



# RICHMONT



TSX - NYSE MKT: RIC

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

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

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*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
- 48,171 ounces of gold produced in the first half of 2014
- 75,000 - 85,000 ounce targeted gold production for 2014

## **Quality Asset Base**

- Mines in low-risk jurisdictions: Ontario and Quebec
- Developing new 1.1 million ounce inferred resource below operating Island Gold mine, grade of 9.3 g/t Au
- Global gold resource of over 5 million ounces

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

- \$35.7 million of cash & term deposits, debt < \$5 million, at June 30, 2014
- 47.6 million shares on TSX and NYSE MKT

# 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



Ontario

Wawa Area

## Beaufor Mine Property



**2014 Production Forecast**

~ 35,000 – 40,000 Au ozs

1,200 Tpd Camflo Mill (50 km)



Quebec

Val-d'Or Area

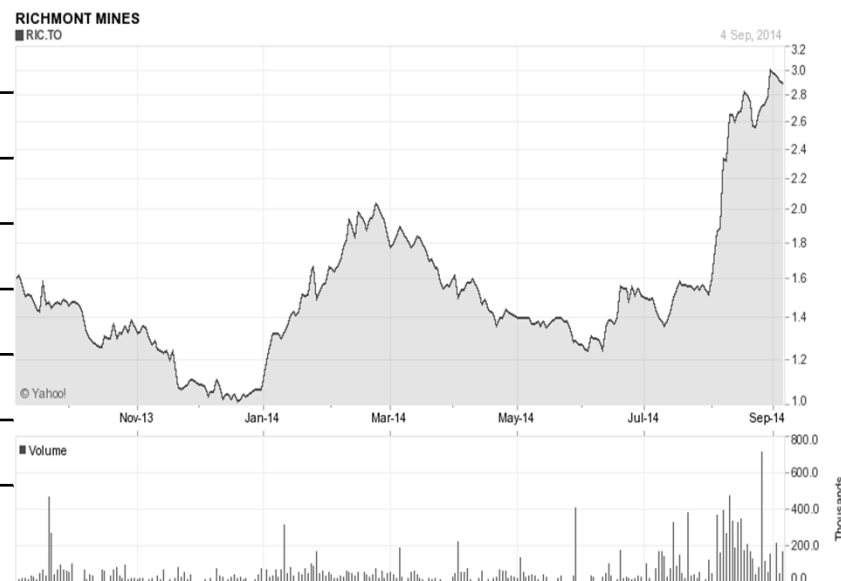
## Monique Mine



# Corporate Overview

<b>RIC:</b> (Sep. 4, 2014)	<b>TSX</b> (CAN\$)	<b>NYSE MKT</b> (US\$)
Closing Price	\$2.90	\$2.65
52-week trading range	\$1.00 - \$3.07	\$0.94 - \$2.82
Market capitalization	\$138 million	\$126 million
Average 3 month daily trading volume (shares)	~ 127,500	~ 221,300

<b>Cash &amp; Term Deposits (Jun 30, 2014)</b>	<b>\$35.7 million</b>
<b>Long-term Debt (June 30, 2014)</b>	<b>\$4.9 million</b>
<b>Current Enterprise Value</b>	<b>\$99 million</b>
<b>H1 2014 Operating Cash Flow (per share)</b>	<b>\$0.37</b>
<b>H1 2014 Net Free Cash Flow<sup>1</sup> (per share)</b>	<b>\$0.12</b>
Shares outstanding (millions)	47.6
Management and Director Ownership (%)	~11%
Number of employees (June 30, 2014)	414



# Record Quarterly Performance

## Strong Revenue & Operating Cash Flow

FINANCIAL HIGHLIGHTS	FY 2013 (12 mos. ended Dec. 31, 2013)	Q2 2014 (3 mos. ended June 30, 2014)
Gold sales	63,443 ozs	27,790 ozs
Average cash cost per ounce	US \$1,095	US \$779
Average selling price per ounce	US \$1,378	US \$1,283
Revenue	\$90.2 million	\$39 million
Operating Cash Flow	\$3.5 million	\$13.4 million
Cash & term deposits	\$17.6 million	\$35.7 million
Long-term debt	\$5.2 million	\$4.9 million
Adjusted EPS (loss)	(\$0.26) <sup>1</sup>	\$0.12 <sup>2</sup>
Operating cash flow per share	\$0.09	\$0.29

(1) FY2013 EPS is Adjusted EPS, a non-IFRS Financial Performance Measure, and excludes a non-cash write-down of the W Zone Mine assets, a write-off of deferred income and mining tax assets, a write-off of financing costs following the termination of a debt-financing agreement and severance charges. (2) Q2 2014 EPS is Adjusted EPS, a non-IFRS Financial Performance Measure, and excludes severance costs related to the departure of the President and CEO of \$1.05 million (\$0.98 million after-tax).

# Directors and Management

## Senior Credentials in a Junior

### BOARD OF DIRECTORS

<b>Greg Chamandy, Exec Chairman</b>	Co-Founder and Former CEO of Gildan Activewear
<b>Elaine Ellingham, PGeo, MSc, MBA</b>	Previously TSX, IAMGOLD, Campbell Resources, Rio Algom
<b>Dr. Jim Gill, BSc, MSc, PhD</b>	Founder of Aur Resources Inc.
<b>René Marion, Eng.</b>	Former CEO AuRico Gold
<b>Michael Pesner, CA</b>	President of Hermitage Canada Finance, previously KPMG

