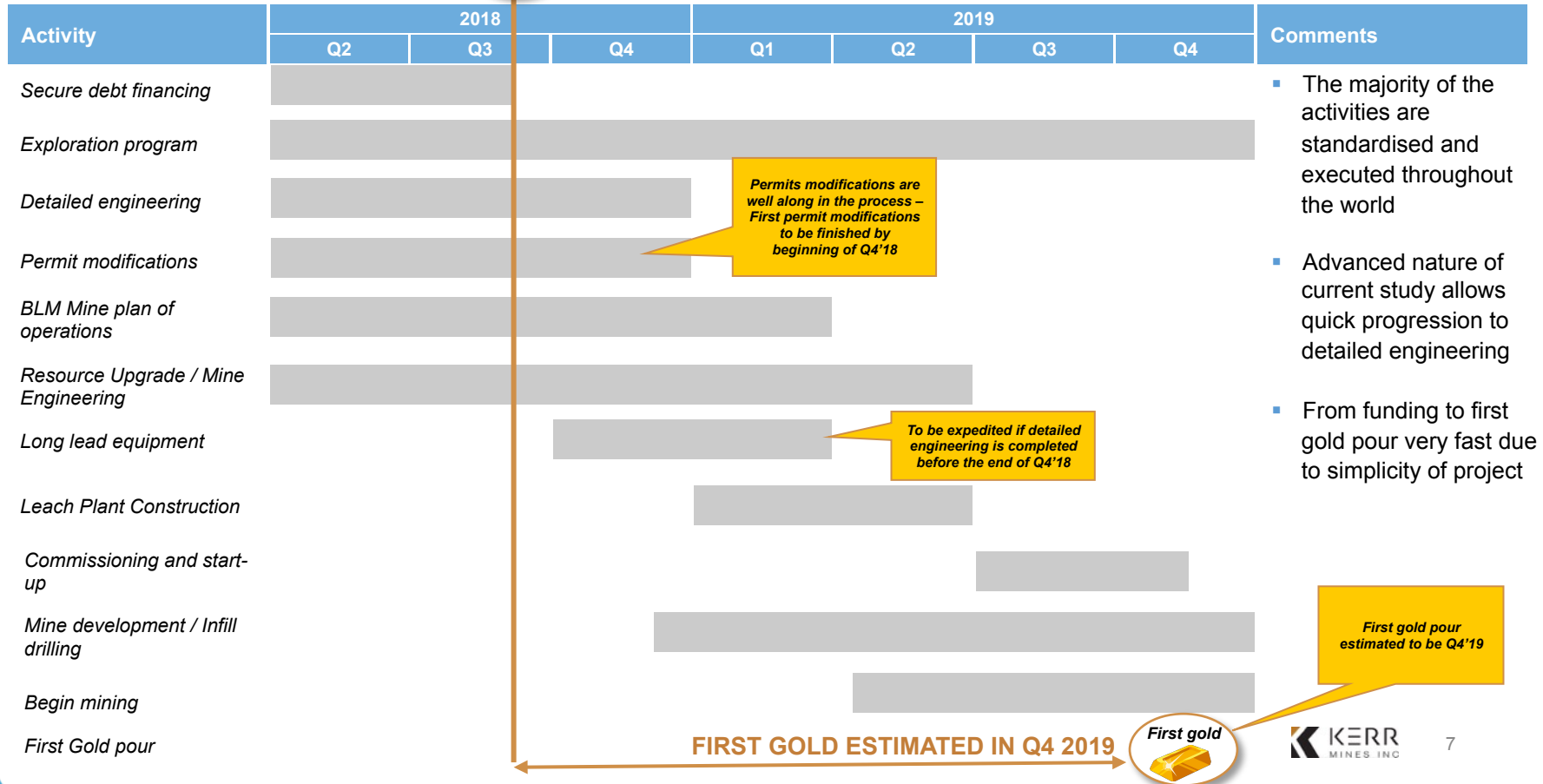
ROBUST ECONOMICS

PFS Highlights* (US\$)		Project Attributes
Base Case Gold Price	\$1,250	Gold price environment long term trending upwards
Gold Production per annum	38,000 oz	Scalable operation with potential for expansions
Recoveries to Doré	95%	Excellent gold recoveries
Average Gold grade M&I	7.6 g/t	High grade, recoverable copper not included in PFS
