

THE UNDERGROUND GOLD COMPANY

PURSUING A DREAM • BUILDING A LEGACY



TSX : KDX
OTCQX : KLNDF

2015 PRECIOUS METALS SUMMIT
COLORADO

FORWARD-LOOKING INFORMATION



Qualified Person (“QP”)

Brian Morris, Klondex Mines non-independent QP as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”), reviewed and is responsible for the technical information contained in this presentation.

Cautionary Note Regarding Technical Information and Forward-looking Information

A production decision at the Fire Creek Project has not been made by Klondex, as it is still in the bulk sampling phase. Although a production decision at the Fire Creek Project has not been made, the mineralized material extracted from the Fire Creek Project under the bulk sample permit is processed through the Midas mill.

A production decision at the Midas Mine was made by previous operators of the mine, prior to the completion of the acquisition of the Midas mine by Klondex and Klondex made a decision to continue production subsequent to the acquisition. This decision by Klondex to continue production and, to the knowledge of Klondex, the prior production decision were not based on a feasibility study of mineral reserves demonstrating economic and technical viability prepared in accordance with NI 43-101. Readers are cautioned that there is increased uncertainty and higher risk of economic and technical failure associated with such production decisions.

This presentation contains certain information that may constitute forward-looking information under applicable Canadian securities legislation, including but not limited to information about current expectations on the timing, extent and success of exploration, development and metallurgical sampling activities, the timing and success of mining operations, the timing and completion of updated mineral resource estimates in respect of the Midas Project and Fire Creek Project, the timing and completion of an economic analysis in respect of the Fire Creek Project, the Company's intention and ability to monetize mineralized material, the successful execution of the bulk sampling program at the Fire Creek Project, project development and related permitting. This forward-looking information entails various risks and uncertainties that are based on current expectations, and actual results may differ materially from those contained in such information. These uncertainties and risks include, but are not limited to, the strength of the global economy; the price of gold; operational, funding and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations; and the ability of Klondex to fund its substantial capital requirements and operations. Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure materials filed with the securities regulatory authorities in Canada and available at www.sedar.com. Readers are urged to read these materials. Klondex assumes no obligation to update any forward-looking information or to update the reasons why actual results could differ from such information unless required by law.

OUR FOCUS

PEOPLE – PROPERTIES – PROFITABILITY



OUTPERFORMED 2014 PRODUCTION GUIDANCE BY 25%; ON TRACK FOR DELIVERING IN 2015

PEOPLE

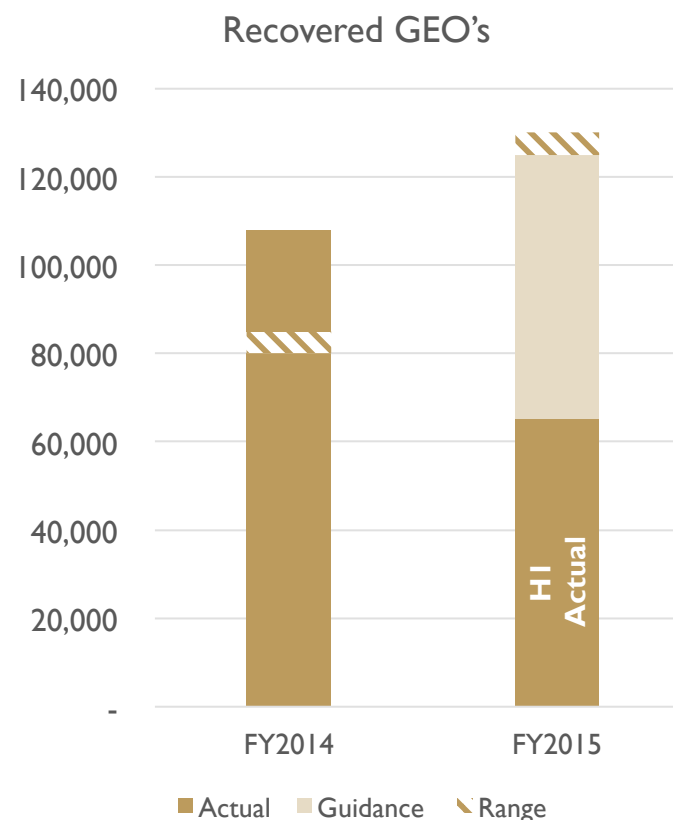
- Industry leading safety performance
- Experienced, efficient and invested team

PROPERTIES - Gold and Silver Operations in Nevada

- Fire Creek and Midas Mine and Mill
 - 2 of the top 10 highest grade mines in the world
- 2015 reserves calculated, using US\$1,000 per gold ounce
- 2015 mineral resources calculated at US\$1,200 per gold ounce, stress tested to \$800 per gold ounce
- Continuing to grow resource base

PROFITABILITY

- Started production in 2014, with the acquisition of Midas
- 2015 Guidance: 125,000 - 130,000 GEO
 - Production costs: US\$575 - \$625 per GEO sold
 - All-in sustaining costs: US\$750 - \$800 per gold ounce sold
- US\$43 million growth and sustaining capital outlook for 2015 (US\$23 million spent in H1)