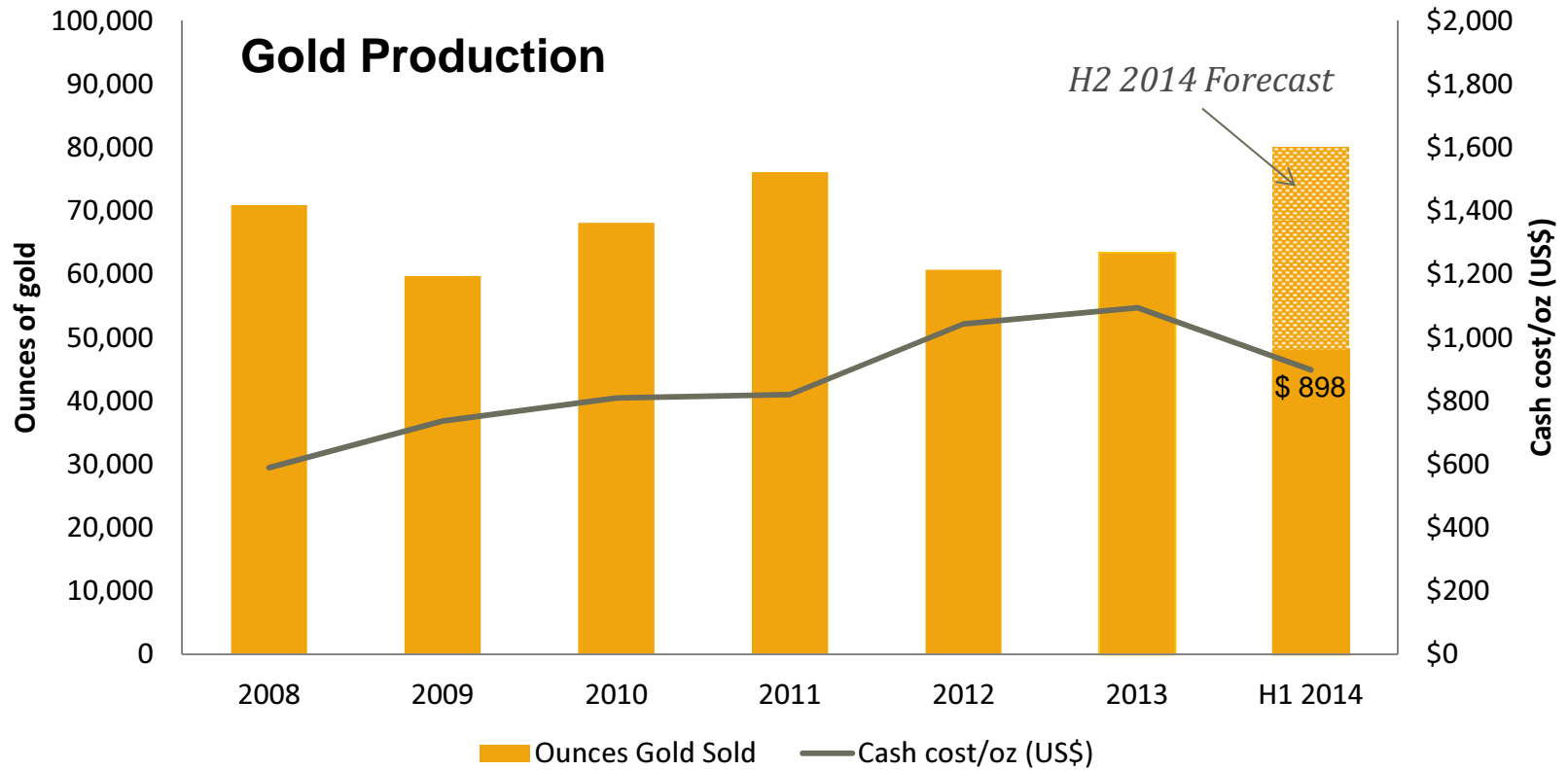
### MANAGEMENT TEAM

Elaine Ellingham, P. Geo. M. Sc, MBA	Interim President and CEO
Pierre Rougeau, B. Sc., M. Sc Finance	Executive V. P. and CFO - <i>Former CFO of Abitibi Consolidated</i>
Rosaire Émond, Eng.	V. P. and COO - <i>Experience: Placer Dome and Agnico-Eagle</i>
Daniel Adam, Geo., PhD	V. P. Exploration - <i>Experience: Selbaie Mines</i>
Nicole Veilleux, CPA, CA	Finance Director - <i>Experience: Auditor at KPMG LLP, Norbord Industries</i>
Jean Bastien, Eng., MBA	Manager, Island Gold Mine - <i>Experience: Cambior, Agnico-Eagle and Aurizon</i>
Marc-André Lavergne, Eng.	Manager, Beaufor & Monique mines - <i>Experience: Cambior, Agnico-Eagle, North American Palladium</i>



# Long-term Producer

## Experienced Operators



# Island Gold Mine

## Cornerstone Asset – 100% Owned

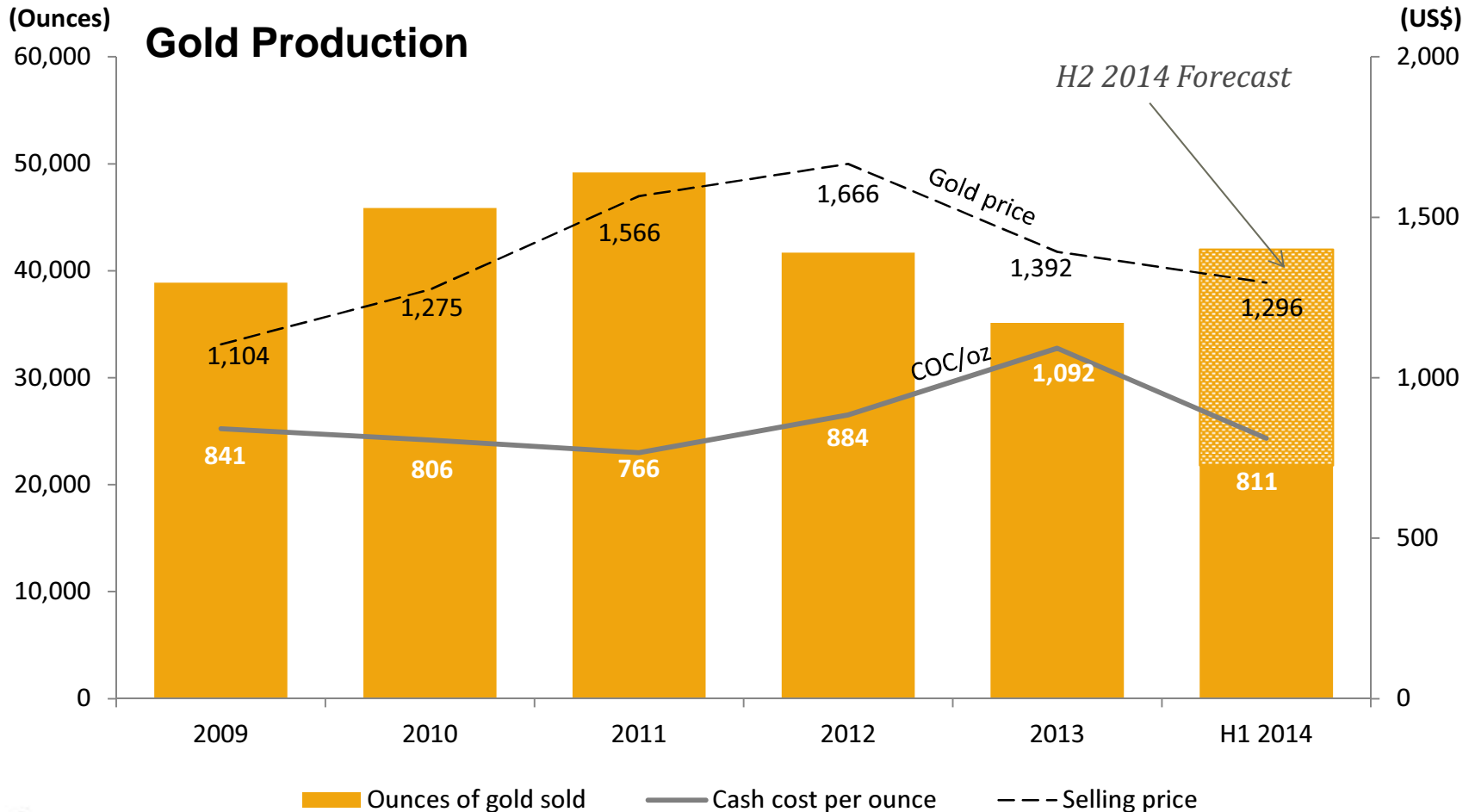
- 303,000 ozs of gold produced since 2007
- Historical grade @ ~ 5.7 g Au/t
- 2014 cost reduction initiatives: addition of 4 new trucks & efficiency consultant
- On-site mill operated at record capacity of 25,000 t in May
- Improved grade, production and cash cost in H1 2014



