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TSX KDX
NYSE MKT KLDX

KLONDEX MINES LTD

7TH ANNUAL PRECIOUS
METALS SUMMIT
BEAVER CREEK, COLORADO

SEPTEMBER 18-20, 2017

KLONDEXMINES.COM



CAUTIONARY NOTES

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Cautionary Note Regarding Forward-Looking Information

This presentation contains certain information that may constitute forward-looking information under applicable Canadian and U.S. securities legislation, including but not limited to information about results of exploration, development, mining, evaluation activities, results of reclamation activities, the estimation or realization of mineral resources and mineral reserves, the timing and amount of estimated future production, the making of future production decisions, expectations regarding realization of synergies relating to Klondex's projects, the timing and receipt of required permits and approvals, capital expenditures, costs and timing of the development of new mineral deposits, requirements for additional capital, the sufficiency of working capital and liquidity, and the future prices of precious and base metals. 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 and mineral reserve estimates are reflective of actual mineral resources and mineral reserves; 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 the U.S. and available at www.sedar.com and www.SEC.gov, respectively. 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.

U.S. Cautionary Note Regarding the Use of Mining Terms

This presentation has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. All resource and reserve estimates included in this presentation have been prepared in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the mineral reserve disclosure requirements of the U.S. Securities and Exchange Commission (the "SEC") set out in industry guide 7. In particular, the SEC's industry guide 7 applies different standards in order to classify mineralization as a reserve. As a result, the definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC industry guide 7. Under SEC standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. However, Klondex's estimated proven and probable reserves previously reported under NI 43-101 for Fire Creek, Midas, Hollister and True North are equivalent to those determined under SEC Industry Guide 7.

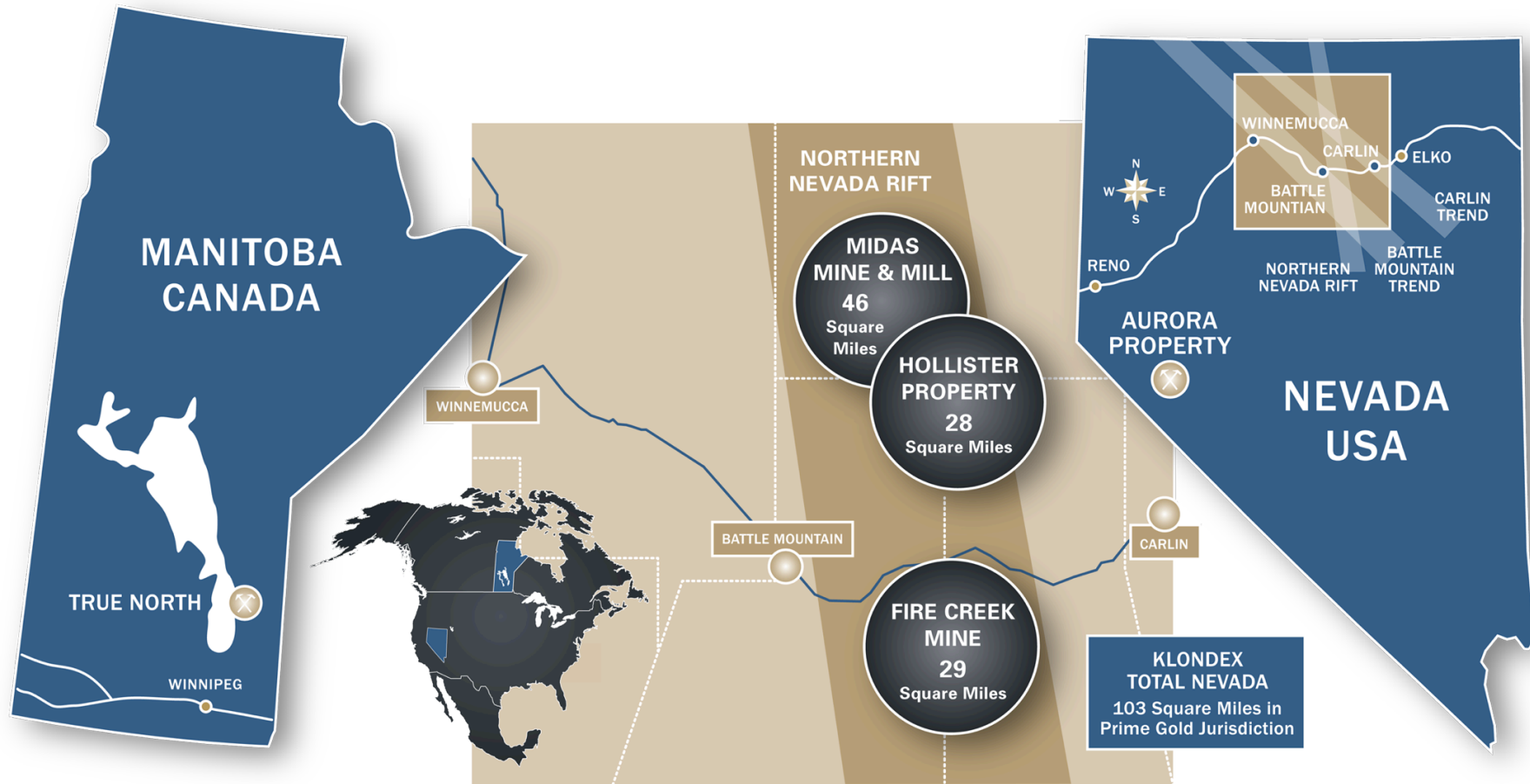
This presentation also uses the terms "resources", "measured resources", "indicated resources" and "inferred resources". United states investors are advised that, while such terms are recognized and required by Canadian securities laws, the SEC does not recognize them. Mineral resources that are not mineral reserves do not have demonstrated economic viability. United States investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher category. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. Consequently, resource information contained in this presentation is not comparable to similar information that would generally be disclosed by U.S. companies in accordance with the rules of the SEC.