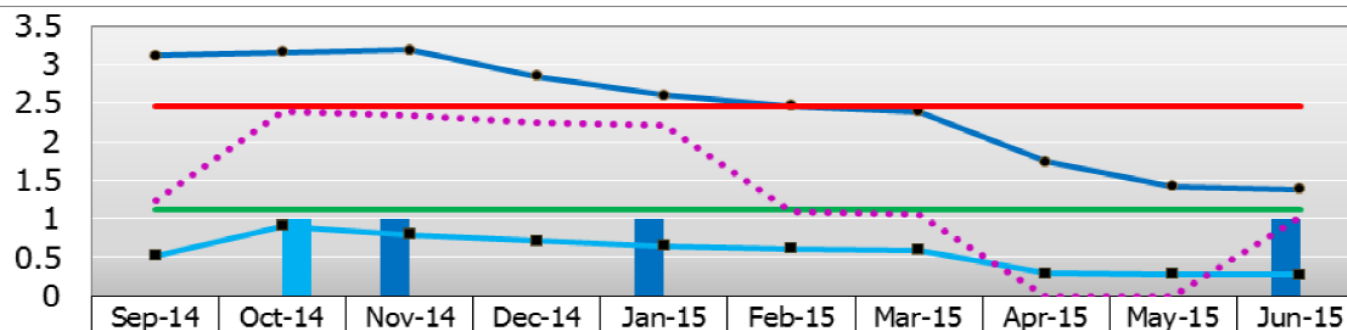
GEO: Represents gold equivalent ounces, the ratio of which is based on average realized metal prices received by the Company.

PEOPLE

PRIDING OURSELVES ON SAFETY FIRST



Nevada Operations Reportable Frequency Rate



No Lost Time Accidents at Fire Creek: 1062 days
as of September 11, 2015

PEOPLE

A STRONG LEADERSHIP AND OPERATIONS TEAM

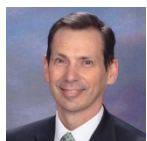


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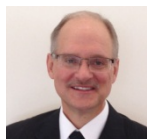
Paul Huet, A.Sc.T. – President, CEO and Director

- 28 yrs of mining experience within North America, focused on underground narrow vein gold and silver mining.



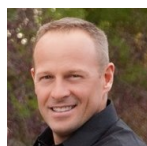
Barry Dahl – Chief Financial Officer

- 28 yrs of accounting experience in mining, construction and manufacturing.



Brent Kristof – Chief Operating Officer

- 33 yrs operations u/g and open pit experience with major mining companies in North America, PNG and Australia



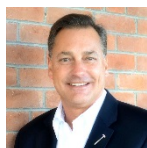
John Seaberg – SVP Investor Relations

- Over 20 yrs metals and mining experience; 12 yrs as Investor Relations and Corporate Development at Newmont Mining



Mike Doolin – VP Business Development

- 27 yrs with extensive experience in metallurgy, design and permitting of narrow vein and open pit mining projects



Brian Morris – VP Exploration

- 26 yrs experience providing exploration and geological support to major producing assets in Nevada, including Midas and Hollister.

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Richard J. Hall, Chairman

- Seasoned mining executive, involved in building and acquiring precious metals companies in the America's and Australia; Served as CEO of Northgate Minerals, Grayd Resource and Metallica Resources, as well as Chairman of a number of other precious metals companies.

Blair Schultz, Executive Director

- Former Klondex Chairman (2012-2014). Over 13 yrs of experience evaluating M&A transactions in the mining space; was most recently Vice President and Head of Special Situation Analytics, Portfolio Management & Trading at K2 & Associates Investment Management Inc. in Toronto

Renaud Adams

- President of Richmond Mines. Over 20 years of mining experience, and most recently served as President and COO at Primero Mining Corp. Prior to this, Mr. Adams served at IAMGOLD Corporation and held various senior positions with Cambior Inc. and Breakwater Resources Ltd.

Rodney Cooper

- President and Chief Operating Officer at Labrador Iron Mines with 30 years in mining; broad experience in technical services, operations, project management, investment evaluation and finance

Mark J. Daniel

- Economist and consultant for organizational design, executive recruitment and development, compensation and performance improvements. Current board member at AuRico Gold

Jamie Haggarty

- Financial and operational executive with over 20 years of experience ranging from strategic planning to M&A transactions to managing diverse businesses day-to-day

William Matlack

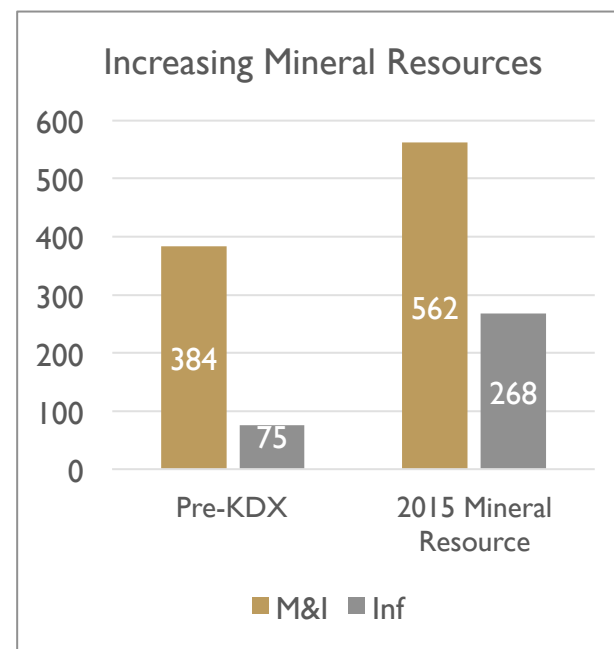
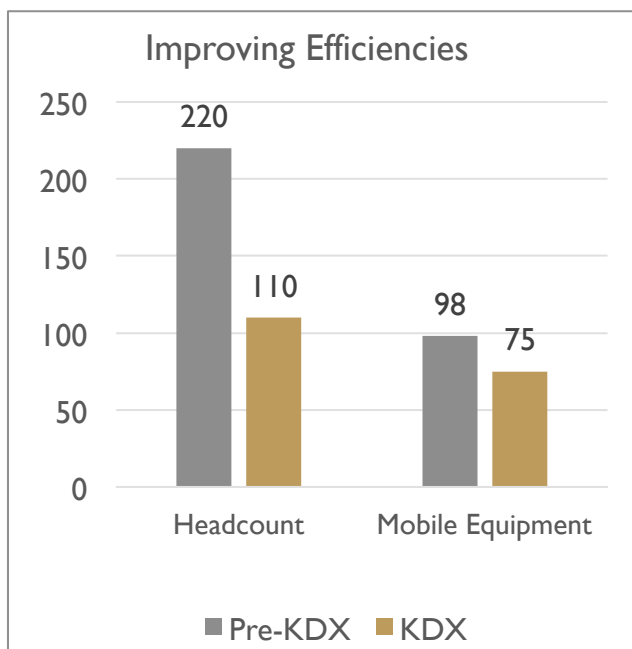
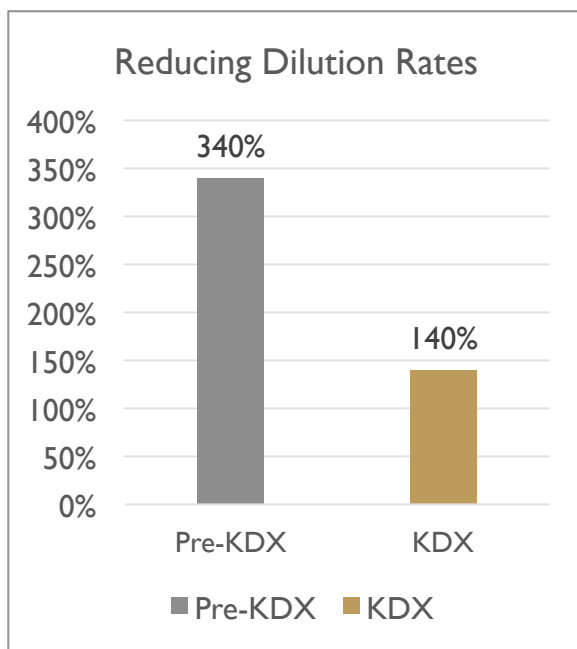
- Specializes in metals and mining investment banking with Scarsdale Equities LLC; has 15 years prior experience in metals and mining equities

