



# **PATHWAY TO DEVELOPMENT IN ECUADOR**

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**CORPORATE PRESENTATION  
SEPTEMBER, 2018**



## FORWARD-LOOKING STATEMENTS

This presentation contains certain forward-looking statements. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of INV Metals Inc. (“INV Metals”) to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks related to the actual results of exploration activities, conclusions of economic evaluations and the assumptions on which such economic evaluations are based, the industry-wide risks and Loma Larga Project-specific risks which are identified in the technical report (the “Technical Report”) that summarizes the Preliminary Feasibility Study (the “PFS”) available on SEDAR, risks associated with mining and mineral exploration activities, uncertainty in the estimation of Mineral Resources and Mineral Reserves, including, without limitation, the assumptions on which such estimates are based, changes in Loma Larga Project parameters as plans continue to be refined, uncertainty surrounding metallurgical test results, future prices of metals, economic and political stability in Ecuador and Canada, the results of discussions with the Ecuador government, the risk of future unfavourable tax law or regulation changes in Ecuador, environmental risks and hazards, increased infrastructure and/or operating costs, availability of future financing, labour and employment matters, and government regulation. There is no guarantee that any drill targets or economic mineral deposits will be found on INV Metals’ properties. For a more detailed discussion of such risks and other factors, refer to INV Metals’ annual information form (the “AIF”) and other regulatory filings filed with Canadian securities regulators available on SEDAR. Except as required by law, INV Metals does not assume any obligation to release publicly any revisions to forward-looking statements contained in this presentation to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

## QUALIFIED PERSONS AND NI 43-101 DISCLOSURE

The scientific and technical information contained in this presentation has been reviewed and approved by Bill Shaver, P.Eng., COO, INV Metals Inc. and a Qualified Person under NI 43-101.

For readers to fully understand the information in this presentation, they should review the Technical Report in its entirety, including all of the qualifications, assumptions and exclusions that relate to the information set out in the Technical Report, which qualify the technical information contained in the Technical Report. The Technical Report is intended to be read as a whole, and sections should not be reviewed or relied upon out of context. The Technical Report also describes the Mineral Resource and Mineral Reserve estimation methodologies and the assumptions used, and to which those estimates are subject. As noted above, the AIF includes details of certain risk factors that could materially affect the potential development of the Mineral Resources and Mineral Reserves and should be considered carefully.

## NON-IFRS PERFORMANCE MEASURES

“Adjusted Operating Costs”, “All-in Sustaining Costs”, and “Total Operating Costs per Tonne” are non-International Financial Reporting Standards (“IFRS”) Performance Measures. These performance measures are included because these statistics are key performance measures that management uses to monitor performance. Management uses these statistics to assess how the Loma Larga Project ranks against its peer projects and to assess the overall effectiveness and efficiency of the contemplated mining operations. These performance measures do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

## CURRENCY

All references to currencies herein, unless otherwise noted, are to U.S. dollars.

# INV METALS

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## INVESTMENT HIGHLIGHTS



**Canadian based Ecuadorian mining development company**

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**Positive mining and tax regimes in Ecuador**

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### **Loma Larga on Pathway to Development**

- Simple mine and process design
  - Robust PFS
  - Feasibility Study ongoing (Q4/2018)
  - Goal of production in 2021
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**Proven mine building/financing team**

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### **Great exploration potential**

- Loma Larga – new discovery to the west
  - 4 regional concessions – encouraging initial results
  - Tierras Coloradas – high grade rock chip samples include up to 240 g/t gold in surface veins
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**Undervalued at 0.11x NAV**

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# ECUADOR — STRONG GOVERNMENT SUPPORT FOR MINING

## ECUADOR'S GOVERNMENT SHOWING STRONG SUPPORT FOR MINING

- Government recently announced “Prosperity Plan” for 2018-2021
  - Commitment to encourage foreign investment
- Mining is expected to play significant role in the development of the economy
- Inter-American Development Bank will support Ecuador to reform its Mining Development Plan in order to guarantee the development, competitiveness and sustainability of the mining industry

"In mining, there is a need to have regulations that strengthen its growth, which is why the line of offering legal security and foreign investment commitments must be maintained."

**Henry Troya**, Vice Minister of Mining, Aug/2018

"With the elimination of the windfall tax we want to send a clear message to the mining sector to expand investment options in the country."

