

LAKE SHORE GOLD CORP.



Performance

Cash Flow

Growth

Precious Metals Summit

November 4 – 5, 2014

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Forward-Looking Statements



Information included in this presentation relating to the Company's expected production levels, production growth, costs, cash flows, economic returns, exploration activities, potential for increasing resources, project expenditures and business plans are "forward-looking statements" or "forward-looking information" within the meaning of certain securities laws, including under the provisions of Canadian provincial securities laws and under the United States Private Securities Litigation Reform Act of 1995 and are referred to herein as "forward-looking statements." The Company does not intend, and does not assume any obligation, to update these forward-looking statements. These forward-looking statements represent management's best judgment based on current facts and assumptions that management considers reasonable, including that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts, labour disturbances, interruption in transportation or utilities, or adverse weather conditions, that there are no material unanticipated variations in budgeted costs, that contractors will complete projects according to schedule, and that actual mineralization on properties will be consistent with models and will not be less than identified mineral reserves. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In particular, delays in development or mining and fluctuations in the price of gold or in currency markets could prevent the Company from achieving its targets. Readers should not place undue reliance on forward-looking statements. More information about risks and uncertainties affecting the Company and its business is available in the Company's most recent Annual Information Form and other regulatory filings with the Canadian Securities Administrators, which are posted on sedar at www.sedar.com, or the Company's most recent Annual Report on Form 40-F and other regulatory filings with the Securities and Exchange Commission.

QUALITY CONTROL

Lake Shore Gold has a quality control program to ensure best practices in the sampling and analysis of drill core. A total of three Quality Control samples consisting of 1 blank, 1 certified standard and 1 reject duplicate are inserted into groups of 20 drill core samples. The blanks and the certified standards are checked to be within acceptable limits prior to being accepted into the GEMS SQL database. Routine assays have been completed using a standard fire assay with a 30-gram aliquot. For samples that return a value greater than three grams per tonne gold on exploration projects and greater than 10 gpt at the Timmins mine and Thunder Creek underground project, the remaining pulp is taken and fire assayed with a gravimetric finish. Select zones with visible gold are typically tested by pulp metallic analysis on some projects. NQ size drill core is saw cut and half the drill core is sampled in standard intervals. The remaining half of the core is stored in a secure location. The drill core is transported in security-sealed bags for preparation at ALS Chemex Prep Lab located in Timmins, Ontario, and the pulps shipped to ALS Chemex Assay Laboratory in Vancouver, B.C. ALS Chemex is an ISO 9001-2000 registered laboratory preparing for ISO 17025 certification.




QUALIFIED PERSON

Scientific and technical information related to mine production and reserves contained in this presentation has been reviewed and approved by Natasha Vaz, P.Eng., Vice-President, Technical Services, who is an employee of Lake Shore Gold Corp., and a "qualified person" as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

Scientific and technical information related to resources, drilling and all matters involving mine production geology, as well as exploration drilling, contained in this presentation, or source material for this presentation, was reviewed and approved by Eric Kallio, P.Geo., Vice-President, Exploration. Mr. Kallio is an employee of Lake Shore Gold Corp., and is a "qualified person" as defined by NI 43-101.

LSG: An Attractive Investment with Valuation Upside



-  **Achieving key production & cost targets**
-  **Generating free cash flow, building capital strength**
-  **Production & growth in low-risk jurisdiction**

LSG: Low-Cost Canadian Gold Producer



- Two producing mines and a central mill
- Annual production of +/- 180,000 oz⁽¹⁾
 - 142,500 oz in 9M/14
- Total cash costs⁽²⁾ <US\$700/oz⁽¹⁾, All-in sustaining costs⁽²⁾ <US\$1,000/oz⁽¹⁾
 - 9M/14 total cash costs US\$588/oz
 - 9M/14 all-in sustaining costs US\$861/oz
- Generating net free cash flow
- Attractive 100% owned growth projects



(1) Example of forward-looking information

(2) Example of Non-GAAP measure, see Slide 31 for more information

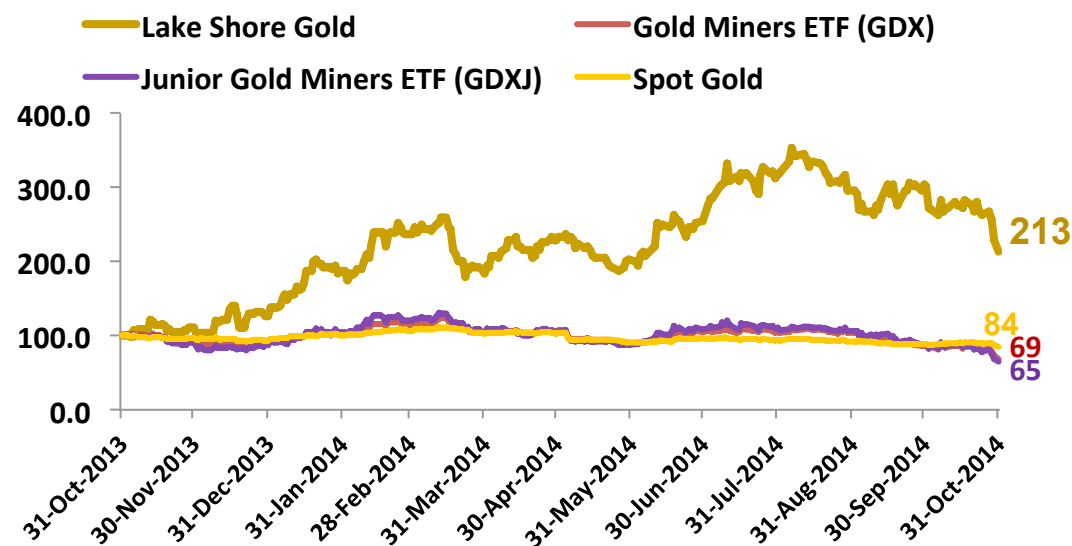
LSG: Capital Structure



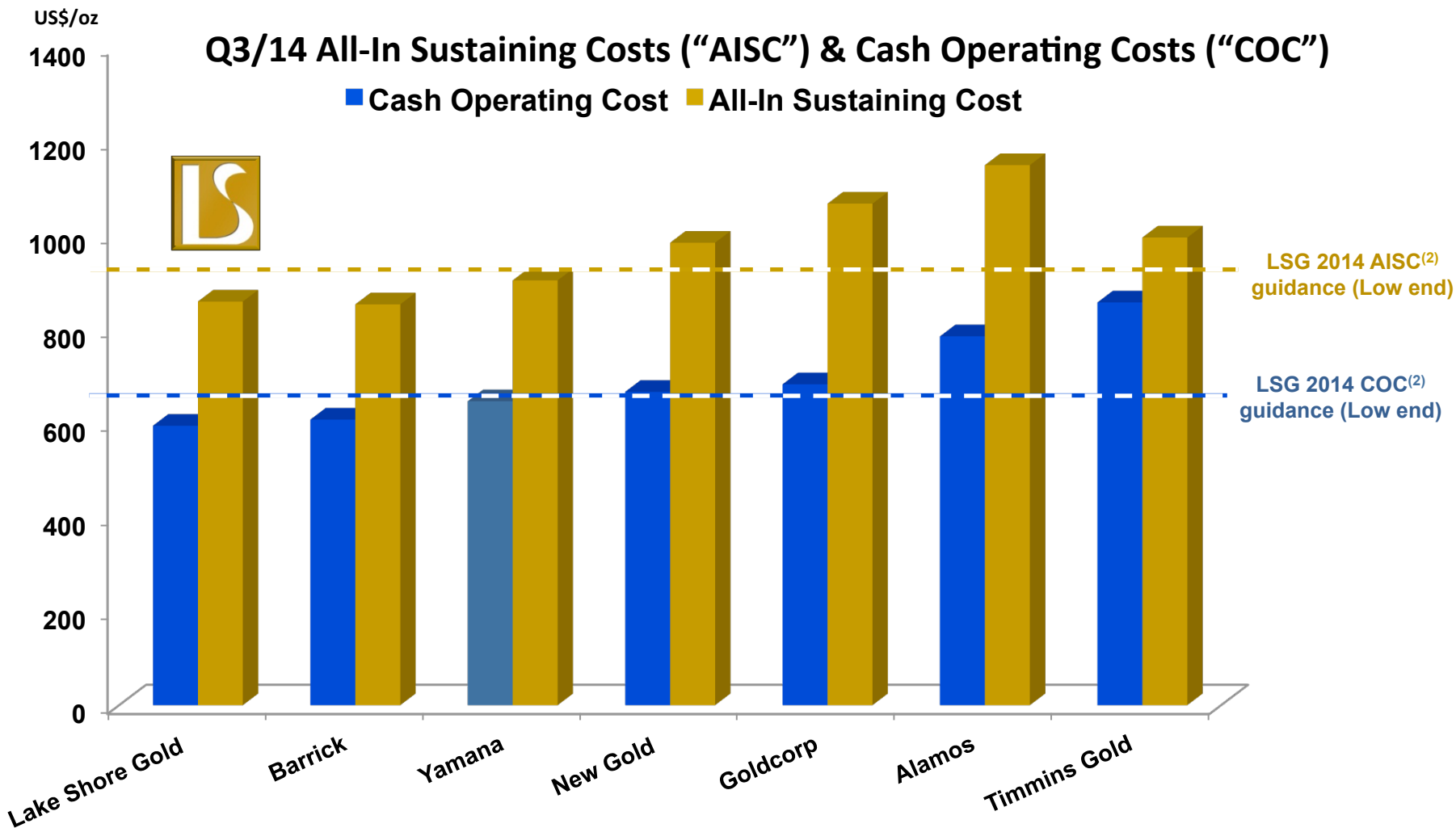
- \$67.3 million of cash & bullion at Sept. 30/14
- Secured debt of @ \$29 million
 - \$9 million related to Sprott gold-linked note
 - \$20 million related to Sprott standby line
- \$103.5 million convertible debenture
 - Convertible at \$1.40/share
 - Due September 2017
 - TSX: LSG.DB - \$94.49 at Nov. 4/14

Lake Shore Gold (TSX, NYSE MKT: LSG)

