



# RICHMONT



November 2014

[www.richmont-mines.com](http://www.richmont-mines.com)

TSX - NYSE MKT: RIC

# Safe harbor statement & cautionary note to U.S. investors concerning resource estimates

*This presentation contains forward-looking statements that include risks and uncertainties. The factors that could cause actual results to differ materially from those indicated in such forward-looking statements include changes in the prevailing price of gold, the Canadian-U.S. exchange rate, grade of ore mined and unforeseen difficulties in mining operations that could affect revenue and production costs. Other factors such as uncertainties regarding government regulations could also affect the results. Other risks may be detailed from time to time in Richmond Mines Inc.'s periodic reports and annual notice.*

*The resource estimates in this presentation were prepared in accordance with Regulation 43-101 adopted by the Canadian Securities Administrators. The requirements of Regulation 43-101 differ significantly from the requirements of the United States Securities and Exchange Commission (the "SEC"). In this presentation, we use the terms "Measured", "Indicated" and "Inferred" Resources. Although these terms are recognized and required in Canada, the SEC does not recognize them. The SEC permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that constitute "Reserves". Under United States standards, mineralization may not be classified as a Reserve unless the determination has been made that the mineralization could be economically and legally extracted at the time the determination is made. United States investors should not assume that all or any portion of a Measured or Indicated Resource will ever be converted into "Reserves". Further, "Inferred Resources" have a great amount of uncertainty as to their existence and whether they can be mined economically or legally, and United States investors should not assume that "Inferred Resources" exist or can be legally or economically mined, or that they will ever be upgraded to a higher category.*

*U.S. Investors are urged to consider the disclosure in our annual report on Form 20-F, File No. 001-14598, which may be obtained from us or from the SEC's web site: <http://sec.gov/edgar.shtml>.*

# Highlights

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## Track Record of Sustainable Production

- Gold producer since 1991, over 1.4 million ounces produced
- History of organic growth through discovery and development
- 72,837 ounces of gold produced in the first nine months of 2014
- 85,000 – 90,000 ounces budgeted gold production for 2014

## Quality Asset Base

- Operating mines in low-risk jurisdictions: Ontario and Quebec
- Developing new 1.1 million ounce inferred resource below operating Island Gold mine in Ontario, grade of 9.6 g/t Au

## Strong Balance Sheet, Tight Capital Structure

- \$38.4 million of cash & term deposits, debt < \$6 million, at Sept. 30, 2014
- 47.9 million shares on TSX and NYSE MKT

**New CEO – Renaud Adams – Joined November 15<sup>th</sup>**

# Veteran Operator

## Numerous Successful Mine Openings & Closings

1991

**Francoeur Mine**



1991-2001 production:  
~345,000 Au ozs

1993

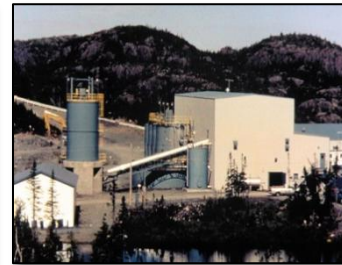
**Camflo Mill**



Mill in operation: Processes  
ore from Beaufor & Monique

1997

**Nugget Pond Mine**



1998-2001 production:  
~170,000 Au ozs

2001

**Beaufor Mine**



In operation: ~500,000 +  
Au ozs produced to date

2001

**Hammerdown Mine**



2001 - 2004 production:  
~ 143,500 Au ozs

2006

**East Amphi Mine**



2006 - 2007 production  
~ 37,350 Au ozs produced

2007

**Island Gold Mine**



In operation: ~303,000  
Au ozs produced to date

2013

**Monique Mine**



In operation: ~ 9,900 Au  
ozs produced to date

# Current Operations

## Island Gold Mine



**2014 Production Forecast**  
~ 40,000 Au ozs

**On-site 850 tpd mill**



## Beaufor Mine Property



**2014 Production Forecast**  
~ 45,000 Au ozs

**1,200 Tpd Camflo Mill (50 km away)**



## Monique Mine



# Corporate Overview

<b>RIC:</b> (Nov. 7, 2014)	<b>TSX + (CAN\$)</b>	<b>NYSE MKT (US\$)</b>
Closing Price	\$2.69	\$2.39
52-week trading range	\$1.00 - \$3.07	\$0.94 - \$2.82
Market capitalization	\$129 million	\$114 million
Average 3 month daily trading volume (shares)	~ 198,000	~ 290,000

<b>Cash &amp; Term Deposits &amp;GIC (Sept 30, 2014)</b>	<b>\$38.4 million</b>
<b>Long-term Debt (Sept 30, 2014)</b>	<b>\$5.8 million</b>
<b>Current Enterprise Value</b>	<b>\$96 million</b>
<b>9 Month 2014 Operating Cash Flow</b>	<b>\$0.55 / share</b>
<b>9 Month 2014 Net Free Cash Flow<sup>1</sup></b>	<b>\$0.13 / share</b>
Shares outstanding (millions)	47.9
Management and Director Ownership (%)	~11%
Number of employees (September 30, 2014)	385



# Directors and Management

## Senior Credentials in a Junior

### BOARD OF DIRECTORS

**Greg Chamandy, Exec Chairman**

Co-Founder and Former CEO of Gildan Activewear

**Elaine Ellingham, P.Geo., MBA**

Previously TSX, IAMGOLD, Campbell Resources, Rio Algom

**René Marion, Eng.**

Former CEO AuRico Gold

**Michael Pesner, CA**

President of Hermitage Canada Finance, previously KPMG

**Renaud Adams**

President & CEO

### MANAGEMENT TEAM

**Renaud Adams, Eng.**

**President & CEO**

Elaine Ellingham, P. Geo. M. Sc, MBA

Former Interim President and CEO

Rosaire Émond, Eng.

V. P. and COO - *Experience: Placer Dome and Agnico-Eagle*

Daniel Adam, Geo., PhD

V. P. Exploration - *Experience: Selbaie Mines*

Nicole Veilleux, CPA, CA

V.P. Finance - *Experience: Auditor at KPMG LLP, Norbord Industries*

Jean Bastien, Eng., MBA

Manager, Island Gold Mine - *Experience: Cambior, Agnico-Eagle and Aurizon*

Marc-André Lavergne, Eng.

Manager, Beaufor & Monique mines - *Experience: Cambior, Agnico-Eagle, North American Palladium*