**Richard Martinez**, Minister of Finance and Economy May/2018

"In Ecuador we promote the development of responsible mining with nature, environmentally sustainable, economically profitable and socially just."

**Lenin Moreno**, President Mar/2018



## RECENT POSITIVE LEGAL REFORMS FOR THE MINING SECTOR

- Elimination of the windfall tax
- Reduction of royalty rates to 3-8% from 5-8%
- New regulation allowing exploration drilling in the early exploration permit phase

# INV METALS — ROBUST PFS PROVEN MINE BUILDING TEAM

INV-TSX

## ROBUST PFS ECONOMICS (AUGUST 2016) — FS ONGOING

- After tax IRR of 26.3%
- Pre-tax NPV (@5%) of \$490M
- After tax NPV (@5%) of \$301M
- Initial capital of \$286M
- AISC of \$590/oz
- Cash costs of \$510/oz
- Average ~150,000 oz gold/year
- ~12 year mine life

## STRONG TEAM — PROVEN MINE BUILDERS/FINANCIERS

### **CANDACE MACGIBBON** - CEO & DIRECTOR

- Over 20 years experience in the mining sector
- CPA, CA and former global mining institutional sales-person with RBC CM and base metals mining associate with BMO CM

### **TERRANCE MACGIBBON** - CHAIRMAN

- P. Geo. with over 45 years of experience in the mining business, 2018 Canadian Mining Hall of Fame Inductee
- Founder/Co Founder and executive/director of TMAC Resources, Torex Resources, INV Metals and FNX Mining

### **BILL SHAVER** - COO

- Mining Engineer with over 40 years of experience in mine construction and operations
- Vast experience includes founder of Dynatec, COO of FNX and most recently CEO of DMC Mining services

### **SIMON MEEK** - METALLURGY CONSULTANT

- Expertise in laboratory and pilot plant testing; plant design and commissioning; feasibility studies; project and plant operations management

# LOMA LARGA

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## PROJECT & FEASIBILITY

### LOMA LARGA FACTS

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- Loma Larga designated as one of 5 strategic mining projects
- Nearest city is Cuenca (~ 400,000 people)
- Closest community is 10 km
- Expect workers to be bused to site, no permanent camp

### FEASIBILITY STUDY

2

- Led by DRA which has strong construction and operating experience
- A number of components of the FS have been completed:
  - Updated resource statement
  - Process plant design
  - Metallurgical studies
  - Mine plan
  - Logistics (road, power etc.)
  - Tailings storage facility
  - Facilities (maintenance facilities, dry, offices etc.)
- Expected FS completion Q4/18

### DESIGN TO MINIMIZE ENVIRONMENTAL FOOTPRINT

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- Ramp access into underground mine
- Contact water will be collected and treated
- Simple metallurgical process, 2 concentrates - no cyanide
- ~ 50% tailings back underground as paste backfill
- Lined filtered tailings storage facility

