



# Developing North America's Newest Gold Discovery

NYSE-Amex: **THM**

TSX: **ITH**



Corporate Presentation  
September 2012

[www.ithmines.com](http://www.ithmines.com)



# Forward-Looking & Cautionary Statements

This presentation contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the anticipated content, commencement and cost of exploration programs, anticipated exploration program results, the discovery and delineation of mineral deposits/resources/reserves, the potential for the expansion of the estimated resources at Livengood, the potential for any production at the Livengood project, the potential for higher grade mineralization to form the basis for a starter pit component in any production scenario, the potential low strip ratio of the Livengood deposit being amenable for low cost surface mine mining that could support a high production rate and economies of scale, the potential for cost savings due to the high gravity concentration component of some of the Livengood mineralization, the completion of a pre-feasibility study at Livengood, the potential for a production decision to be made regarding Livengood, the potential commencement of any development of a mine at Livengood following a production decision, business and financing plans and business trends, are forward-looking statements. Information concerning mineral resource estimates and the preliminary economic analysis thereof also may be deemed to be forward-looking statements in that it reflects a prediction of the mineralization that would be encountered, and the results of mining it, if a mineral deposit were developed and mined.

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this presentation. Such statements are based on a number of assumptions which may prove incorrect, including, but not limited to, assumptions about the level and volatility of the price of gold, the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration and potential development program at Livengood; the Company's ability to attract and retain key staff, particularly in connection with the carrying out of a feasibility study and the development of any mine at Livengood, the timing of the ability to commence and complete the planned work at Livengood, the ongoing relations of the Company with its underlying lessors and the applicable regulatory agencies, and the timetables for the completion of a pre-feasibility study at Livengood and for any feasibility study that may be commissioned.

Accordingly, the Company cautions that any forward-looking statements are not guarantees of future results or performance, and that actual results may differ materially from those set out in the forward-looking statements as a result of, among other factors, variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, material adverse changes in economic and market conditions, changes in the regulatory environment and other government actions, fluctuations in commodity prices and exchange rates, the inability of the Company to raise the necessary capital for its ongoing operations, and business and operational risks normal in the mineral exploration, development and mining industries, as well as the risks and uncertainties disclosed in the Company's most recent Annual Information Form filed with certain provincial securities commissions in Canada and in the Company's most recent Form 40F filed with the United States Securities and Exchange Commission, available at [www.sedar.com](http://www.sedar.com) and [www.sec.gov](http://www.sec.gov), respectively. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events except as required by law. All subsequent written or oral forward-looking statements attributable to the Company or any person acting on its behalf are qualified by the cautionary statements herein.

Scientific or technical information contained herein is derived from the independent NI43-101 technical reports which include more detailed information with respect to the Company's properties, including the dates of such reports and the estimates included therein, details of quality and grade of each resource, details of the key assumptions, methods and parameters used in the resource estimates, a general discussion of the extent to which the resource estimates and the other estimates and projections included in the reports may be materially affected by any known environmental, permitting, legal, taxation, socio-political, marketing, or other relevant issues and you are urged to review such reports in their entirety. **The Company's preliminary economic assessment (PA) discussed herein is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized. Mineral resources that are not mineral reserves do not have any demonstrated economic viability.**