ISLAND GOLD MINE PERFORMANCE	FY 2009 <i>12 months ended Dec. 31</i>	FY 2010 <i>12 months ended Dec. 31</i>	FY 2011 <i>12 months ended Dec. 31</i>	FY 2012 <i>12 months ended Dec. 31</i>	FY 2013 <i>12 months ended Dec. 31</i>	H1 2014 <i>6 months ended June 30</i>
Tonnes	211,773	251,237	261,731	246,743	<b>244,631</b>	<b>124,569</b>
Gold recovery (%)	94.5%	95.5%	95.9%	96.5%	<b>96.1%</b>	<b>96.1%</b>
Head grade	6.04 g/t	5.95 g/t	6.10 g/t	5.45 g/t	<b>4.65 g/t</b>	<b>5.66 g/t</b>
Gold ounces sold	38,879	45,865	49,196	41,686	<b>35,113</b>	<b>21,795</b>
Avg. cash cost/oz (US\$) <sup>3</sup>	736	783	766	884	<b>1,092</b>	<b>811</b>
Avg. sales price/oz (US\$)	967	1,238	1,566	1,666	<b>1,392</b>	<b>1,296</b>

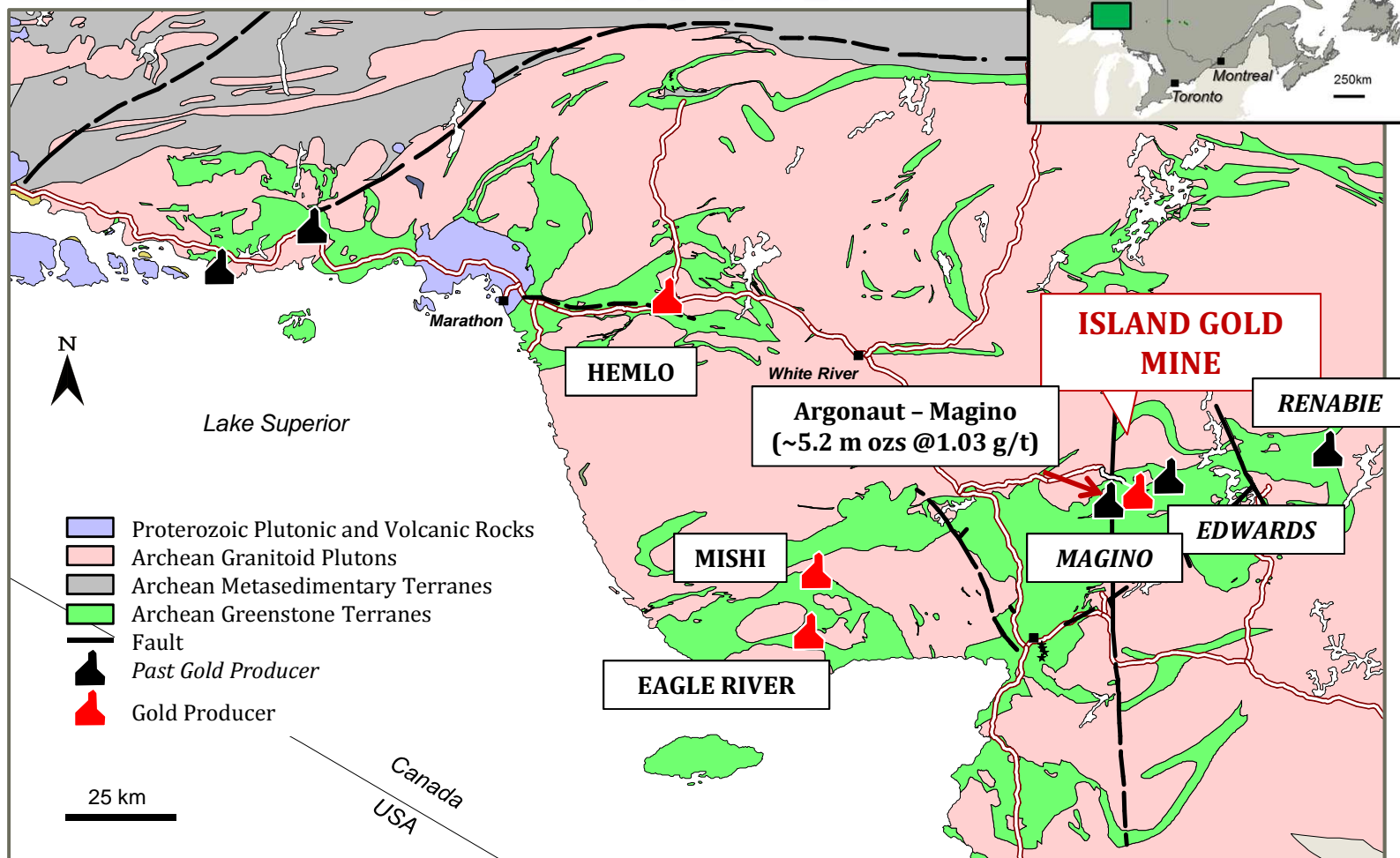
# Island Gold Mine

## Established Base for Future Growth



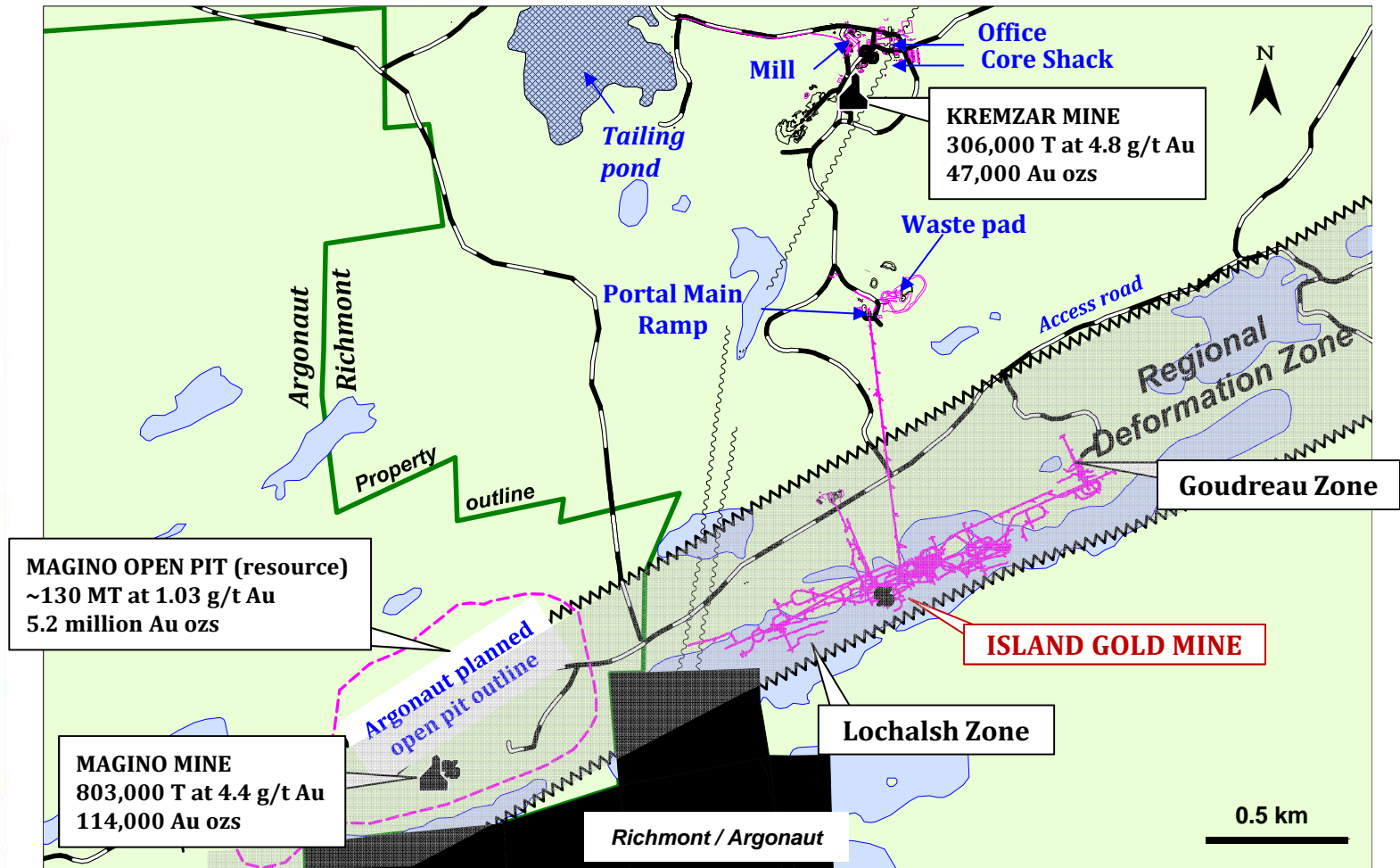
# Island Gold Mine

## Location Map



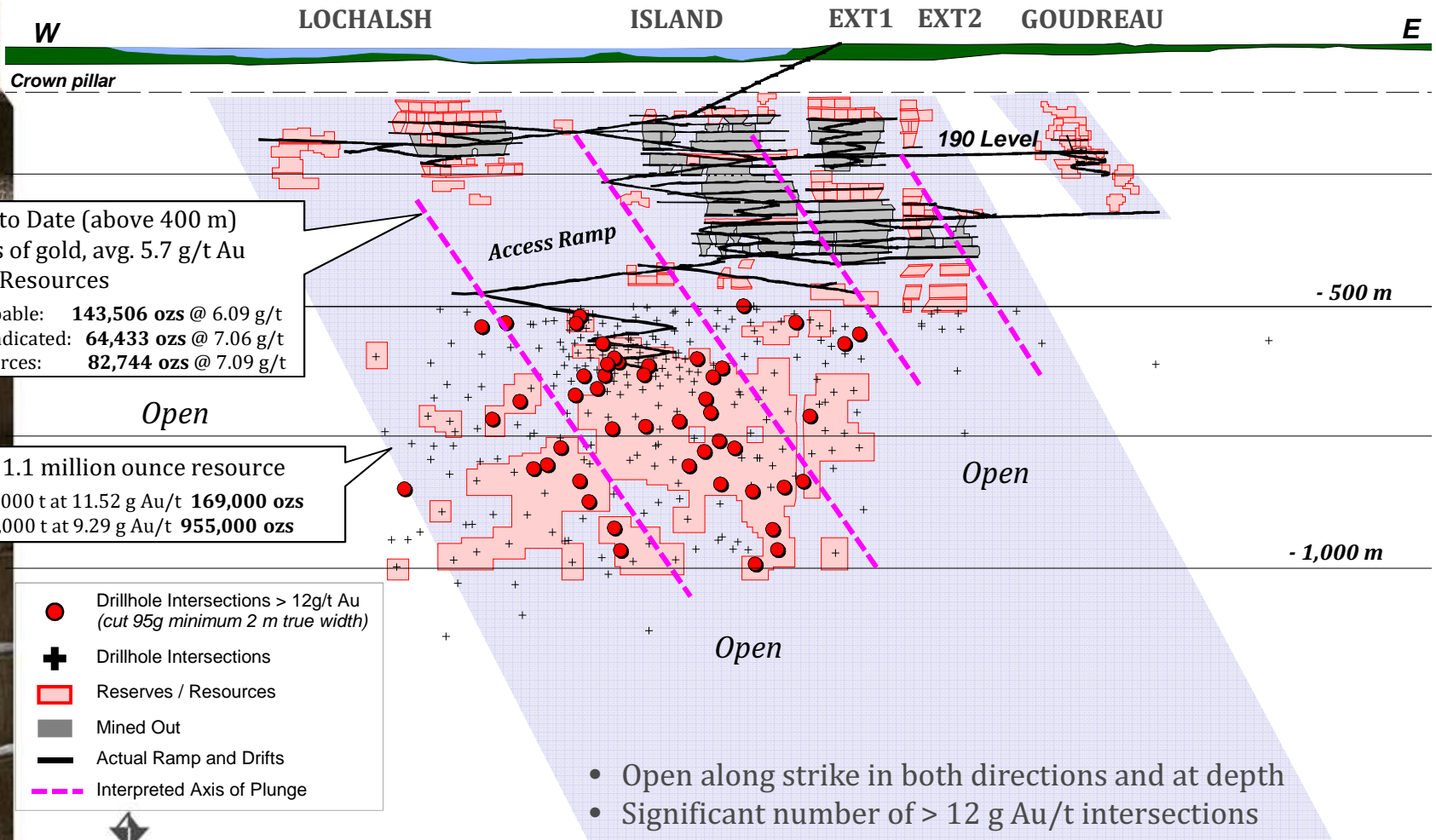
# Island Gold Mine

## Site Map and Infrastructure



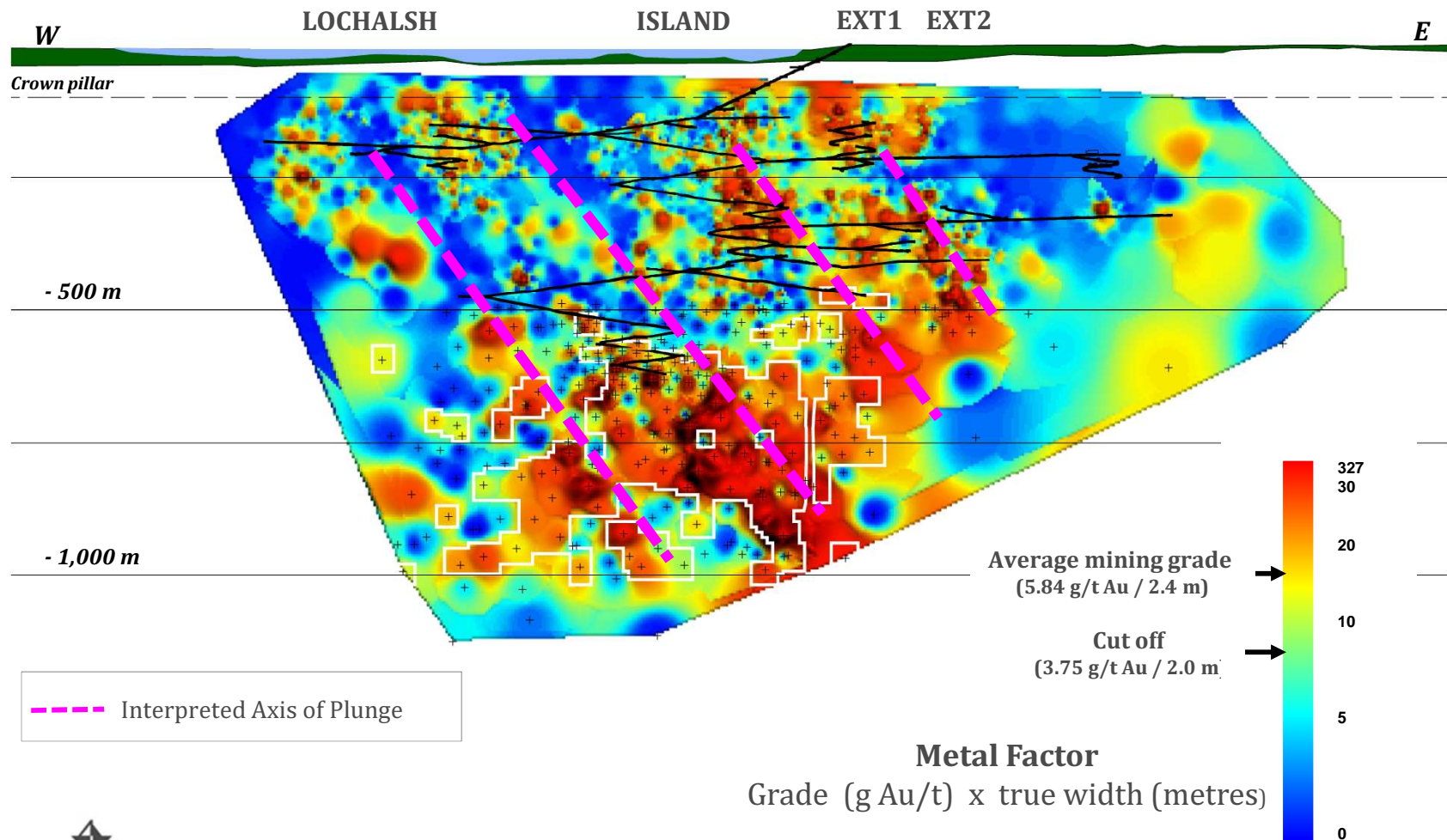
# Island Gold Mine

## Longitudinal Section



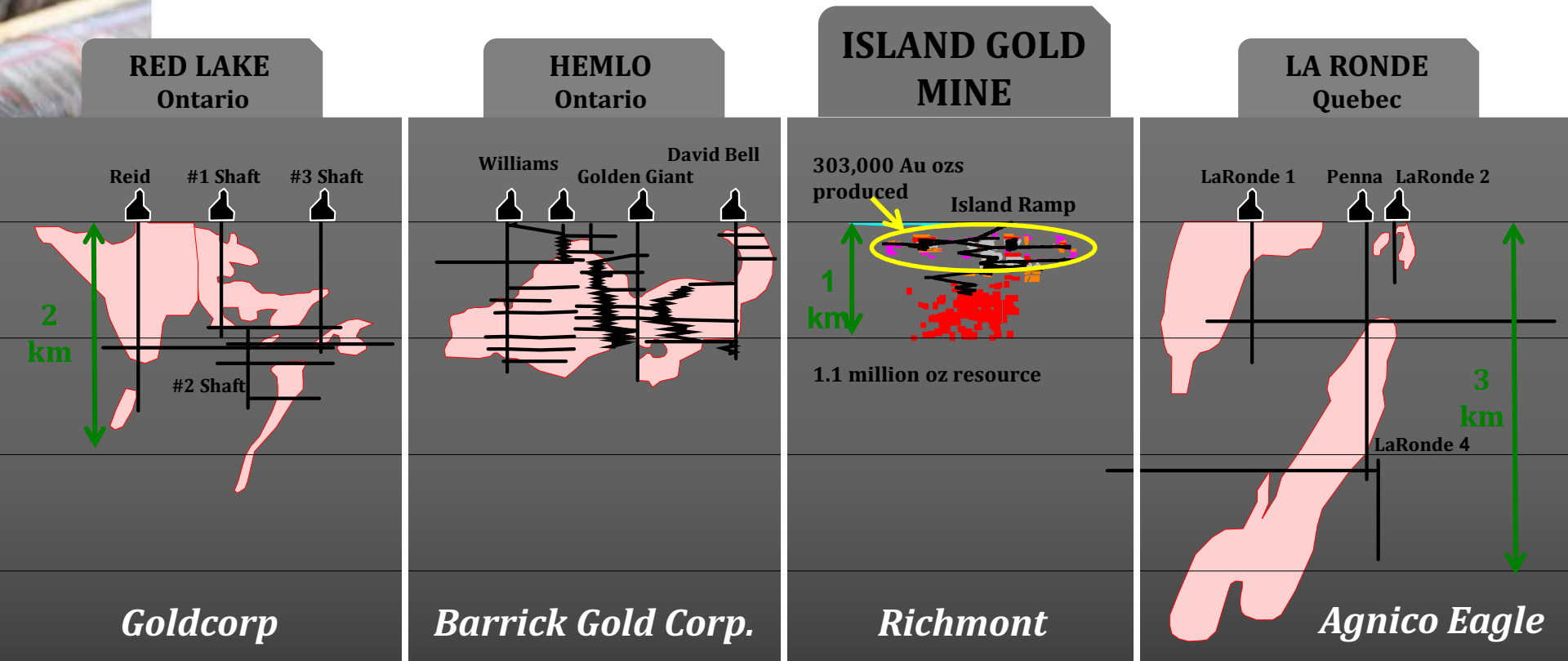
# Island Gold Mine

## Metal factor (grade x width)



# Island Gold Mine

## Comparison with Major Gold Mines



*Schematic Longitudinal Sections*



# Island Gold Discovery

## A “Game-Changer”

- 1.1 million ounce inferred resource immediately below fully permitted, staffed and producing Island Gold Mine

	<u>New Zone</u>	<u>Upper Mine</u>