Initial Capital Costs	\$22.7M	Small CAPEX, financed via non dilutive instruments
Gold Cash Cost	\$684	Low cash cost, high profit margin
All-in Sustaining Costs	\$875	Low AISC
After-Tax IRR (\$1,250 Au)	40%	High IRR
Annual EBITDA	\$22M	Strong cash flow and highly profitable

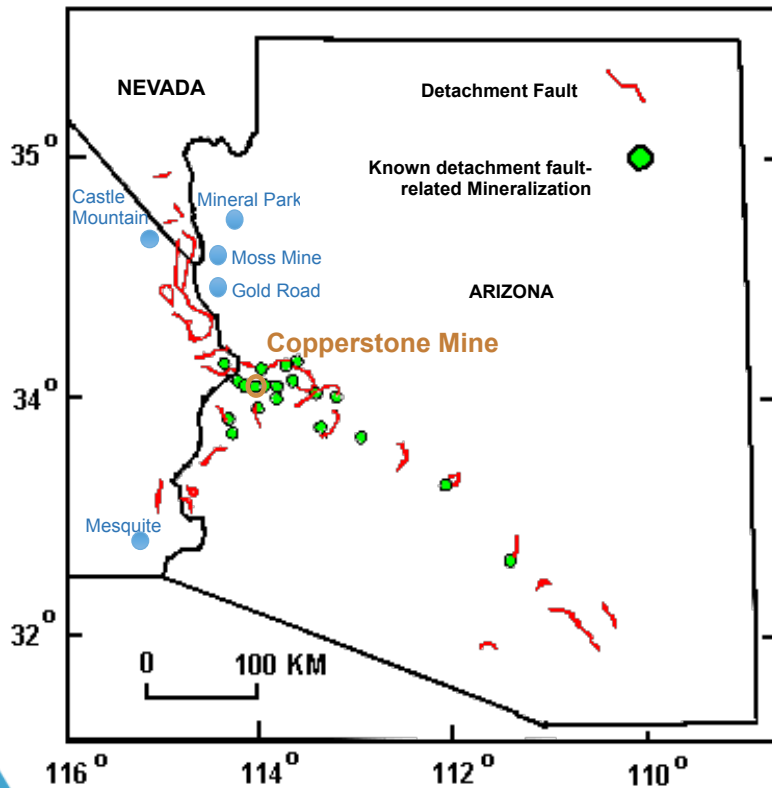
*Kerr Mines National Instrument 43-101 Technical Report: Preliminary Feasibility Study for the Copperstone Project, La Paz County, Arizona, USA

