

HIGH GRADE GOLD MINE IN ARIZONA

Kerr Mines Inc.

Corporate Presentation – May 2019



FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking information, including statements regarding: the proposed timing, schedule, and costs for restarting production at the Copperstone Mine, rate of production, expected cash costs, expected increase in milling capacity, exploration potential at the Copperstone Mine, proposed debt restructuring and financing, share capitalization and director ownership,. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the economy; the price of gold; operational, funding, and liquidity risks; the degree to which mineral resource and mineral reserve estimates are reflective of actual mineral resources and mineral reserves; and the degree to which factors which would make a mineral deposit commercially viable are present; assumptions with respect to the cost and availability of labour for the restart of operations are correct; results of exploration and validity of geological models; the risks and hazards associated with underground operations, and any specific risks or assumptions set out or referenced in this presentation. Risks and uncertainties about Kerr Mines Inc. and its business are more fully discussed in its disclosure materials, including the annual information form, technical reports, financial statements and MD&As, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Kerr Mines Inc. assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from such statements unless required by law.

This presentation includes certain non-IFRS measures, including cash costs on a per gold ounce basis. Cash costs per gold ounce are defined as costs of production (including refining costs) divided by the total number of gold equivalent ounces produced. The Company reports total cash costs on a production basis. In the gold mining industry, these are common performance measures but do not have any standardized meaning, and are non-GAAP measures. As such, they are unlikely to be comparable to similar measures presented by other issuers. In reporting cash costs per gold ounce, the Company follows the recommendations of the Gold Institute standard. The Company believes that, in addition to conventional measures, prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Technical information in this presentation has been reviewed and approved by Michael R. Smith P. Geo., who is a qualified person that is independent of the Company, as defined in National Instrument 43-101.

CAPITAL STRUCTURE

Shares & Balance Sheet

Ticker Symbol	TSX: KER OTC: KERMF
Shares Outstanding	280.4 million
Options	13.0 million
Warrants ¹	22.2 million (exp July 2019) 22.2 million (exp Nov 2020) 3.4 million (exp April 2021)
Fully Diluted	341.1 million
52 week range	\$0.105 - \$0.34
Recent price	\$0.13
Market Cap	\$36.4 million
Cash & Investments ²	\$2.3 million
Sprott Resource Lending ³	US\$2.0 million (drawn down)

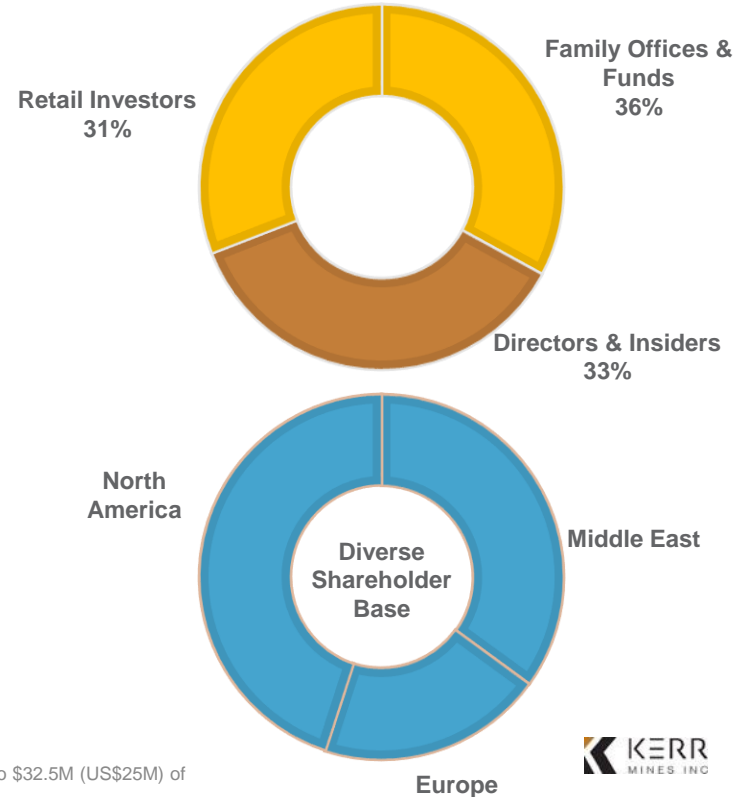
All figures denominated in Canadian dollars

