MINERAL RESOURCE CONFIRMATION – Additional Information for ASX LR 5.8.1

ASX Release

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Highlights:

- Indicated and Inferred Resources, reported by Silver Standard under Canadian National Instrument (NI) 43-101, confirmed for JORC (2012) compliance.
- Confirmed Mineral Resources of:
  - Indicated Resources: 15.6 million tonnes at 132.0 g/t Ag, 0.92% Cu & 8.8% Mn
  - Inferred Resources: 6 million tonnes at 111.7 g/t Ag, 0.74% Cu & 6.5% Mn.
- 6,594 hectares of exploration concessions with substantial exploration potential.

Valor Resources Limited ("Valor" or the "Company) is pleased to report that it has confirmed Indicated and Inferred resources for the Berenguela project, previously reported in 2005 under NI 43-101, for JORC (2012) compliance.

On 13 February 2017, Valor announced the Company had entered into a Definitive Agreement to acquire 100% ownership of the Berenguela Copper-Silver-Manganese project from Silver Standard Resources ("Silver Standard").

In 2005, Silver Standard published a maiden mineral resource estimate for the Berenguela project under NI 43-101 compliance after a significant exploration campaign (details within the attached report). The Company retained MB Geologia Ltda, an independent consultancy, to confirm the Indicated and Inferred 43-101 resources reported by Silver Standard, for JORC (2012) compliance.

Between 25 January and 10 February 2017, MB Geologia consultant, Mr. Marcelo Batelochi (AusIMM), completed a comprehensive review of technical reports, resource modeling, drill core, samples and site visit. The following announcement provides a summary of the information contained in the announcements dated 13 February 2017 and 1 March 2017 for the purposes of listing rule 5.8.1.

Commenting on the independent confirmation of resources, Valor Chairman Mark Sumner stated: *"MB Geologia's confirmation of the Berenguela Indicated and Inferred Resources for JORC compliance gives Valor an excellent foundation for the next steps of project development."*

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1 INTRODUCTION

This intention of this Report on the Berenguela Property, is to validate and endorse the mineral resource estimate prepared for the Berenguela property by Silver Standard Resources Inc. (Toronto Stock Exchange - TSX: SSO and on the NASDAQ Global Market - NASDAQ: SSRI) in a 2005 National Instrument (NI) 43-101 compliant report. This overview has been completed to comply with the standards outlined in JORC Code (2012 Edition), from audited and validated 2005 – NI 43-101 TECHNICAL REPORT ON THE BERENGUELA PROPERTY (by James A. McCrea).

Valor Resources Limited requested a complete peer review, endorse or not, the 2005 – NI 43-101 TECHNICAL REPORT ON THE BERENGUELA PROPERTY (by James A. McCrea) and confirm the information and mineral resource estimate for JORC Code (2012 Edition) in accordance with Australian Securities Exchange (ASX) compliance.

The technical review, which is the subject of this report, was carried out during the period of 25th January 2017 to 10th February 2017, analyzing the information provided in a digital data room and technical staff support by Silver Standard.

The content of this report was subdivided into three sections, the first one presents a compiled executive summary of 2005 – NI 43-101 report, focused on the main 2005 Mineral Resource Estimate results. The second one shows the main results of 2017 audit and validation of these mineral resources in accordance with JORC Code (2012 Edition) and the third shown the “Table 1 - Checklist of Assessment and Reporting Criteria of JORC Code (2012 Edition)”.

2 EXECUTIVE SUMMARY OF 2005 NI 43-101 REPORT

2.1 Introduction

The Berenguela Property consists of two mineral concessions totaling 141.33 hectares. Berenguela is located in southern Peru, in the department of Puno, approximately 50 kilometres west of the city of Juliaca and six kilometres northeast of the town of Santa Lucia. The property is vehicle accessible year round.