# Positive Momentum

## Q3 Revenue & Operating Cash Flow Strong

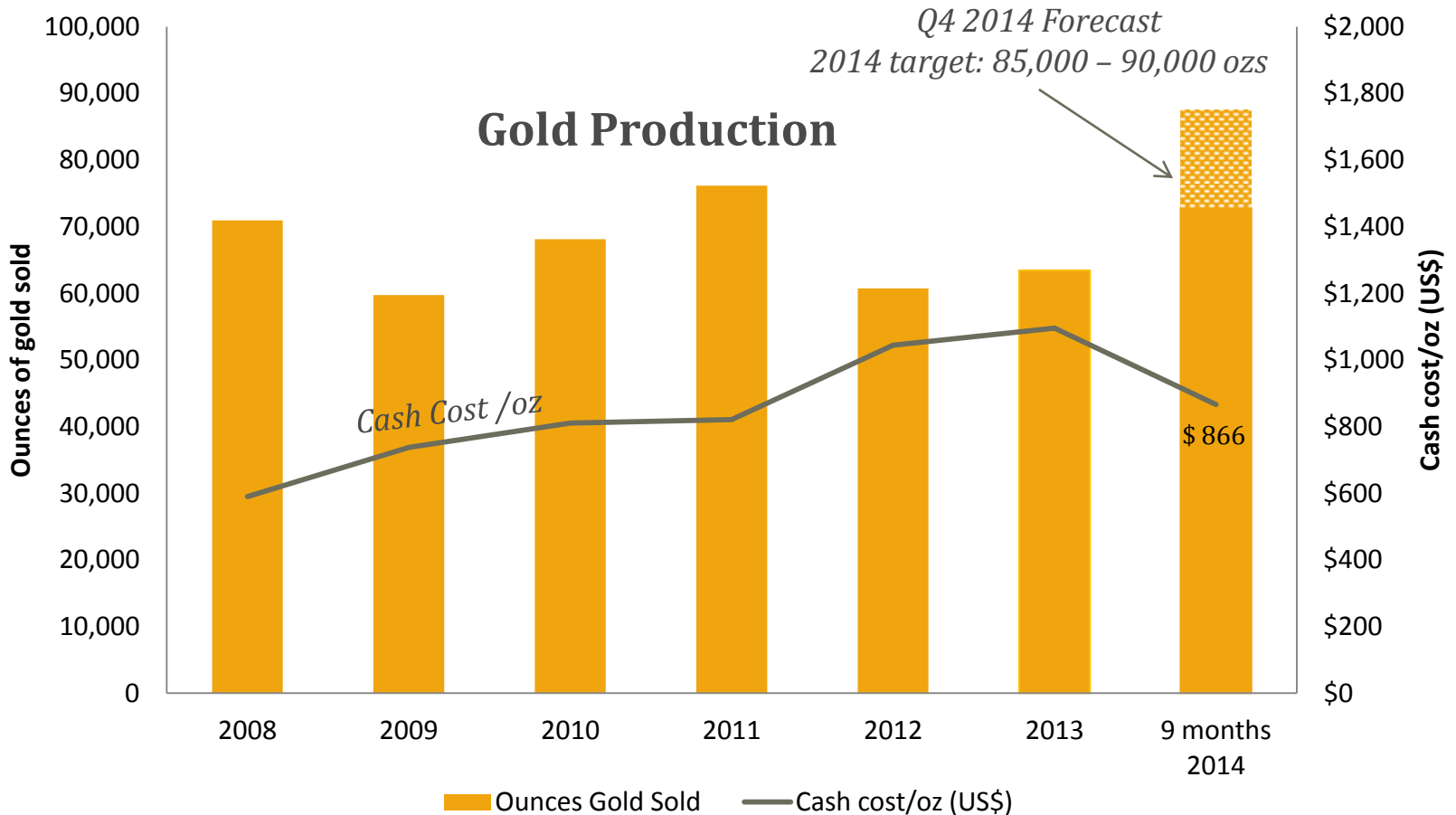
<b>FINANCIAL HIGHLIGHTS</b>	<b>9 months 2014</b> ( 9 mos ended Sept30, 2014)	<b>Q3 2014</b> (3 mos. ended Sep. 30, 2014)
Gold sales	72,837 ozs	24,635 ozs
Average cash cost per ounce	US \$866	US \$804
Average selling price per ounce	US \$1,285	US \$1,273
Revenue	\$102.6 million	\$39 million
Operating Cash Flow	\$24.2 million	\$8.5 million
Net Free Cash Flow	\$5.6 million	\$0.6 million
Long-term debt	\$5.2 million	\$5.8 million
Adjusted Earnings per share	\$0.19	\$0.10 <sup>1</sup>
Operating cash flow per share	\$0.55	\$0.18

(1) Q3 2014 EPS is Adjusted EPS, a non-IFRS Financial Performance Measure, and excludes severance costs related to the departure of the Executive Vice-President and CFO of \$0.2 million.



# Production Growth

Increased Guidance for Second time this year



# Island Gold Mine

## Cornerstone Asset – 100% Owned

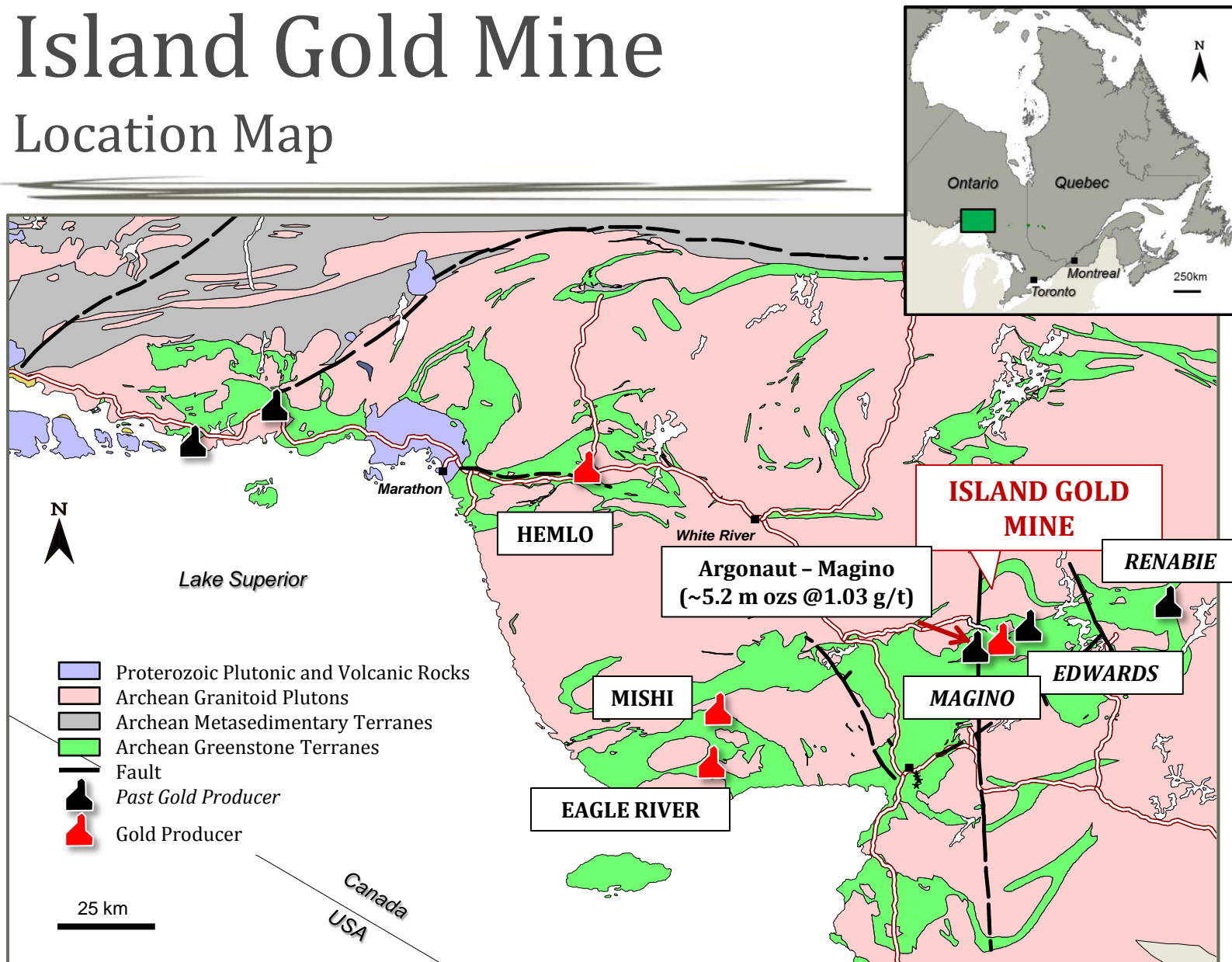
- 303,000 oz gold produced since 2007
- Gold production 35 k – 50 k oz annually
- Historical grade @ ~ 5.7 g/t Au
- 2014 cost reduction initiatives: addition of 4 new trucks & efficiency consultant
- Cash Cost US\$816/oz for 9 months 2014



<b>ISLAND GOLD MINE PERFORMANCE</b>	<b>FY 2009 12 months ended Dec. 31</b>	<b>FY 2010 12 months ended Dec. 31</b>	<b>FY 2011 12 months ended Dec. 31</b>	<b>FY 2012 12 months ended Dec. 31</b>	<b>FY 2013 12 months ended Dec. 31</b>	<b>9 mos. 2014 9 months ended June 30</b>
Tonnes	211,773	251,237	261,731	246,743	244,631	184,827
Gold recovery (%)	94.5%	95.5%	95.9%	96.5%	96.1%	96.5%
Head grade	6.04 g/t	5.95 g/t	6.10 g/t	5.45 g/t	4.65 g/t	5.76 g/t
Gold ounces sold	38,879	45,865	49,196	41,686	35,113	33,027
Avg. cash cost/oz (US\$) <sup>1</sup>	736	783	766	884	1,092	816
Avg. sales price/oz (US\$)	967	1,238	1,566	1,666	1,392	1,289