TIMELINE

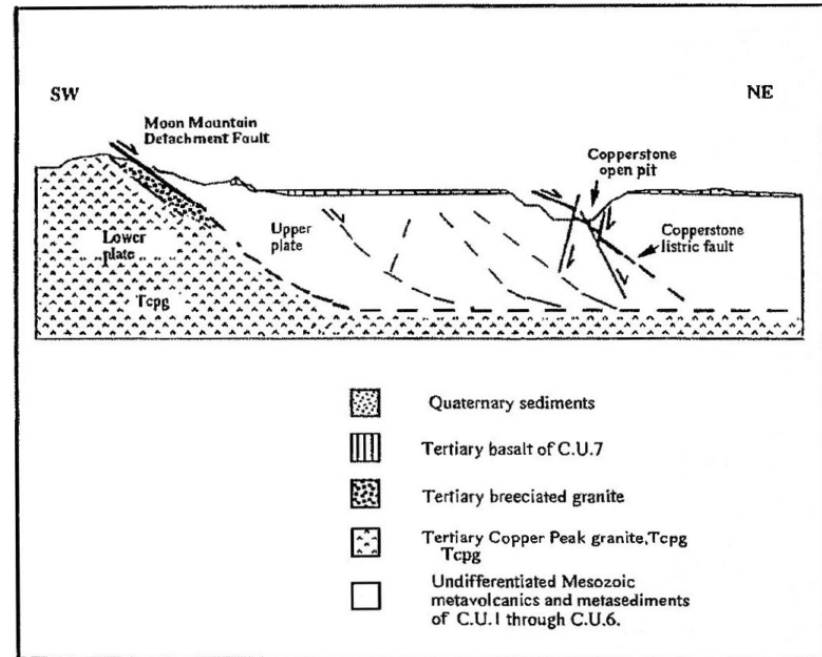
Today



DETACHMENT FAULT SYSTEM - SCALE POTENTIAL



Source: USGS Keith R Long Preliminary descriptive deposit model for detachment fault related model



Source: Michael R. Pawlowski P. Geo, January 2005
 Schematic cross-section of the Moon Mountain Detachment Fault and the Copperstone Lirtric Fault (depth unknown), Solid heavy lines are observed faults; broken lines and projected faults