Gold grade (average)	9.3 g/t Au	5.7 g/t Au
Zone width (average)	4.5 metres	2.7 metres
Structural Alteration Corridor	100 m	50 m

- Ramp exposed mineralization at 560 m level at depth along 92 m:
  - Face chip sampling averaged *12.7 g Au/t over 2.92 m*
- Opportunity for long life mine with higher annual production levels
- Capacity of on-site CIP mill can be increased
- Deposit open at depth and along strike in both directions

# Island Gold Mine

## Progress Report

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### 2013 Development at Island Gold:

- Ramp to Island Deep at a vertical depth of 574 m at year-end 2013
- 62,210 m of exploration drilling completed
- Added **615,338** ounces to gold resources

### 2014 Development:

- \$16.3 million capex
- 11,000 m exploration drilling + 23,000 m definition drilling
- Ramp extended to 620 m vertical depth as of June 30, 2014
- Development on 5 levels (depths of 535, 560, 585, 610 & 635 metres)
- Expect to mine first stope in extension in the second half of this year
- Near-term incremental ramping is relatively low capex and can be funded from current cash position

# 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 a central to a well established mining hub...
  - 25 km from Val-d'Or, Quebec
- H1 2014
  - head grade 7.14 gpt
  - Cash operating cost per ounce US\$854
- Cost reductions achieved by increasing room & pillar mining and reducing long-hole stoping



