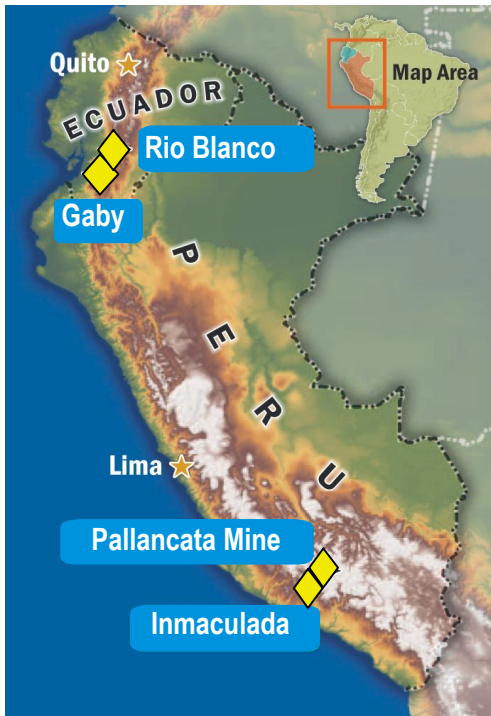


# Executive Summary

*Growing Silver/Gold Producer and Developer in the Americas* Toronto and Zurich: symbol IMZ

## Property Locations



## Overview (\$ = US\$ unless otherwise noted, M = millions)

- 40% ownership of **Pallancata** underground silver mine in Peru. In 2010 mine will be **5<sup>th</sup> largest primary silver mine in the world**. Partnered with Hochschild Mining, the mine operator.
- **14.2 million ounces gold equivalent resources** (13M ozs gold) in 6 properties (75% in M+I resource categories).
- Growing **Inmaculada** underground gold-silver deposit in Peru, close to Pallancata Mine. Also partnered with Hochschild.
- Significant gold resources at the **Goldfield** and **Converse** deposits in Nevada, USA.
- **3% NSR royalty from Barrick's Ruby Hill gold mine** in Nevada. Approximately \$2.5-\$3.0M/year to IMZ.
- **Rio Blanco** underground gold-silver deposit in Ecuador. "Production ready".
- **Gaby** open-pit gold deposit in Ecuador. At feasibility stage.
- **17 years operating in Peru and Ecuador**. Experienced management team with history of discoveries worldwide.
- **Market Capitalization**: ~\$470 million (basis Cdn\$4.20 share price).
- **Issued Shares**: 115.2 million. **Fully Diluted**: 125.1 million (5.8M Debenture shares, 4.1M stock options).
- **Major shareholders**: European institutions (~70% in Switzerland). No shareholder >10%.
- **Strong Balance Sheet**: \$31 million in cash. \$37 million in long-term debt (5.5% convertible debenture due May 2012. Strike price C\$6.88).

## Corporate Strategy

- Increase cash flow and find additional resources/reserves at Pallancata Mine in Peru.
- Complete scoping/feasibility studies at Inmaculada in Peru and at Goldfield and Converse properties in Nevada.
- Achieve production at Goldfield in 2013, Inmaculada and Rio Blanco in 2014, either on stand-alone basis or with partners.
- Acquire low-cost gold-silver mining operations/development projects in the Americas.

## Principal Resource Assets

**P+P Reserves =1.0M oz; M+I Resources = 10.7M oz; Inferred Res. = 3.5M oz** (all gold equivalent, M+I inclusive of P+P)

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### PALLANCATA SILVER-GOLD MINE, PERU (40% Interest)

- High-grade epithermal silver-gold vein deposit in southern Peru - **5th largest primary silver mine in the world.**
- Partnered with Hochschild Mining (60% interest). IMZ carried free to production in 2007 by Hochschild.
- **Record production in 2009:** 8.4 M oz silver and 32,000 oz gold (3.4 M oz silver and 13,000 oz gold to IMZ). Total cash costs of \$5.50/oz silver (after gold by-product credit). **2010 production: ~10M ozs silver + 33,000 ozs gold.**
- **Estimated free cash flow to IMZ:** ~\$20M in 2010 (\$16M in cash dividends received to date in 2010).
- **Proven & Probable Reserves** (Dec 2009): 44.4 M oz silver and 192,000 oz gold (3.9 Mt at 354g/t silver and 1.5g/t gold). 17.8 M oz silver and 77,000 ounces gold attributable to IMZ.

### INMACULADA GOLD-SILVER DEPOSIT, PERU (70% Interest)

- High-grade epithermal gold-silver vein deposit in southern Peru, close to Pallancata Mine.
- IMZ owns 51% interest and is earning 70% interest from Hochschild. IMZ is operator.
- **Indicated + Inferred Resources** (Feb 2010): **666,000 ozs gold and 27M ozs silver** (5.9 Mt at 3.5 g/t gold/142 g/t silver). **Significant increase in tonnes and ounces expected in September update.**
- Possible underground production by 2014, either with a partner or on stand-alone basis.

### GOLDFIELD GOLD DEPOSIT, NEVADA, USA (100% interest)

- Potential open-pit deposit in well-known mining district in central Nevada. Historical production > 4 million ozs gold.
- Historical NI 43-101 compliant **M+I resources of 1.1M ozs gold** (29 Mt at 1.1 g/t gold).
- **Feasibility study to be completed in 2011.**
- Estimated production date: 2013

### CONVERSE GOLD DEPOSIT, NEVADA, USA (100% interest)

- Potential open-pit deposit in well-known mining district in northern Nevada (Battle Mountain Trend).
- Historical NI 43-101 compliant **M+I gold resources of 3.9M ozs gold** (239 Mt at 0.5 g/t gold).
- **Scoping study to be completed in Q3 2010.**
- Estimated production date: 2015

### RIO BLANCO GOLD-SILVER PROJECT, ECUADOR (100% Interest)

- High-grade epithermal, gold-silver vein deposit.
- **Proven & Probable Reserves** (Oct 2006): **605,000 oz gold and 4.3 M oz silver** (2.2 Mt at 8.8 g/t gold & 62 g/t silver).
- **Est. avg. annual production: ~70,000 oz gold & ~400,000 oz silver. Total cash costs: ~\$300/oz gold** (after Ag credit).
- Mine life: 7.5 years at 800 tpd production. Capex ~\$120 M.
- 32% IRR and Life-of-mine cash flow ~\$246M at \$1,000/oz gold.
- **Estimated production date:** 2014. Dependent on permit approval in 2010/2011, financing and construction.

### GABY GOLD PROJECT, ECUADOR (50%-100% Interest in property, ~60% in contained gold ounces)

- Potential open-pit deposit. Highly leveraged to gold price.
- **M+I Resources** (Jan 2009) = **7.0 M oz gold** (356 Mt at 0.6 g/t). **4.1 M oz gold to IMZ** (~59%).
- 16 year mine life at 60,000 tpd; estimated yearly production: ~330,000 oz gold (~235,000 to IMZ) at cash costs of ~\$670/oz.
- Capex estimated at ~\$900 M. Break-even at gold price ~\$850.
- **Possible production date: 2015/2016.**

## Mining Analyst Coverage

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Dundee Securities—Paul Burchell

TD Newcrest Securities—Steven J. Green

Wellington West— Steve Parsons