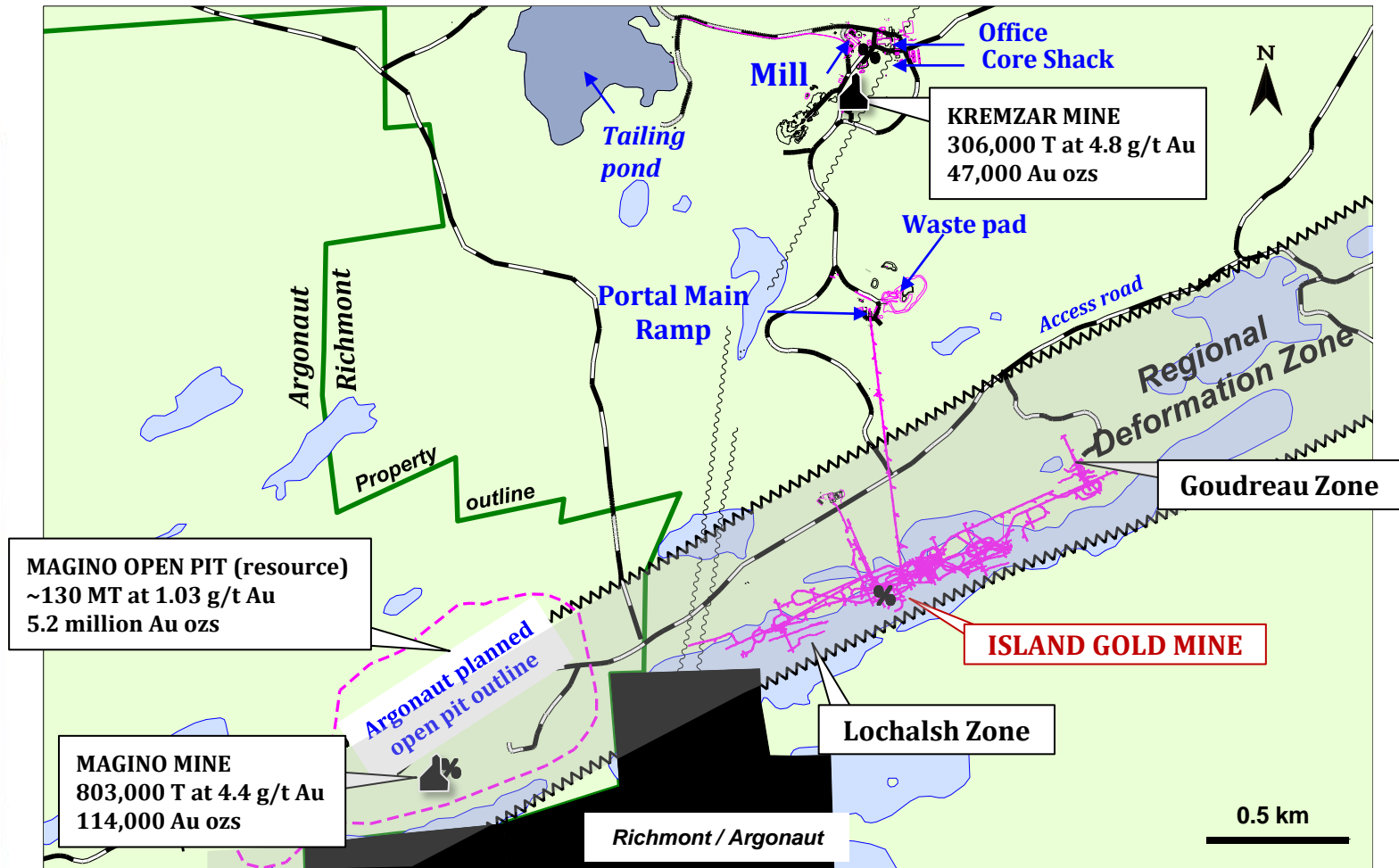
# Island Gold Mine

## Location Map



# Island Gold Mine

## Site Map and Infrastructure



# Island Gold Discovery

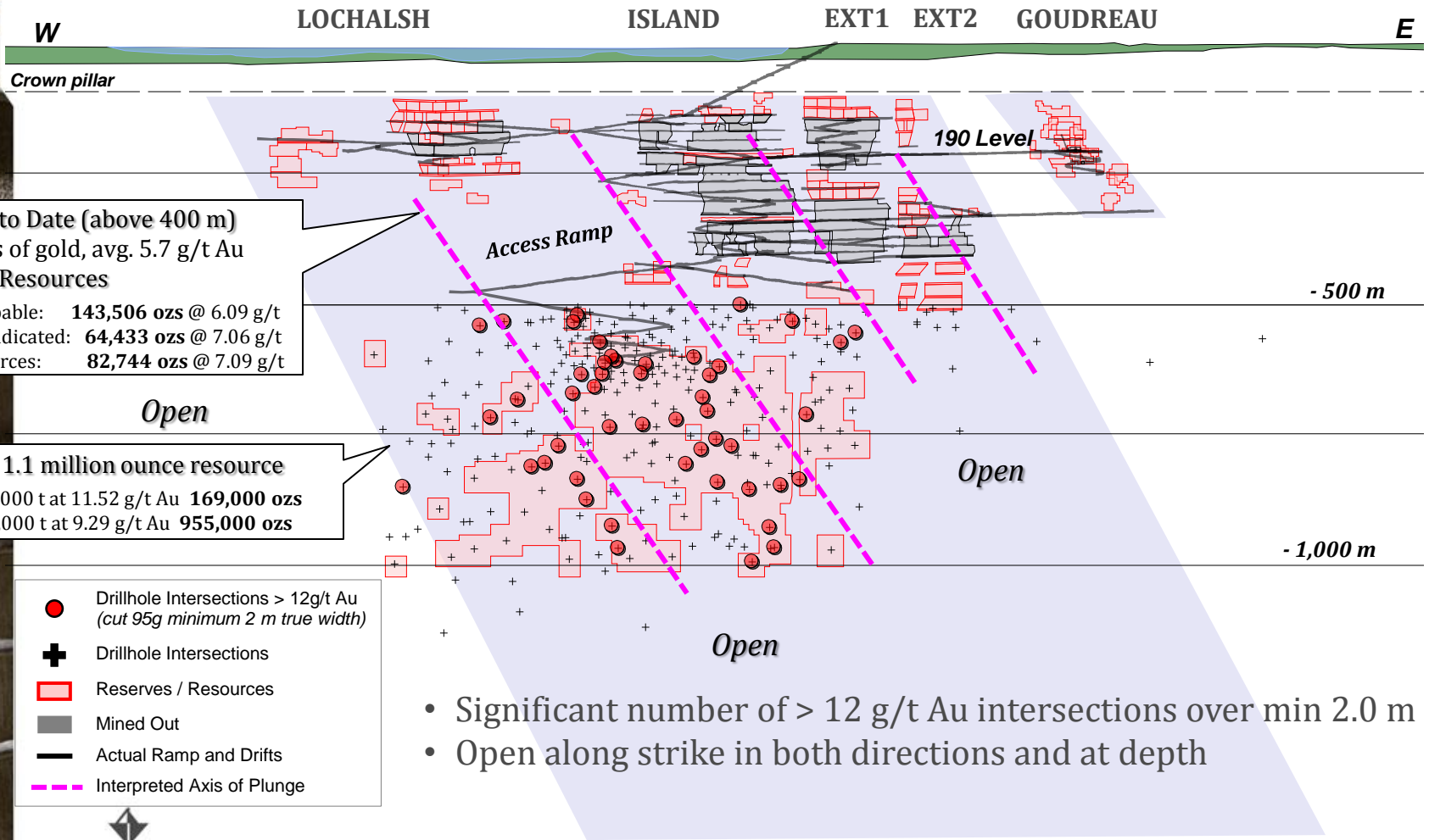
## A “Game-Changer”

- 1.1 million ounce high-grade inferred resource immediately below fully permitted, staffed and operating Island Gold Mine in Ontario
- Rapid timeline through discovery, development to production:
  - Feb/13: First Inferred Resource of 508,000 oz @ 10.73 g/t
  - Jan/14: Resource more than doubled to 1,124,000 oz @ 9.6 g/t
  - *(Includes Indicated resource of **169,000 oz @ 11.52 g/t**)*
  - Ramp access and initial development already achieved
  - ~20% of 2015 production expected from new zone
- Opportunity for long life mine with higher annual production levels
- Capacity of on-site 850 tpd CIP mill can be increased
- Deposit open at depth and along strike in both directions

	<u>New Zone</u>	<u>Upper Mine</u>
Gold grade (average)	9.6 g/t Au	5.7 g/t Au
Zone width (average)	4.5 metres	2.7 metres
Structural Alteration Corridor	100 metres	50 metres

# Island Gold Mine

## Longitudinal Section



**Production to Date (above 400 m)**  
 303,000 ozs of gold, avg. 5.7 g/t Au  
**Reserves & Resources**  
 Proven & Probable: **143,506 ozs @ 6.09 g/t**  
 Measured & Indicated: **64,433 ozs @ 7.06 g/t**  
 Inferred resources: **82,744 ozs @ 7.09 g/t**