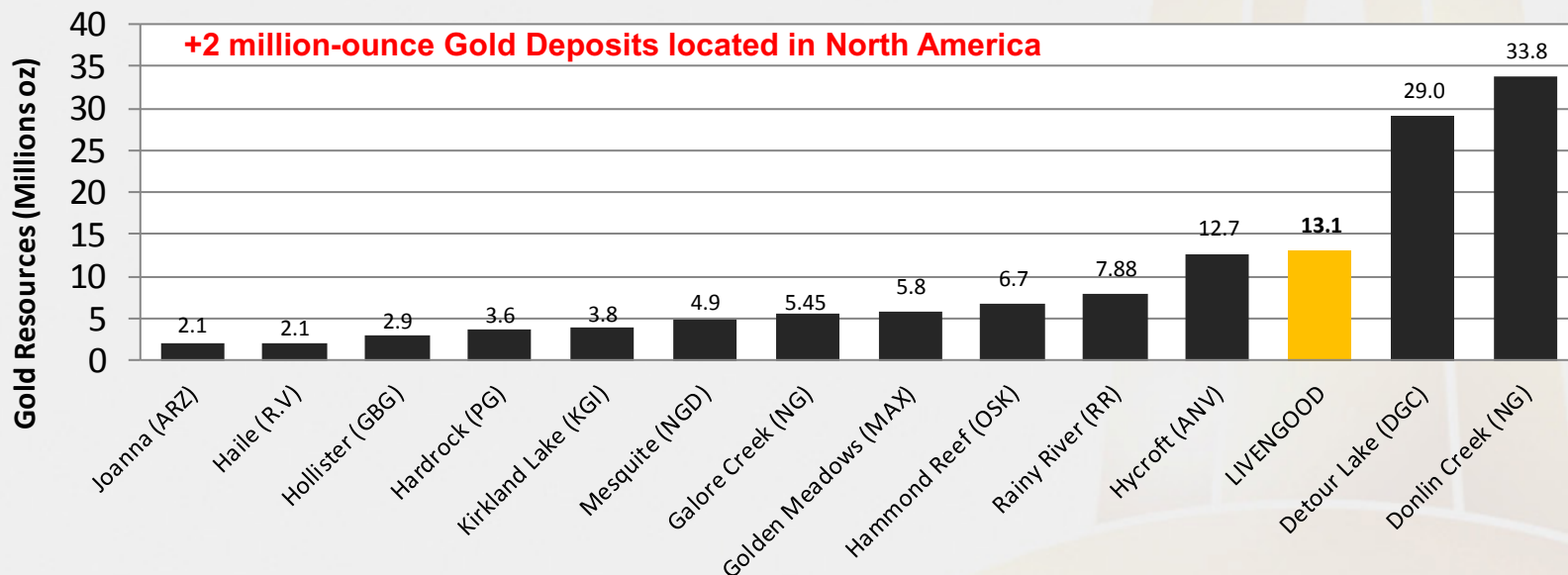
The Company uses certain terms in this presentation, such as "resources," "indicated" and "inferred" that the SEC's guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC. Accordingly, the Company's disclosures regarding mineralization may not be comparable to similar information disclosed by US registered companies. You are urged to consider closely the disclosure in the Company's latest Form 40-F annual report, which may be secured from the Company, or from the SEC's website at [www.sec.gov](http://www.sec.gov).

Note: All monetary values are USD unless otherwise stated.

***International Tower Hill Mines Ltd. is committed to advancing one of the largest undeveloped gold resources in the world:***

## ***THE LIVENGOOD GOLD DEPOSIT***

***The project is located in one of the world's safest and most desirable mining jurisdictions today, INTERIOR ALASKA***





# Mining/Exploration in Alaska

*Fraser Institute 2011/2012  
Survey of Mining Companies  
Findings:*

**Alaska ranks No. 1 for  
“Policy and Mineral  
Potential Assuming no  
land use restrictions in  
place” in the U.S.A.**

**Alaska also ranks No. 1  
for “Current Mineral  
Potential” and “Political  
Stability” in the U.S.A.**

**No trade barriers – no  
worries on tariff and non-  
tariff barriers, restrictions  
on profit repatriation a  
currency restrictions**



## Industry Statistics:

- **\$3.8 billion in gross mineral production value** from six major precious and base metals mines as well as placer mines and gravel operations in 2011
- Export value of **\$1.3 billion** or **31%** of Alaska's **total exports** in 2010



# Livengood: Ideal Location for Mining

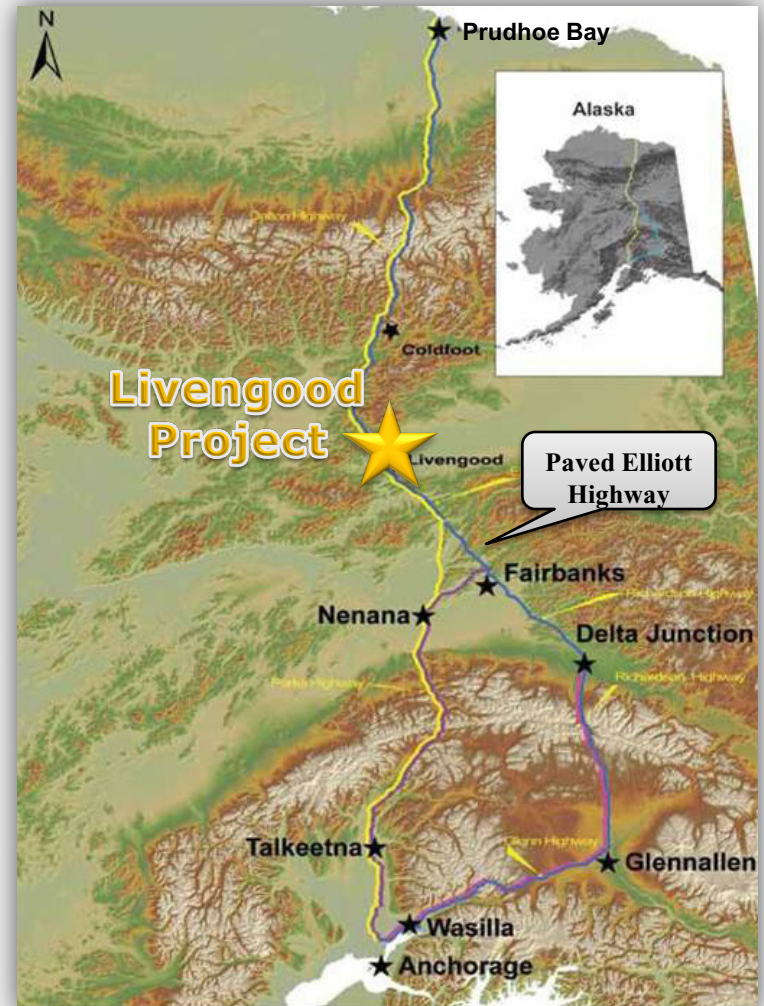
## Located 70 Miles northwest of Fairbanks, AK