Qualified Person

Brian Morris, Vice President, Exploration of Klondex Mines is a "qualified person" as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101) and has reviewed and is responsible for the technical information contained in this presentation.

NORTH AMERICA PORTFOLIO

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True North developing into another significant operation in North America

Consolidating in Northern Nevada – three mines servicing one central mill providing operational flexibility and optionality

Three Flagship Assets in Nevada – Aurora mill provides additional optionality

2017 REVISED OPERATIONAL GUIDANCE

INCREASING PRODUCTION GUIDANCE AT LOWER COSTS

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	GEO Production		Cash Costs per GEO Sold ⁽¹⁾		CapEx (millions)	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
MIDAS ⁽²⁾	45,000	50,000	\$800	\$850	\$15	\$18
FIRE CREEK	97,000	100,000	\$425	\$450	\$27	\$29
HOLLISTER	30,000	35,000	\$935	\$960	\$6	\$8
NEVADA TOTAL	172,000	185,000	\$625	\$650	\$48	\$55
TRUE NORTH	41,000	45,000	\$900	\$950	\$15	\$16
CONSOLIDATED TOTAL	213,000	230,000	\$675	\$700	\$63	\$71

	LOW	HIGH
CORPORATE G&A (millions)	\$17	\$18
HOLLISTER DEVELOPMENT & PROJECT COSTS (millions)	\$9	\$9
REGIONAL EXPLORATION EXPENSE (millions)	\$7	\$9
ALL-IN SUSTAINING COSTS PER GOLD OZ SOLD ⁽¹⁾	\$950	\$1,000
ALL-IN COSTS PER GOLD OZ SOLD ⁽¹⁾	\$1,070	\$1,130

- ~40% production growth YoY
- Hollister and True North production significantly increasing in H2
- Increasing Capex guidance due to higher realized metal prices and increased production

(1) This is a Non-GAAP measure; refer to the Non-GAAP Performance Measures section of this Presentation for additional detail.

(3) Based on an estimated CDN:US dollar exchange rate of 0.75:1.

(2) Includes CapEx from Midas mill of \$6-8 M.



NEVADA UPDATE

OPERATING AS A PORTFOLIO

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Operate NV as one portfolio with three mines reporting to one mill providing **optionality**
Significant synergies by sharing resources and best practice across portfolio