The Berenguela Deposit has seen exploration and production since colonial times with the most period from 1906 to 1965 when it was the property of the Lampa Mining Company. Production from underground workings and small surface pits totaled approximately 500,000 tonnes. After Lampa Mining the property was the subject of various agreements with ASARCO and Charter Mining that were not completed or dropped. In January of 1972, the property was awarded to Minero Peru as special rights. The Ministry responsible for Minero Peru sold the rights to the property to Kappes, Cassiday & Associates of Reno Nevada who subsequently formed the SOMINBESA entity to manage the project.

2.2 Geology and Geological Interpretation

The Berenguela deposit, as it is presently known, consists of several lenses and pods of potentially economic Ag-Cu (-Mn) mineralization that occur within a WNW-trending block of metasomatically altered carbonate rocks which has dimensions roughly estimated at 1,400 m long by 400 m wide by 100 m thick. Individual, well-mineralized pods or lenses are anticipated to have maximum dimensions of less than 100 meters.

Silver Standard completed an RC drilling program on the Berenguela Property in 2004 and 2005. The program entailed 222 RC drill holes with the objective of delineating the mineralization of the Berenguela Deposit and completing a resource estimate for the property.

Based on the distribution and form of the potentially economic bodies of Mn-Cu-Ag mineralization within the structurally deformed limestone formation there is little doubt that Berenguela represents a type of epigenetic, replacement-type ore deposit (Clark et al., 1990). Silver- and copper-mineralized veins of quartz and/or carbonate appear to be a very minor component of the deposit. What is debatable at Berenguela is whether or not, or to what extent supergene processes played a role in the formation of the deposit.

More specifically, is the extensive development of manganese oxides the result of the surface oxidation of hypogene manganiferous carbonates (manganocalcite and/or rhodochrosite) which had replaced calcite and dolomite adjacent to fractures in the precursor limestone and where silver, copper and zinc were deposited as sulphides synchronous with or subsequent to the Mn-carbonate replacement event. Or are the Mn- and Fe-oxides the direct metasomatic products of a hydrothermal system marked by strongly oxidized fluids enriched in Ag, Cu.

Considering that the replacement-type ore bodies at Uchucchacua have vertical extents of up to 300 meters, one could presume that good exploration potential still exists at Berenguela for the discovery of hypogene Ag-Cu-Mn mineralization at depths of 150 meters or greater. A possible indication of additional and extensive metasomatic alteration at depth is represented by the thick gypsum zone that has been intersected by several of the deeper holes in the deposit. (Strathern, 1969) While this gypsum may be of sedimentary origin, it could also be explained as forming a well-developed zone of sulphate alteration (perhaps originally occurring as anhydrite) that is related to a high level intrusion which exsolved a large volume of sulphur-rich fluids and/or vapour.

The mineralized zone on the property is bowl shaped and elongated in an east west direction. The ore envelope was based on grade shell domain 20 g/t Au reference grade. North south sections for the entire property were created to domain the mineralization. The sectional interpretations were entered into Gemcom as 3D polylines. The polylines were stitched together to produce 3D solid body models, or grade shells for the mineralized zones. The solid model was used to code the rock type model in the block model, control the interpolation and to filter the composites for statistics and geostatistics.

2.3 Sampling and Sub-Sampling Techniques

In the Berenguela Deposit are 222 drill holes containing 18,972 metres of reverse circulation drilling, drilled off on a regular grid pattern. The drill program expanded the areas of known mineralization to the east and subsequently the resource of the deposit and the objective of the drill program was to delineate the deposit for resource estimate.

Silver Standard Resources (SSR), during the 2004 and 2005 RC drill programs, sampled the drill holes on one-metre intervals. RC drill samples were collected at the drill site by the drill crews.

The RC drill holes were sampled from collar to total depth. Sampling intervals were dependent on the drilling equipment selected, the density of samples required and not based on geological controls or other features of the zone of interest.

The RC drill crews collected 18,476 samples and 1,035 sample duplicates for a total of 19,511 samples.

The drill holes were laid out on 50x50 meters spacing pattern covering the total mineralized area reported on the Mineral Resources statement. As is normal with RC drilling there were occasional samples that were not recovered, however, sample recoveries were of 98.6 percent for the whole drill program.