¹ July 2019 warrants exercisable at \$0.27 and Nov 2020 and April 2021 warrants exercisable at \$0.21

² Cash as at April 30, 2018

³ Sprott Resource Lending as at November 28, 2018 following the \$2.7M (US\$2M) convertible note. Up to \$32.5M (US\$25M) of senior secured project financing, subject to executing project milestones

Shareholder Breakdown



COPPERSTONE MINE

High grade underground mine located in Arizona, USA

Globally ranked in top 10 jurisdictions for Mining

Arizona Detachment Fault Corridor

Fully permitted, minor modifications expected by Q2

Access to skilled workforce & existing infrastructure



12,259 acres or 50 Square Kilometer land position

KEY VALUE DRIVERS IN 2019-2020

Events	Q1	Q2	Q3	Q4
✓ Resource/Reserve Expansion Drilling	Commenced Drilling January			
✓ Detailed Engineering & Planning	Detailed Engineering & Planning underway			
✓ Permits – Minor Modifications (Air/Water/MPO)	Received Air Permit	Water / MPO		
✓ Metallurgical Testwork	WOL results confirmed			
Leach Plant Design/Construction				
Commissioning and Start-up				
Updated Resource / Reserve				
Mine Development				
Commence Mining Floatation / Whole Ore Leach				
Commercial Production				

FIRST GOLD IN Q2 2020



2019 RESERVE/RESOURCE EXPANSION PROGRAM

Increasing High grade Resource and Mine life

2018 COPPERSTONE RESOURCE*

Category	Grade	Contained Au
M&I Resource	7.63 g/t	276,100 oz
Inferred	6.81 g/t	145,700 oz
P&P Reserve	6.79 g/t	175,093 oz
P&P Reserve	Mine life 4.5 years**	

2019-20 RESOURCE EXPANSION TARGETS

Expansion	Resource Target
M&I Resource	415,000 oz
Inferred	140,000 oz
P&P Reserve target	320,000 oz
P&P Reserve target	Mine life plus 8-10 years

*Kerr Mines 2018 National Instrument 43-101 Technical Report: Preliminary Feasibility Study for the Copperstone Project, La Paz County, Arizona, USA

