



## OFFERING MEMORANDUM Corporate Presentation JULY 2016

*This offering is made pursuant to certain exemptions from prospectus requirements pursuant to a private placement Offering Memorandum dated July 19, 2016.*



# Forward-Looking Statements



This presentation includes certain “forward-looking statements” within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, included herein, without limitation, and the use of net proceeds are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company’s expectations include uncertainties related to fluctuations in gold and other commodity prices and currency exchange rates, uncertainties relating to interpretation of drill results and the geology, uncertainty of estimates of capital and operating costs, the need for cooperation of government agencies in the development of the Company’s mineral projects, the need to obtain additional financing to develop the Company’s mineral projects, the possibility of delay in development programs or in construction projects, and uncertainty of meeting anticipated program milestones for the Company’s mineral projects.





# Offering Memorandum



*This offering is made pursuant to an Offering Memorandum by private placement to investors in the provinces of Alberta, British Columbia, Saskatchewan, and Manitoba. The Offering Memorandum contains important detailed information about the securities being offered. Copies of the Offering Memorandum may be obtained from Jan Alston, President and CEO, at (403) 457-2697 or email: [janalston@cmxgoldandsilver.com](mailto:janalston@cmxgoldandsilver.com). Investors should read the Offering Memorandum before making an investment decision.*

*The National Instrument 43-101 Technical Report for the Clayton Property is filed on SEDAR at [www.sedar.com](http://www.sedar.com).*



# The Offering



**Offered in Alberta, British Columbia, Saskatchewan, and Manitoba:**

- Non-brokered private placement
- \$0.10 per Unit - one common share and one warrant exercisable at \$0.20 per share for two years

**Maximum Subscription for Alberta, Saskatchewan and Manitoba Subscribers**

- \$10,000 (except for Eligible and Accredited Investors)

**Maximum Offering**

- 2,500,000 Units - \$250,000





# Available Funds



<i>In Canadian \$</i>	<b>Assuming Maximum Offering</b>
Amount to be raised by this Offering	250,000
Selling commissions and fees, estimated	5,000
Estimated offering costs	1,000
Net funds	244,000
Unpaid dividends <sup>(1)</sup>	131,000
Working capital deficiency (March 31/16)	(280,000)
Funds available	95,000

*Note: (1) Additional funds made available from unpaid dividends declared in 2006 to lost shareholders, which are included in working capital deficiency.*



# Use of Proceeds



<i>In Canadian \$</i>	<b>Assuming Maximum Offering</b>
Funds available	95,000
Follow-up dump sampling program	(65,000)
Clayton Property planning report	(30,000)
Remaining funds	Nil





# Corporate Snapshot



## Attributes:

- Ground floor investment opportunity in public junior mining exploration company
- Focused on silver-lead-zinc in mining-friendly jurisdiction of Idaho, U.S.A.
- Clayton Silver Mine in southeast Idaho - 100% owned historical, past-producing property
- Team has track record in resource companies



# CSE Listing



- Canadian Securities Exchange (CSE) listed on December 11, 2014
- Symbol: **CXC**
- CSE is a cost-effective stock exchange for junior issuers





# Capital Structure



## Shares issued

Currently issued	32,753,224
After Maximum Offering (2.5M)	35,253,224

## Warrants @ average exercise price

Currently issued	24,301,740 @ \$0.17
After Maximum Offering (2.5M)	26,801,740 @ \$0.175

## Management & Directors' Options

Stock options	3,200,000 @ \$0.101
---------------	---------------------

## Management/Directors Ownership\*

Shares	9,158,393	28.0%*
Warrants	7,480,000	30.8%*

*\*Including held by associates; % of shares  
or warrants currently outstanding*



# Directors



**Jan M. Alston** B.A., LL.B.

**J. David Clements** B.Sc. (Geology)

**Bruce J. Murray** B.Comm.

**John A. Niedermaier** B.Sc., P.Eng.





# Management & Key Personnel



**Jan M. Alston** B.A., LL.B.

President & C.E.O.