Charles Oliver, Special Advisor to the Board

- Most recently, award winning fund manager at Sprott AM. Brings 25 years experience in capital markets, focused in the precious metals sector.

PEOPLE

IMPROVING THE PROFITABILITY OF MIDAS



- 2 yard scoops, from 4 yard scoops
- Jumbo's replaced by handheld drills
- 6-8' wide ore drifts, down from 12'
- Apply cut and fill mining from raises in appropriate locations

- Reduced workforce by 50%
- Transferred 25% of the equipment for use at Fire Creek – reduced 2014 capex by ~\$7 million



- Increased resource, doubled grade to the mill
- Pre-KDX AuEq grade: 0.15 opt vs. YTD head grade 0.37 opt

PROPERTIES

LOW RISK



KLONDEX IN NEVADA

- Mining-friendly jurisdiction
- Low permitting risk
- High grades
- Low costs – significant operational synergies

MIDAS MINE AND MILL

- Fully-permitted
- Extending mine life
- Decreasing dilution; increasing grades
- 1,200 tpd mill onsite

FIRE CREEK PROJECT

- Environmental assessment *expected late 2015*
- *~93% of land package is untested*

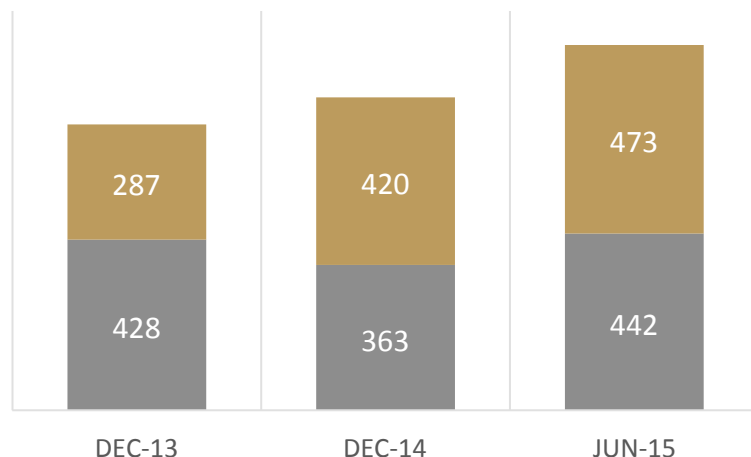


PROPERTY – HIGH GRADE

INCREASING MINERAL RESOURCES; INCREASING M&I

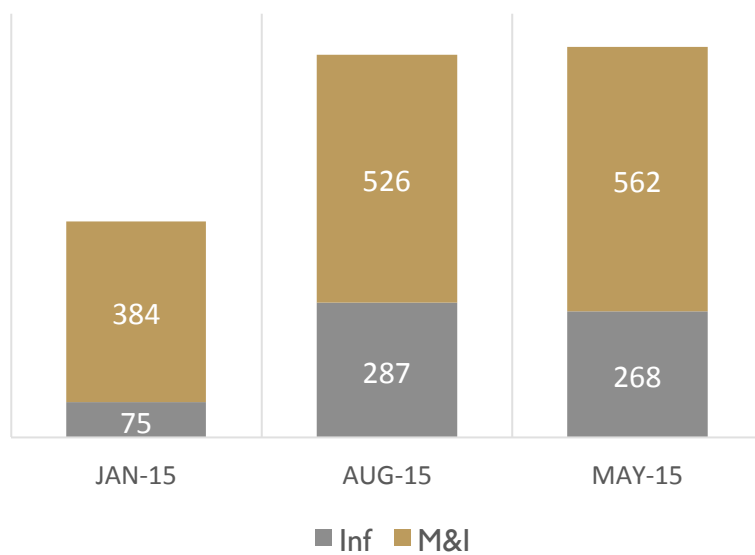


FIRE CREEK



+13% M&I
FIRE CREEK MINERAL RESOURCE

MIDAS



+7% M&I
MIDAS MINERAL RESOURCE

Gold equivalent ounces represented in thousands

Fire Creek Mineral Resource update effective dates, December 31, 2013, December 31, 2014 and June 30, 2015.