- Alaska supports responsible mineral resource development and has well-defined legal frameworks for land tenure, permitting and mining operations
- Access to highly skilled labor force in Fairbanks

## Exceptional Infrastructure Access

- Paved all-season Elliot highway from Fairbanks runs next to the project
- 50 miles from grid power along a permitted infrastructure corridor (Trans-Alaska Oil Pipeline)

Elliott Highway and Trans-Alaska Pipeline



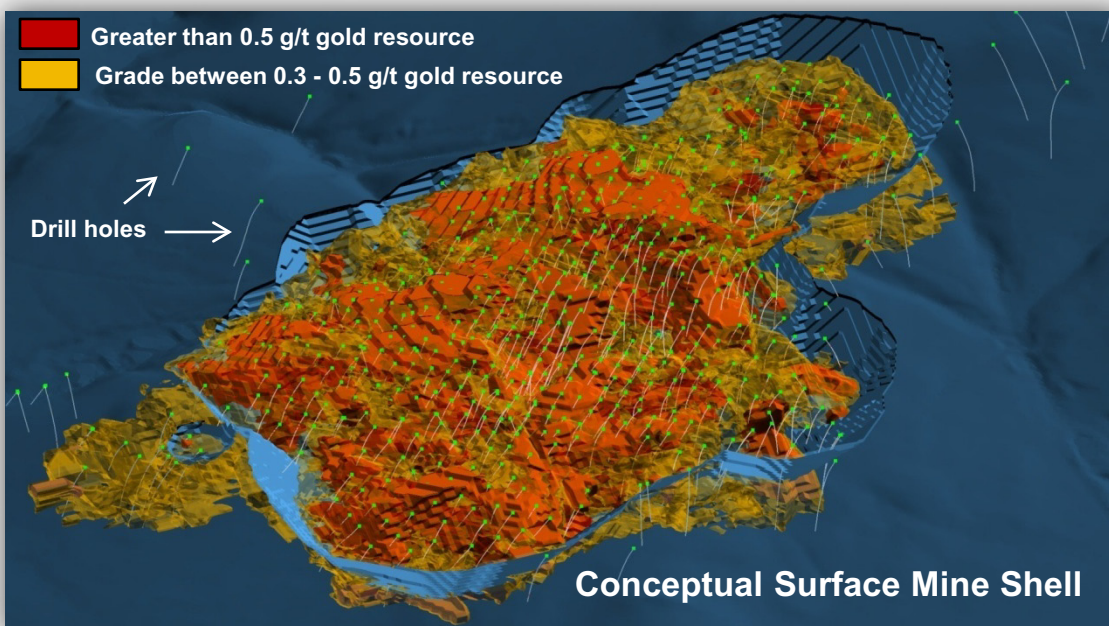


# Livengood Surface Mineral Resource

## Livengood Surface Mine Mineral Resource based on \$1,400/oz Gold

Classification	Au Cutoff (g/t)	Tonnes (millions)	Au (g/t)	Million Ounces Au
Measured	0.22*	676	0.56	12.2
Indicated	0.22*	257	0.52	4.3
<b>M&amp;I</b>	<b>0.22*</b>	<b>933</b>	<b>0.55</b>	<b>16.5</b>
Inferred	0.22*	257	0.50	4.1

\* Cutoff grade is average for variable processing costs and recoveries with average recovery of 79%. Classification of the resources was based on the geostatistical analysis of gold grades and the drill hole spacing in the deposit.



- 100% controlled project which ranks in the top 2% of global gold discoveries in 20 years
- Over 700 holes totaling 160,000m have been drilled since 2006
- Mineralization occurs from surface to +300 m depth as disseminated gold and gold in veinlets hosted in sedimentary and volcanic rocks
- Mineralization remains open at depth and laterally
- Additional 230,000oz historical placer gold resource in vicinity