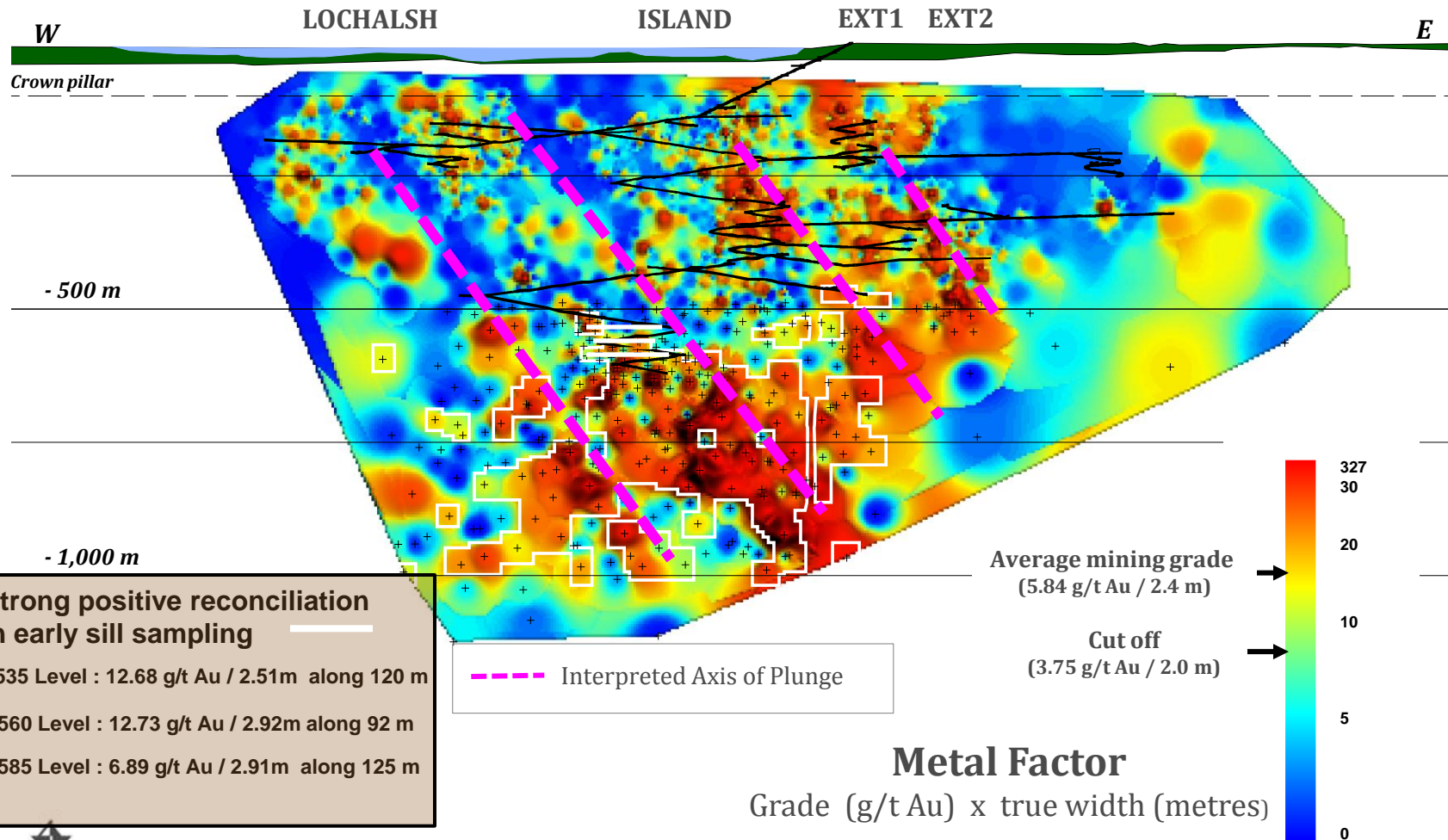
**Island Deep 1.1 million ounce resource**  
 Indicated 456,000 t at 11.52 g/t Au **169,000 ozs**  
 Inferred 3,200,000 t at 9.29 g/t Au **955,000 ozs**

- Drillhole Intersections > 12g/t Au (cut 95g minimum 2 m true width)
- + Drillhole Intersections
- Reserves / Resources
- Mined Out
- Actual Ramp and Drifts
- Interpreted Axis of Plunge

- Significant number of > 12 g/t Au intersections over min 2.0 m
- Open along strike in both directions and at depth

# Island Gold Mine

## New Zone - Higher Grades and Widths



# Island Gold Mine

## Progress Report

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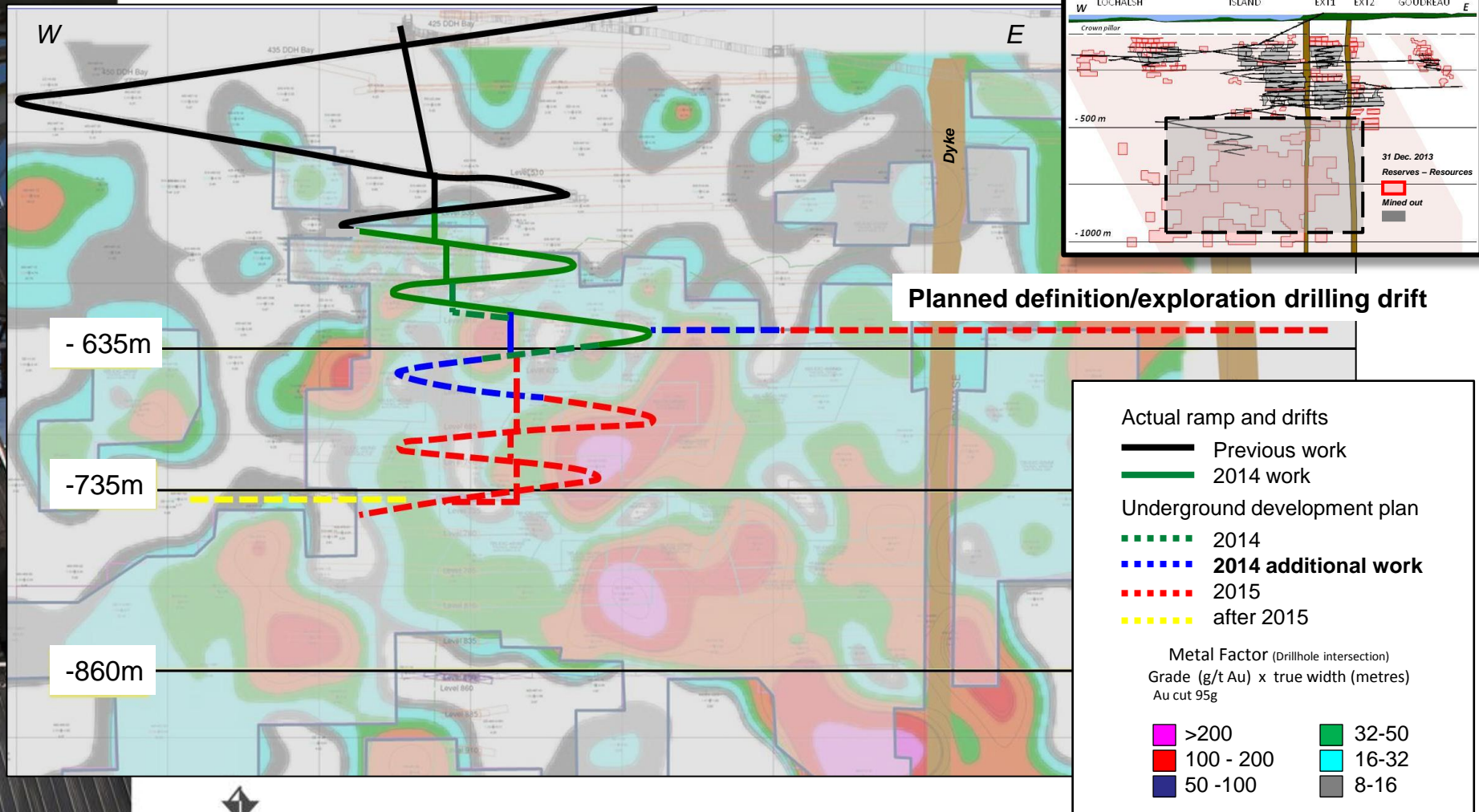
- \$20.4 million capex for 2014
- 15,800 m exploration drilling + 23,000 m definition drilling
- Development advanced on 5 levels (535, 560, 585, 610 & 635 metres)
- Expect to extract production ounces at depth before year-end
- Accelerated development commenced Nov 1<sup>st</sup> with \$10 m contract to:
  - Extend ramp to depth of 660 m by end of 2014, and to 735 m by end of 2015
  - Complete 2 mining horizons by end of 2015 (635 m & 735 m levels)
  - Drive 500 m exploration drift to the east on 620 m level:
    - Will facilitate further definition drilling to upgrade resources to reserves in eastern portion of resource in 2015 – 2016
    - Will enable more cost-effective underground exploration drilling
- Exploration drilling restarted to test down plunge extension to the east (800-1,000 m depth) with four holes from surface & 4-5 holes from u/g