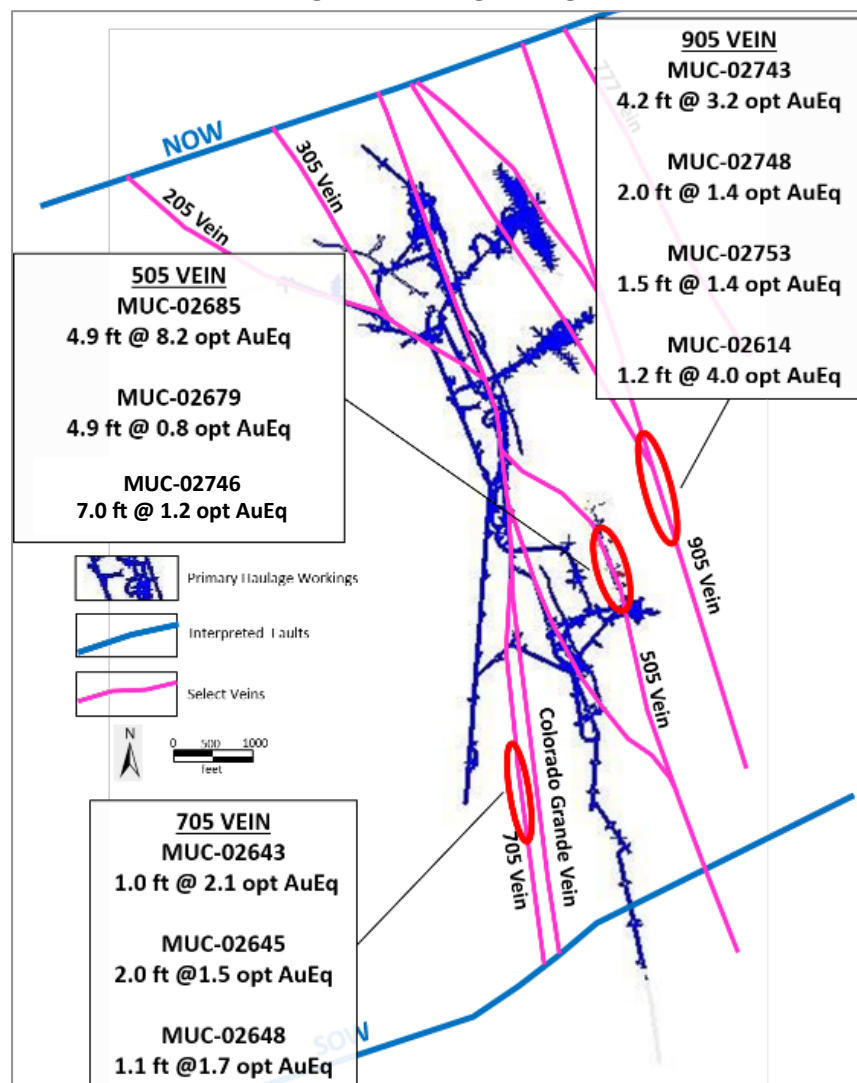
Midas Mineral Resource update effective dates, January 31, 2013, August 31, 2014 and May 31, 2015.