INCREASING RESERVES & RESOURCES

ENGINEERING, DRILLING 12 – 18 MONTHS

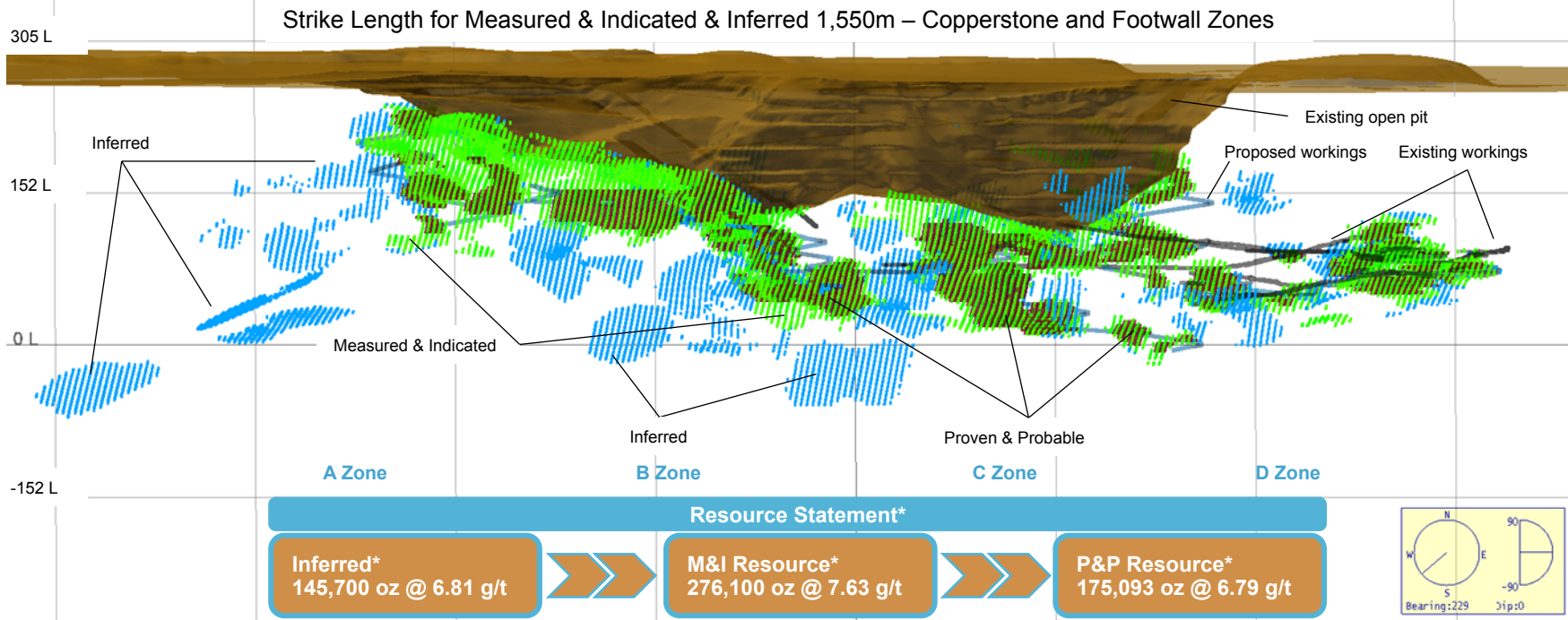
Targeted Resource Expansion Objectives

Mine life expectancy	4.5 years
Proven and Probable reserves (oz of gold)	175,092
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1 + Conversion of current M&I to P&P through mine engineering	60,000
2 + accretion and infill drilling program and subsequent mine engineering expected to add P&P	140,000
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= Proven and Probable reserves (oz of gold) in 12-18 months	375,092
<i>Mine life expectancy</i>	<i>10 years</i>