Shares O/S (Basic)	422,200,000
Price (Nov. 4/14)	\$0.86
Market Cap.	\$363,100,000
52 Week High/Low	\$1.40/\$0.35
3M av. Daily Volume	2,000,000
Ownership (>10%)	Van Eck (GDXJ) – 14%
Analyst Coverage	TD Securities BMO Capital Markets RBC Capital Markets CIBC World Markets National Bank Fin. Haywood Securities M Partners Mackie Research PI Financial



LSG: A Leading Low-Cost Producer⁽¹⁾



(1) Company reports (on a co-product basis)

(2) Company expects to beat guidance for both cash operating costs and all-in sustaining costs

LSG: Executing Our Strategy



1. Increasing valuation for current business

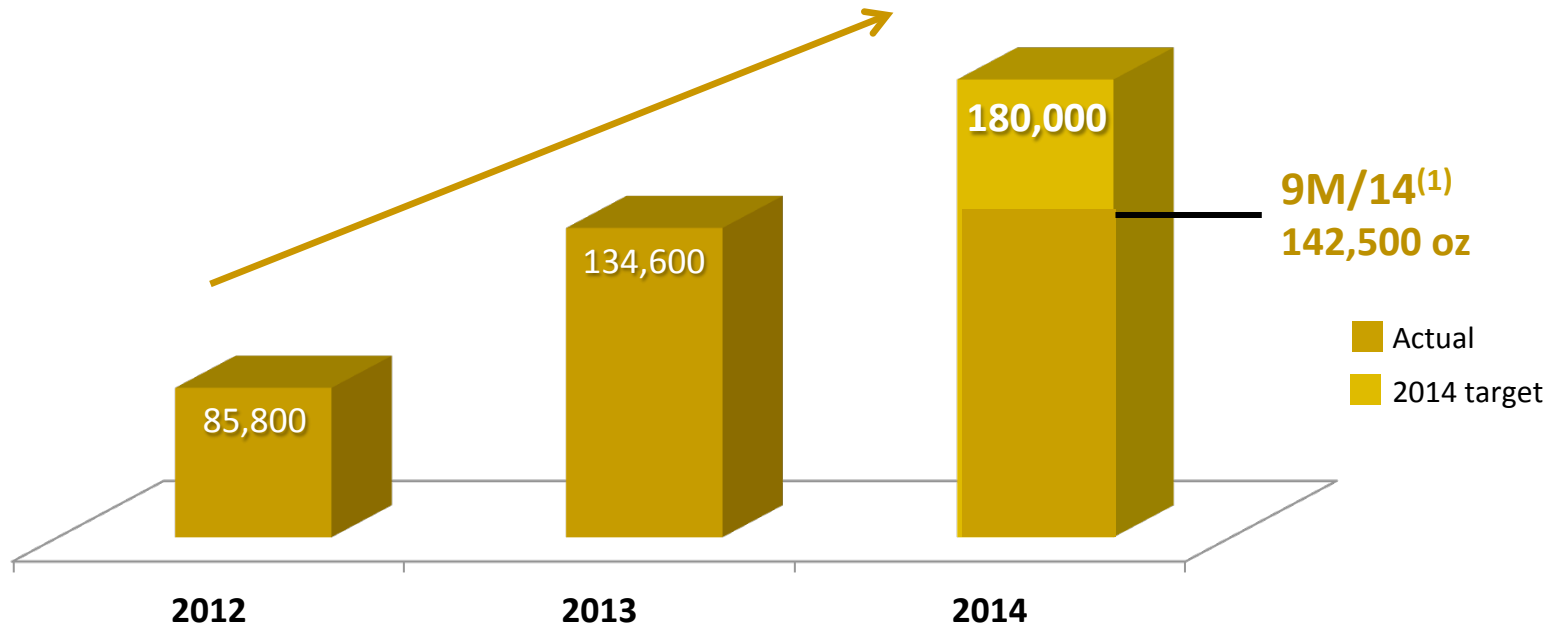
- Consistently meeting & exceeding key targets
- Generating free cash flow, building cash
- Reducing debt
- Extending mine life

2. Advancing other wholly owned projects

3. Achieving exploration success

Growing Shareholder Value

On Track to Achieve Top End of Guidance

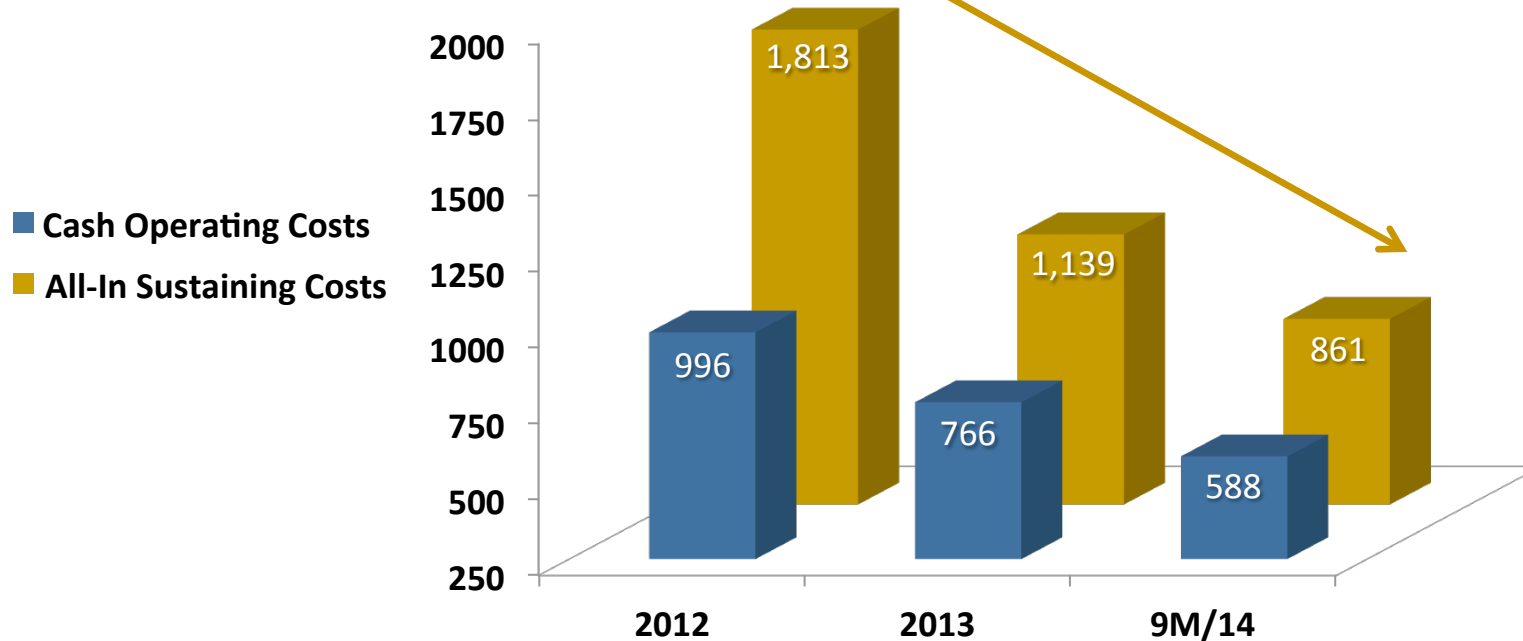


- Record 9M production of 142,500 oz – 72% increase from 9M/13
- To produce approx. 180,000 oz in 2014

Meeting and Exceeding All Targets

(1) Refers to production results for the first nine months of 2014

Driving Down Unit Costs



9M/14

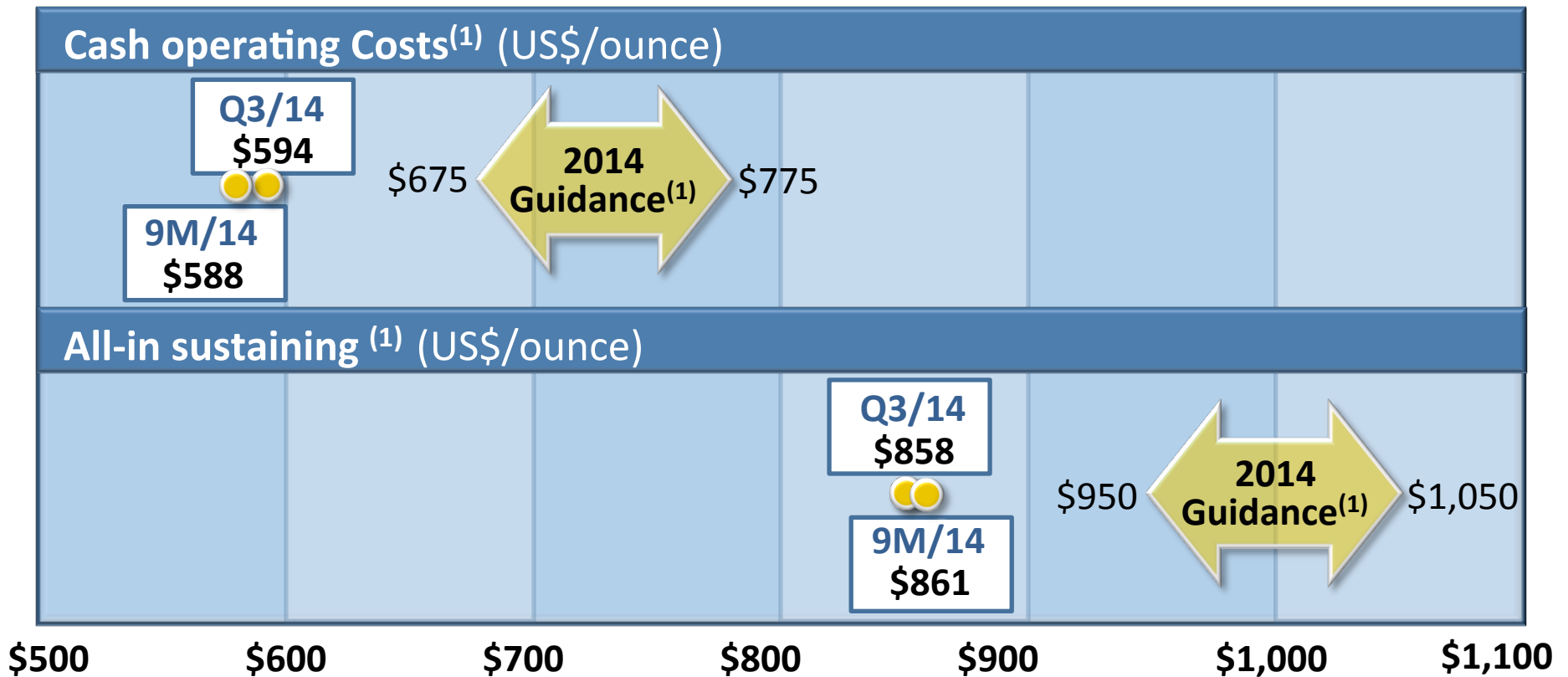
- 31% improvement in cash operating costs from 9M/13
- 34% improvement in all-in sustaining costs from 9M/13