**Randal Squires** B.Sc. (Bus. Admin), MBA

Chief Financial Officer

**James P. O'Sullivan** B.Sc., LL.B.

Corporate Secretary

**Richard Walker** M.Sc. (Geology), P. Geo.

Consulting Geologist

**Glen Alston** B.Comm.

Corp. Dev. Consultant

**Robert Corrigan**

Project Consultant (Idaho)

**Lossie Alston**

Senior Executive Assistant





# Clayton Silver Mine, Idaho







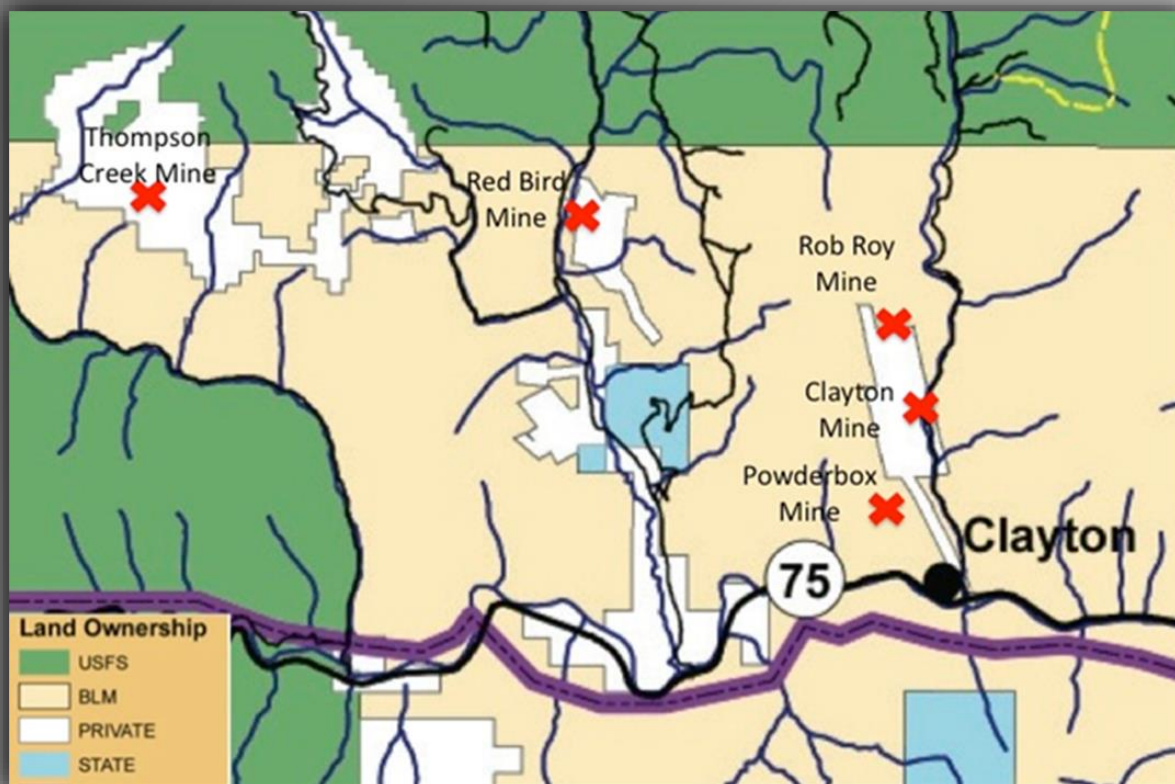
# Clayton Silver Mine Old Mill







# Vicinity of Clayton Silver Mine



- Located in southeast Idaho
- Accessible year around; paved road to site





# Clayton Silver Mine, Idaho (100% Owned)



## Property Details:

- The Clayton Silver Mine is an example of a replacement deposit in carbonate rocks
- 565 acres of 29 patented mining claims and 2 patented mill sites, plus 119 acres of 6 unpatented BLM lode claims
- Patented claims include surface ownership rights
- No government royalties, minimal property maintenance costs
- No legacy environmental issues