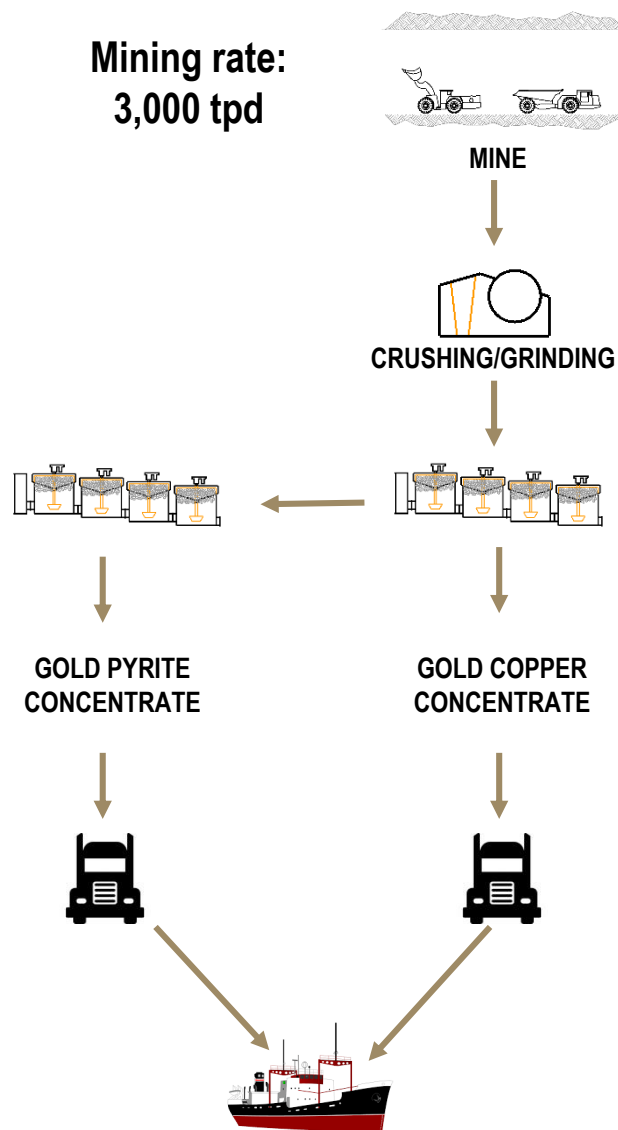


**LOMA LARGA  
—  
ANIMATED  
FLY OVER**



# LOMA LARGA

## — ENVIRONMENTALLY FRIENDLY DESIGN



## SIMPLE PROCESS FLOW SHEET WITH PRODUCTION OF TWO CONCENTRATES

CONCENTRATE DETAILS	GOLD PYRITE	GOLD COPPER
Tonnes Produced Annually (avg.)	108,300	8,500
% of Total Concentrate	93%	7%
% of Total Gold	83%	17%
% of Total Revenue	75%	25%

DETAILS	GOLD PYRITE CON		GOLD COPPER CON	
	GRADE	PAYABILITY	GRADE	PAYABILITY
Gold	37 g/t	93%	111 g/t	80%
Copper	0.43%	0%	30%	96.5%
Silver	142 g/t	93%	1,577 g/t	75%
Sulphur	50%	-	40%	-
Arsenic	<0.2%	-	10%	-
Value \$/t	\$1,522	\$1,392	\$6,782	\$5,681



# LOMA LARGA — PROJECT MILESTONE TIMELINE

PROJECT MILESTONE	2018		2019				2020				2021	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
COMMUNITY ENGAGEMENT AND CONSULTATION												
FEASIBILITY STUDY												
PROJECT FINANCING												
PERMITTING												
CONSTRUCTION												
EXPLORATION (Loma Larga/Regional)												
GOLD PRODUCTION												

## UPCOMING MILESTONES

- Feasibility Study completion
- Project financing
- Negotiation of Investment Protection Agreement
- Environmental permitting
- Loma Larga exploration
- Regional exploration

# CORPORATE AND SOCIAL RESPONSIBILITY PROGRAMS

- INV Metals has executed significant CSR programs for over 10 years and maintains strong presence within communities
- Programs are designed with parishes and participants to improve the quality of life and generate income for the families surrounding Loma Larga