Meeting and Exceeding All Targets

YTD Unit Costs Beating Guidance



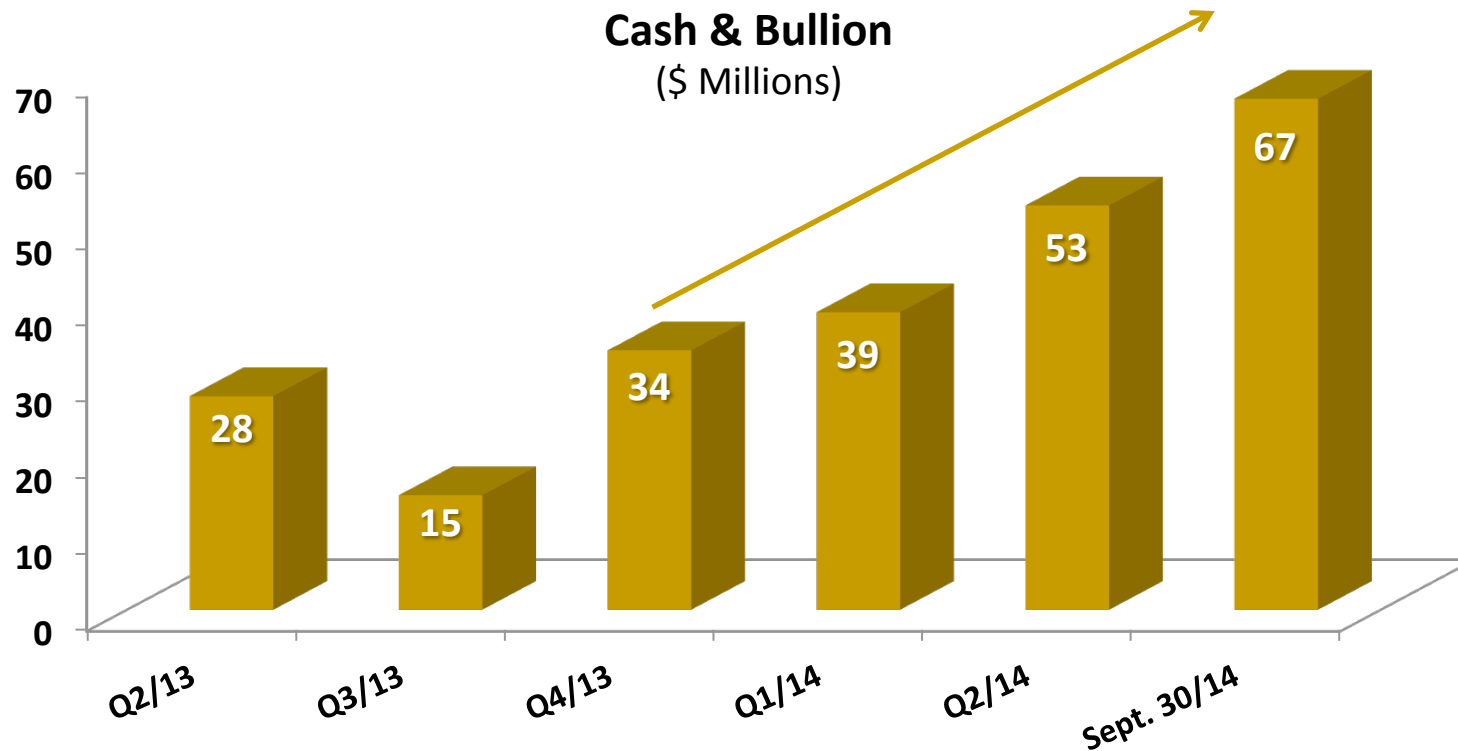
Strong Cost Performance Driving Cash Generation



Meeting and Exceeding All Targets

(1) Example of Forward-Looking Information

Strong Growth in Cash Position



- Cash and bullion increased @ \$33M YTD in 2014
- Debt repayments of @ \$25M in 2014

Generating Net Free Cash Flow

Excellent Exploration Progress



- **75,000 metres in-mine drilling supporting production & reserve replacement**
- **High-grade intersections in Timmins Deposit S2 Fold Nose**
- **Wide, gold-bearing mineralization intersected in 144 Gap**
- **Positive results from resource drilling at Bell Creek (targeting 775 L to 1050 L)**

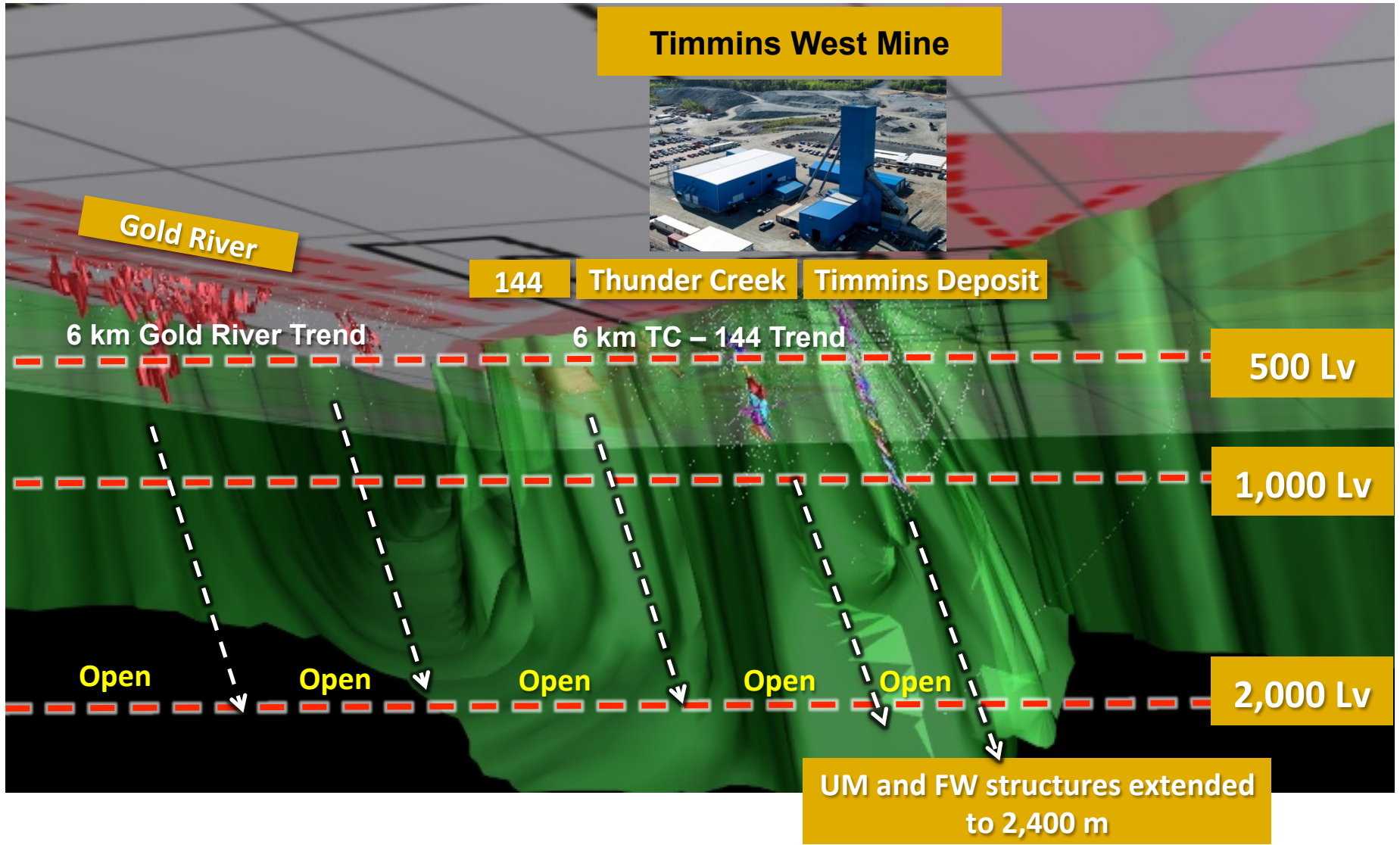
Targeting reserve replacement⁽¹⁾ and identifying new resources