**Mine Life based on annual production of approximately 40,000 oz/year

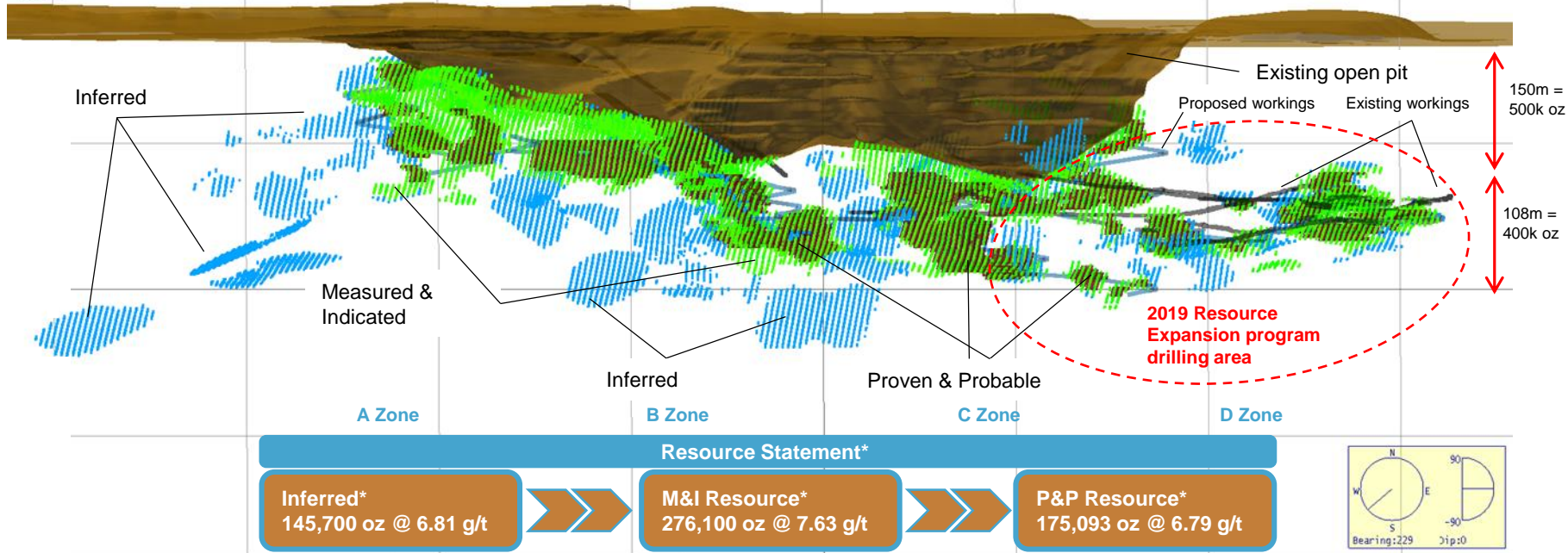
2019-20 Target to increase mine life to +10 years

THE COPPERSTONE MINE – Long View

Historically produced over 500,000 oz in the open pit

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

Strike Length for Measured & Indicated & Inferred 1,550m – Copperstone and Footwall Zones



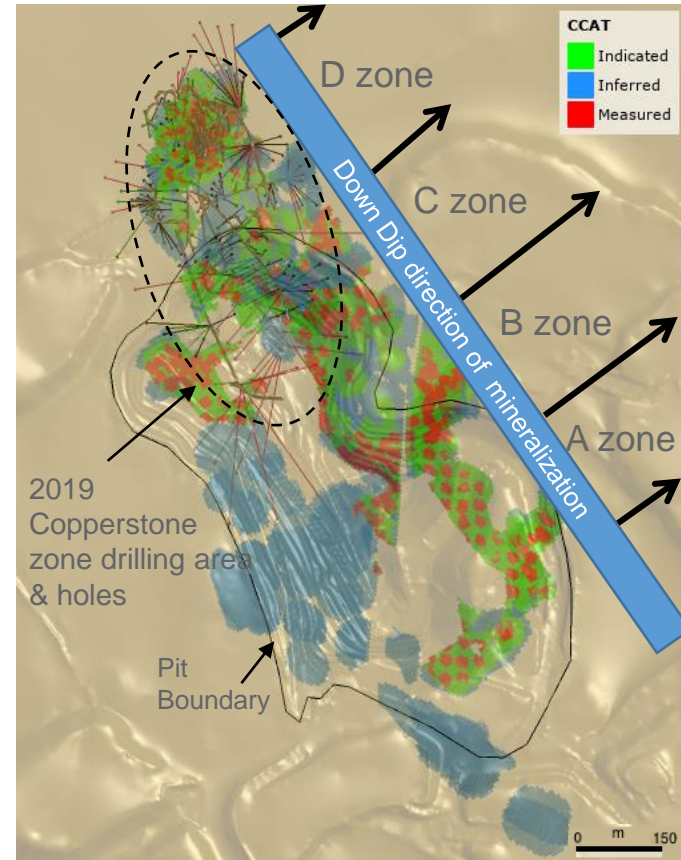
*Kerr Mines National Instrument 43-101 Technical Report: Preliminary Feasibility Study for the Copperstone Project, La Paz County, Arizona, USA

Conversion of MI to P&P

2019 RESOURCE EXPANSION PROGRAM

Conversion, Accretion, In-Fill drilling

- A more effective and targeted underground drilling program of up to 15,000 meters
- Conversion to Measured and Indicated resources
- Accretion to grow resource pipeline to add Inferred resources for later conversion with additional underground access



STRONG PFS RESULTS

Base Case Gold Price \$1,250, Discount Rate 5%

CAPEX Costs
22.7M **



Project Financing
Available

Approx. 40,000 oz Gold
Production p.a.