2.4 Drilling

Two drill programs were run almost back to back, one in the late fall of 2004 and the second ran from March 1st after the rains decreased and ended in early May 2005. AK Drilling International of Lima was the contractor who performed the drilling for both programs.

During the first program fifty seven (57) RC holes were drilled and during the second program one hundred and sixty five (165) RC holes were drilled totalling 222 holes.

AK Drilling used a 4x4 buggy mounted RC drill accompanied by a 4x4 support and water truck. The contractor typically had 3 personnel on the drill rig on each 12 hour shift, a driller and two helpers. None of their personnel helped with the sampling however they would assist SSR samplers at times.

2.5 Sampling Procedure

The RC Drill crews collected the samples and the samples were split 3 times, using a Jones Splitter, down to 1/8th size. The sample size ranges from approximately 2 to 10 kilograms. Approximately every 40th sample had a second, field duplicate sample collected. The samples were tagged with the hole number and depth and then sent to the warehouse for further preparation were SSR Peru personnel prepared the samples for shipment to the assay lab.

2.6 Data Verification Sampling Analysis

The samples were prepared and tagged for shipment to the assay lab and blanks and standards were inserted into the sample stream at a rate of approximately one sample in 40 for blanks and two in 40 for standards. Three different standards were utilized in the program. Periodically SSR Peru staff would deliver the samples to the ALS Chemex Labs depot in Arequipa and the samples were shipped to Lima, Peru for preparation.

• The assay pulps were shipped to ALS Chemex Labs in North Vancouver for analysis.

• The Samples were prepared using a standard sample preparation (PREP-31) to produce a 250-gram pulp.

• The analyses performed were four acid "near total" digestions with a 27 element ICP analysis (ME-ICP61).

• Samples over the maximum for silver, copper or manganese were analyzed using Atomic Absorption (AA62b) and very high silver samples were analyzed using a fire assay procedure with a gravimetric finish (Ag- GRA21)

Employed a comprehensive Quality Control/Quality Assurance (QA/QC) program during the drill program on Berenguela. The program included: standards, blanks, field duplicates and outside lab check assays as described above with the sampling procedures. Following the drill program, the author compiled the QA/QC data for the 2004 and 2005 drill programs and completed a summary of the QA/QC program results. The QA/QC summary contains recommendations for the improvement of QA/QC results, which included checking for Standard Reference Material (SRM) failures and contaminated blanks and follow up with corrective action. Other recommendations were to improve sample handling so as to reduce labelling errors.

The data verification included surface samples to confirm the mineralization at Berenguela. James A. McCrea, in 2005, collected four randomly located surface grab samples (BER-01 to BER-04) from the property. Each sample location was surveyed with a GPS. Samples were taken over an area of approximately 1 square meter. Approximately 2 kilograms of material was taken from each sample site. The four samples were taken to represent different areas of the Berenguela Deposit.

2.7 Estimation and modelling techniques (Including Classification Criteria and Cut off Grade)

The 1-metre samples were composited into 2-metre composites for resource modelling and grade interpolation. Compositing produced 9400 2-metre composites. The solid model was used to code the composites as being from within the ore zone or the background domain.

Grades were capped for the Berenguela resource. Capping was based on histograms, probability plots and the coefficient of variation. Silver grades were capped at 2000 ppm Ag, copper grades were capped at 4.5 Cu% and manganese grades were capped at 35 Mn%. The assays were capped and then the composites were created. Capping of silver at 2000 ppm Ag is equivalent to the 99.6 percentile; capping of copper at 4.5 Cu% is equivalent to the 99.4 percentile and capping the manganese at 35 Mn% is equivalent to the 99.4 percentile. These capping levels are consistent with industry standard practice.

The 2-metre composites for silver, copper and manganese were imported into Isaaks' Sage software for Variogram analysis. The variograms were modelled with exponential structures. All metals exhibited low nuggets in the 5 to 10% range and reasonable search ranges.

A 3D whole block model was laid out to cover the mineralization on the Berenguela Property and to allow room for pit optimizations during later analyses of the project, as shown in the Table 1.