(1) Refers to replacement of reserves mined during 2014

Timmins West Complex



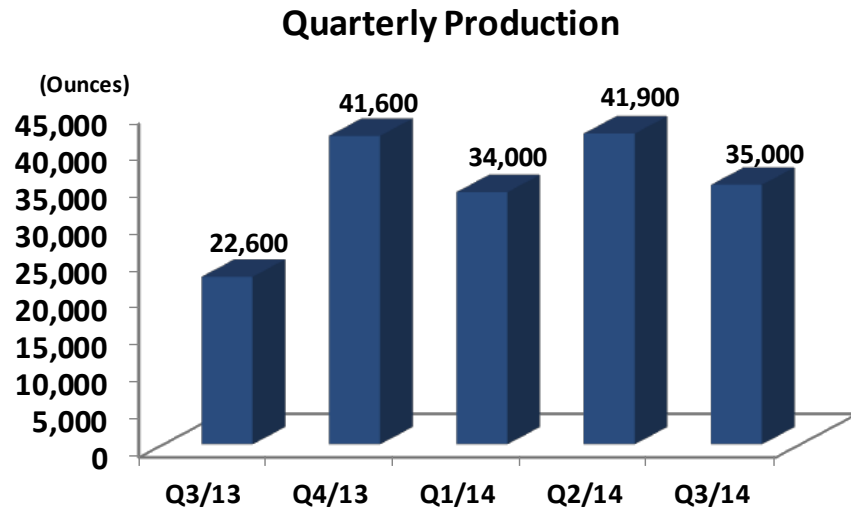
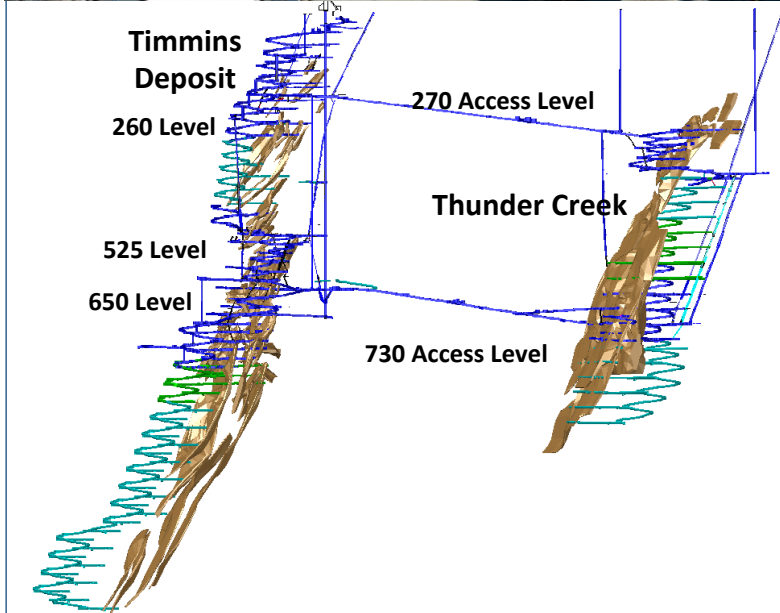
Timmins West Mine



Timmins West Mine



- Produced 111,000 oz in 9M/14 (719,400 tonnes @ 4.9 gpt), 35,000 ounces in Q3/14 and 41,900 oz in 2014⁽¹⁾
- Proved estimate includes 3.3 million ounces of gold at an average grade of 4.6 gpt for 492,200 oz⁽²⁾
- Large resource base⁽³⁾ to support new reserves and extend mine life



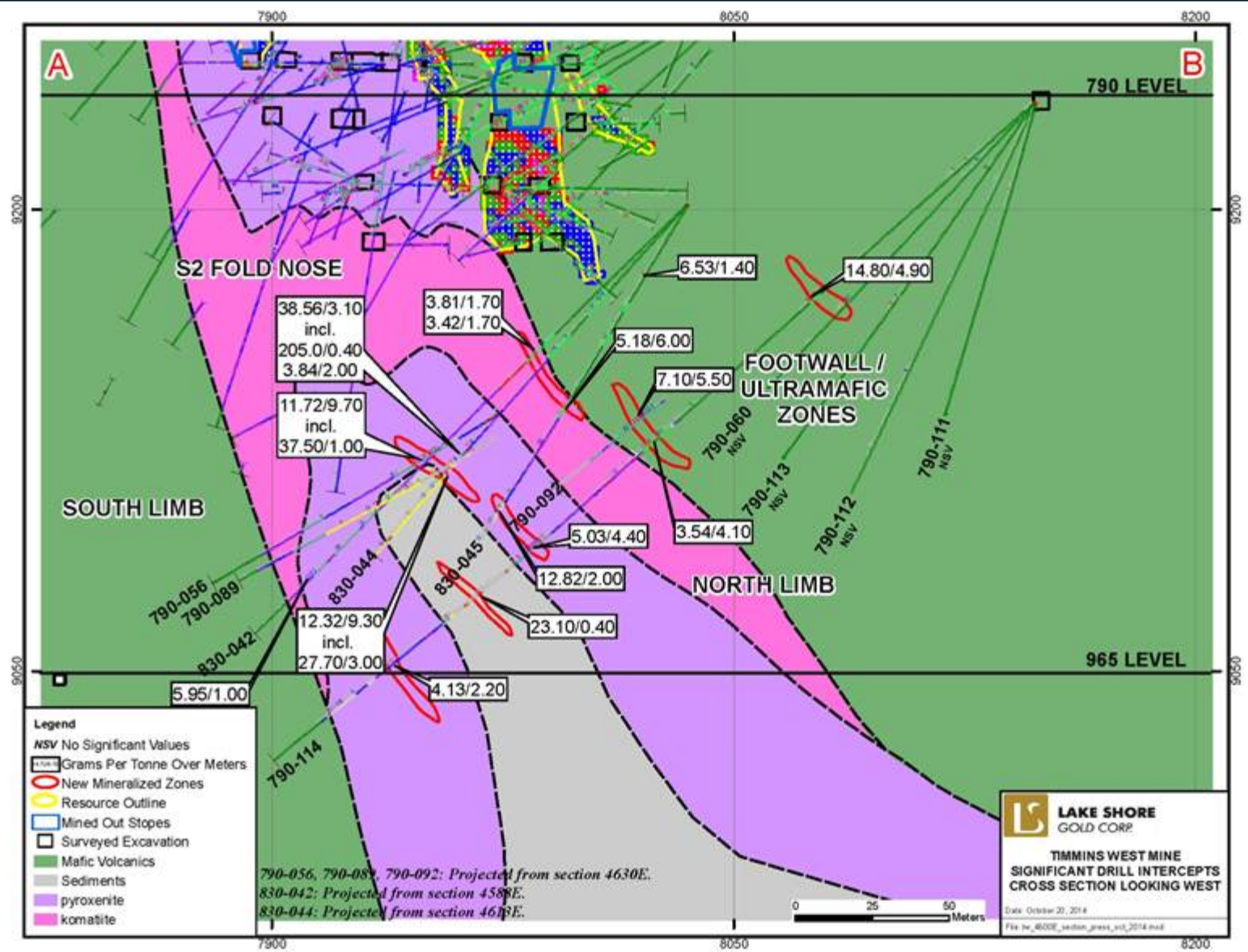
(1) Example of Forward Looking Information

(2) See press release dated March 18, 2014 for review of estimates and assumptions relating to reserves and resources

(3) Resources are inclusive of reserves

Timmins West Mine

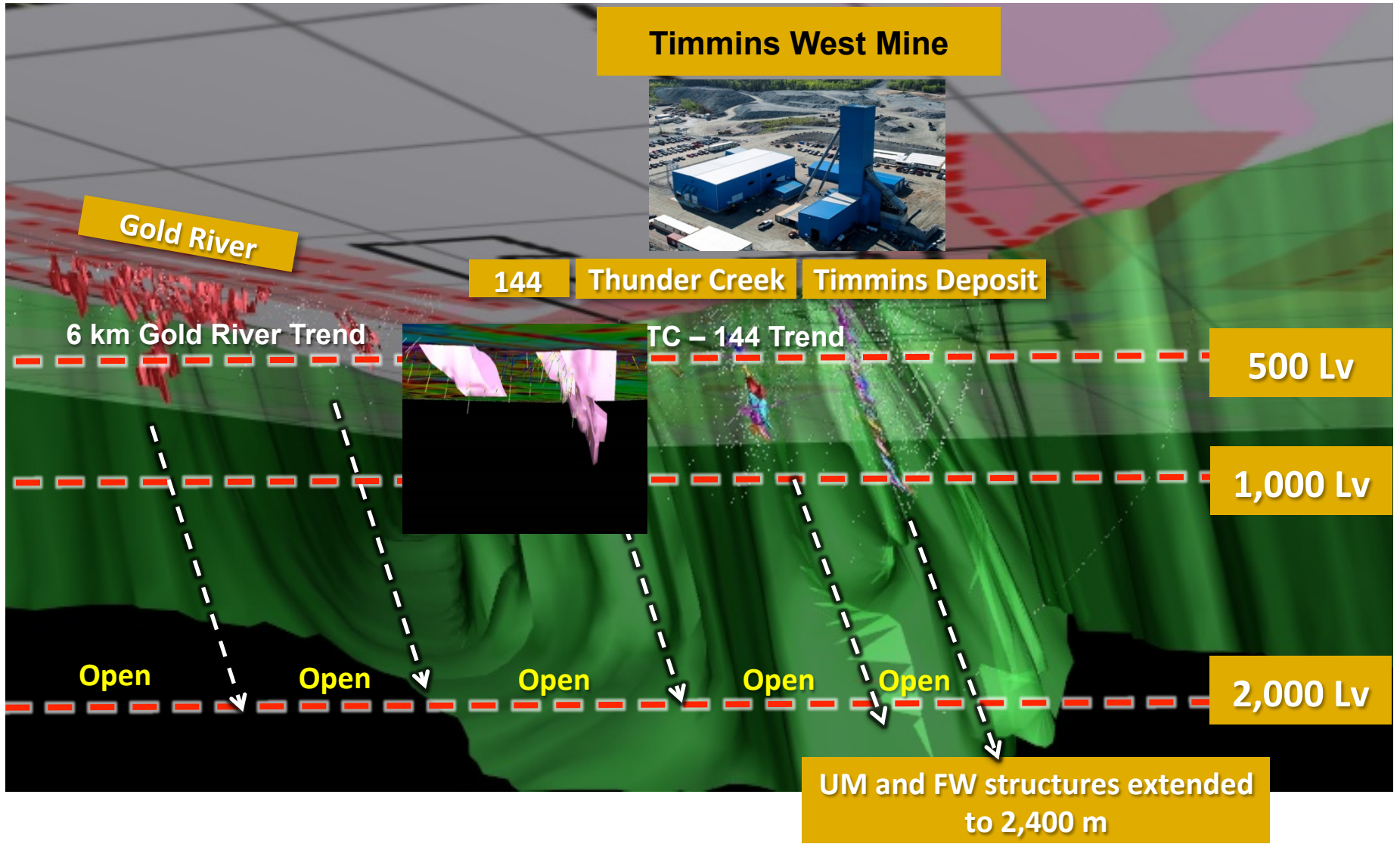
High-Grade Intercepts in High-Potential S2 Fold Nose Target