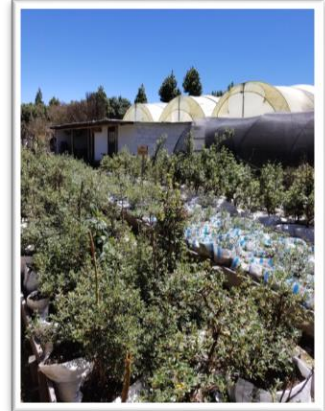
## COMMUNITY OUTREACH AND EDUCATION



## INV METALS — CSR PROGRAMS COMMUNITY OUTREACH & EDUCATION



## CULTIVATING GRASSES/TREES FOR ENVIRONMENTAL ENHANCEMENT/RECLAMATION



## DEMONSTRATION PROGRAMS FOR LOCAL COMMUNITIES ON RAISING PLANTS/ANIMALS



## ENVIRONMENTAL MONITORING PROGRAMS



# INV METALS — NURSERY & ENVIRONMENTAL MONITORING PROGRAMS

**INV-TSX**



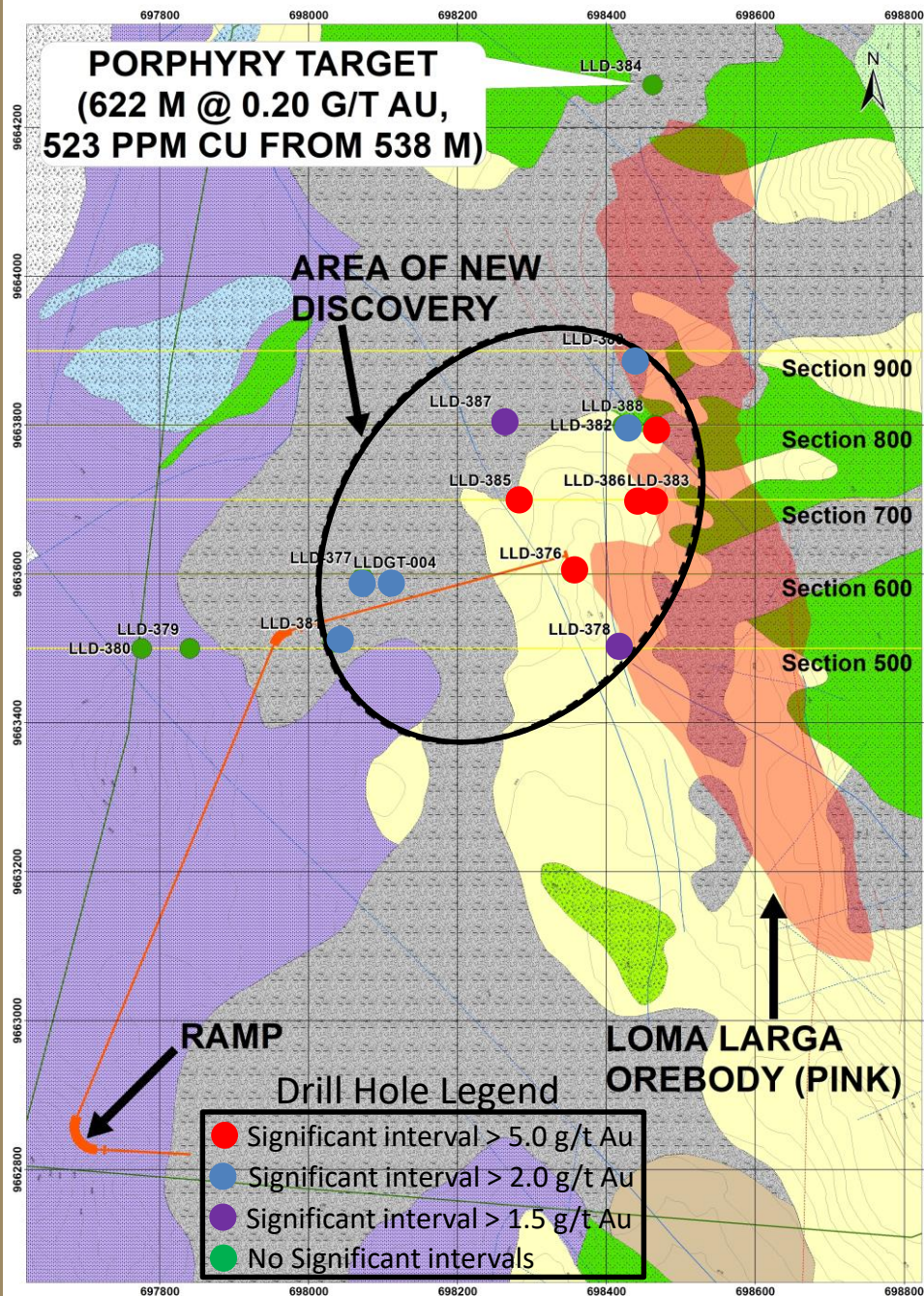
# NEW WESTERN EXTENSION DISCOVERY

## LOMA LARGA EXPLORATION

## NEWLY DISCOVERED WESTERN EXTENSION

## PORPHYRY TARGET

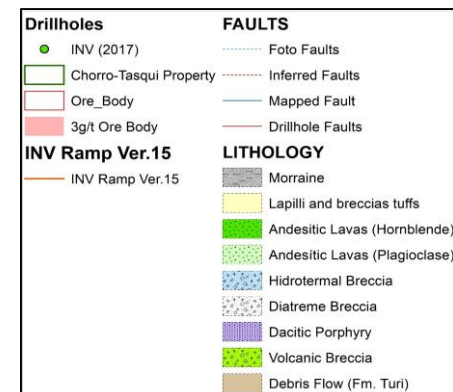
INV-TSX



- Gold values encountered in 12 of 14 holes drilled west of orebody
- ~400 m x ~400 m west of resource
- 10 holes had intervals grading above reserve cut off grade of 2 g/t Au
- 3 holes hit potential new feeder zone (section 700 next slide)
- First drill program to west of Loma Larga