Table 1: Block Model Dimension of 2005 NI-4301 Report

Co-ordinates				Origin	Block Size	Number of Blocks
Axis Direction	Actual Orientation	Axis	Axis Nomenclature	Co-ordinates	Metres	
"Easting"	90°	X	Column	331350	5	330
"Northing"	0°	Y	Row	8268150	5	190
"Elevation"	Vertical	Z	Level	4300	5	60

The solid models were used to code the rock type model and control the interpolation. The block model was coded for air (above topography), background and for the mineralized zone by coding blocks using a 50% threshold. Blocks with more then 50% of the block inside the solid were given the code of the solid. During the interpolation of the model, the background zone was not interpolated and the ore zone was not allowed to use data points from the background zone.

The block model was interpolated using inverse distance squared where a minimum of four composites was required to interpolate a block with a maximum of 16 composites.

The interpolation was required to use data from two drill holes to interpolate grade into a block.

The model was classified as indicated and inferred based on distance between samples and center of the mineralized blocks in the bloch model. The Table 2 contains a summary of the resource model, applying a cut off of 50 Ag g/t. Blocks were classified as follows:

- an indicated range of 0 to 25 meters distant from the drilling information; and
- inferred range of 25 to 60 meters distant from the drilling Information.

Notes:

- No measured category was defined because of no geologic model and a lack of surface trenches;
- Only blocks inside the grade shell were classified. Blocks outside were not interpolated or classified.
- Blocks outside these ranges to define indicated and inferred mineral resources are not reported.

Table 2: Berenguela Resource Summary, Using a Cut 50 Gram per Tonne Silver Cut-off

Category	Tonnes (Millions)	Silver Grade (g/t)	Copper Grade (%)	Manganese Grade (%)	Silver (millions of ounces)
Indicated	15.6	132.0	0.92	8.8	66.1
Inferred	6.0	111.7	0.74	6.5	21.6

The stated resources are not materially affected by any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant issues, unless stated in this report, to the best knowledge of the author. There are no known mining, metallurgical, infrastructure, or other factors that materially affect this resource.

2.8 Mining and Metalurgical Methods

Kappes, Cassiday & Associates, after purchasing Berenguela collected bulk samples and carried out metallurgical testing at their Reno facilities. KCA describe the test work as follows:

"Historically (from 1905 to 1965) the ore was processed by direct smelting to produce a copper-silver matte, which was then sold to Southern Peru Copper Corporation. This process would be marginally economic in today's market. In the 1960's, Asarco and Charter considered a roast/ segregation process (the "Torco" process), but this process also has inherent high capital and operating costs, and also recovers only silver and copper.

Since the 1960's, markets for specialty manganese products have developed that make a recovery of this metal economically important. KCA has directed its work towards developing a wet chemical leach process for recovery of manganese along with the copper and silver. Once manganese recovery is included, costs and revenues both increase to the point where manganese becomes the most important economic constituent.

The proposed flow sheet is presented below. The ore will be ground, pumped into agitated tanks in slurry form, and leached with sulfuric acid and sulfur dioxide. The pregnant solution will be separated from the solids and clarified. From this solution, copper will be recovered by the standard solvent extraction electrowinning (SX-EW) process, or alternatively by simple crystallization to produce copper sulfate. The copper-free solution will be purified and sent to a manganese electrowinning section where manganese dioxide will be produced. A portion of the depleted solution will be sent to evaporation ponds, and then to a crystallizer, to produce manganese sulfate (which is extensively used as a fertilizer). Solids from the initial acid leach will be subject to a normal cyanide leach process where silver will be dissolved, precipitated on zinc dust, and refined to bullion.

All of the process steps, are currently in commercial use in EMD production plants elsewhere in the world. The individual steps of the process have been tested on the bulk ore sample at KCA's Reno facility. Recovery routinely exceeds 90% for all three metals. For economic evaluation purposes, recovery is targeted at 80% for manganese, and 85% for silver and copper.

Final process development work is planned as part of the design/cost study, including the establishment of a demonstration/pilot plant. Consulting manganese production specialists have been retained to advise on the project concepts, and they will continue to be involved throughout the process development stages."