Timmins West Complex

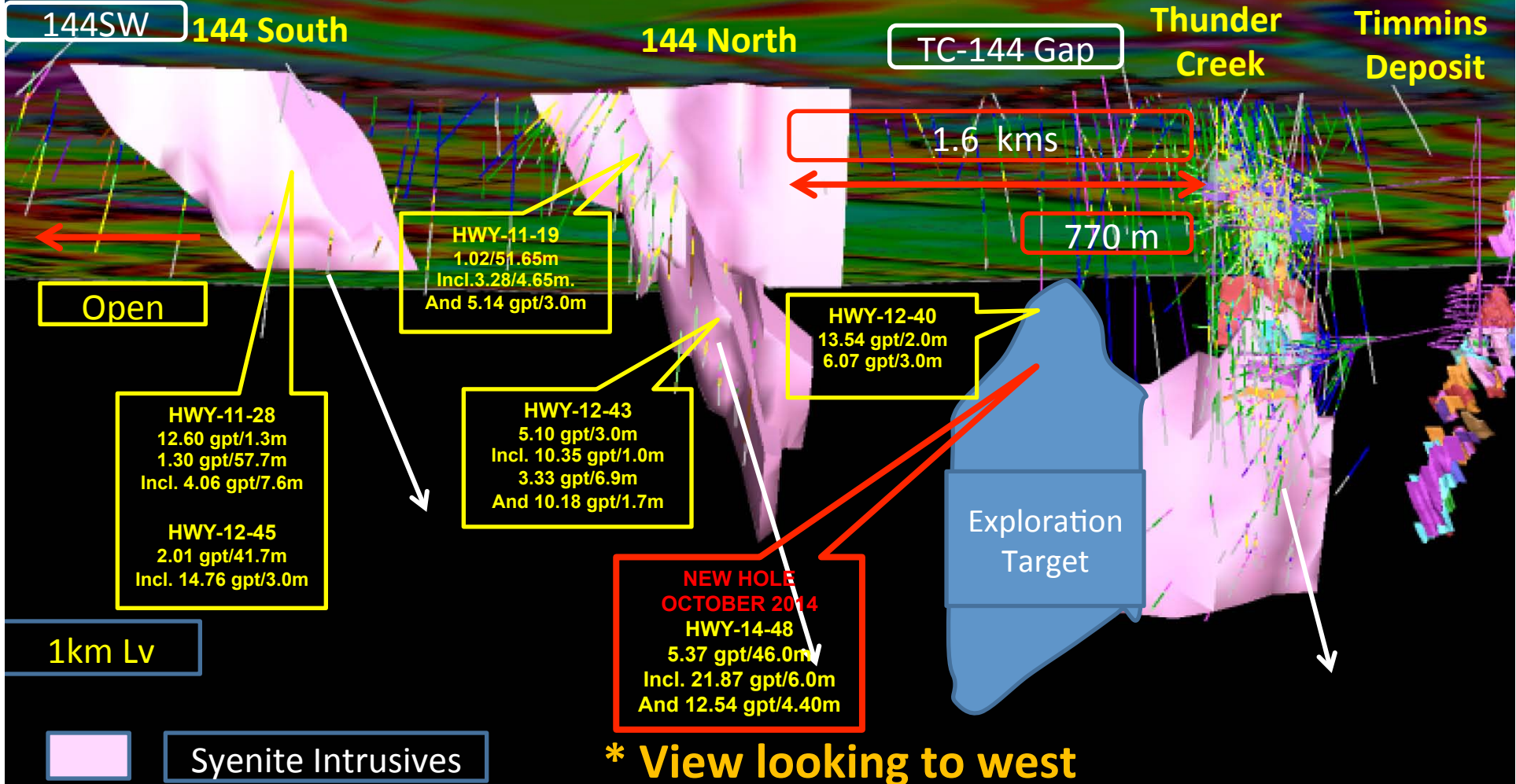


Timmins West Mine



144 – High Potential Exploration Target

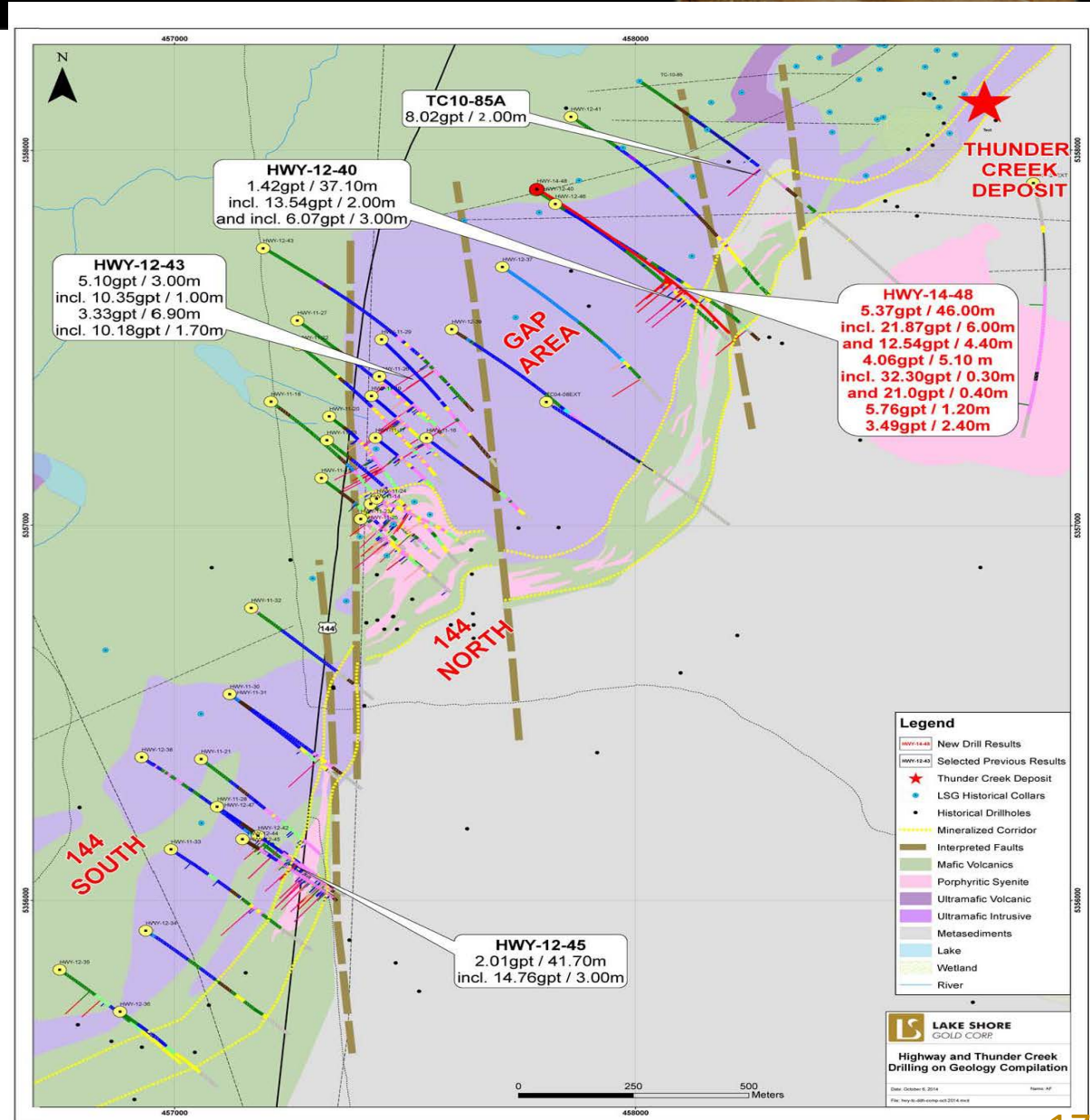
Pursuing Continuation of Key Sedimentary/Volcanic Structure



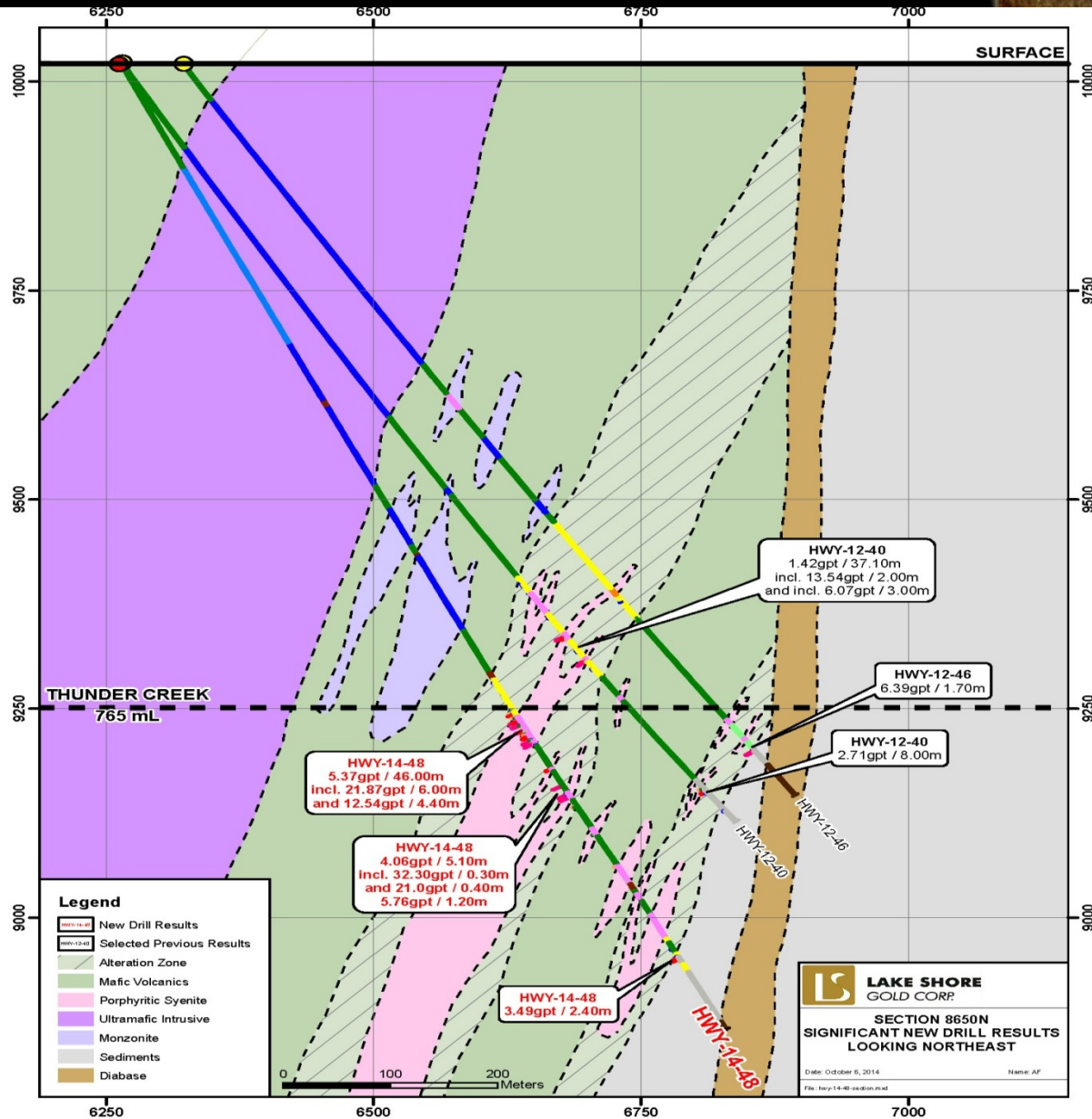
New Drilling at 144 Showing Positive Results