# Well-Defined Permitting Path

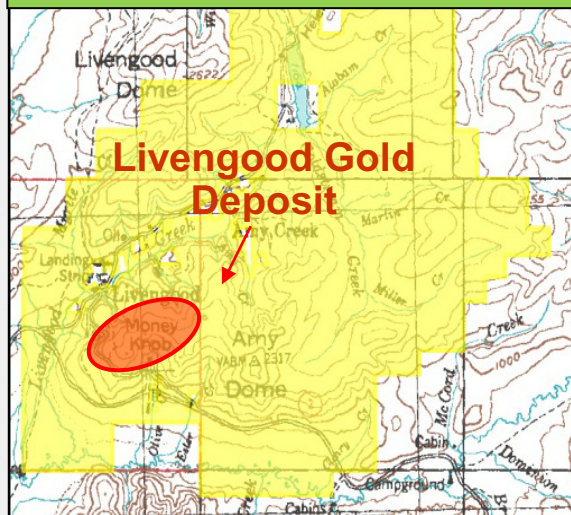
- Gold was first discovered in the Livengood area in 1914 and over 500,000 ounces of placer gold have been recovered
- The State of Alaska's Bureau of Land Management has already designated **Mining** as the primary surface land use for the Livengood area
- Area is characterized by relatively flat terrain with presence of rolling hills, hardy black spruce trees and old and active placer workings
- Environmental baseline studies conducted since 2008 indicate that all environmental aspects of project can be successfully managed
- The Alaska State Mental Health Trust will be a major beneficiary from the development of the project





# Excellent Exploration Potential

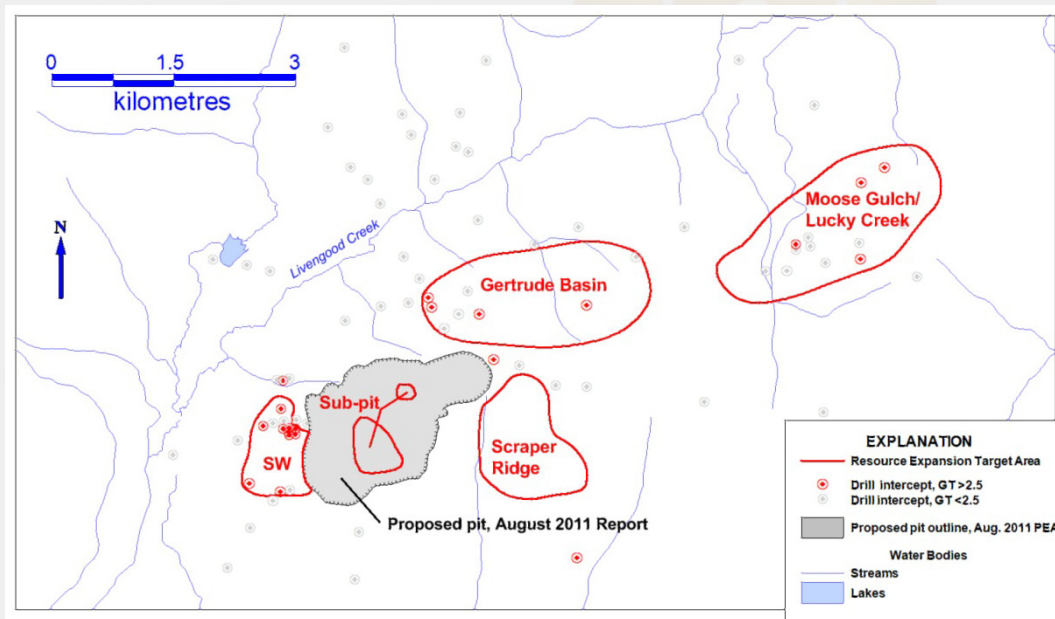
**Total Land Package: 145 km<sup>2</sup>**



## Future Exploration Targets:

Scraper Ridge  
Deep Money Knob Deposit  
SW Zone  
Gertrude Basin  
Moose Gulch/Lucky Creek

- Current resource covers 2.5 km<sup>2</sup> of 145 km<sup>2</sup> land package consisting of Alaska state mining claims, fee simple land, federal patented/unpatented mining and placer claims
- Additional gold mineralization has been found outside the Livengood deposit throughout 2009 – 2011 and represent significant resource expansion potential





# Livengood 2011 PEA – Production Summary



Surface Mine Gold Production	<b>750Mt @ 0.66 g/t for 15.8Moz</b>
Avg. Gold Recovery	<b>81.6%</b>
Total Recovered Gold	<b>12.9 Moz</b>
Avg. Annual Gold Production	<b>562,000 oz</b>
Life of Mine	<b>23 years</b>
LOM Mining Rate	<b>192,000 tonnes per day</b>
Overall Strip Ratio	<b>1.19:1 (overburden to ore)</b>