PROPERTIES - MIDAS MINE

DISCIPLINED MINING AND EXPANSION



RECENT EXPLORATION



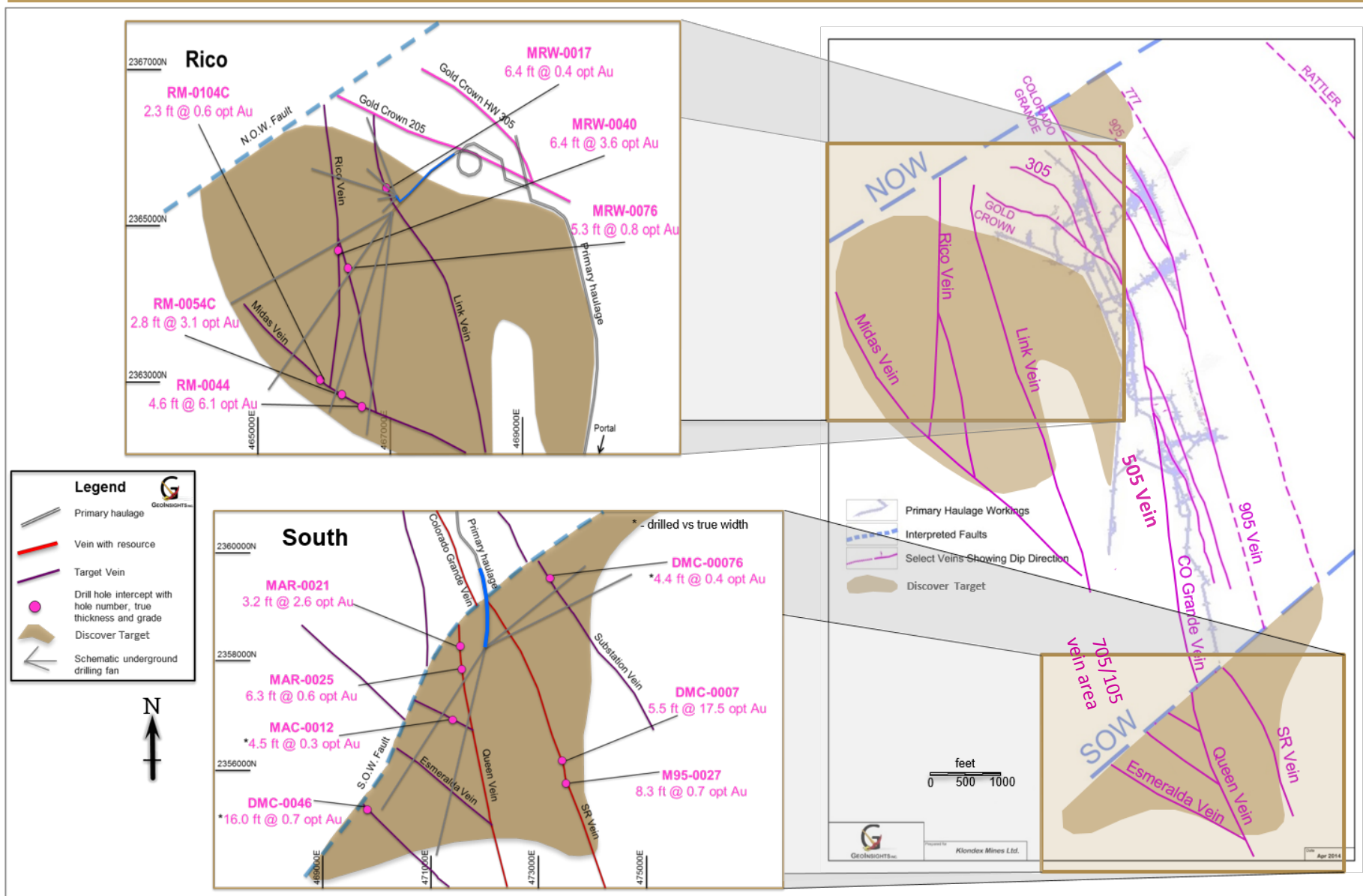
Location	Elko County, Nevada
Mine Type	Underground, gold and silver
Ownership	100%
Proven and Probable Reserves AuEq	133 koz 0.55 opt (18.8 g/T) - 242.1 k tons
M&I Mineral Resources AuEq (inclusive of reserves)	562 koz 0.49 opt (16.7 g/T) - 1,155 k tons
Inferred Mineral Resources AuEq	268 koz 0.31 opt (10.7 g/T) - 857 k tons
Mining Method	Cut and Fill, Long Hole
Mining rate	400-450 tpd
Processing	Merrill Crowe (gravity and cyanide) 1200 tpd capacity
Recoveries	94% Au; 95% Ag (actuals)
Operating Cost *Detailed in PFS	\$315/t
Total costs *Detailed in PFS	\$932/oz AuEq \$485/oz net Ag by product
Reserve Life	2.8 yrs
Royalty	2.5% (on the mine) to FNV starting in 2019

See last slide for footnotes.
Reserves use US\$ cost assumptions

WWW.KLONDEXMINES.COM

PROPERTIES - MIDAS EXPLORATION TARGETS

FOLLOW-UP DRILLING ON PREVIOUS DISCOVERIES



PROPERTIES - MIDAS MILL

SIMPLE PROCESSING



Capacity: 1,200tpd, Recovery: 94% Au, 95% Ag

- Conventional leach technology and Merrill Crowe precipitation

Currently Operating Midas Mill at 700 tpd

Klondex Mill feed from:

- Fire Creek and Midas
- Toll milling

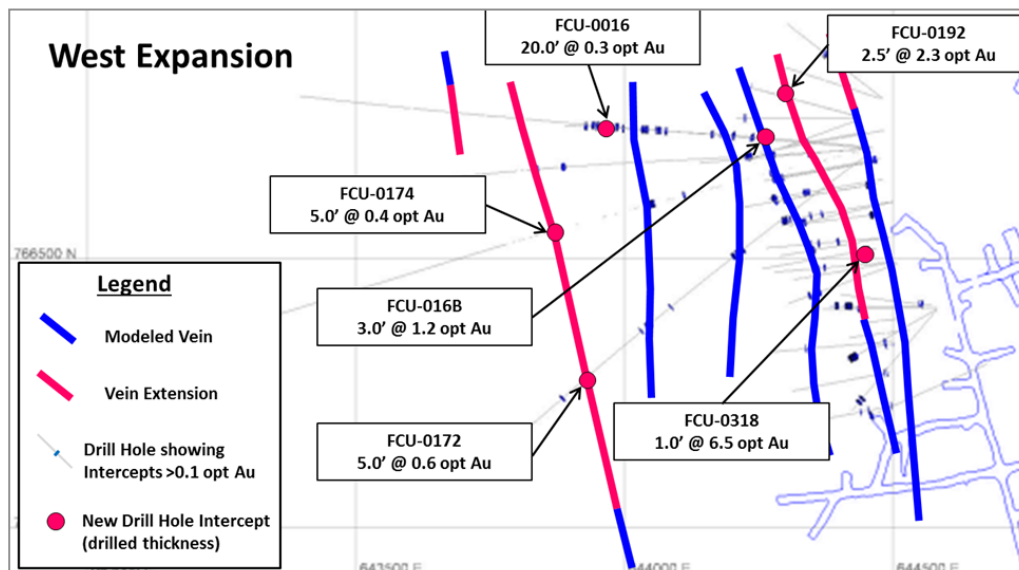


PROPERTIES - FIRE CREEK PROJECT

HIGH GRADE SIGNIFICANT UPSIDE POTENTIAL



- High-grade
- Ramp access, grid power
- Disciplined mining approach
 - Began testing long hole stoping in Q32015
- Aggressive exploration
 - Several other high-priority targets
- EA permitting expected in H2 2015