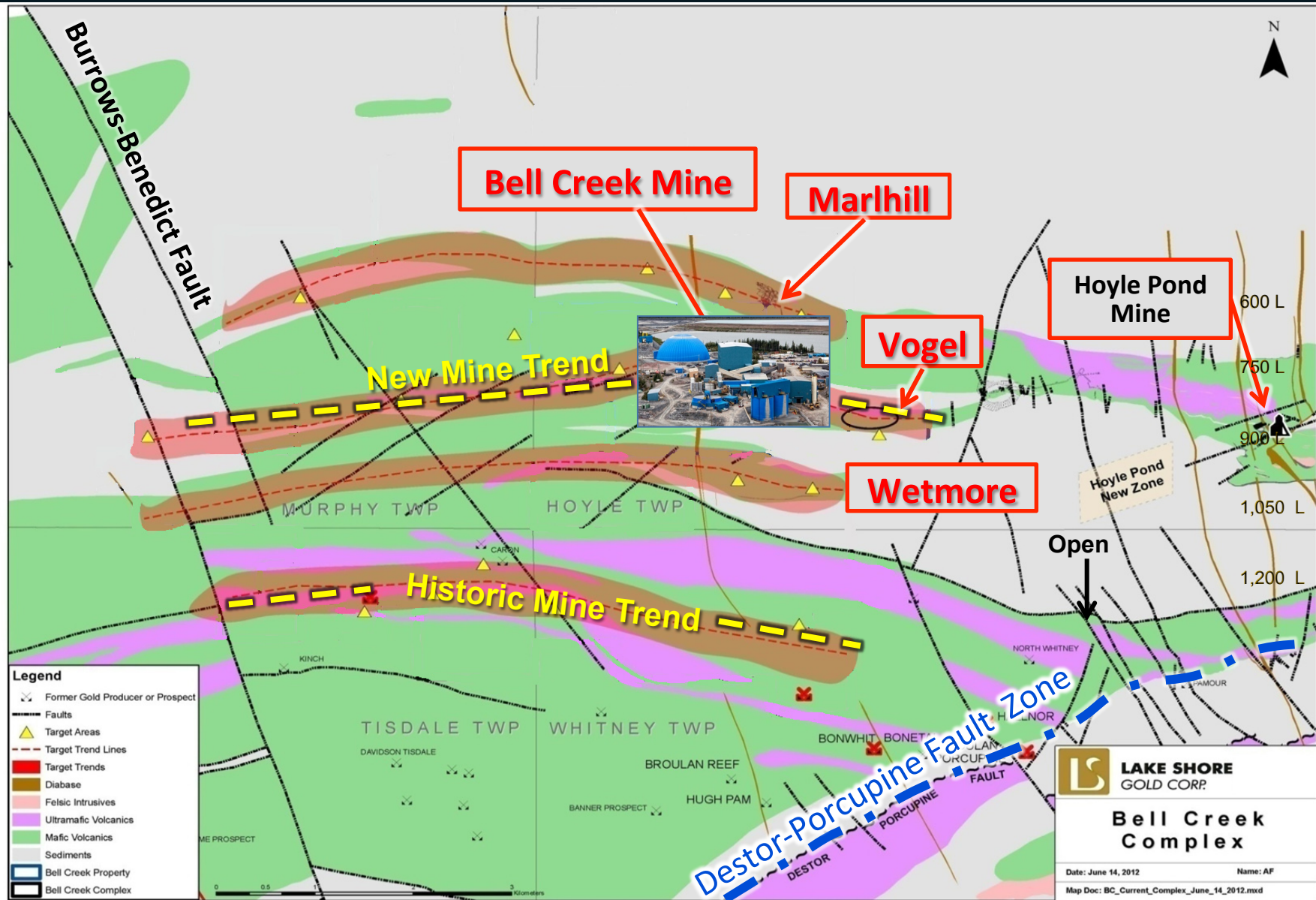
- 10,000 -15,000 metre program now in progress
- Three main targets including 144 North, 144 South and TC Gap



Cross Section through 144 Gap Target



Bell Creek Complex



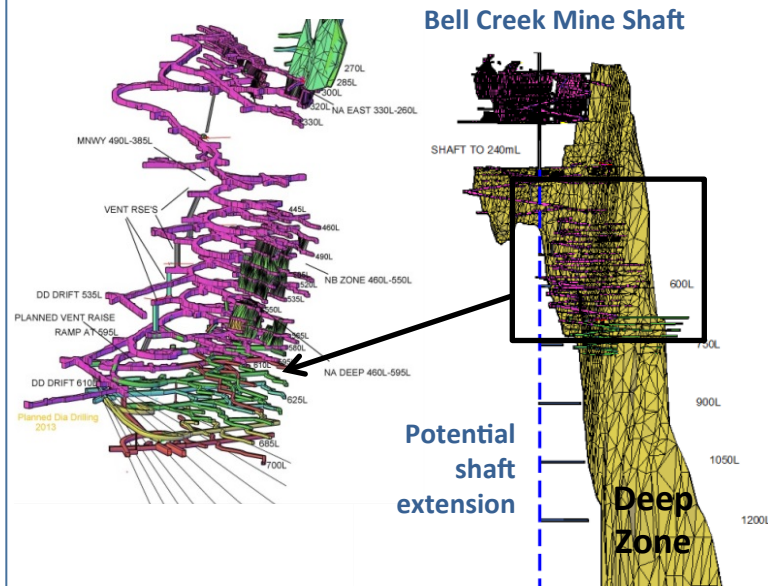
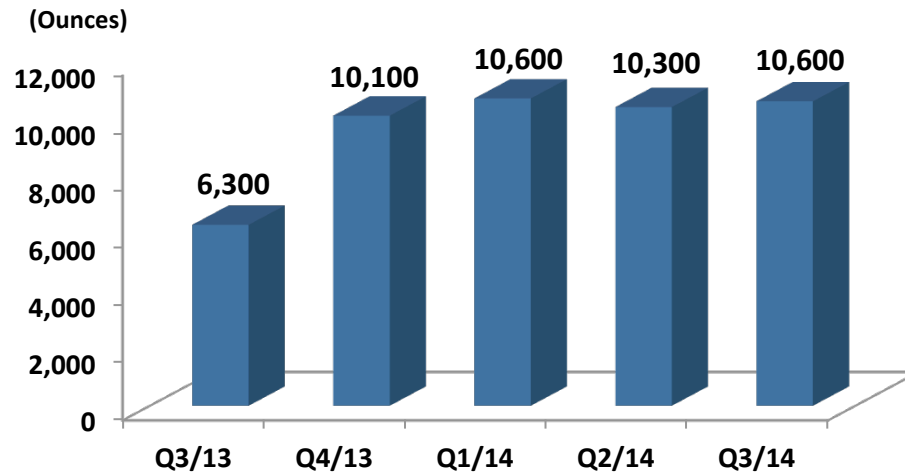
Bell Creek Mine



- Produced 31,500 oz in 9M/14 (195,000 tonnes @ 5.3 gpt)
- Targeting @ 40,000 oz in 2014⁽¹⁾
- Significant potential for growth at depth
- March 2014 reserve estimate of 707,000 tonnes at 4.7 gpt for 106.600 oz, all above 775 Level⁽²⁾
- 672,000 M&I resources, 872,000 oz inferred⁽³⁾⁽⁴⁾