The KCA (Kappes, Cassiday & Associates) flow sheet is in Figure 1

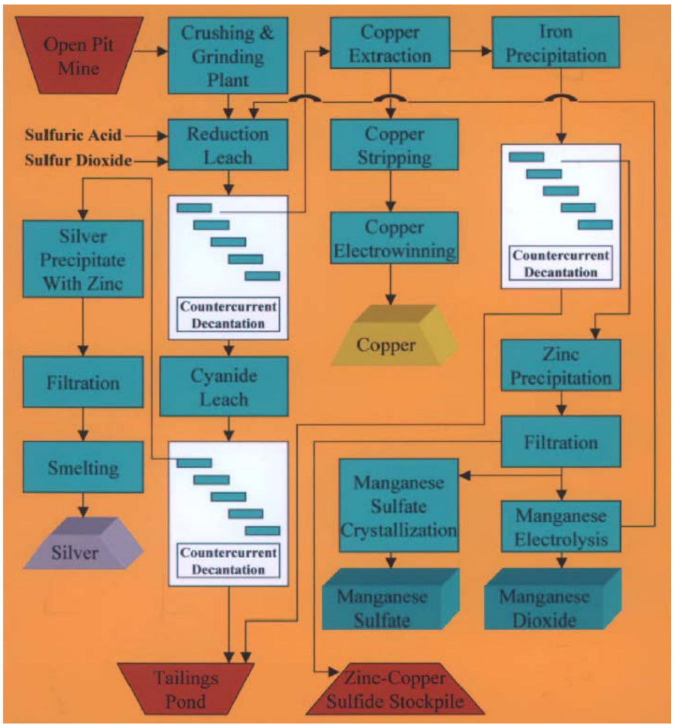

Figure 1: Berenguela Generalized Process FlowSheet

3 SUMMARY - 2017 MINERAL RESOURCES AUDIT - JORC CODE (2012 EDITION)

Valor Resources Limited requested a complete peer review of the 2005 – NI 43-101 TECHNICAL REPORT ON THE BERENGUELA PROPERTY (by James A. McCrea) and compile the information to JORC Code (2012 Edition) for subsidize the strategic plan of the company.

The 2017 technical review was carried out during the period of 25th January 2017 to 10th February 2017, analyzing the information provided in a digital data room and technical staff support by Silver Standard Resources Inc. (Toronto Stock Exchange - TSX: SSO and on the NASDAQ Global Market - NASDAQ: SSRI).

The review covered the following main activities:

- Detailed documental analysis of Silver Standard data room;
- Field Visit, including site visit and revision of selected cores, storage of cores, pulps, coarse rejects;
- Validation of Mineral Resources and adjust information from NI 43-101 to JORC 2012 form.

Based on this complete analysis, the main conclusion of 2005 – NI 43-101 TECHNICAL REPORT ON THE BERENGUELA PROPERTY, by James A. McCrea, is the mineral resource estimate technics and procedures are in according to good industry standard practice, has no fatal flaws and has enough robustness for purpose of funding to develop the feasibility studies of the project. The 2005 NI 43-101 reported mineral resource figures endorsed and validated:

- Indicated Resources 15.6 million tonnes at 132.0 g/t Ag, 0.92% Cu & 8.8% Mn.
- Inferred Resources 6 million tonnes at 111.7 g/t Ag, 0.74% Cu & 6.5% Mn.

The main recommendation is to carry out a complete review of Mineral Resources updating the 3D models (geological and grade shells) considering structural (fault models) and Manganese Models had already been performed by Silver Standard and complete with Silver and Copper grade shell models for Mineral Resources estimates update. It also recommended testing the applicability of advance geostatistical tools as conditional simulation for risk assessment during the feasibility studies.

Berenguela Property is an excellent opportunity in Peru, with excellent infrastructure, applied good exploration practices by Silver Standard, very well drilled (grid 50x50m) which qualifies as advanced stage copper – silver – manganese project, also with an extensive potential for resource expansion, near-term mining and production.