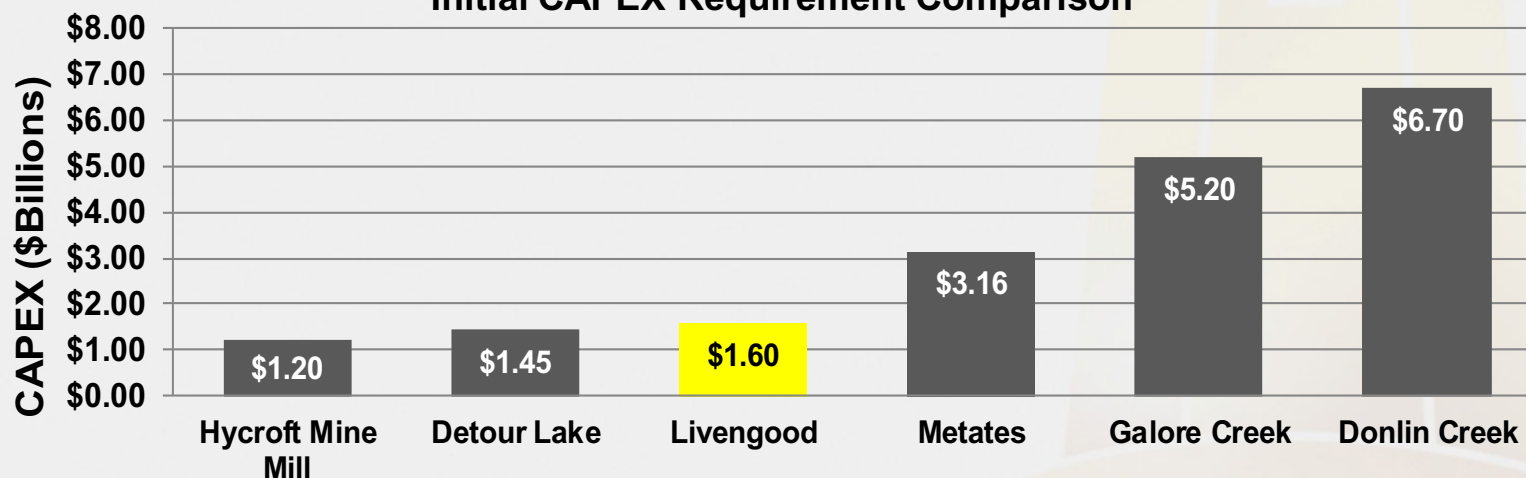
- Daily throughput of 91,000 tonnes of ore
- Average annual production of 664,000 ounces of gold at cash cost of \$557/oz over first five years; LOM production of 562,000 ounces at average cash cost of \$696/oz
- Milling concept utilizes a Gravity/Flotation/CIL processing method with one-third of all gold recovered from gravity circuit. Future optimization for potential Whole Ore-CIL circuit underway
- Metallurgical testing underway to optimize recoveries; testwork to be completed in September 2012

# Livengood 2011 PEA – CAPEX/OPEX

Initial Capital Cost Items	Costs (millions)
Mining	\$271.4
Processing Plant	\$499.8
Infrastructure and Tailing Management	\$203.9
Other (Owner's Cost, EPCM, Indirect costs etc.)	\$315.9
Contingency	\$323.0
<b>Total Initial CAPEX</b>	<b>\$1,614.0</b>
Sustaining CAPEX	\$585.0
<b>Total Life of Mine CAPEX</b>	<b>\$2,199.0</b>

Operating Cost Items	Costs per Process Tonne
Mining Cost	\$3.87
Mill Processing Cost	\$6.81
G&A Cost (transport included)	\$0.81
Reclamation	\$0.08
Gold Refining	\$0.08
Royalty	\$0.47
<b>Total</b>	<b>\$12.12</b>