# Island Gold Mine

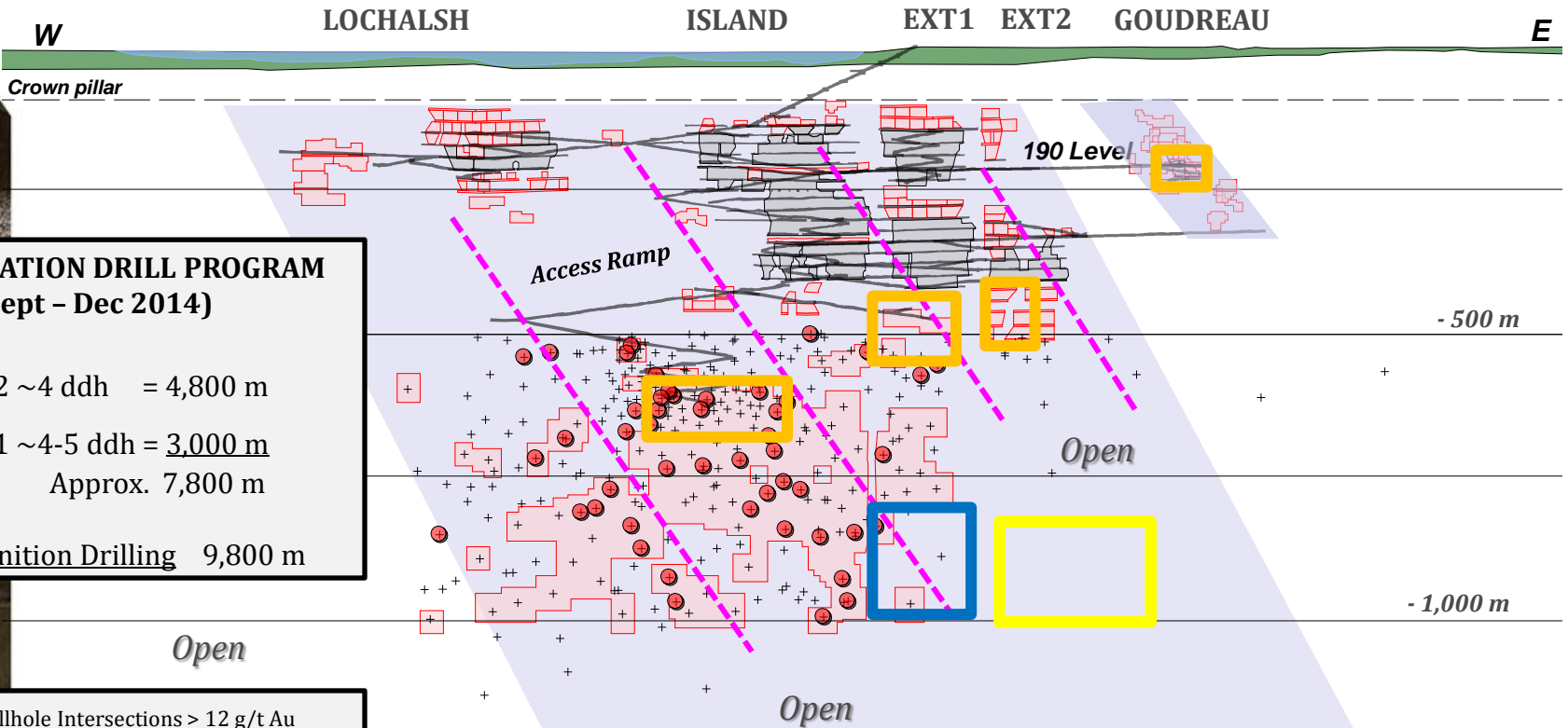
## Longitudinal View - Accelerated Development Plan

Composite Longitudinal View



# Island Gold Mine

## Exploration and Definition Drill Programs



### EXPLORATION DRILL PROGRAM (Sept - Dec 2014)

- ▭ Ext 2 ~4 ddh = 4,800 m
- ▭ Ext 1 ~4-5 ddh = 3,000 m  
Approx. 7,800 m
- ▭ Definition Drilling 9,800 m

- Drillhole Intersections > 12 g/t Au  
(cut 95 g minimum 2 m true width)
- + Drillhole Intersections
- ▭ Reserves / Resources (Dec. 31, 2013)
- ▭ Mined Out (Dec. 31, 2013)
- Actual Ramp and Drifts
- - - Interpreted Axis of Plunge

➤ Step out exploration drilling announced in Sept 2014 will explore down plunge potential with 4 drill holes from surface and 4-5 from underground

# Island Gold Mine

## Goals for 2014-2015

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- Accelerate development & commence mining in new zone
  - Extend ramp
  - Build out underground infrastructure
  - Prepare stopes & commence mining
- Upgrade inferred resources to reserves through infill drilling;
- Expand resource and determine deposit size to optimize long-term mine plan through additional exploration drilling;
- Continue to build up strong team at mine site to manage and deliver on development goals & production expansion;
- Expand/upgrade equipment and infrastructure at mine site, as needed, to support expanded production.

# Beaufor Mine

Produced over 500,000 oz Gold

- High-grade underground mine in production since 1996
- Strategically located near infrastructure...
  - 50 km from Camflo Milland central to a well established mining hub...
  - 25 km from Val-d'Or, Quebec
- First 9 months of 2014
  - Head grade 6.84 g/t
  - Cash operating cost per ounce US\$868
- Cost reductions achieved by increasing room & pillar mining and reducing long-hole stoping



# Beaufor Mine

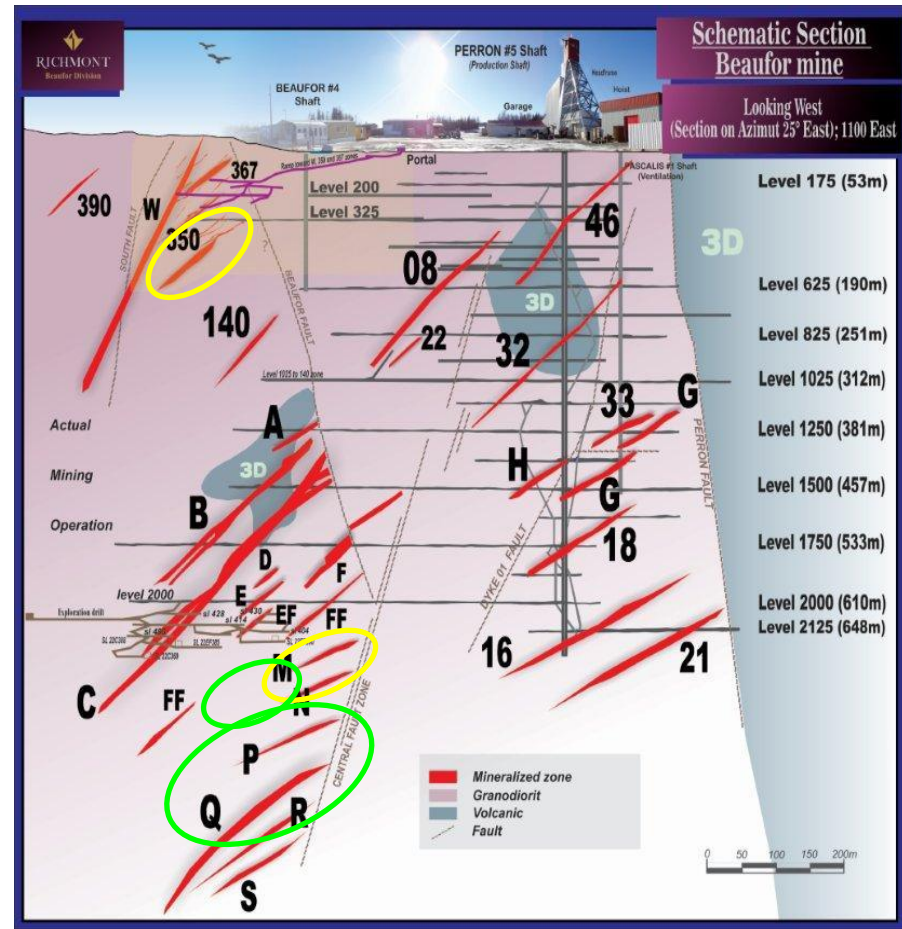
## Progress Report

### 2014 Achievements:

- Maintained operating efficiency to generate cash flow
- Continued to extend mine life
- Mining the newly developed “M Zone” has solid grades and additional tonnage
- Commenced development drift to the near surface 350 zone
- Evaluating potential of Q Zone