1H 2017

2H 2017

FIRE CREEK

Production focused

Complete 80% of waste development
required for 2018 mine plan

HOLLISTER

Ramp-up and development; setting up
for full production

Production commences with mill
modifications complete

MIDAS

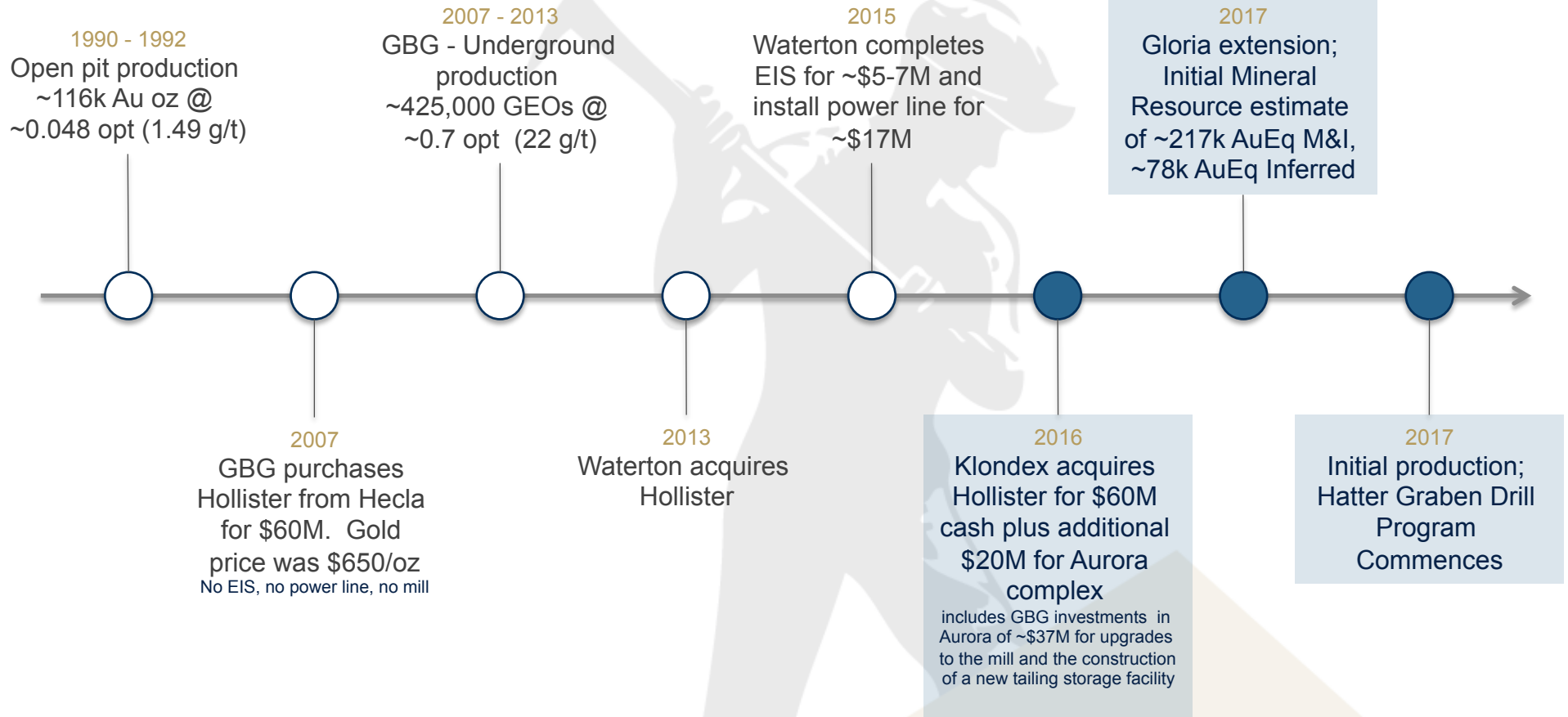
Production focused

Production focused

HOLLISTER

A BRIEF HISTORY

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High-grade, fully permitted underground gold and silver mine ~19 miles from the Midas mill and 74 miles NE of Winnemucca in the Northern Nevada Rift
Large and highly prospective land package of 28 square miles unpatented lode claims

HOLLISTER

WHAT HAVE WE DONE SO FAR?

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Project Evolution

Q4 2016

- Due Diligence Acquisition
- Surface Infrastructure
- Mob. in Contractor
- Begin Rehab

Q1 2017

- Repaired External Stakeholder Relationships (BLM, Shoshone, NV State)
- Rehab Main Decline
- Vent System Upgrade
- UG Coring Program Gloria
- Gloria Waste Development

Q2 2017

- Main Decline & Level Rehab
- Gloria Waste Development
- Gloria Ore Development
- Longhole Test Stope
- Resource Modeling
- Permit & Upgrades to Aurora Mill

Q3 2017

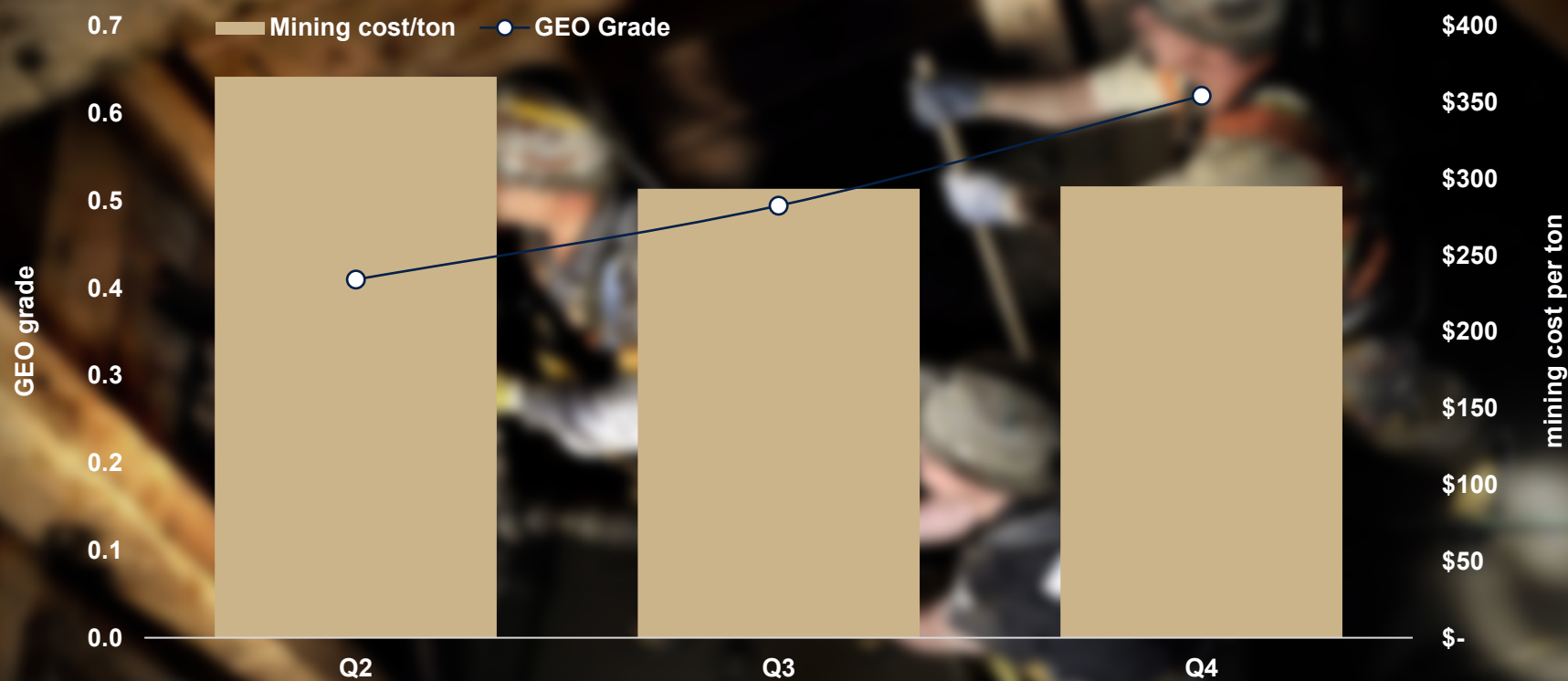
- Begin Core Drilling at Hatter Graben
- Complete Gloria Development
- Upgrades Midas Mill to Accept Hollister Ore
- Donated Rock Creek Lands to Western Shoshone
- Process Ore at Midas

Q4 2017

- Test LH Stopping
- Far West Gloria Development
- UG Definition Drilling
- Transition Manpower Contractor to Klondex
- Deliver on our Production Guidance