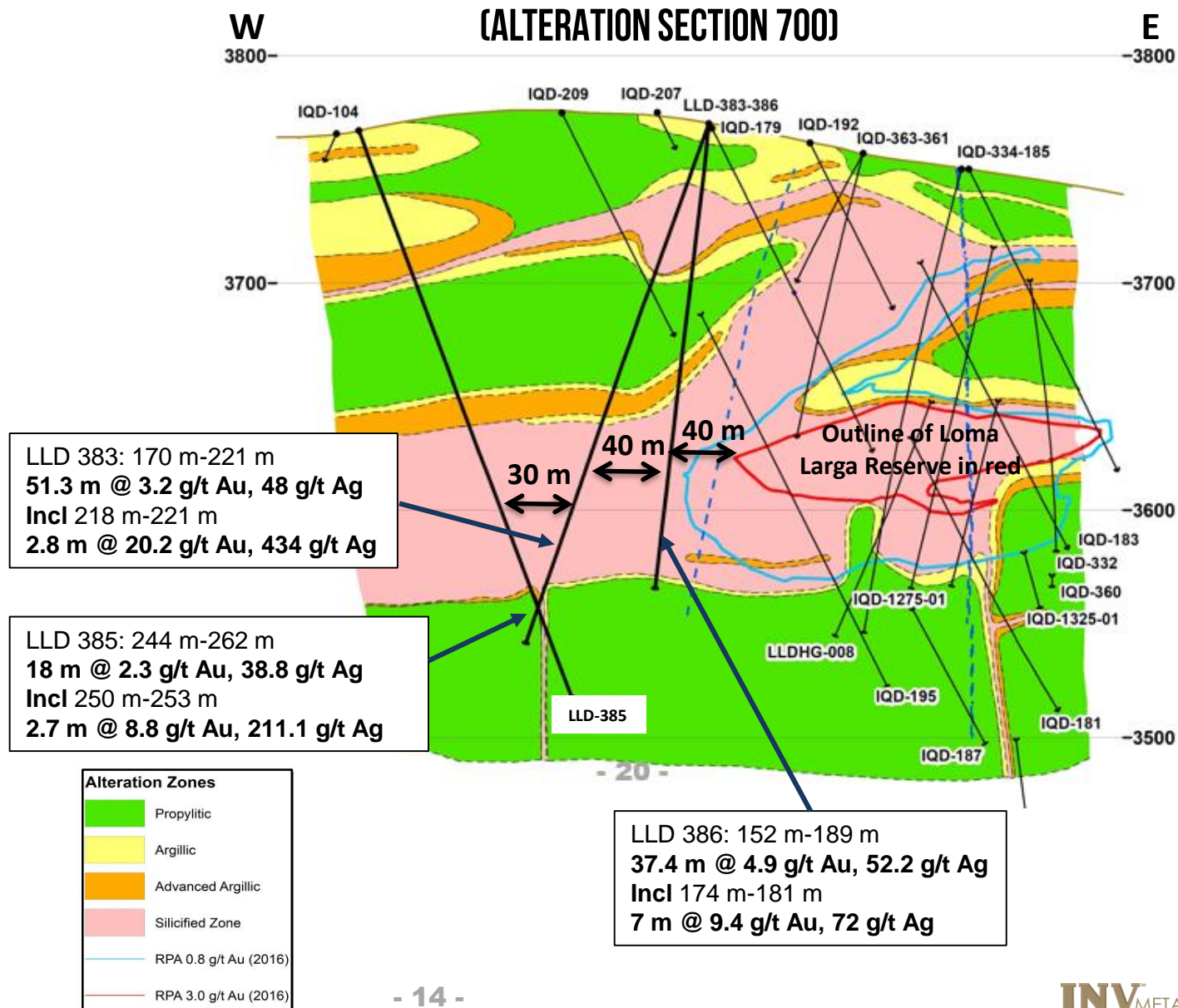
## PORPHYRY TARGET

- Deep hole drilled north of deposit to test for potential porphyry type mineralization
- Porphyry style alteration was intersected at 538 m