### Includes:

- 21,500 m of exploration drilling
- 10,000 m of definition drilling



○ Mining and Development      ○ Exploration

# Wasamac Gold Property

## “Untapped” 3 Million oz Resource

- Near infrastructure: 15 km west of Rouyn-Noranda, Quebec
- Past production of 252,923 Au ozs @ 4.16 g/t (1965-1971)
- Preliminary Economic Assessment completed in March 2012
- Good optionality on gold price
- 100% owned, no royalties

### Resources as of December 31, 2012

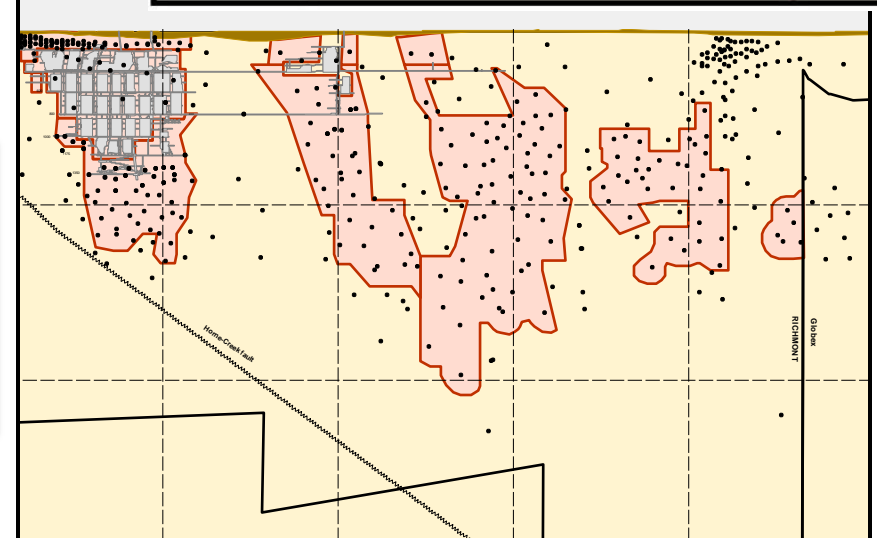
Cut-off: 1.5 g/t Au

Measured & Indicated Resources:

15,251,529 T at 2.86 g/t Au ; **1,402,263 ozs**

Inferred Resources:

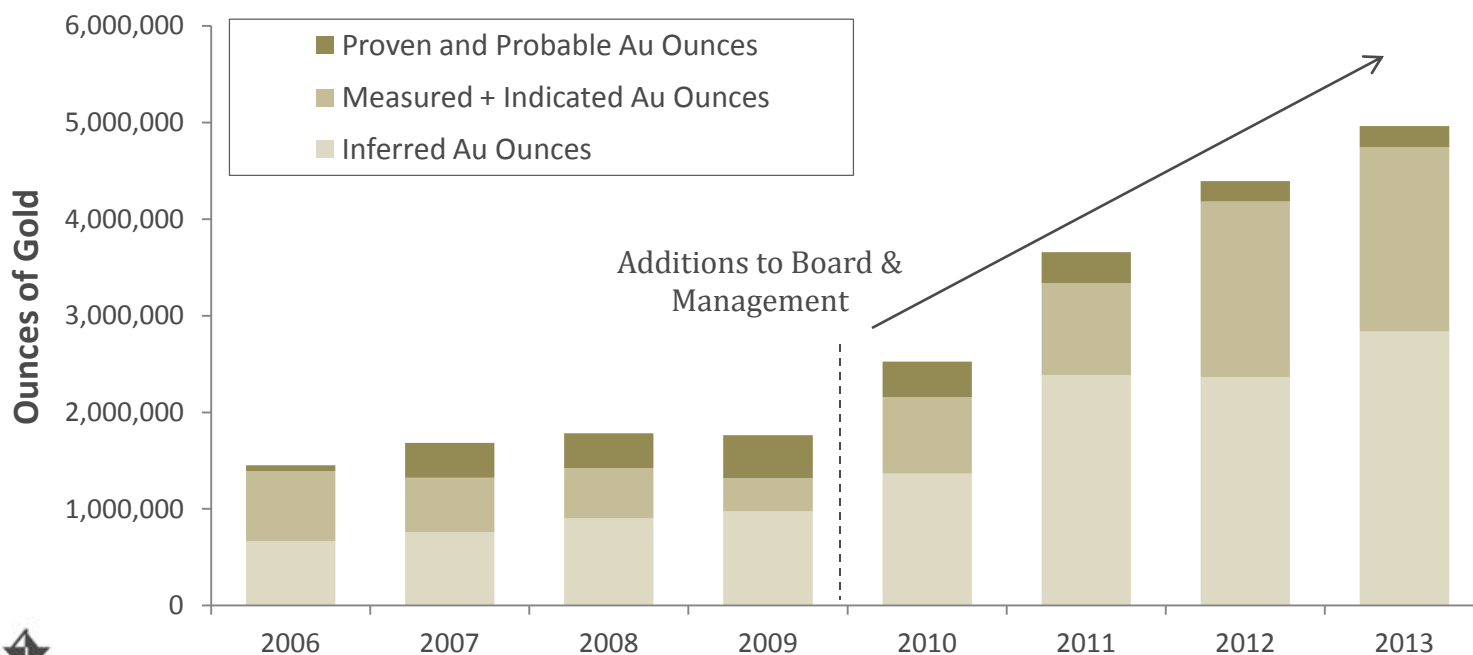
18,758,786 T at 2.66 g/t Au ; **1,605,388 ozs**



# Creating Shareholder Value

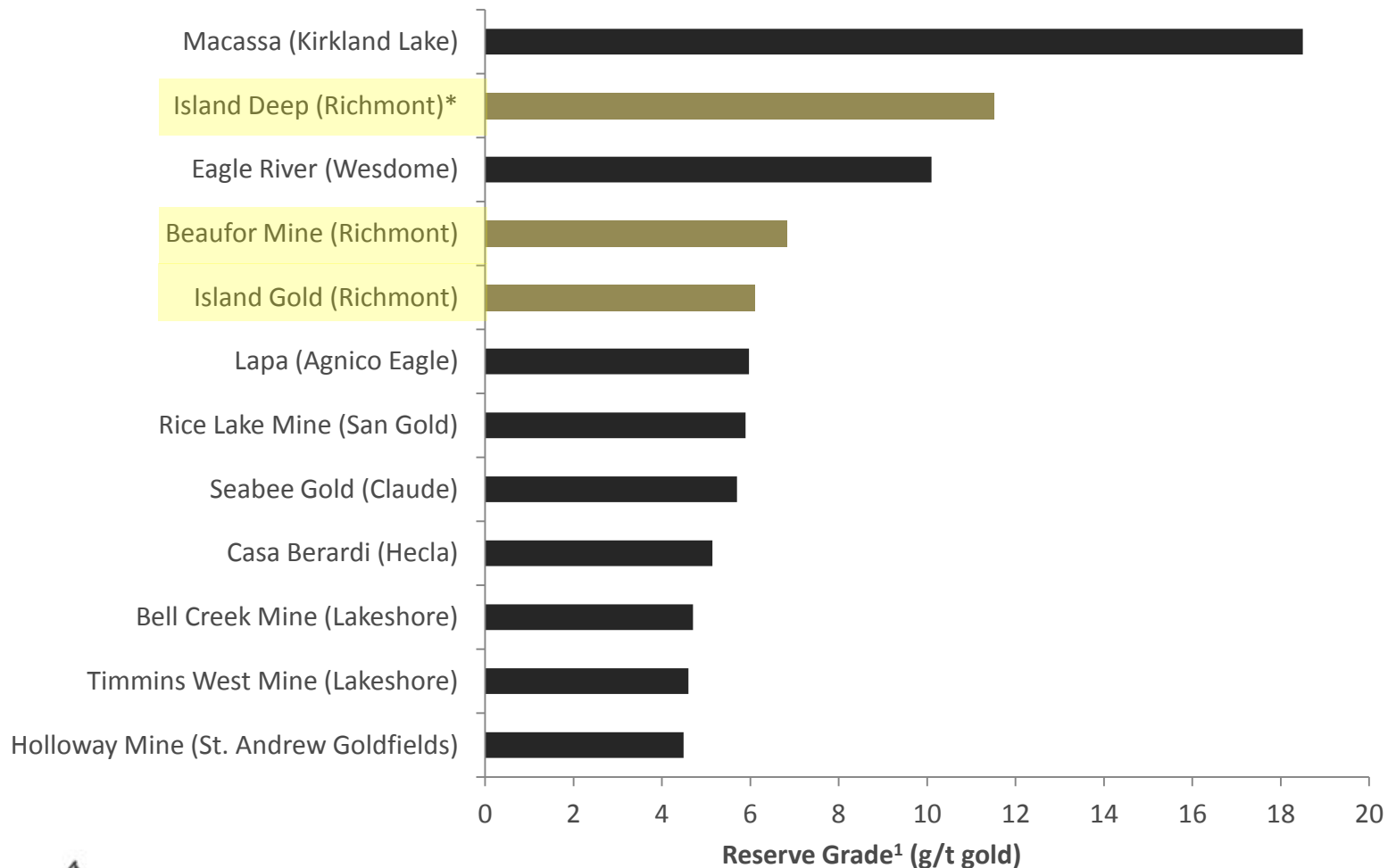
## Two Significant Discoveries

- Discovered over 4 million ounces of gold resources in past 4 years
- Exploration on brownfield project and at operating mines
- Discovery cost < \$15/ounce
  - Island Gold Deep Zone 1.1 million oz @ 9.6 g/t
  - Wasamac 3.0 million oz @ 2.70 g/t