HOLLISTER CONTINUES TO RAMP UP ON TRACK TO MEET ANNUAL PRODUCTION GUIDANCE

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CANADA

TRUE NORTH MAKING PROGRESS ON TRACK TO MEET ANNUAL PRODUCTION GUIDANCE

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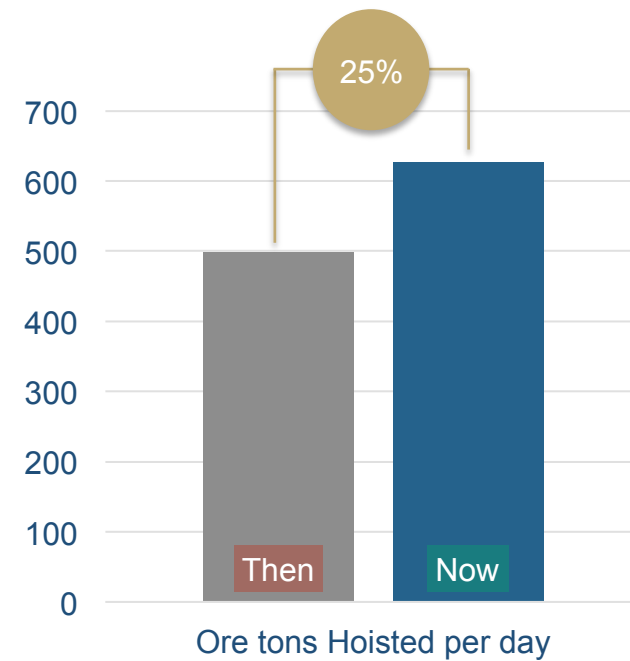
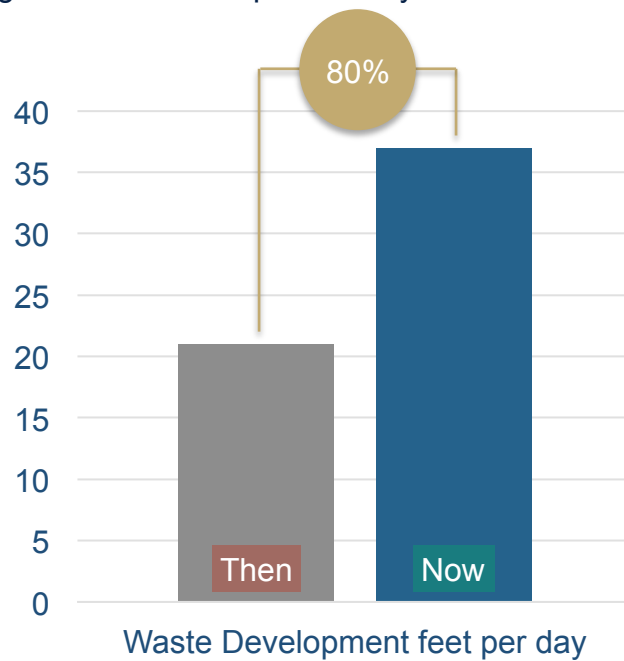
- Q1 and Q2 waste development intensive; Q3 and Q4 ore production intensive
- True North's milled grades are expected to increase in 2H 2017 while mining costs are expected to decrease
- Additional production from Cohiba in 2H 2017
- 2H production costs expected to decrease significantly as mining rates improve

TRUE NORTH RECENT DEVELOPMENTS

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- Management Changes
 - True North General Manager, Cohiba General Foreman, Senior Engineer
 - Line of progression, common core school, bonus program being developed
- Workforce Transitioning from Contractor to Klondex
 - Introduction of two front-line teams, working two-week rotations
 - Contractor crews now managed by KDX
- Tangible increases in productivity rates