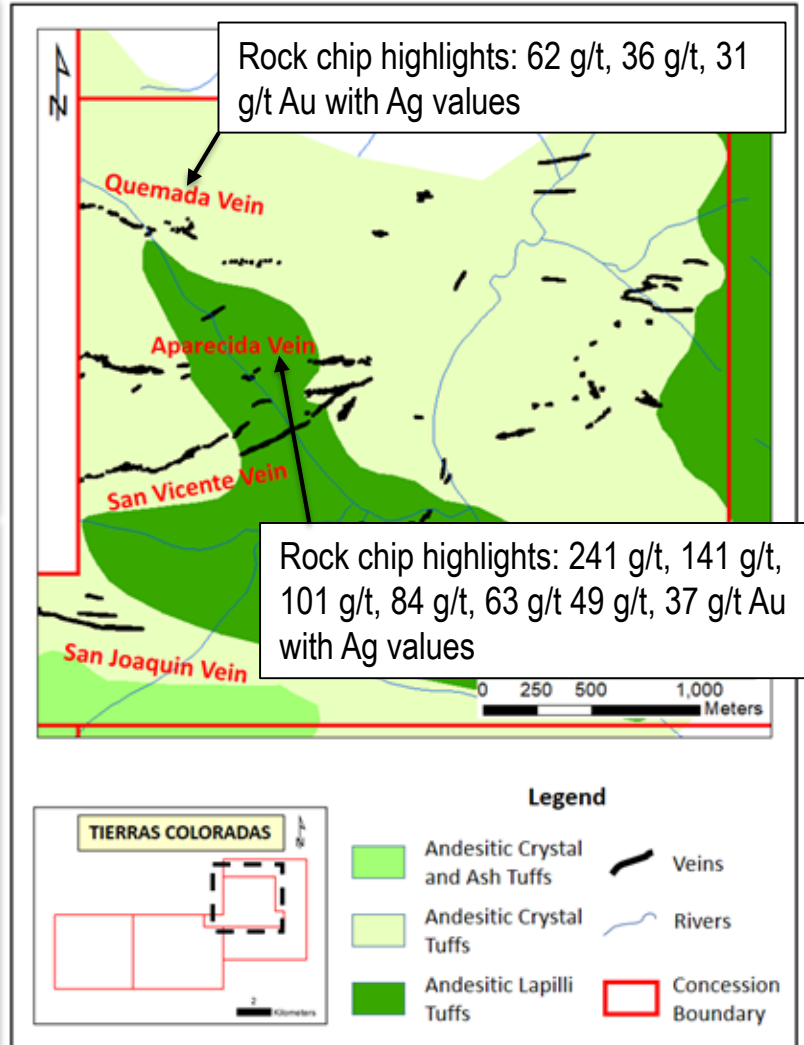
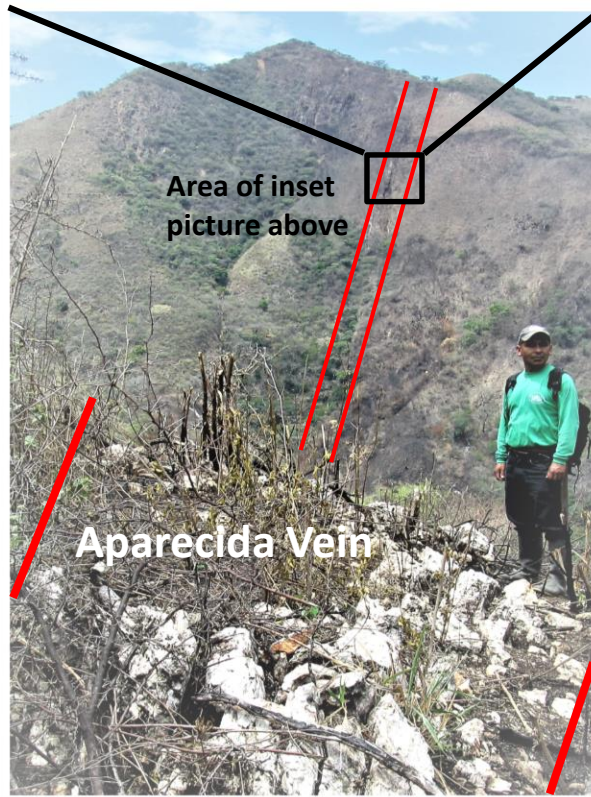
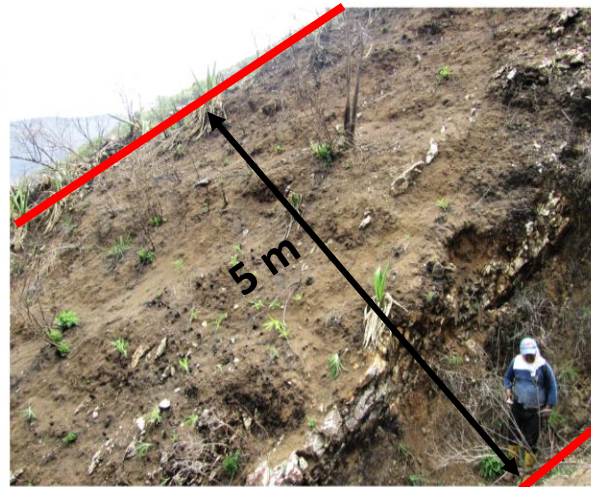
# NEW POTENTIAL HIGH GRADE FEEDER ZONE DISCOVERED