Mine expansion plans

EBITDA of US\$89.1M



Payback in 2.3 years

Recoveries to Doré: 95%



Excellent gold recoveries, plus 95%

Average Gold grade
M&I 7.6 g/t

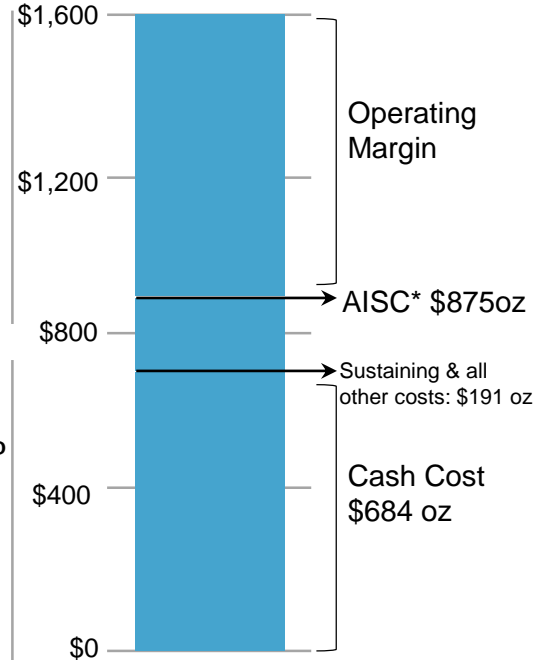


High grade mine

Pre-Tax IRR: 41.7%



High IRR



*AISC is All In Sustainable Costs

Kerr Mines National Instrument 43-101 Technical Report dated April 1, 2018: Preliminary Feasibility Study for the Copperstone Project, La Paz County, Arizona, USA

** Assumes Whole Ore Leach. Existing Flotation mill allows for significant reduction of capital cost estimate

PROJECT ENHANCEMENTS NOT CAPTURED IN PFS

NPV₅ & IRR Sensitives*

	Gold Price US\$/oz	US\$1,150 / oz	US\$1,250 / oz	US\$1,350 / oz
2019 Reserve Expansion target, plus additional ↑ 2018 PFS	NPV ₅	US\$ 52.6M	US\$ 80.4 M	US\$ 108.2M
	IRR	32.2%	45.9%	59.7%
2018 PFS	NPV ₅ in PFS	US\$ 14.2 M	US\$ 27.1M	US\$ 40.0 M
	IRR in PFS	24.0%	41.7%	59.9%

* NPV is calculated on a pre-tax basis

- The 2019 Resource/Reserve Expansion program is focussed on creating shareholder value

2019-20 Resource Expansion program = Up to 2X NPV

2019 PATH TO PRODUCTION

Metallurgical test work, permit modifications & infrastructure



4km of underground access and two portals.
Existing underground electrical, ventilation, water management, compressed air