# Beaufor Mine

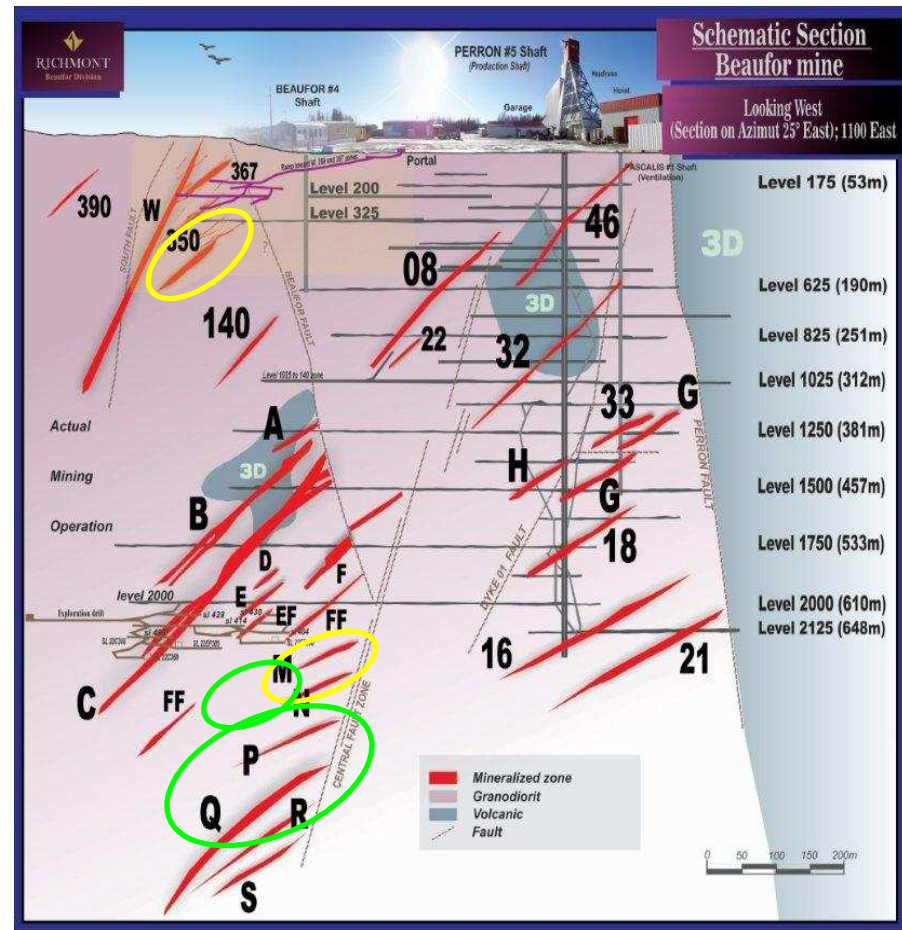
## Progress Report

### 2014 Objectives:

- Maintain operating efficiency to generate cash flow
- Continue to extend mine life
- Begin mining the newly developed “M Zone” where grade expectations are good
- Commence development drift to the near surface 350 zone
- Evaluate potential of deep 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

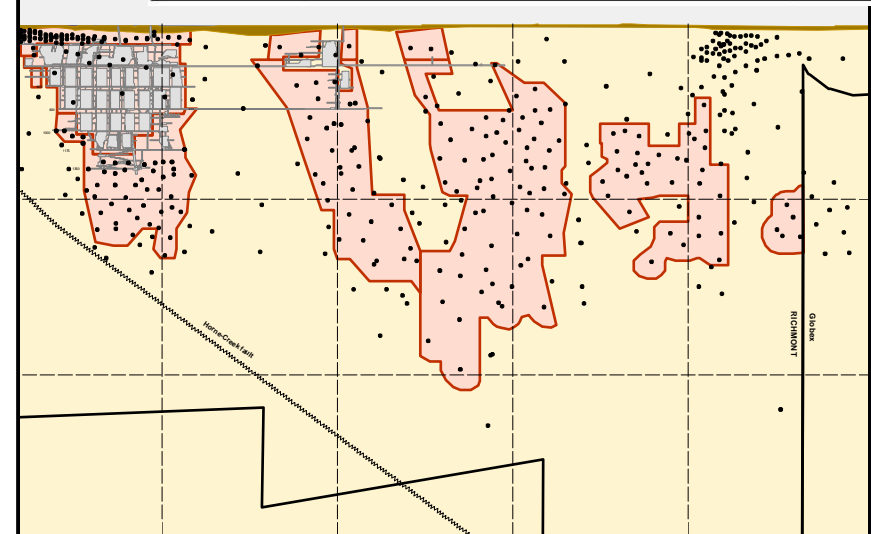
Cut-off: 1.5 g/t Au

Measured & Indicated Resources:

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

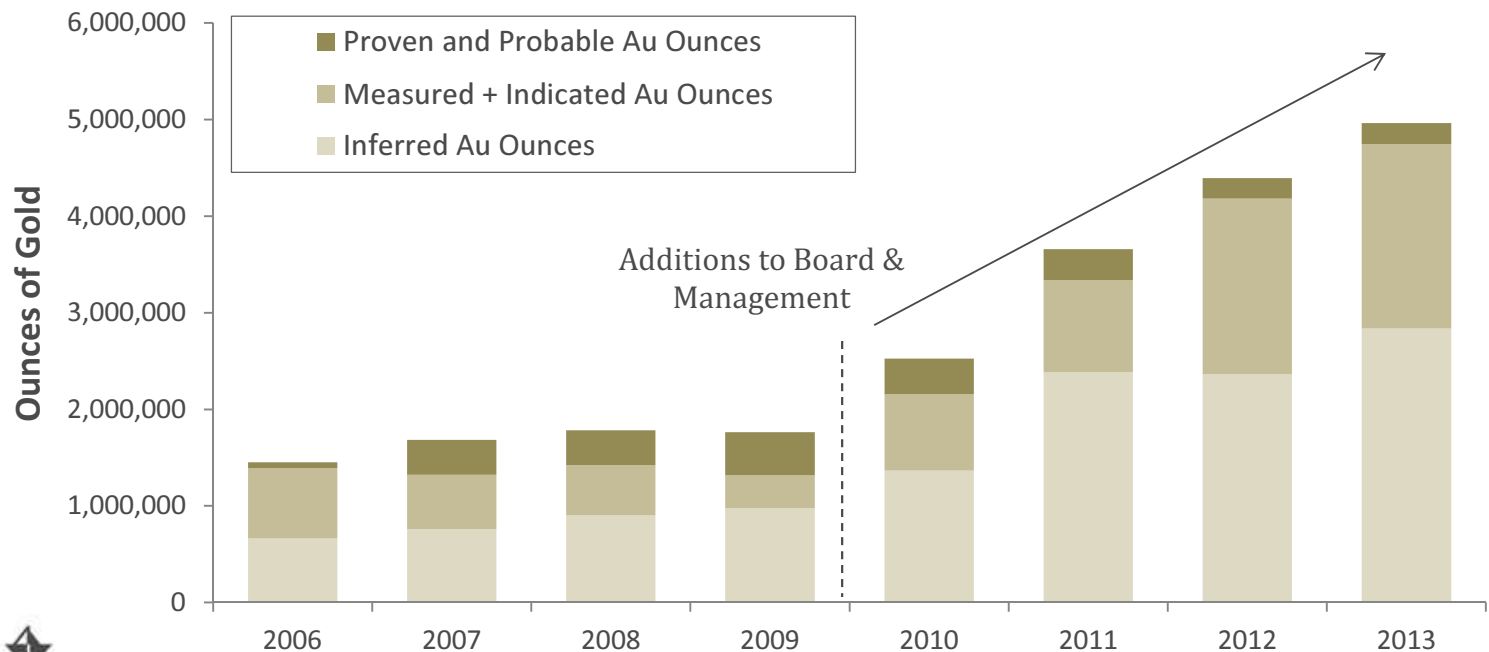
Inferred Resources:

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



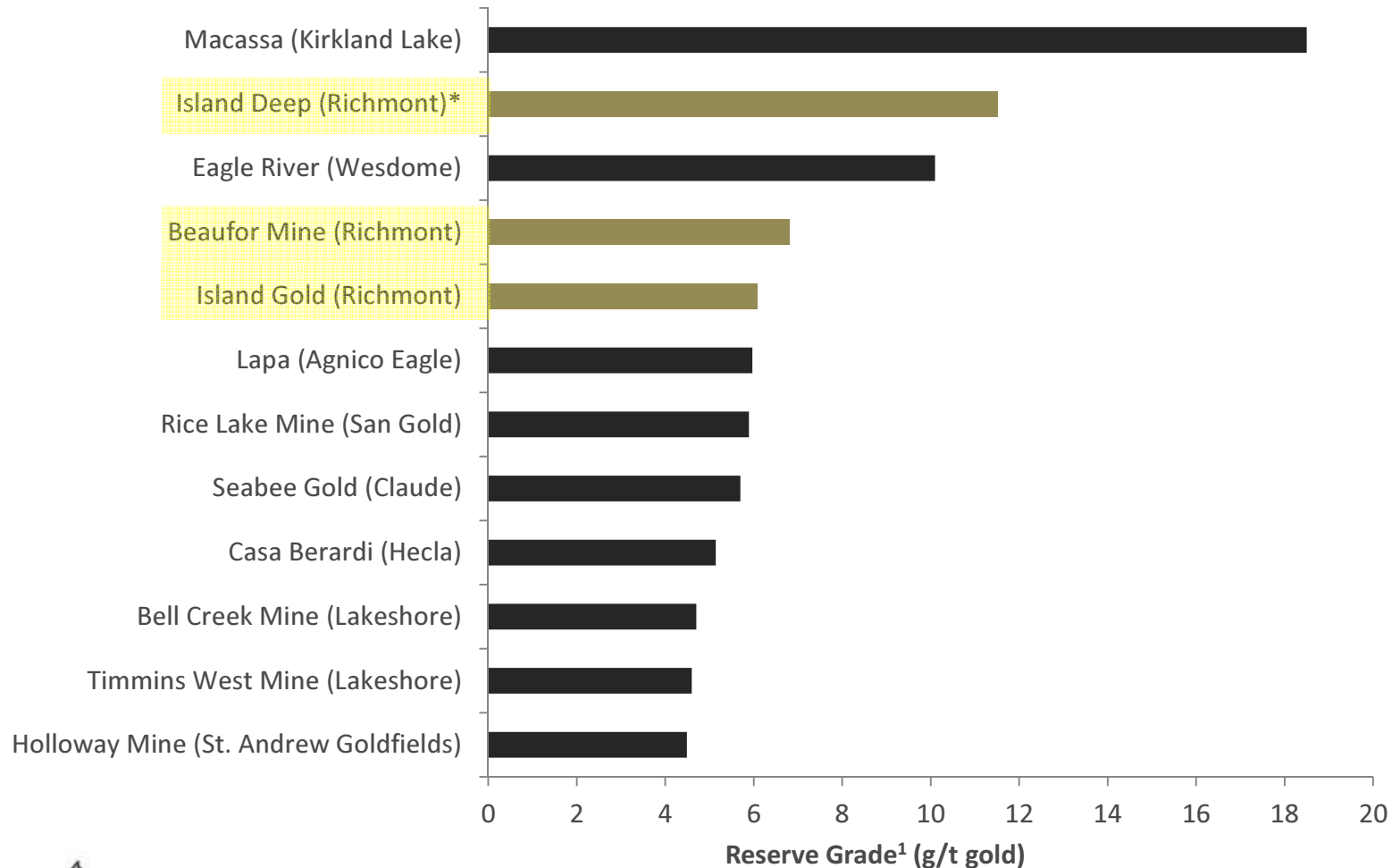
# Two Significant Discoveries

- Discovered over 4 million ounces of gold resources in past 4 years
- Exploration on brownfield projects and at operating mines
- Discovery cost < \$15/ounce
  - Island Gold Deep Zone 1.1 million oz @ 9.3 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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### **Island Gold – Important New Discovery**

- Will lead to expansion of the producing Island Gold Mine
- Potential to develop into a higher-grade, long-life asset

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

- \$35.7 million cash & term deposits at June 30, 2014
- 47.6 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**

- Targeted production of 75,000 – 85,000 ounces of gold for 2014
- Global gold resource of over 5 million ounces in very stable jurisdictions



# Richmont Mines Inc.

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# Appendices

# 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>
Gold sales (ounces)	60,741	<b>63,443</b>	20,412	<b>27,790</b>
Average selling price (US\$/oz)	\$1,666	<b>\$1,378</b>	\$1,306	<b>\$1,283</b>
Average cash cost (US\$/oz)	\$1,044	<b>\$1,095</b>	\$1,060	<b>\$779</b>
Net earnings (loss)	(\$2,977)	<b>(\$33,162)</b>	(\$1,903)	<b>\$4,676</b>
Adjusted net earnings (loss)	(\$1,521) <sup>1</sup>	<b>(\$10,341)<sup>2</sup></b>	(\$1,903)	<b>\$5,659<sup>3</sup></b>
Adjusted EPS	(\$0.04) <sup>1</sup>	<b>(\$0.26)<sup>2</sup></b>	(\$0.05)	<b>\$0.12<sup>3</sup></b>
Operating Cash Flow	\$7,656	<b>\$3,456</b>	\$2,379	<b>\$13,371</b>
Total Assets	148,244	<b>123,328</b>	121,272	<b>139,135</b>
Shareholders Equity	118,363	<b>86,353</b>	84,779	<b>100,739</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 Adjusted net earnings is a non-IFRS Financial Performance Measure. This number excludes a \$1,050 severance cost related to the departure of the President and CEO.

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

## Longitudinal View- Best Intersections