# Relative Grade

## Among Highest Grades in Peer Group





# Richmont Mines

## Well Positioned for Growth

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### **New CEO Good Fit to take Richmont to Next Level**

### **Island Gold – Important New Discovery**

- Will drive increases to annual production at Island Gold Mine
- Relatively low capex to develop a higher grade, long-life asset

### **Sound Balance Sheet, Tight Capital Structure**

- \$38.4 million cash & term deposits (Sept 30<sup>th</sup>)
- Generated operating cash flow of \$24.2 million in first 9 months
- 47.9 million shares outstanding

### **Track Record of Success**

- Consistent operating history plus continued organic growth
- Over 1.4 million ounces of gold produced since 1991

### **Quality Asset Base in Safe Jurisdictions**

- Expected production of 85,000 - 90,000 ounces of gold for 2014
- Global gold resource of over 5 million ounces in very stable jurisdictions

# Richmont Mines Inc.

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# Financial Review

<b>Key Metric</b> <i>(in CAN\$ thousands, ex. per share data and where noted)</i>	<b>FY 2012</b> <i>(12 mos. ended Dec. 31)</i>	<b>FY 2013</b> <i>(12 mos. ended Dec. 31)</i>	<b>Q1 2014</b> <i>(3 mos. ended Mar. 31)</i>	<b>Q2 2014</b> <i>(3 mos. ended June 30)</i>	<b>Q3 2014</b> <i>(3 mos. ended Sept. 30)</i>
Gold sales (ounces)	60,741	<b>63,443</b>	20,412	27,790	<b>24,635</b>
Average selling price (US\$/oz)	\$1,666	<b>\$1,378</b>	\$1,306	\$1,283	<b>1,273</b>
Average cash cost (US\$/oz)	\$1,044	<b>\$1,095</b>	\$1,060	\$779	<b>\$804</b>
Net earnings (loss)	(\$2,977)	<b>(\$33,162)</b>	(\$1,903)	\$4,676	<b>\$4,369</b>
Adjusted net earnings (loss)	(\$1,521) <sup>1</sup>	<b>(\$10,341)<sup>2</sup></b>	(\$1,903)	\$5,659 <sup>3</sup>	<b>\$4,574<sup>3</sup></b>
Adjusted EPS	(\$0.04) <sup>1</sup>	<b>(\$0.26)<sup>2</sup></b>	(\$0.05)	\$0.12 <sup>3</sup>	<b>\$0.10<sup>3</sup></b>
Operating Cash Flow	\$7,656	<b>\$3,456</b>	\$2,379	\$13,371	<b>\$8,428</b>
Total Assets	\$148,244	<b>\$123,328</b>	\$121,272	\$139,135	<b>\$145,121</b>
Shareholders Equity	\$118,363	<b>\$86,353</b>	\$84,779	\$100,739	<b>\$105,717</b>

(1) FY2012 Adjusted Net Loss is a non-IFRS Financial Performance Measure. This number excludes a \$49,066 (\$42,038 after-tax) loss from the discontinued Francoeur Mine operation, and the payment of \$1,986 (\$1,456 after-tax) of severance compensation to the Corporation's ex-President and CEO.

(2) FY2013 Adjusted net loss is a non-IFRS Financial Performance Measure. This number excludes a \$1,098 loss from the discontinued Francoeur Mine operation, a write-down of the W Zone Mine of \$13,472, a write-off of deferred income and mining tax assets of \$7,484, a write-off of financing costs of \$1,165 and severance costs of \$700.

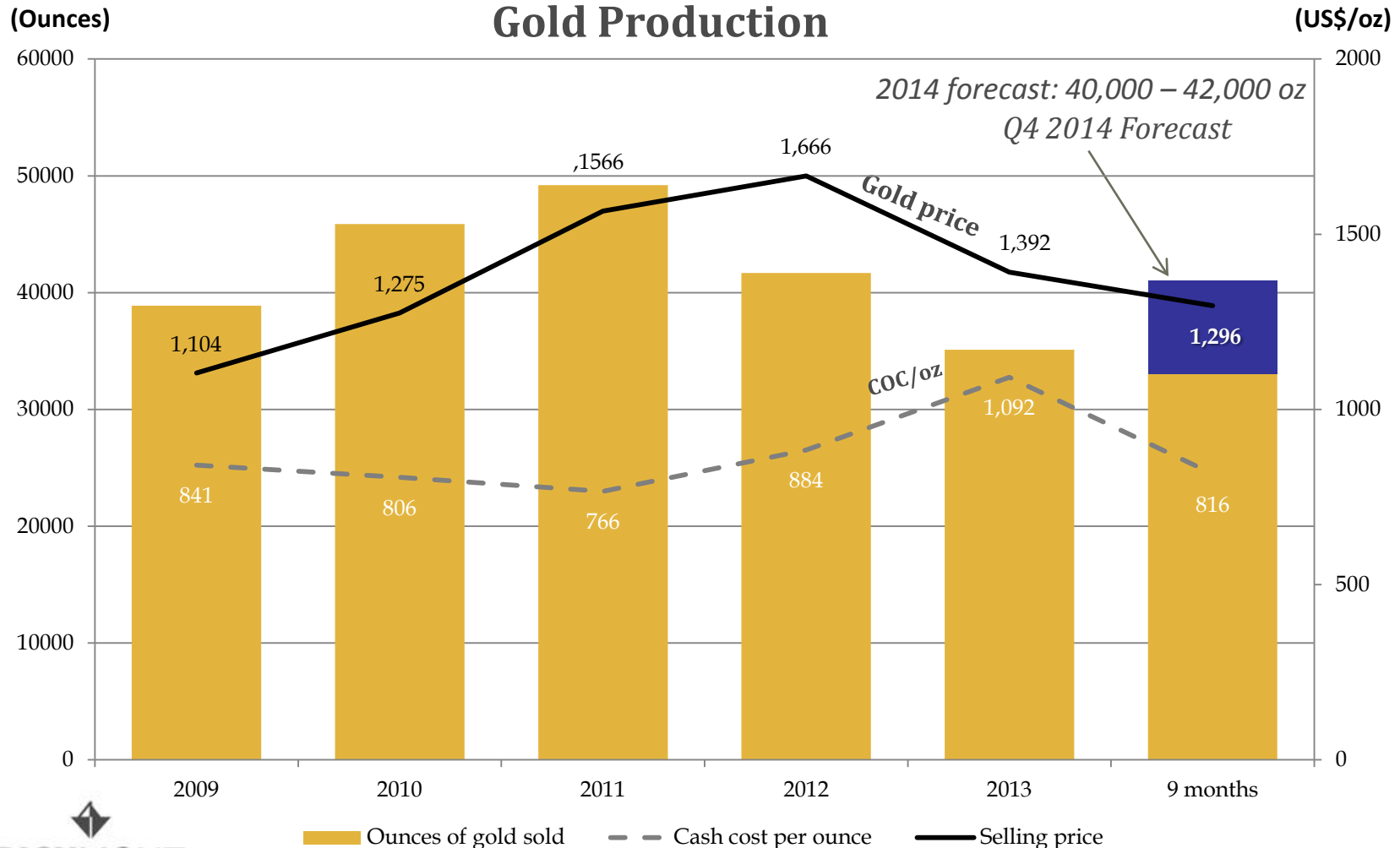
(3) Q2 2014 and Q3 2014 Adjusted net earnings are a non-IFRS Financial Performance Measure. The Q2 2014 number excludes a \$1,050 severance cost related to the departure of the President and CEO, and the Q3 2014 number excludes \$205 severance cost related to the departure of the Executive Vice-President and CFO.