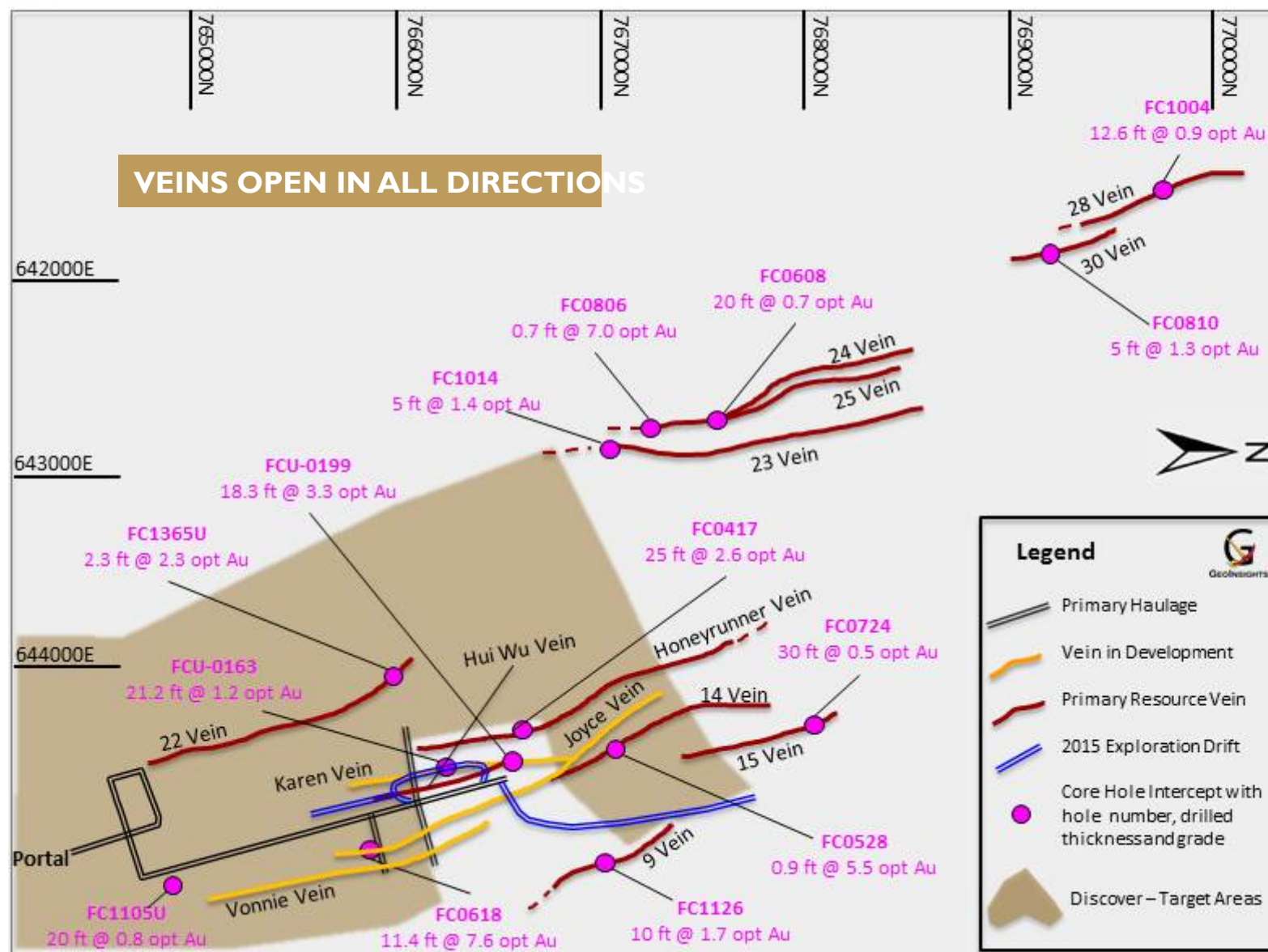


Location	Lander County, Nevada
Mine Type	Underground, gold and silver
Ownership	100%
Proven and Probable Reserves AuEq	241 koz 1.3 opt (44.6 g/T) – 185.8 k tons
M&I Mineral Resources AuEq (inclusive of reserves)	473 koz 1.0 opt (35.1 g/T) - 463 k tons
Inferred Mineral Resources AuEq	442 koz 0.42 opt (14.2 g/T) – 1,065 k tons
Mining Method	Cut and Fill, Long Hole
Mining rate	200 – 210 tpd
Processing	Midas Mill - \$34/t shipping
Recoveries	94% Au; 95% Ag (actuals)
Operating Cost *Reserve cost	\$460/t
Total costs *Reserve cost	\$503/oz AuEq \$492/oz net Ag by product
Reserve Life	3.8 yrs
Royalty	2.5% to FNV starting in 2019

* See last slide for resource and reserve footnotes.
Reserves use US\$ cost assumptions

PROPERTIES - FIRE CREEK DRILLING TARGETS

UPSIDE POTENTIAL TO THE NORTH



PROFITABILITY

STRENGTHENING THE BALANCE SHEET



Cash (June 30, 2015)	~ C\$68 M	~C\$26 million bought deal
Inventories (June 30, 2015)	C\$24 M	Closed September 10, 2015
Senior Notes principal @ 11%	C\$23 M	Use of proceeds:
Gold Purchase Agreement (27,750 ounces remaining as of June 30, 2015)	27% required ounces delivered	- Repay Senior Notes principal - Working capital

	2014				2015	
	1Q	2Q	3Q	4Q	1Q	2Q
Revenue (C\$)	\$2.6 M	\$36.4 M	\$38.0 M	\$44.6 M	\$47.3 M	\$51.0 M
Net Income (C\$)	\$(2.4) M	\$4.4	\$7.2 M	\$9.0 M	\$10.1 M	\$4.8 M
Earnings Per Share (C\$)	\$(0.02)	\$0.04	\$0.06	\$0.07	\$0.08	\$0.04
Production Cost/GEO (C\$)	\$394	\$731	\$613	\$685	\$855	\$744
Production Cost w/Ag by-product (C\$)	\$429	\$550	\$478	\$553	\$745	\$537
Capital Expenditures (C\$)	\$4.3 M	\$6.6 M	\$8.0 M	\$11.3 M	\$11.1 M	\$14.7 M
Cash Balance (C\$)	\$8 M	\$15 M	\$43 M	\$53 M	\$55 M	\$68 M

- Includes 2,439 gold ounces (\$3.3 million in cash receipts) sold during the first quarter of 2014, the proceeds of which were used to reduce the carrying value of the Fire Creek mineral property. Accordingly, proceeds from such ounces sold are excluded from Revenues for the first quarter and first six months of 2014 while being presented in the above table.
- Q1 and Q2 2014 and 2015 Silver to Gold ratio calculated using actual realized gold and silver prices. Q3 and Q4 2014 use 63.16:1 Silver to Gold ratio.