Quarterly Production

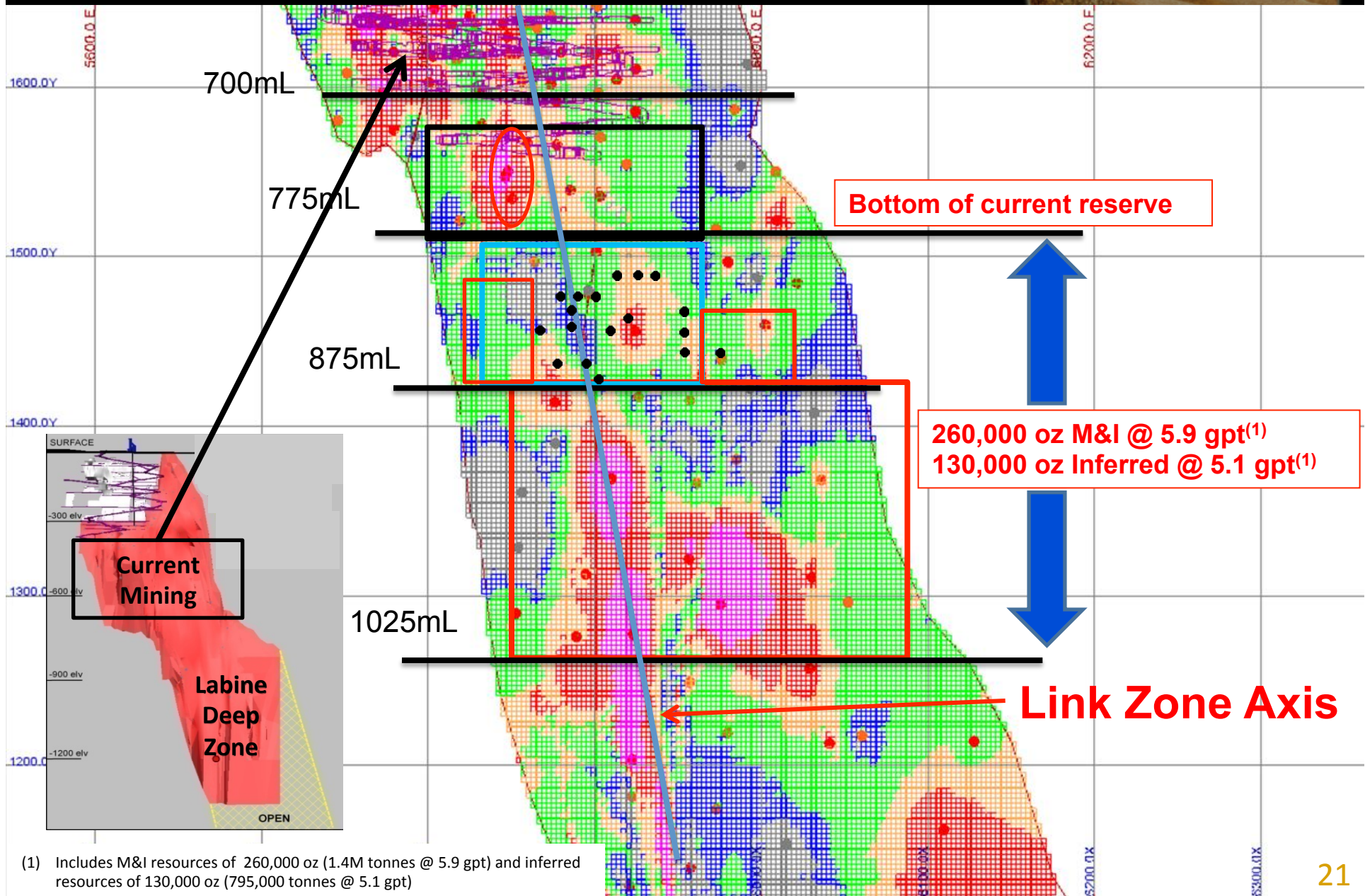


(1) Example of Forward Looking Information
 (2) See press release dated March 18, 2014 for review of estimates and assumptions relating to reserves and resources.

(3) M&I: 4.5M tonnes @ 4.6 gpt; Inferred: 5.9M tonnes @ 4.6 gpt
 (4) M&I resources inclusive of reserves

Bell Creek Labine Deep Zone

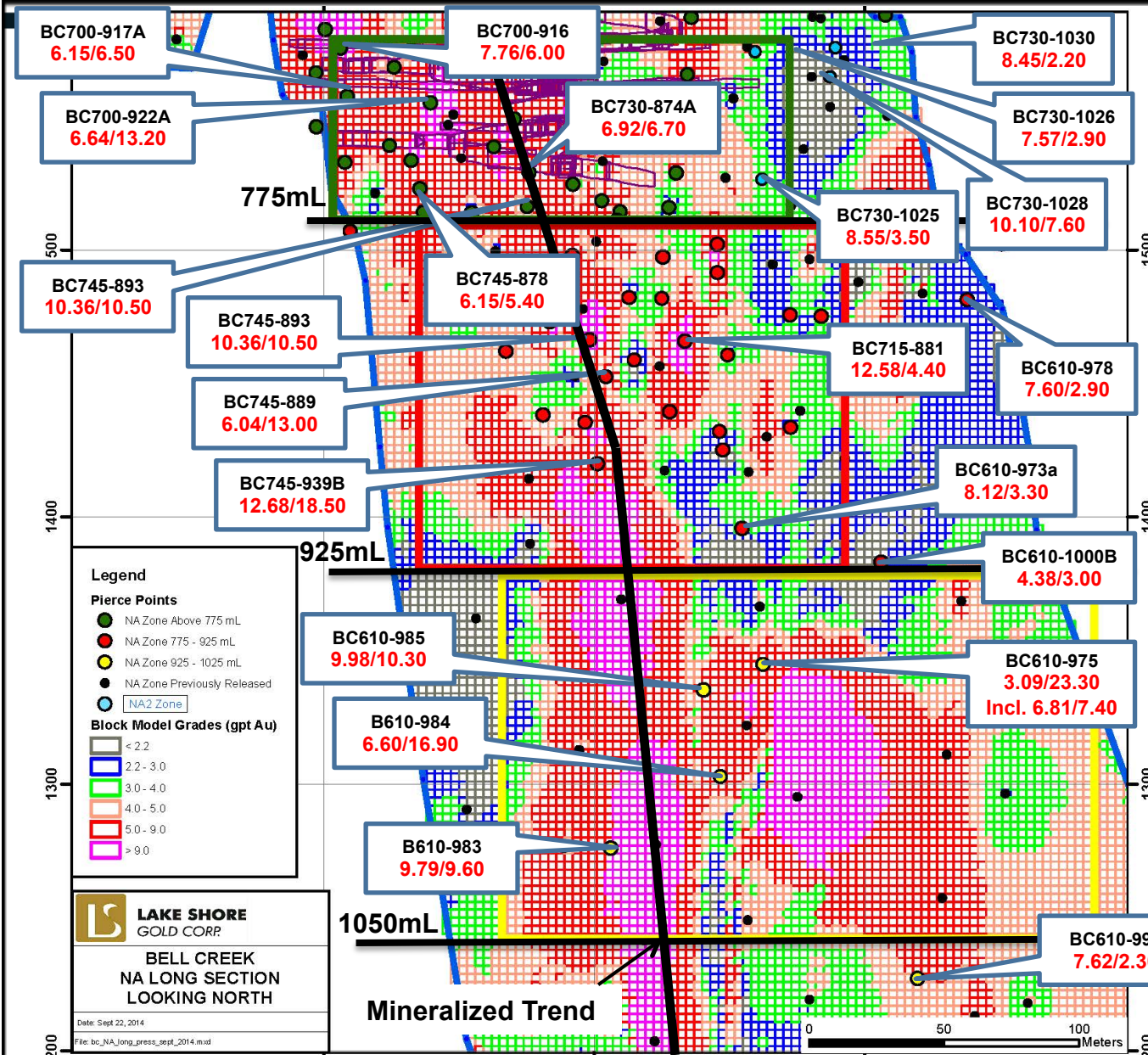
Initially targeting 390,000 oz of Resources 775 L to 1,050 L



(1) Includes M&I resources of 260,000 oz (1.4M tonnes @ 5.9 gpt) and inferred resources of 130,000 oz (795,000 tonnes @ 5.1 gpt)

Bell Creek Labine Deep Zone

Recent Drill Results Highlight Potential to Grow Reserves






Key Intercepts		
Hole	GPT	Metres
745-939B	12.68	18.5
745-893	10.36	10.5
745-894	6.02	7.6
745-889	5.11	9.5
730-1028	10.10	7.6
730-1025	8.55	3.5
610-985	9.98	10.3
	20.32	2.2
610-984	5.60	16.9
610-983	9.79	9.6
	9.14	4.7
	13.93	2.1
610-975	3.09	23.3

LAKE SHORE GOLD CORP.
BELL CREEK NA LONG SECTION
LOOKING NORTH




Date: Sept 22, 2014
 File: bc_NA_long_press_sept_2014.mxd

LSG: An Attractive Investment with Valuation Upside



-  **Achieving key production & cost targets**
-  **Generating free cash flow, building capital strength**
-  **Production & growth in low-risk jurisdiction**

Strategy to Grow Value

-  **Increase valuation for current business**
-  **Advance other wholly owned projects**
-  **Achieve exploration success**



APPENDIX

Reserves & Resources



Probable Reserves ⁽¹⁾			
	Tonnes	Au Grade (g/t)	Contained Ounces
Timmins West Mine	3,332,000	4.6	492,200
Bell Creek Mine	<u>707,000</u>	<u>4.7</u>	<u>106,600</u>
Total	4,039,000	4.6	598,800
Measured & Indicated ⁽²⁾			
	Tonnes	Au Grade (g/t)	Contained Ounces
Timmins West Mine	4,364,000	5.1	715,000
Gold River	690,000	5.3	117,000
Bell Creek Mine	4,542,000	4.6	672,000
Vogel	2,219,000	1.75 ⁽³⁾	125,000
Marlhill	395,000	4.5	57,000
<u>Fenn Gib</u>	40,800,000	0.99 ⁽³⁾	<u>1,300,000</u>
Total			2,985,000
Inferred			
	Tonnes	Au Grade (g/t)	Contained Ounces
Timmins West Mine	2,939,000	5.5	516,000
Gold River	5,273,000	6.1	1,028,000
Bell Creek Mine	5,935,000	4.6	872,000
Vogel	1,459,000	3.60 ⁽⁴⁾	169,000
<u>Fenn-Gib</u>	24,500,000	0.95 ⁽³⁾	<u>750,000</u>
Total			3,335,000

(1) Reserves as at March 2014 and calculated using average price of US\$1,100/oz (2) Resources are inclusive of reserves (3) Open-pit resources (4) Combination of underground and open-pit resources. See press release dated March 18, 2014 for details of assumptions and estimates used in reserve and resource calculations for Timmins West Mine and Bell Creek Mine. See www.lsgold.com for estimates and assumptions relating to resources at other properties

Q3/14 Financial Highlights



\$ Millions unless otherwise stated	Q3/14	Q3/13	% Change
Ounces sold	45,500	32,300	41
Average price (US\$/oz)	1,284	1,324	3
Average price (\$/oz)	1,397	1,372	2
Revenues	63.5	44.3	43
Production costs	29.6	23.4	26
Cash earnings from mine operations ⁽¹⁾	34.1	20.8	64
Earnings from mine operations	16.1	7.6	112
Net earnings (loss)	7.9	(1.7)	N/A

(1) Example of Non-GAAP measure, see Slide 24 for more information

9M/14 Financial Highlights



\$ Millions unless otherwise stated	9M/14	9M/13	% Change
Ounces sold	142,000	86,000	65
Average price (US\$/oz)	1,289	1,444	11
Average price (\$/oz)	1,410	1,476	4
Revenues	200.1	126.8	58
Production costs	91.6	75.5	21
Cash earnings from mine operations ⁽¹⁾	108.7	51.6	111
Earnings from mine operations	52.8	13.2	300
Net earnings (loss)	25.7	(7.8)	N/A