The dynamics of 2005 – NI 43-101 audit presented in this report, followed the "Table 1, Section 1 and 2 of JORC Code (2012 Edition)", respectively "The Sampling Techniques and Data" and the "Reporting of Exploration Results", which represents the materiality of the Mineral Resources. Also performed a Ag (g/t) grade estimation applying the same parameters of 2005 NI-43101 and checked the precision of the resource numbers.

Berenguela project paralyzed last year by Silver Standard during the treatment of the 2014/2015 acquiring data with this new geological approach. The team just finalize the Fault Model and Manganese 3D wireframe, which is background for Silver and Copper 3D Models. This evidence is a strong reason to update the Mineral Resources urgently.

The visit to the site was focused on the Local Geology, Deposit Type and Mineralization controls, that confirms the main types of mineralization, manganese minerals in the metasomatised limestones and close association between faults, Mn, Cu and Ag elements. Also, confirmed the high regional potential and deeper extension of Berenguela deposit due to the advances of geological knowledge in the last years exploration programme.

In terms of coreshed, all information of Berenguela Deposit are very well organized and easy to access. They are stored into two places, one in Santa Lucia (2010 and 2015 diamond drilling) and in Chorrillos – Lima (2004/2005 RC drilling).

The big challenge was to validate the RC holes performed in 2004/2005 due to the unavailability of the detailed operational procedures from sampling to chemical analysis. Then, decides for the indirect validation, by checking 5 (five) twin drill holes performed in 2015, which is considered validated, therefore, Silver Standard geologist Jimmy Lucia Victoria participated in the whole process of drilling until chemical results. The comparison between drill holes was visual, comparing the Mn alteration, extension of the mineralization and behavior of chemical results

The 5 (five) Diamond drill holes and their respective 2004/2005 RC Drilling are:

DD 2015	***RC 2005***
BED001	*BER082*
BED002	*BER118*
BED003	*BER024*
BED004	*BER169*
BED005	*BER194*

These drillhole were revising logs and photographed, comparing their chemical analysis, Mn alteration characteristics. In general, the pair of twin drill holes indicate an excellent correlation of the mineralized domains, high-grade zones, considering the Ore/Waste indicator.

Also reproduced a typical deposit cross section (Section "D" of the 2011 Silver Standard internal report) that crossed longitudinally the deposit from east to west, which represents the key to confirm the mineralization continuity and extensions. Eighty four (84) RC drilling covering this section (25 meters corridor) were inspected visually the chip boxes checking with the chemical analysis. To facilitate the inspection, these RC drilling were subdivided in 19 batches of sub-sections. The complete collection of this information are available in the Field Visit Data room directory "005 Section D - 2011 Report".

The QAQC standards applied by Silver Standard in the RC drilling are in compliance with the best practices in Exploration and Mineral Resources, which reported by James A. McCrea, P.Geo in 2005 and file name: "QA-QC Review_ JMcCrea_2005.pdf".

There are some concerns about QAQC, listed below:

- Silver Standard did not implement McCrea recommendation, which must be considered for the next mineral resources updates.
- There are Improvements on Standards, mainly related to Round Robin and the Standards are not blinded – Standard certificated by ALS and the 1st lab also ALS.
- Copper and Silver duplicates of field duplicates (preparation) decrease on precision as increased grades, but pulp duplicates not reproduce these imprecision, which suggest some problems during the sample preparation; maybe the material was not crushing enough to liberate the particles. This issue needs to be check with more detail next Mineral Resources Estimation. Note: For indicated resources is acceptable, but to convert to Measured Mineral resources needs the correct approach and solution of this imprecision
- There are problems of Manganese Chemical analysis procedure of "ActLabs" (2nd Lab). The top detection limit of Actlab (10%). For samples above 8%, recommended to re-send to Act lab to be analyzed using the correct chemical analysis procedure

The specific gravity of the Mineral Resource is a mean grade for all blocks of 2.32. In the 2005 report there are no mention of the origin of this value that was found in another 2005 report prepared by RUSSELL SMITH R.P. Geo. MB consider acceptable for propose of this status of the project. There are recent density information available for 2015 diamond drilling that should be considered in the update of the mineral resources. The procedures of 2015 density determination are in the data room directory: "..\Sondajes\Density", in Spanish version. The estimation process also be revised, suggesting Nearest Neighbor estimation method, obviously, if applicable.