## LOMA LARGA — SECTION 700 POTENTIAL NEW FEEDER ZONE





# DISCOVERY OF EXTENSIVE GOLD MINERALIZED VEINS ON SURFACE



## Tierras Coloradas discovery

- Extensive vein system over ~2 x 3 km area
- 0.5 to 6.0 m wide veins traced over ~1.4 km along strike

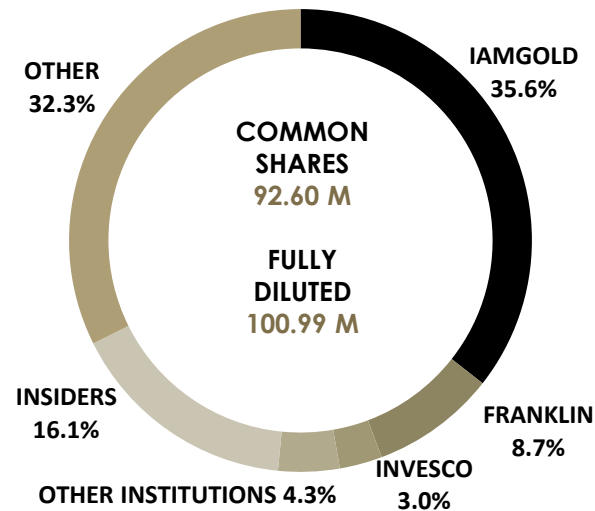
REGIONAL  
EXPLORATION  
POTENTIAL

TIERRAS  
COLORADAS  
NEW  
DISCOVERY

# INV METALS — CORPORATE FINANCE STRUCTURE

- Treasury: ~C\$8 million (unaudited as of September 14, 2018)
- Bought Deal completed March 2017: C\$27.6 million
  - IAMGOLD maintained pro-rata ownership of 35.6%
  - Insiders participated significantly more than pro-rata at 20%
- Market Capitalization: ~C\$33 million