Metallurgical Test Work

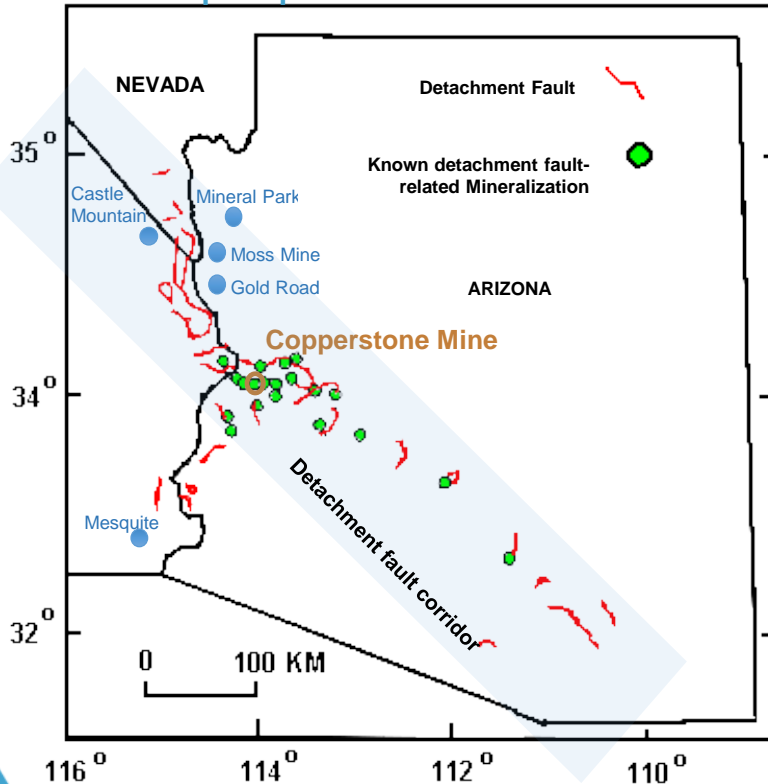
- Optimize leach process– Recoveries, reagents and other consumables
- Validate economics of SART which produces copper as a by-product

Permit Amendments – Minor Modifications

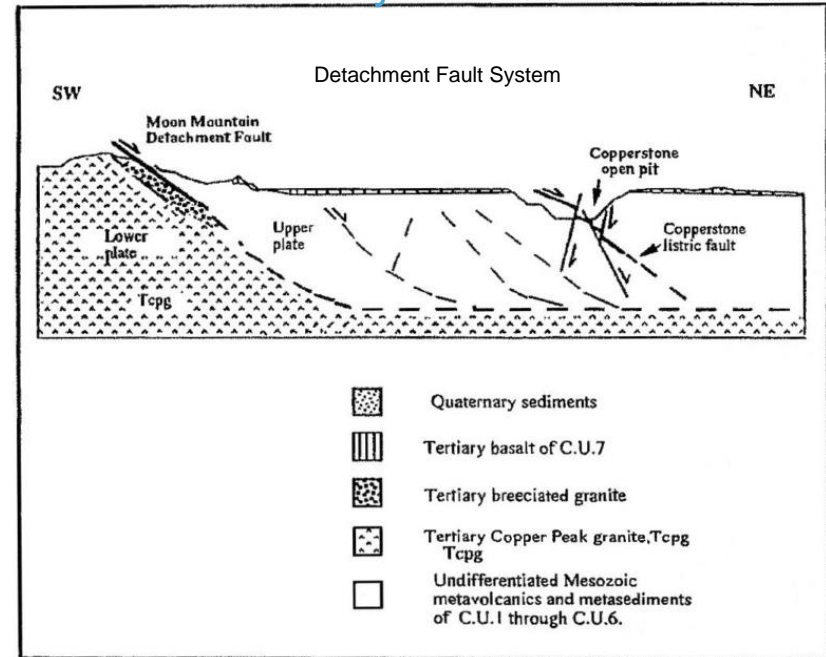
- Mine Plan of Operations for throughput
- Air Quality to include new processing plant - Received
- Aquifer Protection Permit for water management