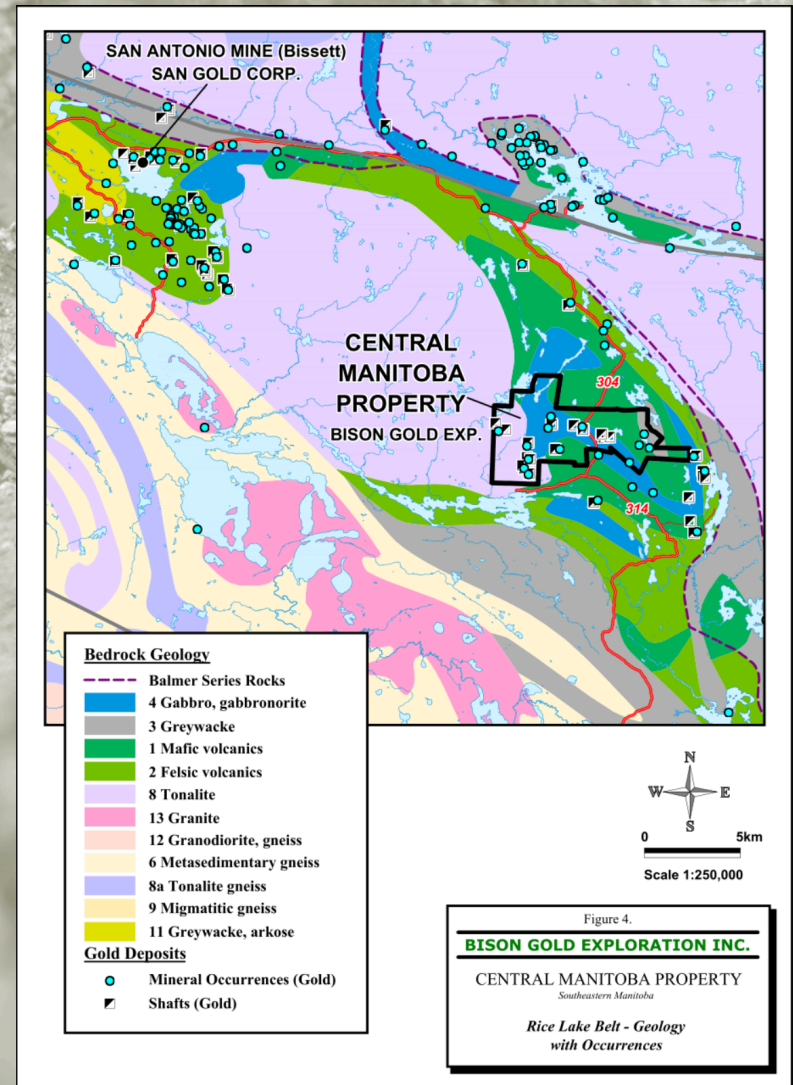


TRUE NORTH STRATEGIC BOLT-ON OF BISON GOLD

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- On August 7, 2017 the Company entered into a Definitive Arrangement to acquire all of the issued and outstanding common shares of Bison Gold Resources Inc. consolidating the Rice lake District
- Bison's Central Manitoba properties provides additional high grade opportunities for additional mill feed at the True North Mill
- The transaction is expected to close in the fourth quarter of 2017