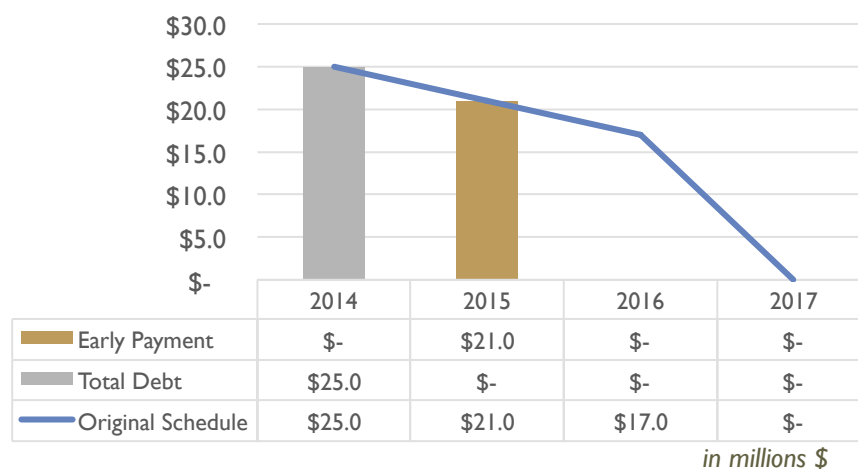
PROFITABILITY - RAPIDLY REPAYING DEBT

FINANCINGS ASSOCIATED WITH MIDAS ACQUISITION



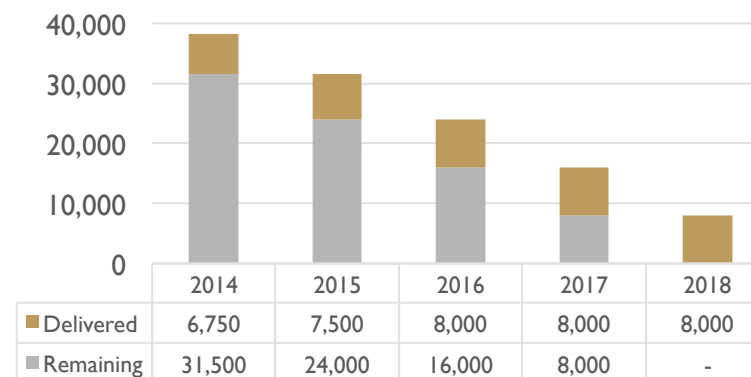
CASH AS OF JUNE 30, 2015 - C\$68 MILLION

Senior Notes @ 11%



- Prepaying the debt eliminates ~C\$4 million of interest payments

Franco-Nevada Gold Ounce Payments



- Repaying gold loan on monthly basis - on schedule

PROFITABILITY – FOCUSED ON CREATING SHAREHOLDER VALUE

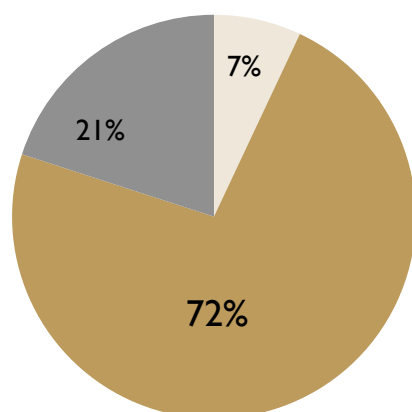
OWNERSHIP KDX



NYSE MKT LISTING Q3 2015: KDX

TOP10 INSTITUTIONAL HOLDERS

Sentry Investments	19.8
Sun Valley Gold	12.5
US Global Investors	11.5
K2 Principal Fund	10.5
Oppenheimer	4.9
Van Eck	3.5
Goodman and Company	2.0
RBIM	2.0
Sprott Asset Management	1.7
MD Private Investment	1.4
BMO Asset Management	1.4



KDX Ownership

- Mgmt/Insiders
- Institutional
- Other

SHARE DATA

TSX Share Price	C\$3.20
52 Week High/Low	C\$3.87 - C\$1.68
Average Daily Volume (3 mos)	610 k
Shares Outstanding	138 M
Fully Diluted	159 M
Market Capitalization	C\$442 M
Enterprise Value	C\$396 M
Cash (as of June 2015)	C\$68 M
Inventories (as of June 2015)	C\$24 M
Senior Notes principal @ 11%	C\$23 M
FNV Gold Purchase Agreement 27% repaid of original agreement (06/15)	27,750 ounces