# Clayton Silver Mine Production



## Production History to closure in 1986:

Tonnes of Ore milled	2,145,000
• Silver (ounces)	7,031,110
• Lead (lbs)	86,771,527
• Zinc (lbs)	28,172,211
• Copper (lbs)	1,664,177
• Gold (ounces)	1,454

**Gross Value\*** **USD \$248,101,599**

**Gross Value per Tonne\*** **USD \$115.67**

*\* Based on the following prices in USD for demonstration purposes and not intended to represent fair value of historical production: Silver \$20/oz, Lead \$0.85/lb, Zinc \$1.00/lb, Copper \$2.20/lb, Gold \$1,300/oz*





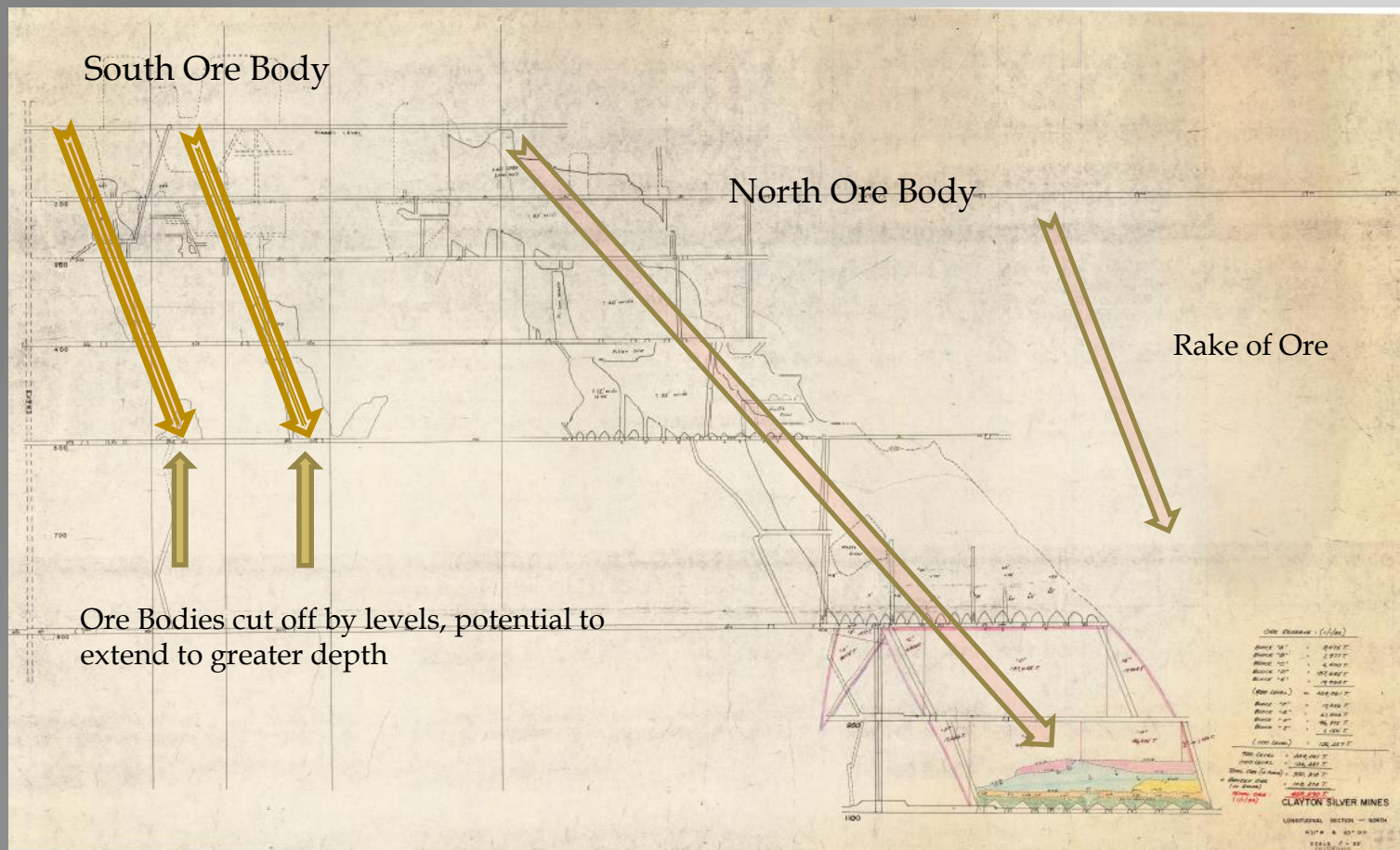
# Historical Data



- Clayton Mine developed on 8 levels to 1100 ft depth
- 6,000 m (19,690 ft) of underground development
- Two major ore bodies developed: “South” & “North”
- Mine records indicate North Ore Body not all mined before closure
- Additional tonnage down to 1530 ft level not mined
- Interpretation indicates open to depth, and additional potential east and west of South Ore Body workings