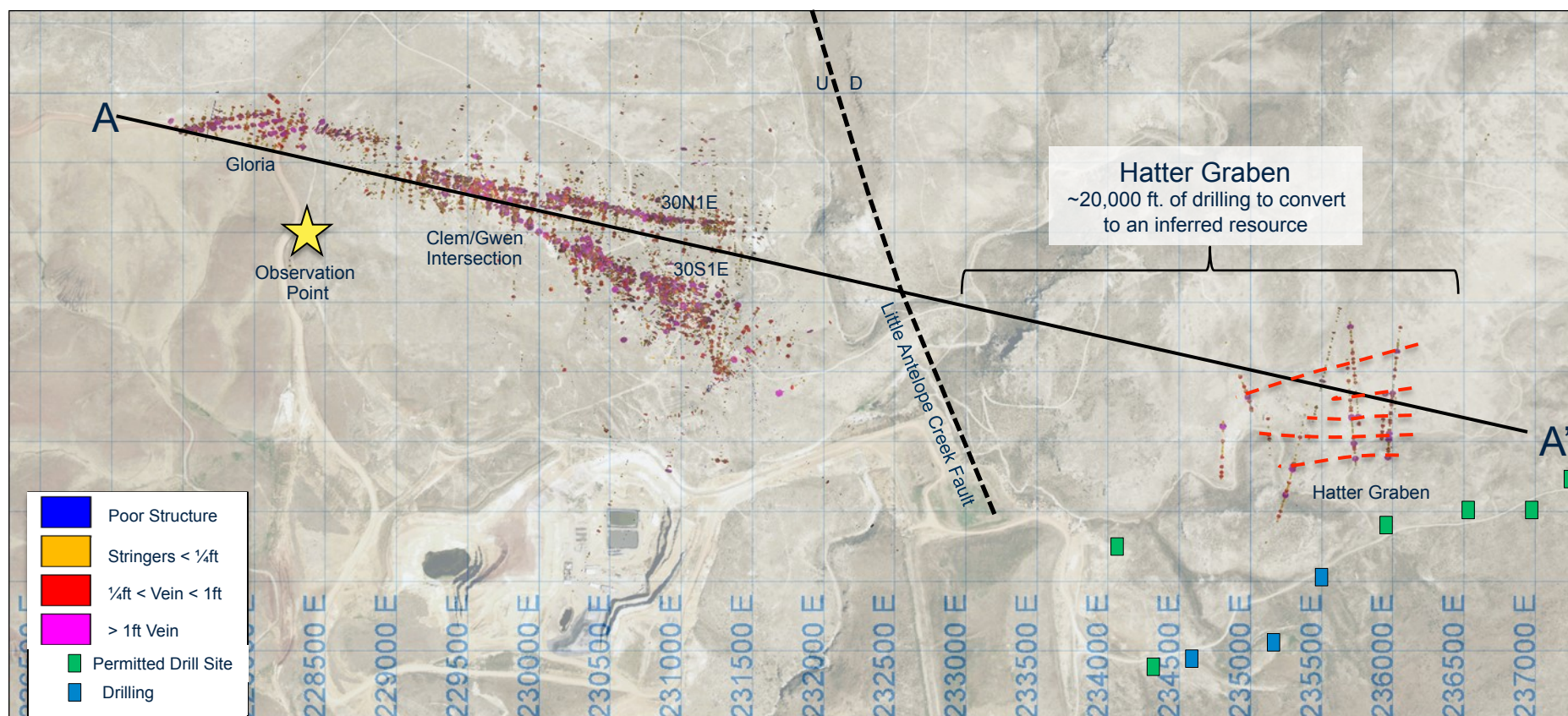


EXPLORATION UPDATE

HOLLISTER EXPLORATION

HATTER GRABEN

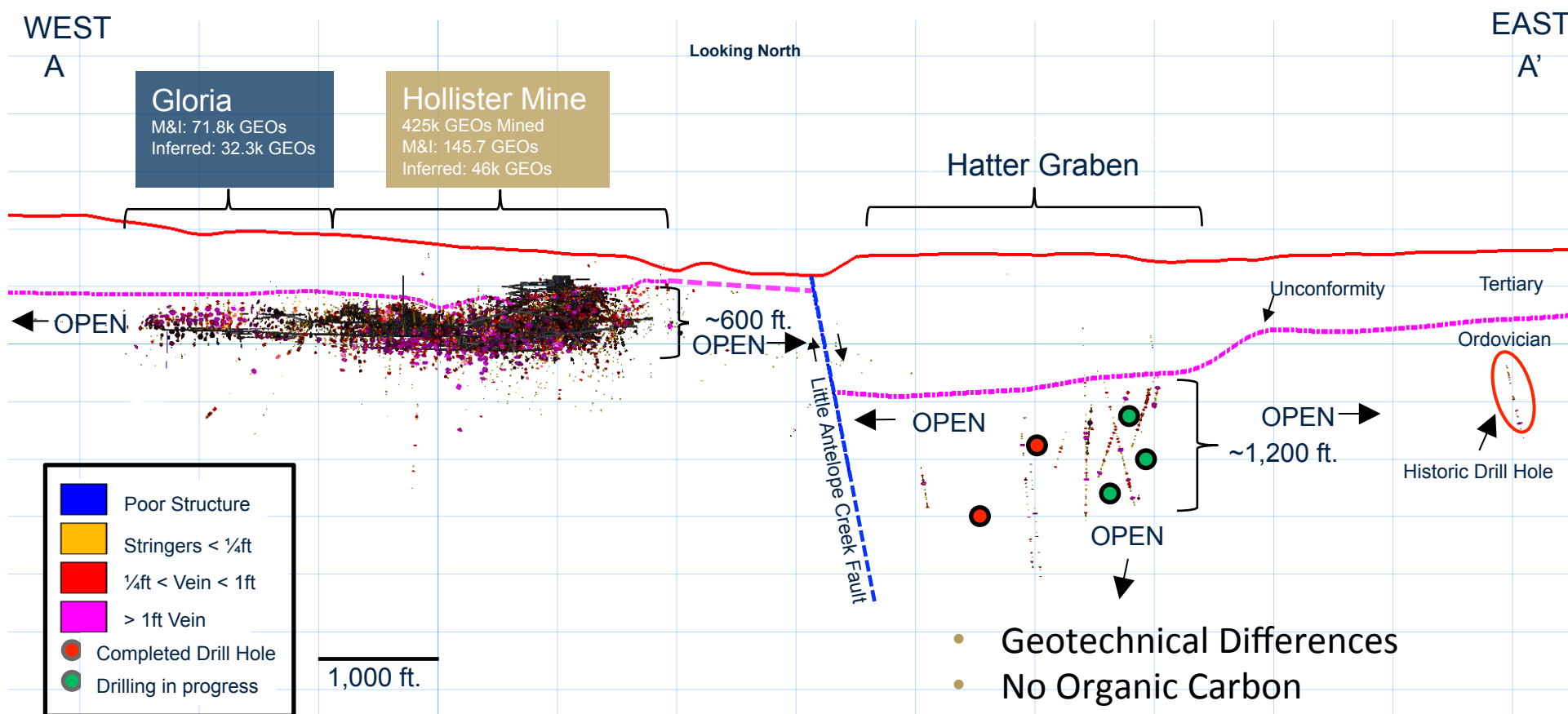
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HOLLISTER EXPLORATION

HATTER GRABEN

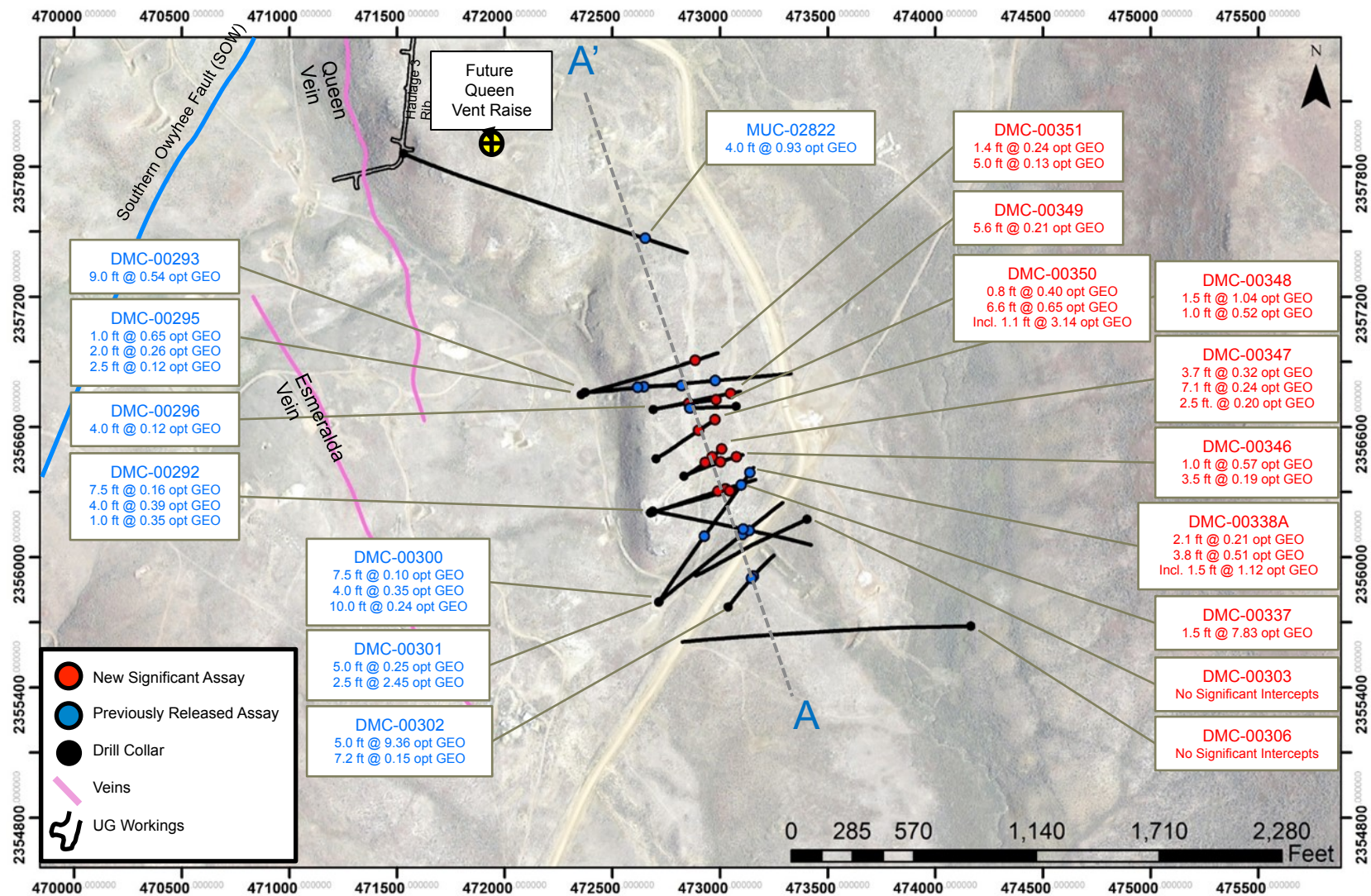
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MIDAS EXPLORATION