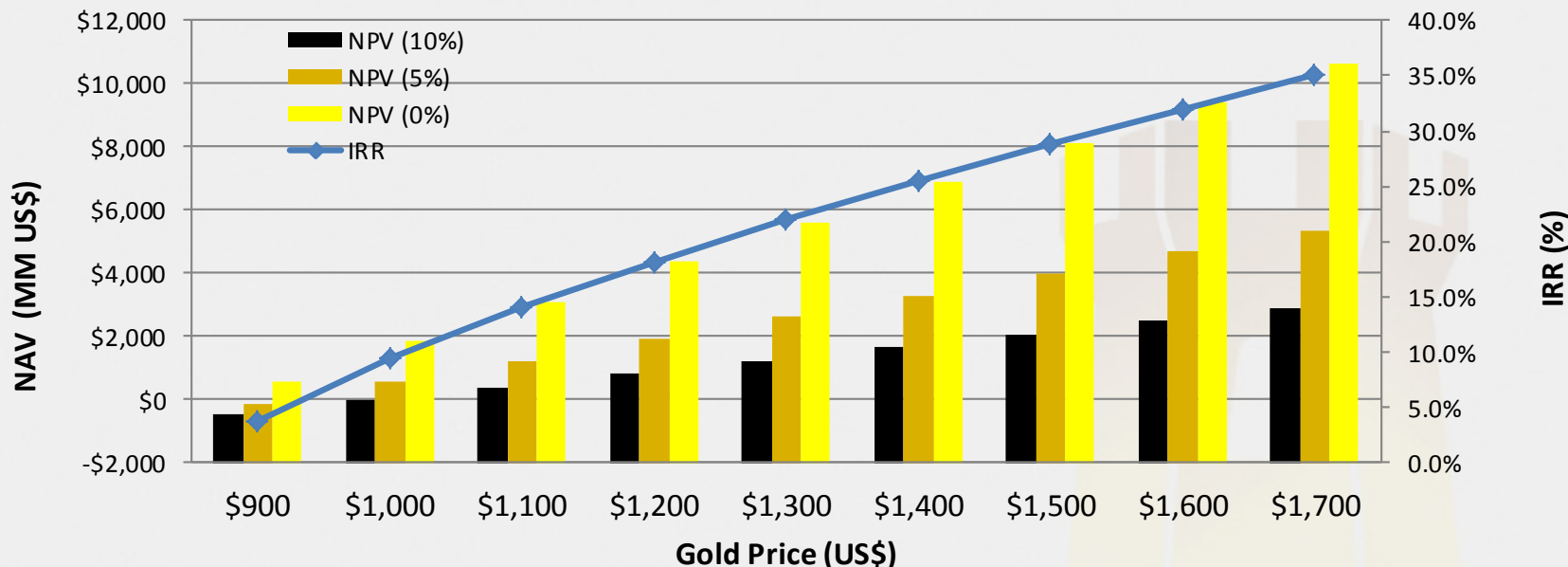
Initial CAPEX Requirement Comparison





# Livengood 2011 PEA Financial Results

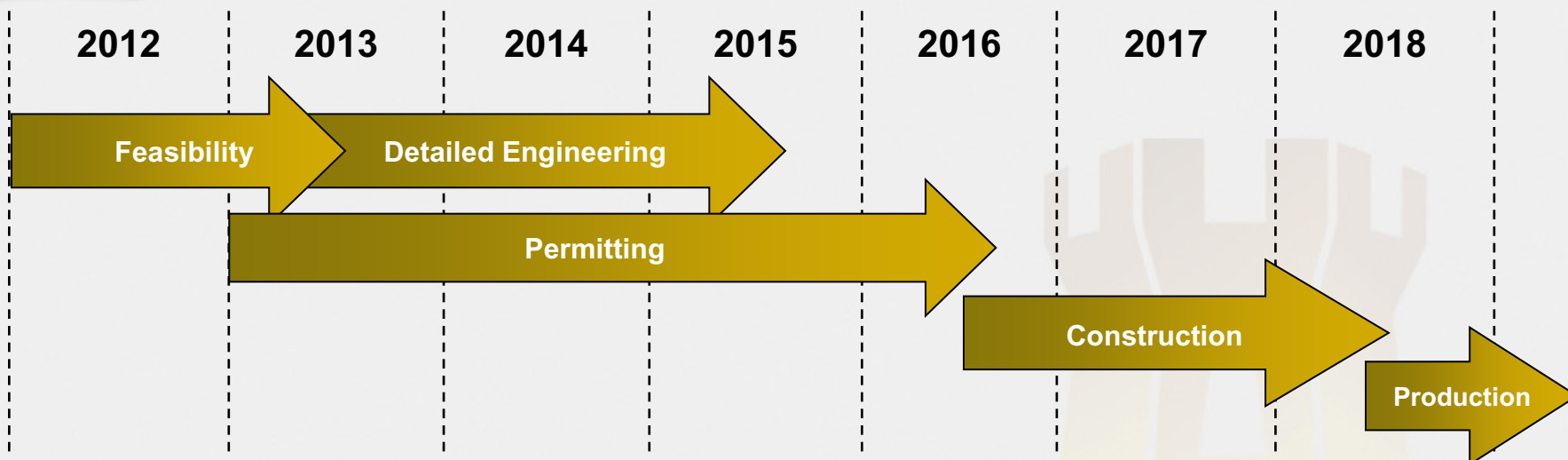
**NAV & IRR Sensitivity (on 100% Equity, Pre-Tax Basis)**



	Base Case	Long-Term Case	Recent Spot Prices
<b>Gold Price</b>	\$1,100/oz	\$1,400/oz	\$1,700/oz
<b>Net Cash Flow</b>	\$3.11 Billion	\$6.87 Billion	\$10.64 Billion
<b>Payback (years)</b>	4.9	3.2	2.3
<b>Operating Costs/Oz (LOM)</b>	\$696	\$712	\$721
<b>Total Costs/Oz (LOM)</b>	\$859	\$884	\$893

The Company cautions that it has not demonstrated that it will be economically viable to build and operate a mine at Livengood and that it is not in a position at this time to make, nor has it made, a production decision. Accordingly, there is a significant risk that the Company will not be able to economically build or operate a mine at Livengood, and that it will not, therefore, make a decision to commence the building of a mine at Livengood. Even if a production decision is made, there can be no assurance that the Company would be able to build a mine at Livengood within the projected timeframe, or at all.