RESERVES + RESOURCES <sup>1</sup>		AS OF DEC. 31, 2013			AS OF DEC. 31, 2012		
		Tonnes (metric)	Grade (g/t Au)	Au oz contained	Tonnes (metric)	Grade (g/t Au)	Au oz contained
<b>Island Gold Mine<sup>2</sup></b>	P & P Reserves	733,347	6.09	143,506	785,221	5.60	141,456
	M & I Resources	283,687	7.06	64,433	502,910	6.86	110,958
	Inferred Resources	362,858	7.09	82,744	279,569	6.20	55,744
<b>Island Deep<sup>2</sup></b>	Indicated Resources	456,013	11.52	168,897	-	-	-
	Inferred Resources	3,196,114	9.29	954,583	1,473,658	10.73	508,142
<b>Beaufor Mine<sup>2</sup></b>	P & P Reserves	142,299	6.81	31,133	196,145	6.20	39,114
	M & I Resources	765,144	6.32	155,439	774,280	6.44	160,263
	Inferred Resources	904,249	6.49	188,679	901,568	6.46	187,274
<b>Monique<sup>2,3</sup></b>	P & P Reserves	415,860	2.30	30,702	-	-	-
	Indicated Resources	107,531	4.88	16,858	728,164	2.35	55,112
	Inferred Resources	-	-	-	11,605	0.97	362
<b>W Zone</b>	P & P Reserves	70,207	5.68	12,832	132,251	7.21	30,680
	M & I Resources	145,931	7.04	33,051	107,511	6.76	23,377
	Inferred Resources	2,186	7.55	531	5,589	7.95	1,429
<b>Francoeur<sup>5</sup></b>	Proven Reserves	-	-	-	8,439	4.52	1,226
	M & I Resources	320,066	6.47	66,587	320,066	6.47	66,587
	Inferred Resources	17,949	7.17	4,135	17,949	7.17	4,135
<b>Wasamac<sup>4</sup></b>	M & I Resources	15,251,529	2.86	1,402,263	15,251,529	2.86	1,402,263
	Inferred Resources	18,758,786	2.66	1,605,388	18,758,786	2.66	1,605,388
<b>TOTAL GOLD</b>	<b>P &amp; P Reserves</b>	<b>1,361,713</b>	<b>4.98</b>	<b>218,172</b>	<b>1,122,056</b>	<b>5.89</b>	<b>212,476</b>
	<b>M &amp; I Resources</b>	<b>17,329,901</b>	<b>3.42</b>	<b>1,907,528</b>	<b>17,684,460</b>	<b>3.20</b>	<b>1,818,560</b>
	<b>Inferred Resources</b>	<b>23,242,142</b>	<b>3.80</b>	<b>2,836,060</b>	<b>21,448,724</b>	<b>3.43</b>	<b>2,362,474</b>

(1) Resources are exclusive of Reserves, and do not have demonstrated economic viability at this time. (2) Established on Dec. 31/13, using a gold price of US\$1,225/oz and an exchange rate of CAN\$1.06=US\$1.00 in 2013 (a US\$1,450/oz gold price and a 1.00 exchange rate were used in 2012). Island Gold Deep Resources established Jan. 21/14. (3) Open-pit Reserves are based on a pit design established in 2012. Indicated Resources are underground, directly beneath the open-pit. (4) Underground Resources established as of Dec. 31/12. (5) Francoeur Mine closed in November 2012.

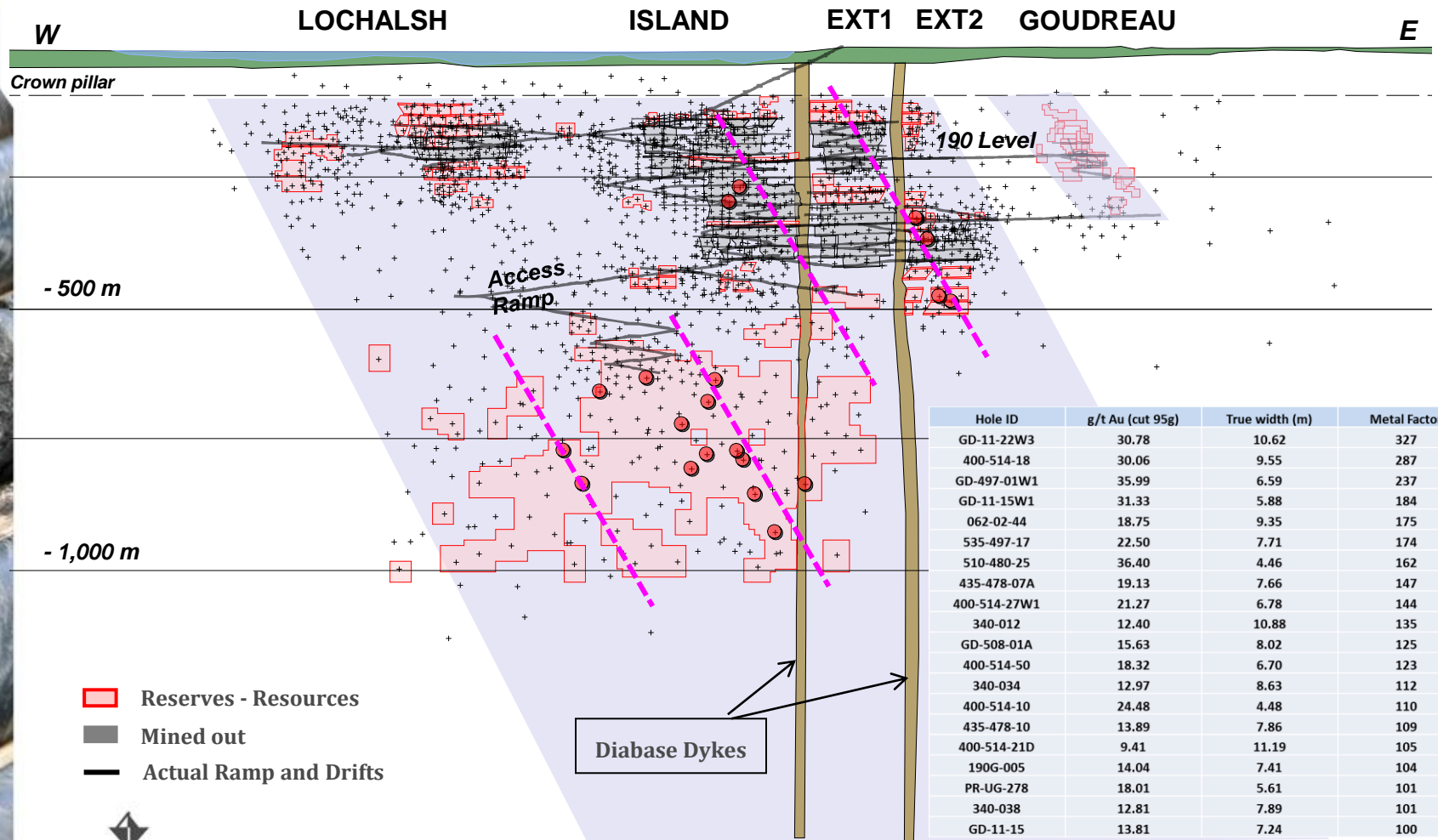
# Island Gold Mine

## Established Base for Future Growth



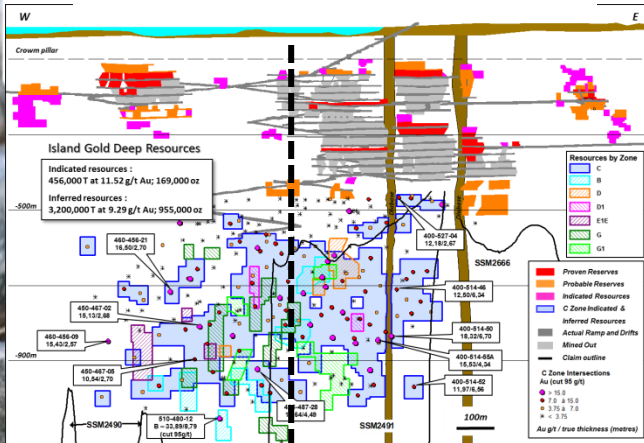
# Island Gold Mine

## Longitudinal View- Best Intersections



# Island Gold Mine

Composite Longitudinal Section



Typical Section

Island Gold New Resource below 400 m  
(Dec. 31/2013)

**Indicated resources:**  
456,000 t at 11.52 g/t Au; 169,000 oz

**Inferred resources:**  
3,200,000 t at 9.29 g/t Au; 955,000 oz

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Cross Section (looking west)

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