TRINITY - DRILLING UPDATE

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DELIVERING ON OUR COMMITMENTS

FORWARD LOOKING

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- No Lost Time Incidents
- Initial Exploration Results at Hatter Graben – Q3 2017
- Successful Ramp-up at True North and Hollister
- Deliver 2017 Annual Operating Guidance
- Mineral Resource Estimate for Hatter Graben at Hollister – Q1 2018
- Mineral Reserve and Resource Update for Klondex – Q1 2018

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NON-GAAP PERFORMANCE MEASURES

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Non-GAAP Performance Measures

We have included the non-GAAP measures "Production cash costs per gold equivalent ounce sold", ["All-in sustaining cost per gold ounces sold"] and "All-in costs per gold ounce sold" in this MD&A (collectively, the "Non-GAAP Measures"). These Non-GAAP Measures are used internally to assess our operating and economic performance and to provide key performance information to management. We believe that these Non-GAAP Measures, in addition to conventional measures prepared in accordance with GAAP, provide investors with an improved ability to evaluate our performance and ability to generate cash flows required to fund and sustain our business. These Non-GAAP Measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. These Non-GAAP Measures do not have any standardized meaning prescribed under GAAP, and therefore may not be comparable to or consistent with measures used by other issuers or with amounts presented in our financial statements.

Our primary business is gold production and our current and future operations, development, exploration, and life-of-mine plans primarily focus on maximizing returns from such gold production. As a result, our Non-GAAP Measures are calculated and disclosed on a per gold or gold equivalent ounce basis

Production Cash Costs Per Gold Equivalent Ounce Sold

Production cash costs per gold equivalent ounce sold presents our cash costs associated with the production of gold equivalent ounces and, as such, non-cash depreciation and depletion charges are excluded. Production cash costs per gold equivalent ounce sold is calculated on a per gold equivalent ounce sold basis, and includes all direct and indirect operating costs related to the physical activities of producing gold, including mining, processing, third-party refining expenses, on-site administrative and support costs, royalties, and cash portions of net realizable value write-downs on production-related inventories (State of Nevada net proceeds and other such taxes are excluded). We believe that converting the benefits from selling silver ounces into gold ounces is helpful to analysts and investors as it best represents the way we operate, which is to maximize returns from gold production. Gold equivalent ounces are computed as the number of silver ounces required to generate the revenue derived from the sale of one gold ounce, using average realized selling prices (in thousands, except ounces sold and per ounce amounts):

NON-GAAP PERFORMANCE MEASURES

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(1) During the first quarter 2016, production was only from Fire Creek and Midas. Details for Nevada are presented in the following table.

	Three months ended June 30,				Six months ended June 30,			
	2017			2016	2017			2016
	Nevada Total ⁽¹⁾	True North	Total	Nevada Total ⁽¹⁾	Nevada Total ⁽¹⁾	True North	Total	Nevada Total ⁽¹⁾
Consolidated								
Average realized price per gold ounce sold	\$ 1,251	\$ 1,229	\$ 1,249	\$ 1,309	\$ 1,247	\$ 1,233	\$ 1,245	\$ 1,246
Average realized price per silver ounce sold	\$ 17.10	\$ —	\$ 17.10	\$ 18.23	\$ 17.50	\$ 18.00	\$ 17.50	\$ 16.79
Silver ounces equivalent to revenue from one gold ounce	73.2	—	73.0	71.8	71.3	68.5	71.1	74.2
Silver ounces sold	307,899	—	307,899	408,316	593,899	1,000	594,899	733,590
GEOs from silver ounces sold	4,206	—	4,218	5,687	8,330	15	8,367	9,887
Gold ounces sold	58,461	6,832	65,293	32,499	83,620	11,232	94,852	59,463
Gold equivalent ounces	62,667	6,832	69,511	38,186	91,950	11,247	103,219	69,350
Production costs	\$ 34,440	\$ 7,258	\$ 41,698	\$ 22,576	\$ 53,763	\$ 14,164	\$ 67,927	\$ 42,907
Add: Write-down of production inventories (cash portion) (see Note 3 - Inventories)	249	1,442	1,691	—	249	3,676	3,925	—
	\$ 34,689	\$ 8,700	\$ 43,389	\$ 22,576	\$ 54,012	\$ 17,840	\$ 71,852	\$ 42,907
Production cash costs per GEO sold	\$ 554	\$ 1,273	\$ 624	\$ 591	\$ 587	\$ 1,586	\$ 696	\$ 619