# Conceptual Mine Development Timeline



<u><b>Feasibility Study</b></u>	<u><b>Key State Permits</b></u>	<u><b>Construction</b></u>	<u><b>Production</b></u>
<p>Project Design &amp; Cash Flow Optimization</p> <p>CAPEX Refinement</p> <p>Metallurgy Optimization Studies</p>	<p>Mine Reclamation Permit</p> <p>Overburden Management Permit</p> <p>Water Discharge Permit</p> <p>Fish Habitat Permit</p> <p>Air Quality Plan</p> <p><u><b>Key Federal Permits</b></u></p> <p>ACE 404 Wetlands Permit</p> <p>Environmental Impact Study</p>	<p>Main Milling/Process Facilities</p> <p>Tailing Storage Facility</p> <p>Overburden Storage Areas</p> <p>Power Line &amp; Substations</p> <p>Pre-production Mining</p> <p>Shops, Offices &amp; Warehouse</p> <p>Roads</p> <p>Pipelines</p>	<p>Average annual production of 664,000 ounces of gold at cash cost of \$557/oz over first five years</p>

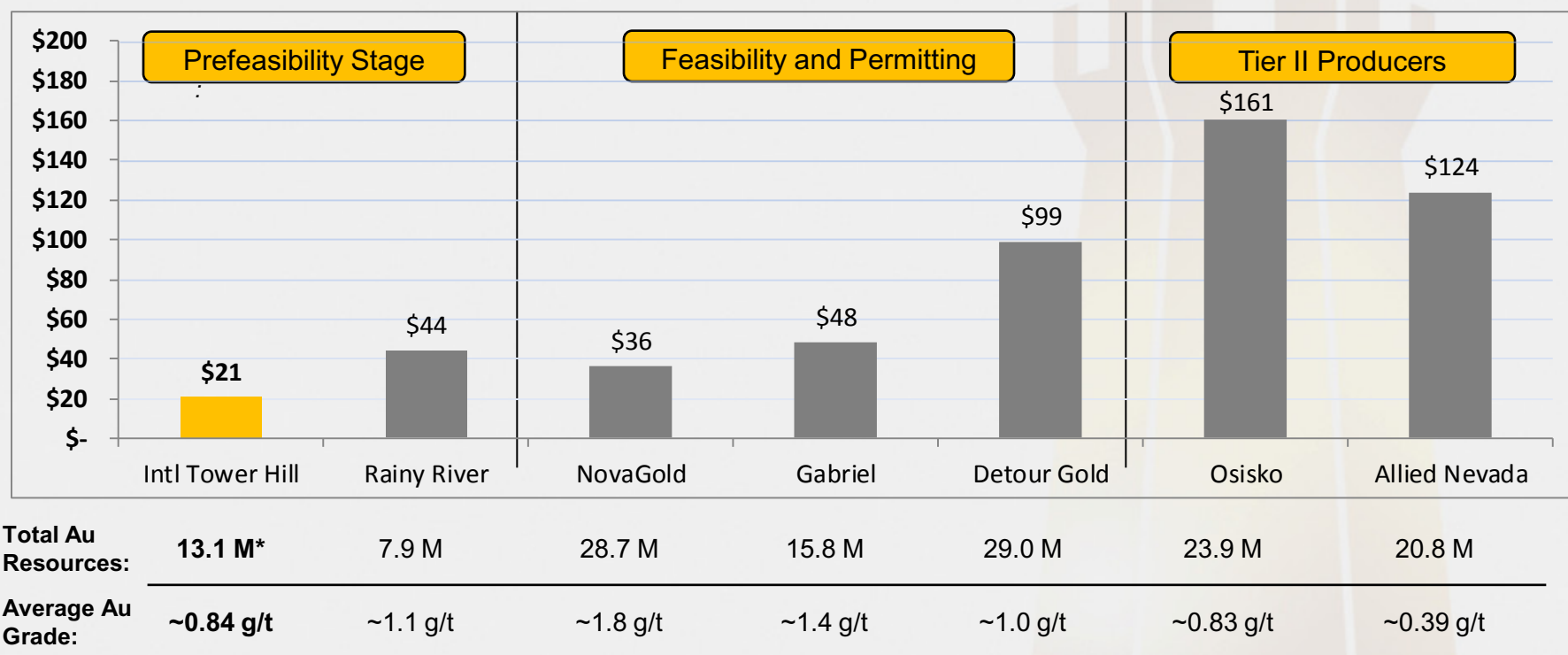
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# Market Valuation Comparison

***Per ounce industry valuation commonly reflects project advancement toward production and de-risking of the production plan – THM is a significant call option on gold***

## Junior Gold Explorers and Developers AMC/oz of M+I+I Resources



\*0.50 Au g/t cutoff

Data as of August 27, 2012.