## SHARE OWNERSHIP



## 1 YEAR SHARE PERFORMANCE



## ANALYST COVERAGE

### BMO Capital: Andrew Mikitchook

- Rated "Buy"
- Target price of C\$2.00/share

### Clarus Securities: Jamie Spratt

- Rated "Speculative Buy"
- Target price of C\$1.75/share

### Eight Capital: Craig Stanley

- Rated "Buy"
- Target price of C\$1.60/share

### GMP Securities: Steve Butler

- Rated "Buy"
- Target price of C\$1.65/share

### Paradigm Capital: Don MacLean

- Rated "Speculative Buy"
- Target price of C\$2.50/share

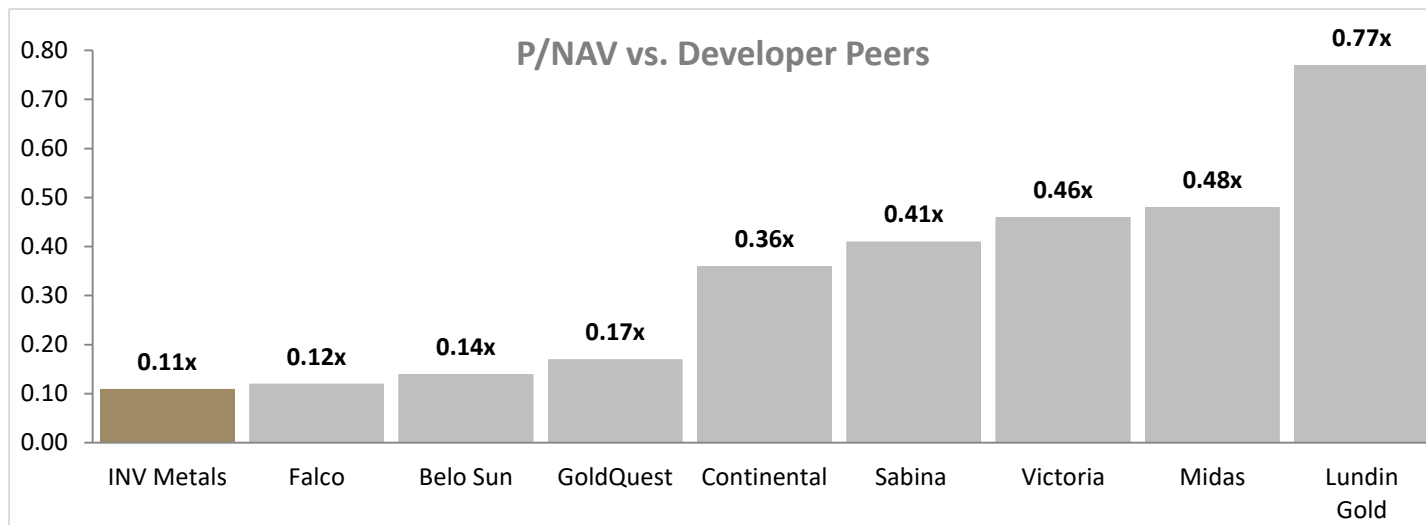
### PI Financial: Gary Sidhu

- Rated "Buy"
- Target price of C\$2.05/share

# INV METALS

## INV UNDERVALUED VS. DEVELOPER PEERS

## STOCK PRICE TO NET ASSET VALUE COMPARISON



Source: Consensus analyst NAV estimates from BMO Capital Markets

## COMPARISON OF PROJECT METRICS

	INV	FPC	BSX	GQC	CNL	SBB	VIT	MAX	LUG
Stage <sup>1</sup>	PF	FS	FS	PF	FS	FS	FS	PF	FS
LOM Production (000 ozs)	1,681	3,339	3,527	656	3,492	2,319	1,884	4,006	4,500
AVG Annual Production (000 ozs)	150	219	205	109	253	198	200	337	300
Cash Cost (\$/oz)	\$ 510	\$ 399	\$ 618	\$ 669	\$ 411	\$ 534	\$ 561	\$ 568	\$ 561
Initial Capex (\$US/M)	\$ 286	\$ 802	\$ 298	\$ 159	\$ 389	\$ 317	\$ 289	\$ 970	\$ 717
Production Date	Q4/2020	H1/2022	H2/2019	H1/2019	H1/2020	Q1/2021	H2/2019	n/a	Q1/2020
Gold Price (\$US)	\$ 1,250	\$ 1,300	\$ 1,200	\$ 1,250	\$ 1,200	\$ 1,150	\$ 1,250	\$ 1,350	\$ 1,250
After-tax IRR (%)	26%	15%	26%	28%	31%	24%	30%	19%	16%
Market Cap (C\$M)	\$ 33	\$ 75	\$ 97	\$ 41	\$ 596	\$ 339	\$ 249	\$ 185	\$ 1,023
After-tax NPV @ 5% (\$US M) <sup>2</sup>	\$ 301	\$ 602	\$ 665	\$ 203	\$ 860	\$ 480	\$ 509	\$ 832	\$ 717
P/NAV	0.11x	0.12x	0.14x	0.17x	0.36x	0.41x	0.46x	0.48x	0.77x

Source: Public Company filings, BMO Capital Markets, INV Metals

Notes:

1. FS: Feasibility, PF: Pre-Feasibility
2. All NPV figures in US Dollars with the exception of SBB and VIT, which are denoted in Canadian Dollars

**INV**<sup>TM</sup>  
METALS

**THANK YOU**



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