The table to the right presents a reconciliation of Fire Creek and Midas to the "Nevada Total" for the first quarter of 2017 and 2016, (in thousands, except ounces sold and per ounce amounts):

	Six months ended June 30,			Six months ended June 30,		
	2017		Nevada Total ⁽¹⁾	2016		Nevada Total ⁽¹⁾
	Fire Creek	Midas		Fire Creek	Midas	
Nevada Total						
Average realized price per gold ounce sold	\$ 1,247	\$ 1,245	\$ 1,247	\$ 1,246	\$ 1,248	\$ 1,246
Average realized price per silver ounce sold	\$ 17.34	\$ 17.51	\$ 17.50	\$ 16.36	\$ 16.82	\$ 16.79
Silver ounces equivalent to revenue from one gold ounce	71.9	71.1	71.3	76.2	74.2	74.2
Silver ounces sold	40,197	553,702	593,899	55,251	678,339	733,590
GEOs from silver ounces sold	559	7,788	8,330	725	9,142	9,887
Gold ounces sold	63,347	20,273	83,620	44,434	15,029	59,463
Gold equivalent ounces	\$ 63,906	\$ 28,061	\$ 91,950	\$ 45,159	\$ 24,171	\$ 69,350
Production costs	\$ 27,727	\$ 26,036	\$ 53,763	\$ 19,569	\$ 23,338	\$ 42,907
Add: Write-down of production inventories (cash portion) (see Note 3 - Inventories)	—	249	249	—	—	—
	\$ 27,727	\$ 26,285	\$ 54,012	\$ 19,569	\$ 23,338	\$ 42,907
Production cash costs per GEO sold	\$ 434	\$ 937	\$ 587	\$ 433	\$ 966	\$ 619

NON-GAAP PERFORMANCE MEASURES

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AISC and AIC Per Gold Ounce Sold

Our calculation of all-in costs per gold ounce sold is consistent with the June 2013 guidance released by the World Gold Council, a non-regulatory, non-profit market development organization for the gold industry. All-in costs per gold ounce sold reflect the varying costs of producing gold over the life-cycle of a mine or project, including costs required to discover and develop new sources of production; therefore, capital amounts related to expansion and growth projects are included.

All-in costs per gold ounce sold includes all: (1) direct and indirect operating cash costs related to the physical activities of producing gold, including mining, processing, third-party refining expenses, on-site administrative and support costs, royalties, and cash portions of net realizable value write-downs on production-related inventories (2) general and administrative expenses, (3) asset retirement and accretion expenses, and (4) capital expenditures, the total of which is reduced for revenues earned from silver sales. Certain cash expenditures, including State of Nevada net proceeds and other related taxes, federal tax payments, and financing costs are excluded (in thousands, except ounces sold and per ounce amounts):

For a listing of our total capital expenditures see the Investing cash flows part of the Financial position, liquidity, and capital resources section.

	Six months ended June 30,							
	2017				2016			
	Nevada Total ⁽¹⁾	True North	Hollister, Aurora, and Corporate	Total	Nevada Total ⁽¹⁾	True North	Hollister, Aurora, and Corporate	Total
Production costs	\$ 53,763	\$ 14,164	\$ —	\$ 67,927	\$ 42,907	\$ —	\$ —	\$ 42,907
Add: Write-down of production inventories (cash portion)	249	3,676	—	3,925	—	—	—	—
	54,012	17,840	—	71,852	42,907	—	—	42,907
Asset retirement cost assets and accretion	425	59	—	484	438	61	—	499
Capital expenditures	23,525	7,234	156	30,915	22,301	—	360	22,661
General and administrative	790	428	8,997	10,215	676	—	5,922	6,598
Less: silver revenue	(10,394)	(18)	—	(10,412)	(12,314)	—	—	(12,314)
All-in sustaining costs	68,358	25,543	9,153	103,054	54,008	61	6,282	60,351
Gold ounces sold	83,620	11,232	—	94,852	59,463	—	—	59,463
All-in sustaining costs per gold ounce sold	\$ 817	\$ 2,274	\$ —	\$ 1,086	\$ 908	\$ —	\$ —	\$ 1,015
All-in sustaining costs	68,358	25,543	9,153	103,054	54,008	61	6,282	60,351
Non-sustaining capital expenditures	1,219	403	2,582	4,204	953	2,081	—	3,034
Exploration	1,065	—	361	1,426	4,842	—	—	4,842
Development and projects costs	—	—	9,386	9,386	—	5,530	—	5,530
All-in costs	\$ 70,642	\$ 25,946	\$ 21,482	\$ 118,070	\$ 59,803	\$ 7,672	\$ 6,282	\$ 73,757
Gold ounces sold	83,620	11,232	—	94,852	59,463	—	—	59,463
All-in costs per gold ounce sold	\$ 845	\$ 2,310	\$ —	\$ 1,245	\$ 1,006	\$ —	\$ —	\$ 1,240

NON-GAAP PERFORMANCE MEASURES

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Klondex has not reconciled forward-looking full year non-GAAP performance measures contained in this presentation to their most directly comparable GAAP measures, as permitted by Item 10(e)(1)(i)(B) of Regulation S-K. Such reconciliations would require unreasonable efforts at this time to estimate and quantify with a reasonable degree of certainty various necessary GAAP components, including for example those related to future production costs, realized sales prices and the timing of such sales, timing and amounts of capital expenditures, metal recoveries, and corporate general and administrative amounts and timing, or others that may arise during the year. These components and other factors could materially impact the amount of the future directly comparable GAAP measures, which may differ significantly from their non-GAAP counterparts.