DETACHMENT FAULT SYSTEM - SCALE POTENTIAL

Multiple parallel zones inherent in Detachment fault systems



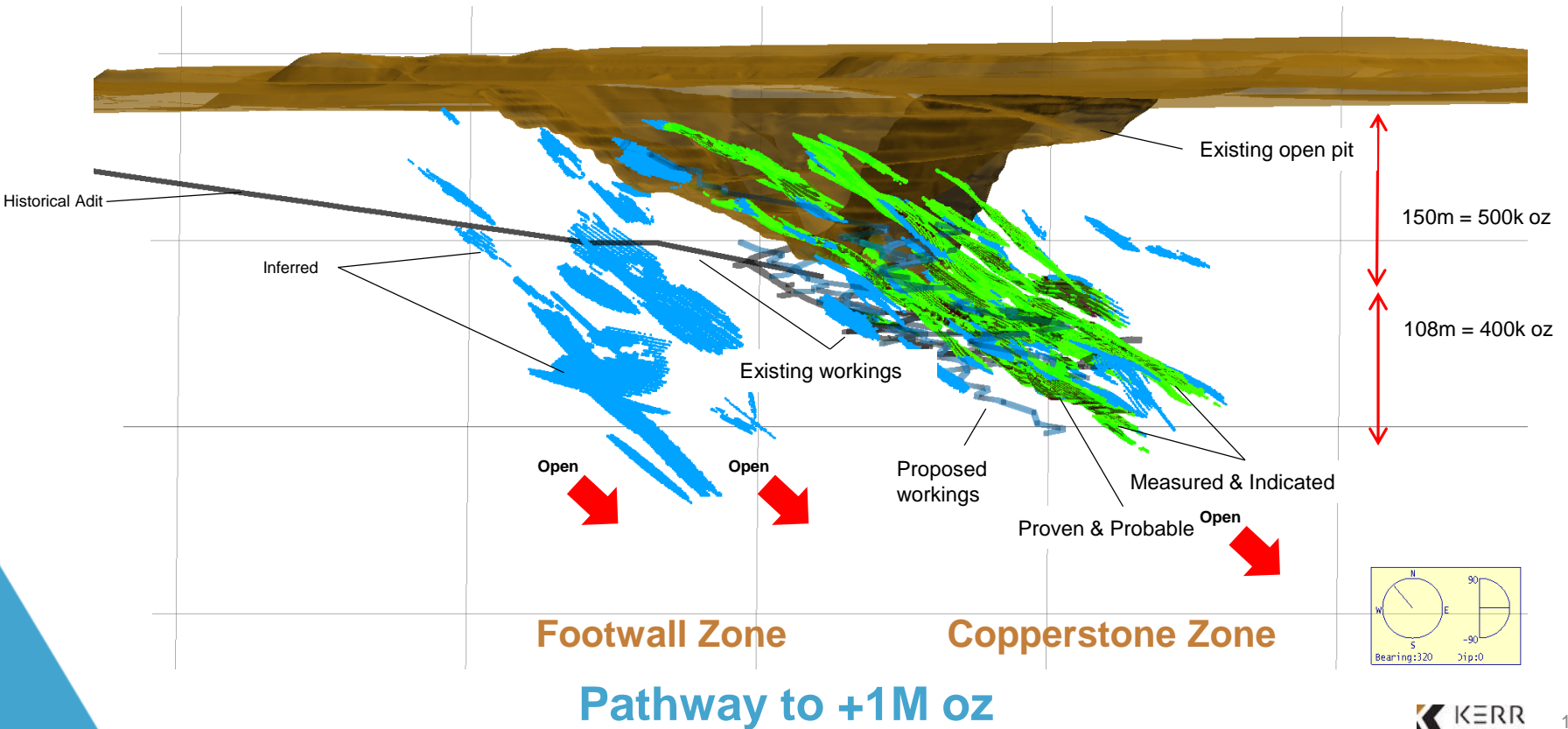
Source: USGS Keith R Long Preliminary descriptive deposit model for detachment fault related model