*Note: Data not NI 43-101 compliant, but believed reliable*









# Historical Drilling



## Previous drill holes suggest upside potential:

- Confirms North Ore Body mineralization below 1100 ft depth of old mine workings to at least 1500 ft depth
- In 1960's drill hole 1501-A intersected 22 ft of mineralization at 1425 ft level with grades of: silver 4 oz/ton, lead 5.75%, zinc 5.37%\*

*\*NI 43-101 Report dated March 7, 2013 by Dr. J. Thomson*





# Clayton Silver Mine



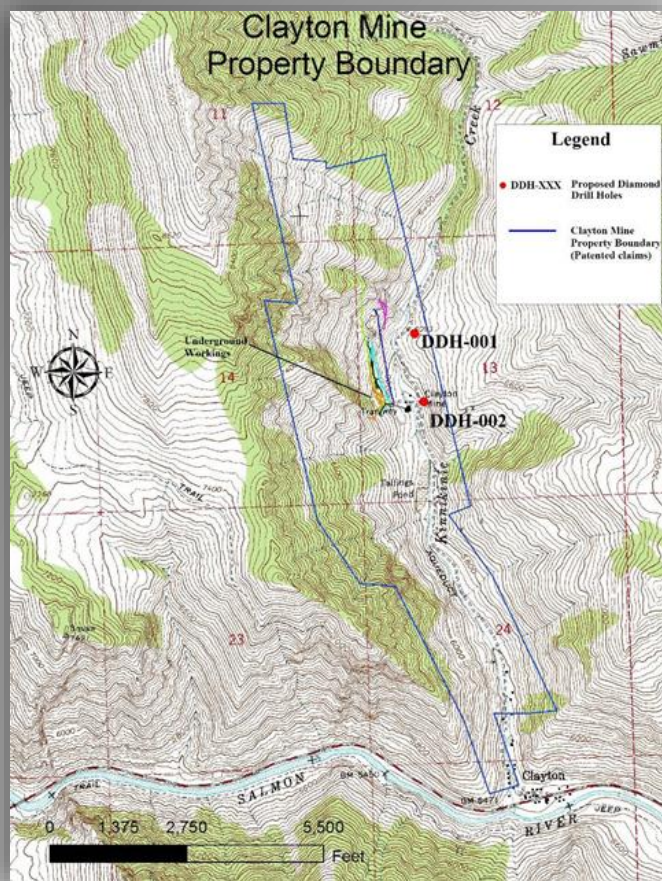
## Small “Mom & Pop” Operations 1935 – 1986:

- Absentee owner in 1980's didn't use modern mining methods
- Old, inefficient processing equipment and technology used in mill
- Inferior mining techniques diluted grade milled
- Mining ceased in mid-1980's due to low metal prices (silver < \$6/oz, lead < \$0.20/lb) ***with active mine operations still in mineralization***