SELL SIDE RESEARCH

Canaccord, Rahul Paul

Clarus Securities, Jamie Spratt

Dundee Capital, Josh Wolfson

GMP Securities, Oliver Turner

Haywood Securities, Tara Hassan

Mackie Research Capital, Barry Allan

MPartners, Derek Macpherson

PI Financial, Phil Ker

RBC Capital Markets, Sam Crittenden

TSX : **KDX** OTCQX : **KLNDF**

Share ownership as of, June 2015
Share data as of September 2015

The Underground Gold Company

PROFITABILITY

STRONG
BALANCE SHEET
LOW COSTS,
HIGH MARGINS
DELIVERING
VALUE

PROPERTIES

HIGH GRADE
POWERFUL
UPSIDE
LOW RISK

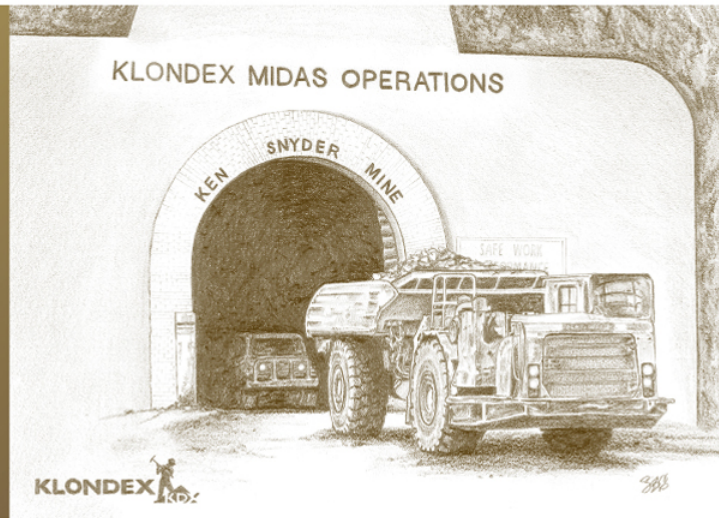
PEOPLE

EXPERIENCED
EFFICIENT
INVESTED

THANK YOU

THE UNDERGROUND GOLD COMPANY

PURSuing A DREAM • BUILDING A LEGACY



TSX : KDX
OTCQX : KLNDF

FOR MORE INFORMATION:

JOHN SEABERG

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M 303-668-7991

JSEABERG@KLONDEXMINES.COM

GLOBAL RESERVES AND RESOURCES



Mineral Reserves								
	Category	Au opt	Ag opt	Au Eq opt	Au Ounces (000's)	Ag Ounces (000's)	AuEq Ounces (000's)	Tons (000's)
Fire Creek	Proven Reserves	1.462	1.108	1.479	118.2	89.6	119.6	80.9
	Probable Reserves	1.149	0.787	1.161	120.5	82.6	121.8	104.9
	Proven + Probable	1.285	0.927	1.300	238.7	172.2	241.4	185.8
Midas	Proven Reserves	0.381	13.349	0.588	51.1	1,790.5	78.8	134.1
	Probable Reserves	0.376	7.918	0.498	40.6	855.2	53.8	108.0
	Proven + Probable	0.378	10.926	0.548	91.6	2,645.6	132.6	242.1

Mineral Resources								
	Cat.	Au opt (g/T)	Ag opt (g/T)	AuEq opt (g/T)	Au Ounces (000's)	Ag Ounces (000's)	AuEq Ounces (000's)	Tons (000's)
Fire Creek	M&I	1.01 (34.7)	0.78 (26.8)	1.02 (35.1)	468	362	473	463
	Inf.	0.41 (14.1)	0.32 (10.9)	0.42 (13.2)	436	340	442	1,065
Midas	M&I	0.36 (12.2)	8.40 (288.0)	0.49 (16.7)	411	9,701	562	1,155
	Inf.	0.24 (8.1)	4.81 (165.1)	0.31 (10.7)	204	4,125	268	857
TOTAL M&I : 1,035,000 GEO's								
TOTAL INF: 710,000 GEO's								

See slide 26 for notes to the mineral resources and reserves

FOOTNOTES



Price assumptions in mineral reserves and resources use US dollars unless otherwise stated.

All Midas and Fire Creek mineral resources and reserves are prepared by Practical Mining LLC.

Mineral resources and mineral reserve estimates have been prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's (CIM) "CIM Definition Standards – For Mineral Resources and Mineral Reserves" adopted by the CIM Council on May 10, 2014. Proven and probable mineral reserves are the economically minable portions of the measured and indicated Mineral Resources after the application of appropriate Modifying Factors.

Notes to the Mineral Resources

- The updated mineral resource estimates have an effective dates of June 30, 2015 and May 31, 2015 for Fire Creek and Midas, respectively.
- Mineral resources have been calculated using a gold price of \$1,200 per troy ounce and a silver price of \$19.00 per troy ounce.
- Fire Creek's mineral resources are calculated at a grade thickness cut-off grade of 0.99 Au equivalent opt-feet and a diluted Au equivalent cut-off grade of 1.126 opt.
- Midas' mineral resources are calculated at a grade thickness cut-off grade of 0.99 Au equivalent opt-feet and a diluted Au equivalent cut-off grade of 0.225 opt.
- The minimum mining width is defined as four feet or the vein true thickness plus one foot, whichever is greater.
- Mineral resources include dilution to achieve mining widths and an additional 10% unplanned dilution.
- Mineral resources include allowance for 5% mining losses.
- Mineral resources are inclusive of mineral reserves.
- Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.
- The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there is insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.
- Mineral resource estimates can be materially affected by environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other factors.

Ore Reserves

1. Reserves have been estimated with a gold price of \$1000/ounce and a silver price of \$15.83/ounce
2. Metallurgical recoveries for gold and silver are 94% and 92% respectively;
3. Mining losses of 5% and unplanned mining dilution of 10% have been applied to the designed mine excavations.
4. Fire Creek Mineral reserve uses an effective date of December 31, 2014.
4. Mineral reserve uses an effective date of August 31, 2014.

Sustaining capital expenditures do not contribute to a material increase in annual gold ounce production and are necessary to sustain our current operations. Non-sustaining (growth) capital expenditures are not required to sustain our current operations and include certain exploration activities, development activities which do not benefit production over the next 12 months, and permitting costs related to expansion projects.