THE COPPERSTONE MINE – Long View

Historically produced over 500,000 oz in the open pit

2018 Resource Model - Proven & Probable, Measured & Indicated, Inferred

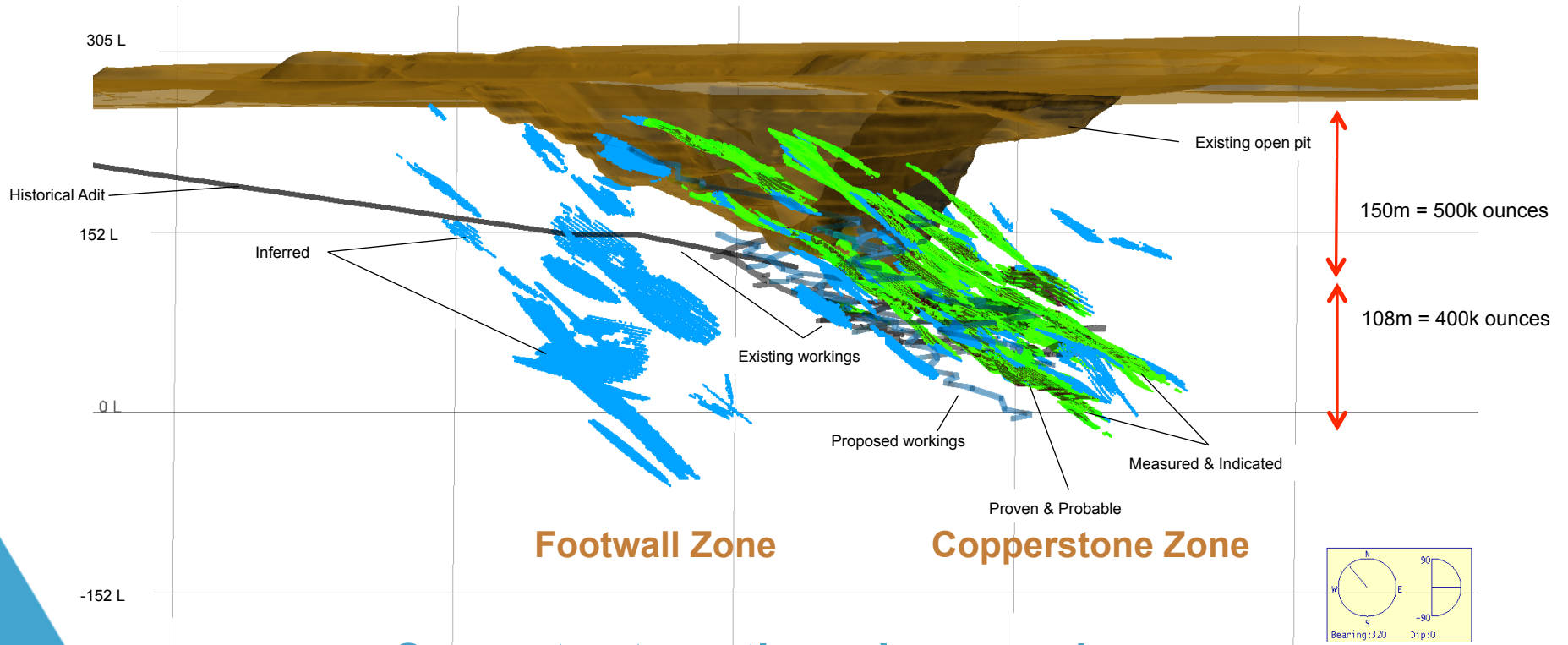


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Conversion of M&I to P&P

THE COPPERSTONE MINE – Cross Section View

2018 Measured & Indicated & Inferred Resources Copperstone and Footwall Zones

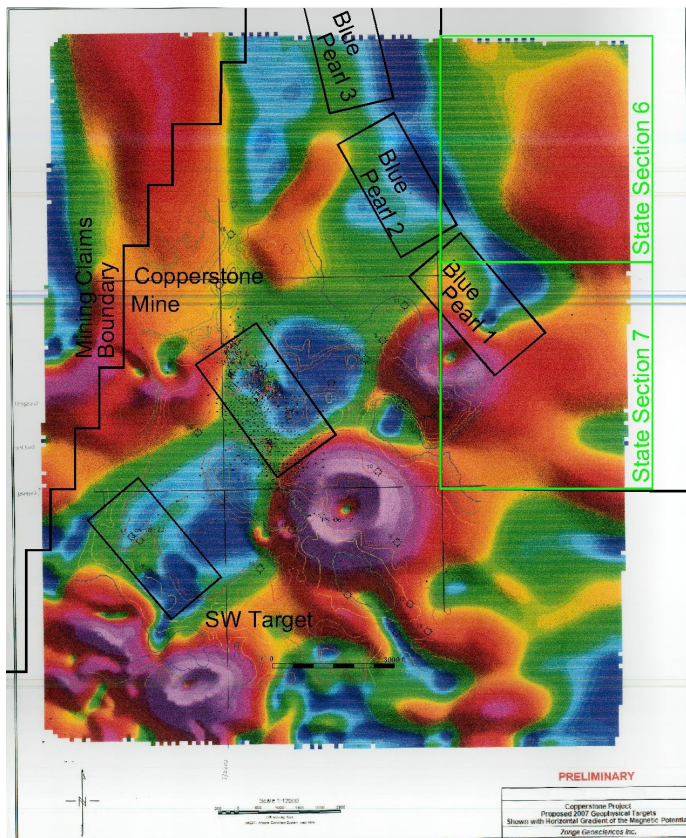


MULTI-MILLION OUNCE RESOURCE POTENTIAL



- Footwall Zone South Extension and South West target have previous successful drilling
- Intercepts of 8 g/t to 32 g/t over 2 – 4 metres
- Detachment fault region

REGIONAL EXPLORATION – SCALE POTENTIAL



- Highly prospective 11,800 acre land package
- South West Target – geophysical signature identical to Copperstone and Blue Pearls , supported by previous drilling indicating identical geology, inclination, width and grade to Copperstone
- North East “Blue Pearl” Geophysical targets – significant strength and similar size to the geophysical anomaly under the Copperstone Orebody. The blue indicates a uniformly magnetic rock with a very slow change in magnetic field. No previous drilling



WHY INVEST IN KERR MINES NOW

DISCOUNTED TO PEERS

- EBITDA US\$22M (C\$30M) at full production
- 6 - 8x EBITDA multiple ~ market cap \$180M - 240M

MULTIPLE DRIVERS OF VALUE IN THE NEXT 12 MONTHS

- CAPEX financing complete
- Resource expansion program
- Straightforward Project Execution
- Commence gold mining in Q4 2019
- Cashflow positive

STRATEGIC PREMIUM

- Significant M&A opportunities to consolidate single asset gold producers