# Share Structure

**TSX: ITH - NYSE-A: THM - Frankfurt: IW9**

(as of August 27, 2012)

Issued & Outstanding Shares	96,142,227
Shares Fully Diluted	104,437,227
Cash (as of June 30, 2012)	C\$29.9 Million
Market Capitalization	C\$291.3 Million

Major Institutional Shareholders	Shares Held	%
Tocqueville Asset Management LP	16,208,144	16.8
AngloGold Ashanti	11,073,323	11.5
Paulson & Co.	8,949,654	9.3
Van Eck Associates	5,370,399	5.6
Total Institutional Ownership	52,722,285	54.8



# Investment Highlights

- ✓ *Major new gold deposit located in a highly stable, low-risk, resource-focused and mining-friendly jurisdiction*
- ✓ *Project situated next to all-season highway along a permitted infrastructure corridor near other operating gold mines*
- ✓ *Highly favorable permitting environment*
- ✓ *Multiple financial strategies for funding development of the project*
- ✓ *Strong management and development team with major Alaskan and global project permitting and building experience*



# Management Team

## Track Record of Large Mine Development and Permitting Success

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**Jeff Pontius**  
*Interim CEO*

Founder of ITH with 35 year career with mining companies in senior management positions at AngloGold Ashanti and NERCO Mineral Co. Discoveries include Elder Creek, Yankee and N. Bullfrog deposits mines in Nevada; Cripple Creek in Colorado; Livengood in Alaska.

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**Tom Yip**  
*CFO*

+25 years of financial management experience including strategic planning, M&A, treasury and capital structure, reporting and risk management with publicly traded resource companies such as Silver Standard Resources, ASARCO LLC and Echo Bay Mines Ltd.

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**Thomas Irwin**  
*Vice President, Alaska*

+35 years in the natural resource industry. Most recently served as Commissioner of the Alaska Department of Natural Resources. Also responsible for engineering and mine design at Kinross's Fort Knox Mine and held positions as the mine's Operations Manager and General Manager. Experience includes General Manager of Amax Gold's Sleeper Mine and Climax Mine.

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**Allen Thabit**  
*Manager of Engineering*

33 years of experience in project engineering, construction, maintenance and management. He is the president of Jade Diamond Consulting Inc., which has provided consulting services to projects such as Kennecott's Utah Copper-MAP project, Alacer Gold Corp's Copler project in Turkey, Goldfields Peru's Cerro Corona project and the AngloGold Ashanti's Cripple Creek & Victor mine.

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**Karl Hanneman**  
*General Manager, Alaska*

30 years in the Alaska mining industry. Served as Alaska Regional Manager with Teck during exploration, development, and permitting of the Pogo Gold Mine. Also provided strategic guidance on issues related to the Red Dog Mine as the senior corporate representative in Alaska for Teck.

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**Chris Puchner**  
*Chief Geologist*

+30 years of North American exploration experience focusing on resource and mine development in Alaska, the western US and Mexico. He managed the initial development work on the Nixon Fork Gold mine in Alaska as well as led a mineral potential assessment effort for Doyon Alaska Native Corp. on their Alaska mineral lands.

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# Board of Directors

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**Donald C. Ewigleben**  
**Chairman**

35 years of experience in the mining industry overseeing legal, regulatory environmental and government affairs. Previously, he was President and Chief Executive Officer of AngloGold Ashanti North America and served as the Executive Officer – Sustainability & Legal Affairs and Executive Officer – Law, Safety, Health & Environment for AngloGold Ashanti Ltd.

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**Jonathan A. Berg**

36 years experience in finance and investments. Formerly the president, CIO and founder of Berg Capital Corp. He has been involved with the start-up of several companies, acted as a consultant on finance and corporate structure and assisted in the financing of early-stage companies.

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**Daniel A. Carriere**

Instrumental in the development/financing of small to medium capitalized companies, private and public in North America. A founding partner of Corriente Resources and director of ID Biomedical Corporation.

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**Anton J. Drescher**

President of Westpoint Management Consultants which provides tax and accounting consulting services for business reorganizations. He is also a director of Dorato Resources and Trevali Resources.

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**Timothy J. Haddon**

President of International Natural Resource Management Co., a mining industry consulting service provider and investor. Currently Chairman of Alacer Gold and lead director for Thompson Creek Metals.

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**Mark R. Hamilton**

Retired U.S. Army Major General following 31 years of active military duty, primarily in the fields of teaching, management and administration. He was the past president of the University of Alaska System and he currently serves on the BP Advisory Board.

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**Jeffrey A. Pontius**

Founder of ITH and past CEO, current CEO of Corvus Gold . 35 year career with mining companies in senior management positions at AngloGold Ashanti and NERCO Mineral Co. Discoveries include Elder Creek, Yankee and N. Bullfrog deposits mines in Nevada; Cripple Creek in Colorado; Livengood in Alaska.

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**Roger R. Taplin**

Partner in McCarthy Tétrault's Business Law Group and is the co-leader of the Global Mining Group. Experience includes advising on significant mining M&A transactions, including takeover bids.





# Developing North America's Newest Gold Discovery

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