# Clayton Property Boundary



- DDH-001 and DDH-002 possible drilling locations
- No drilling permits required for patented claims





# Mine Dump Sampling Program



## 2014 Sampling Program:

- Preliminary sampling program to determine potential for recoverable metals in mine dump
- In excess of 3,000 kilograms of samples collected
- 16 locations on dump, 3 on tailings pile
- 12 foot deep trench at each location and 5 representative samples taken each weighing roughly 33 kg at 2-3 foot intervals





# Mine Dump Sampling Results



## 2014 Dump Sampling Program Results:

*Statistical averages of 16 locations*

- Au – 0.80 gms/t
- Ag – 24.31 gms/t
- Mn – 0.60%
- Pb – 0.44%
- Zn – 0.27%

*Tailings had significant Manganese – 3 locations averaged 1.28% Mn.*





# CMX Short Term Objectives



## Short term objectives:

- Carry out a comprehensive, second phase sampling program of the mine dump and tailings pile to provide results for a Preliminary Economic Assessment
- Prepare a planning report to scope out costs to build a custom mill and refurbish/reactivate the Clayton Silver Mine
- Carry out site preparation work
- Commence preliminary work to refurbish the mill





# Clayton Project Long Term Objectives



## Long term objectives:

- Build a modern, efficient custom mill
- Conduct a drilling program with the objective of:
  - 1) confirming remaining, and
  - 2) establishing new, resource potential in the Clayton Mine
- Reactivate operations at the Clayton Silver Mine
- Investigate other potentially economic mining opportunities in the area





# Clayton Exploration Plans



## **Phases 1a and 1b Drilling Program \$488,000 (funding dependent)**

- 2,200 feet of drilling to test for potential mineralization in the vicinity of the shallower South Ore Body workings

## **Phase 2 (Preliminary) \$970,000 (funding dependent)**

- Based on success in Phase I, several additional holes are proposed aggregating 6,100 feet





# Junior Mining Cycle



## Protracted downturn ending:

- Junior mining market peaked in March 2011
- Gold and silver prices fell 42% and 70%, respectively, from peaks, but now recovering
- World silver production falling but demand increasing, both industrial and investment
- Other market sectors overvalued - leading to increasing investor interest in mining stocks





# Silver Prices 2006 to Present (US\$)



Jul 18/16  
U.S. \$20.02





# Why Invest Now?



- Stage set for commodities cycle to turn up again – resulting in significant upside for silver, lead and zinc
- Contrarian approach: Get in early at bottom of cycle as it turns and benefit from price recovery
- Many investors recognize mining sector currently undervalued relative to broader markets
- Continued easy money policies of central banks around the world combined with improving growth in U.S economy bullish for future commodity prices





# Investment Considerations



## CMX represents a “Ground Floor” investment opportunity:

- New public junior mining company focused on Clayton Property for silver-lead-zinc opportunities
- No legacy high-priced financings
- Idaho is a mining-friendly jurisdiction
- Clayton Project past-producer is drill-ready
- Capable team with track record of success
- Cheap CAD \$ is an excellent entry point into a Canadian-listed stock





# Company Contact



**Jan Alston**

President & C.E.O.

(403) 457-2697

[janalston@cmxgoldandsilver.com](mailto:janalston@cmxgoldandsilver.com)

*The technical and scientific information contained in this presentation has been reviewed by Richard Walker, M.Sc. (Geology), P. Geo., the Company's Qualified Person as defined in National Instrument 43-101.*

*Additional information can be obtained from the Offering Memorandum dated July 19, 2016 and the Company's website: [www.cmxgoldandsilver.com](http://www.cmxgoldandsilver.com). Also, the National Instrument 43-101 Clayton Report is filed on SEDAR at [www.sedar.com](http://www.sedar.com)*