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

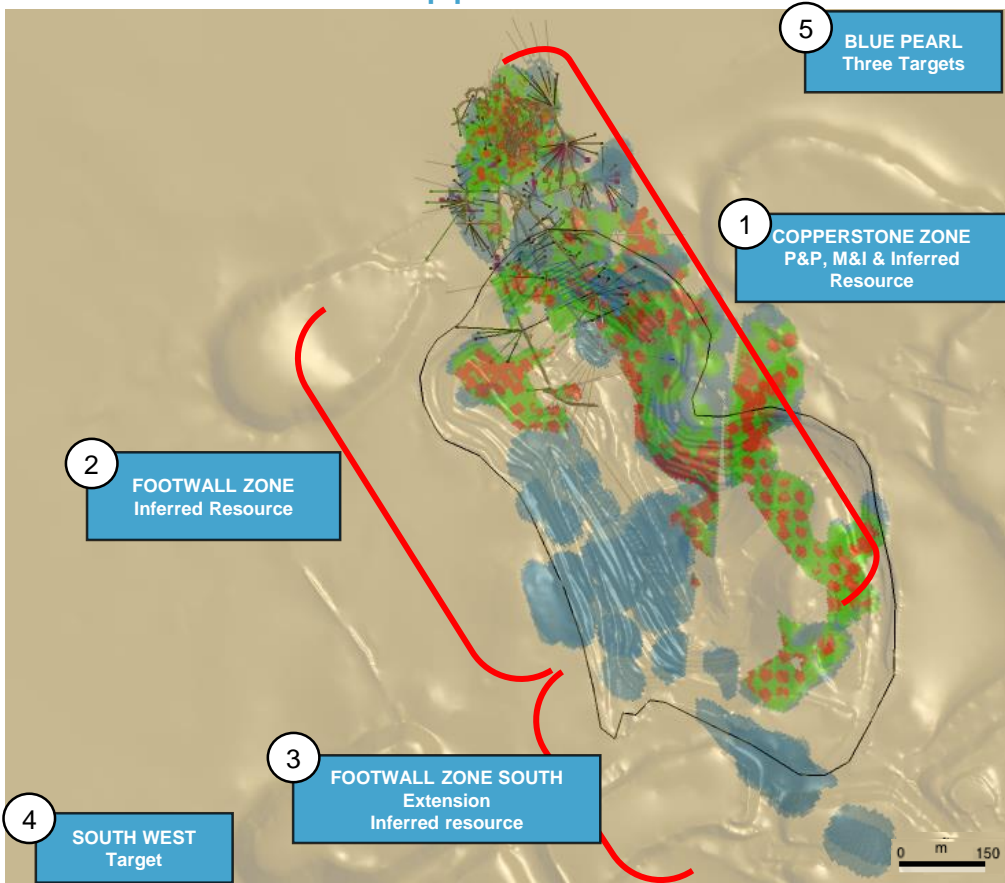
THE COPPERSTONE MINE – Cross Section View