(1) Example of Non-GAAP measure, see Slide 24 for more information

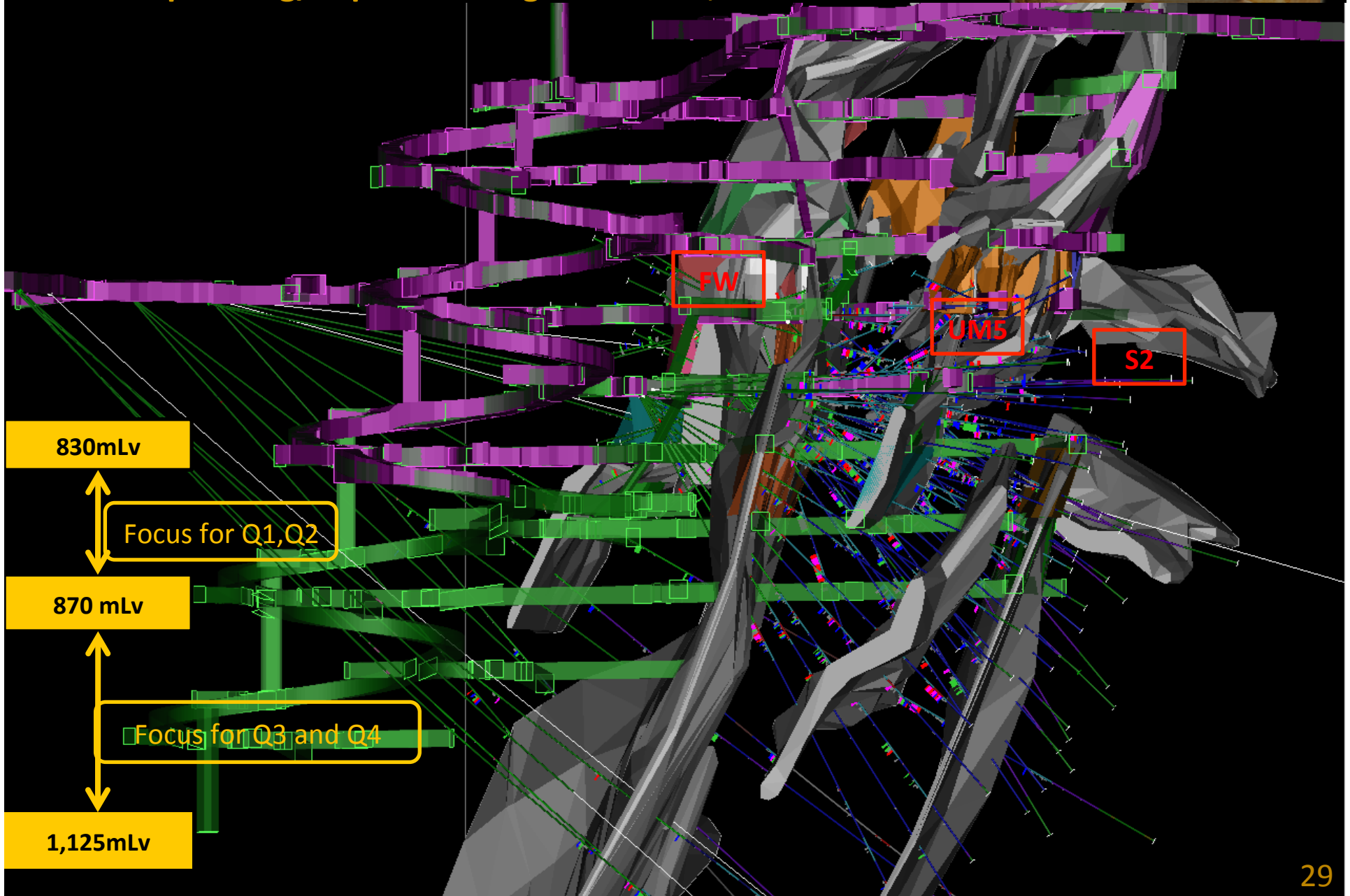
Balance Sheet – September 30, 2014



Assets	\$ Millions
Cash and cash equivalents	62
Other current assets	26
Total current assets	88
Non-current assets	537
Total Assets	625
Liabilities	\$ Millions
Accounts payable & accrued liabilities	23
Current portion of long-term debt	13
Other current liabilities	9
Total current liabilities	45
Long-term debt	102
Other non-current liabilities	16
Total non-current liabilities	118
Total Liabilities	163
Equity	\$ Millions
Share capital	1,022
Equity portion of convertible debentures	15
Reserves	32
Deficit	(607)
Total Equity	462

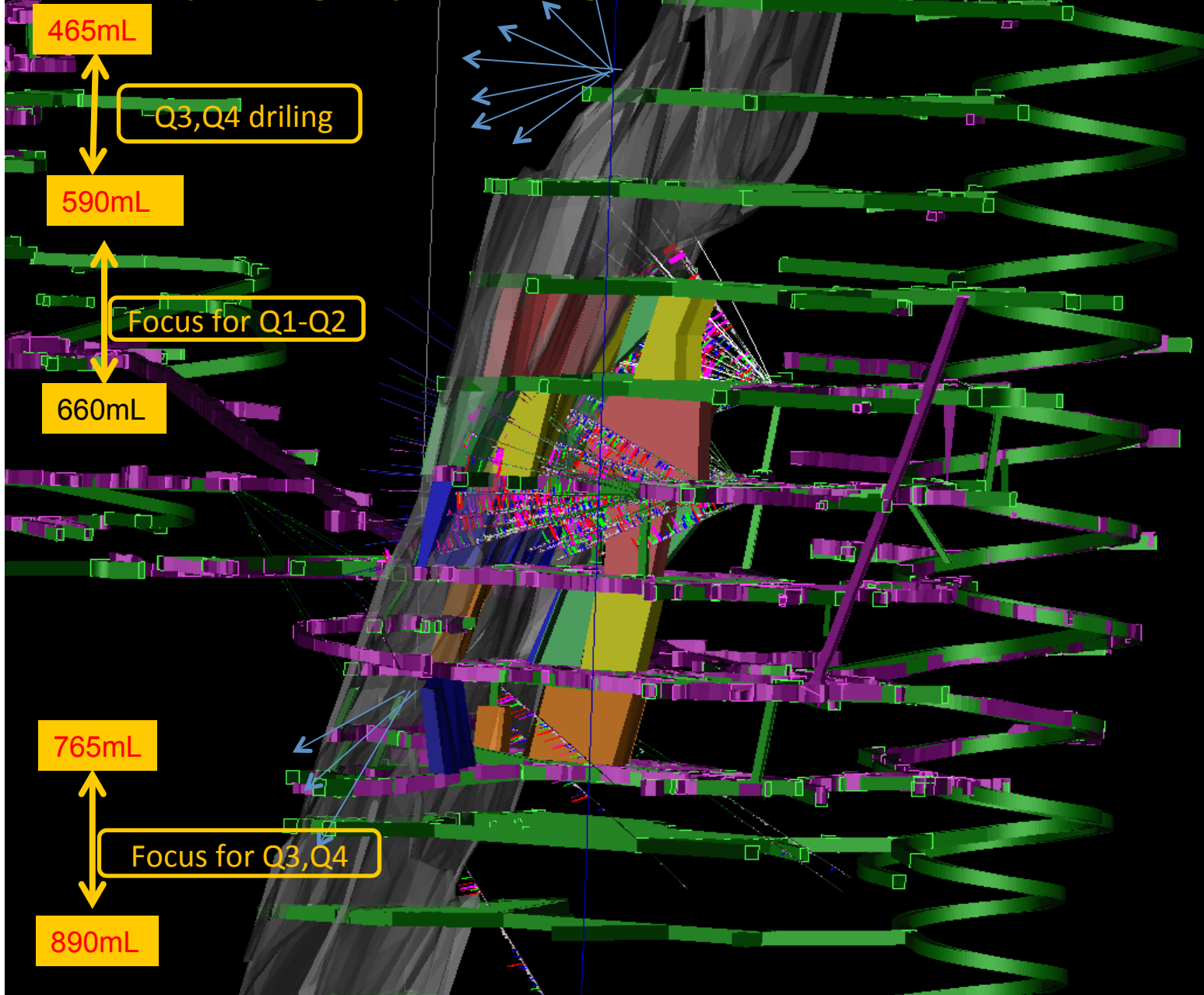
Timmins Deposit Looking East

Recent Operating/Capital Drilling: 830 L to 1,125 L



Thunder Creek Looking East

Recent Operating/Capital Drilling: 765 L to 890 L, 590 L to 465 L



Non-GAAP Measures⁽¹⁾



Cash Operating Costs per Ounce

Cash operating cost per ounce is a Non-GAAP measure. In the gold mining industry, cash operating cost per ounce is a common performance measure but does not have any standardized meaning. Cash operating costs per ounce are based on ounces sold and are derived from amounts included in the Consolidated Statements of Comprehensive Loss (Income) and include mine site operating costs such as mining, processing and administration, but exclude depreciation, depletion and share-based payment expenses and reclamation costs. The Company discloses cash cost per ounce as it believes this measure provides valuable assistance to investors and analysts in evaluating the Company's performance and ability to generate cash flow. This measure should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP such as total production costs.

All-In Sustaining Costs per Ounce

Effective the second quarter 2013, the Company has adopted a total all-in sustaining cost ("AISC") performance measure. AISC is a Non-GAAP measure. The measure is intended to assist readers in evaluating the total costs of producing gold from current operations. While there is no standardized meaning across the industry for this measure, the Company's definition conforms to the AISC definition as set out by the World Gold Council in its guidance note dated June 27, 2013. The Company defines all-in sustaining cost as the sum of cash costs from mine operations, sustaining capital (capital required to maintain current operations at existing levels), corporate general and administrative expenses, in-mine exploration expenses and reclamation cost accretion related to current operations. All-in sustaining cost excludes growth capital, reclamation cost accretion not related to current operations and interest and other financing costs.

(1) More information about cash operating costs and all-in sustaining costs and other Non-GAAP measures, including reconciliations of these measures to the most directly comparable GAAP measures, is provided on pages 19 and 20 of the Company's third quarter and first nine months 2014 Management's Discussion & Analysis, which is posted at www.sedar.com and on the Company's website at www.lsgold.com.