Measured & Indicated & Inferred Resources Copperstone and Footwall Zones



MULTI-MILLION OUNCE RESOURCE POTENTIAL

Parallel Zones to the Copperstone Zone

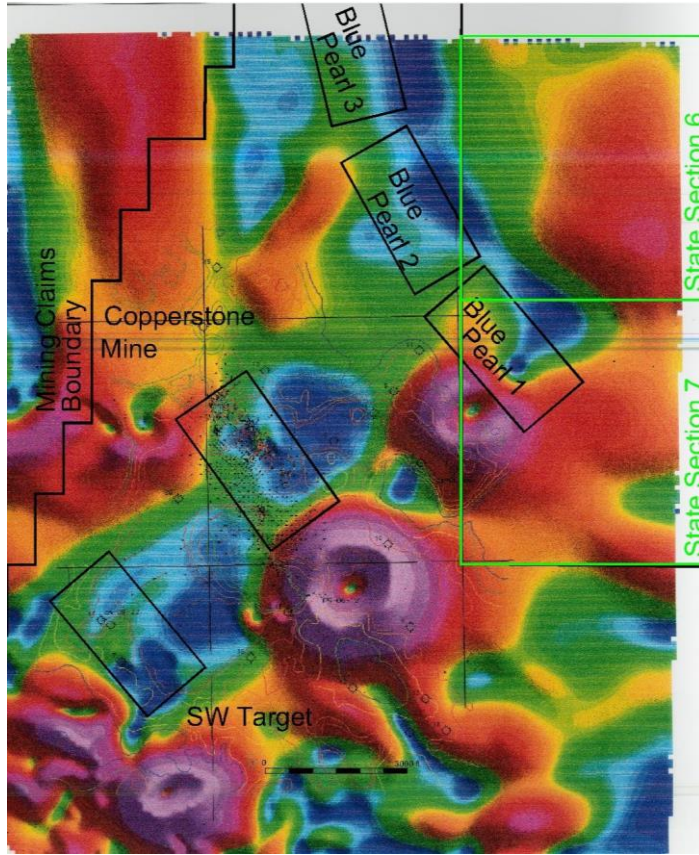


- **1) Copperstone Zone:** 276,073 oz M&I and 53,137 oz Inferred
- **2) Footwall Zone:** 62,000 oz Inferred
- **3) Footwall Zone South Extension :** 30,574 oz Inferred and intercepts of + 8 g/t
- **4) South West target** Has same geophysical signature as Copperstone Zone and intercepts of 8 g/t to 32 g/t
- **5) Blue Pearl Targets** Three Targets of same geophysical signature and size as Copperstone Orebody

Tremendous exploration prospects targeting multi-million ounce potential

MULTI-MILLION OUNCE RESOURCE POTENTIAL

Blue Pearl Targets - Same Geophysical Signature and Size as Copperstone



- Blue Pearl Targets are three Targets of same geophysical signature and size as Copperstone Orebody
- Significance of geophysical signature is that we have both (SW target) and mining (Copperstone) confirmed
- Only 10% of the licence area has been explored
- Property wide exploration opportunity

Tremendous exploration prospects targeting multi-million ounce potential

2019-20 INVESTMENT HIGHLIGHTS & CATALYSTS

Focussed on Shareholder returns

- Mine Life Extension
 - Conversion, Accretion, In-Fill drilling
 - Resource Upgrade
 - Reserve Expansion, plus 8-10 year mine life
- Permit Modifications
- Conclude Project Financing
- Processing & Gold Production
 - Processing Plant Commissioning and Start-up
 - Mine Development
 - Commence Mining & Self-fund Further Reserve Expansion and plus 1Moz and testing the Multi Million ounce potential

MANAGEMENT



Giulio T. Bonifacio – CEO and Director

- Founder, Director, President & CEO of Nevada Copper since its inception in 2005 until his retirement in 2018
- Led and directed efforts at every stage from development, permitting and construction. CPA with over 30 years of experience and knowledge of operations, capital markets and project finance



Martin Kostuik – President and Director

- Mining engineer with over 25 years underground and open pit mining experience. President of Kerr Mines since April 2017
- CEO of Rupert Resources, Operations & Engineering at Barrick's Goldstrike mine



David Thomas – VP Projects & Mine General Manager

- Project Engineer with over 30 years of mine building and operations experience including 5 underground gold projects with Newmont, Bema Gold (Kinross), Teck and others
- EPCM Manager for Newmont (worldwide) and Nordgold (Russia and Africa), EVP of Comstock Mining in Nevada



Michael R. Smith – Exploration and Development

- 38 years exploration and geology, Chief Mine Geologist, Barrick's Goldstrike mine. Led the Arizona Vulture Gold Mine back into production. Executed 20 exploration projects adding \$9 billion in gold resource value alone
- BS Geology Arizona State and MS Geology Mackay School of Mines

BOARD OF DIRECTORS



Fahad Al Tamimi – Chairman

- A businessman with global investment activities
- Former President and CEO of SaudConsult, the largest engineering firm in Saudi Arabia
- Investments in mining



Claudio Ciavarella – Vice Chairman

- CPA, 25 years as private business owner. CEO of Kerr Mines from April 2017 – April 2019
- Owns and operates international businesses in construction and manufacturing
- Investments in mining



Peter Damouni – Director

- Over 18 years of experience in investment banking and capital markets, with expertise in mining and oil and gas
- Led equity and debt financings valued over \$5 billion



Ayman Arekat – Director

- Over 35 years of banking, finance and investment experience
- Previously with Chase Manhattan Bank, Merrill Lynch, Deutsche Bank, Investcorp and Abraaj Capital



James McVicar – Director

- Over 20 years of specialized experience in corporate finance and corporate/commercial matters for natural resources companies



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