The mineralized zone reported on 2005 NI 43-101 mineral resources was based the Silver grade shell 20g/t reference value. The wireframes of ore zone is validated based for this propose, despite the high dilution inside the solids, 20% of the 2m composite with Ag <20 g/t, that must be considered in the mineral resource updates. As not found the block model of 2005 NI-43101, the decision was taken to re-estimate the block model with the solids and 2 meters composite, applying same variography and Block Model parameters and assumed total mineral resources (Indicated + Inferred Resources) to confirm the tonnages and grade, only for Ag (g / t).

The Table 3 shows the mineral resource difference of metal content of 1.15%. Based on this difference the 2005 NI-43101 reported Mineral Resources is considered validated for this propose.

	Mtons	Ag ppm	Ag Moz
2005 NI-43101 Report - Official	21.60	126.36	87.75
2017 Spot Check by MB	20.97	128.67	86.74
Difference	**-2.92%**	**1.82%**	**-1.15%**

Table 3: Total Mineral Resource comparison. 2005 NI-43101 Mineral Resources report x 2017 MB Mineral Resource Estimates (not official - spot check considering indicated + inferred resources and estimated only Ag g/t)

About Silver Standard

Silver Standard is a Canadian-based precious metals producer with three wholly-owned and operated mines, including the Marigold gold mine in Nevada, U.S., the Seabee Gold Operation in Saskatchewan, Canada and the Pirquitas silver mine in Jujuy Province, Argentina. Silver Standard also has two feasibility stage projects and an extensive portfolio of exploration properties throughout North and South America. Silver Standard is committed to delivering safe production through relentless emphasis on Operational Excellence. Silver Standard is focused on growing production and Mineral Reserves through the exploration and acquisition of assets for accretive growth, while maintaining financial strength. www.silverstandard.com

Competent Persons Statement

The technical information in this release is based on compiled and reviewed data by Mr. Marcelo Batelochi. Mr. Batelochi is an independent consultant with MB Geologia Ltda and is a Chartered Member of AusIMM – The Minerals Institute. Mr. Batelochi has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Batelochi consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Mr. Batelochi accepts responsibility for the accuracy of the statements disclosed in this release.

MARCELO ANTONIO BATELOCHI (CP), Brazilian, Geologist, **h**olds a degree in 1991, Bachelor of Honors from School of Geology at UNESP - São Paulo State University, Brazil. More than twenty years of experience in the mineral resource evaluation of Iron, Copper/ Gold, Nickel, Bauxite, REE and PGE Deposits, as employee of Rio Tinto (12 years), Vale (4 years), Ferrous Resources (6 years) and One year as Independent Consultant ("MB Geologia"). Member of the Australasian Institute of Mining and Metallurgy and is qualified as a Chattered Profession of Geology and Mineral Resources (Qualified to assign JORC and Ni-43101 Mineral Resource Reports).

The Following Table and Sections are provided to ensure compliance with JORC Code (2012 Edition)

TABLE 1 – Section 1: Sampling Techniques and Data

Note: Information from NI-43101 report performed by James A. McCrea, audited and revised by Marcelo A. Batelochi (MAusimm – CP)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• In the Berenguela Deposit are 222 drill holes containing 18,972 metres of reverse circulation drilling. • The deposit was drilled off on a regular grid pattern. • The drill program expanded the areas of known mineralization to the east and subsequently the resource of the deposit. • The objective of the drill program was to delineate the deposit for resource estimate. • Silver Standard Resources (SSR), during the 2004 and 2005 RC drill programs, sampled the drill holes on one-metre intervals. • RC drill samples were collected at the drill site by the drill crews. • The RC drill holes were sampled from collar to total depth. Sampling intervals were dependent on the drilling equipment selected, the density of samples required and not based on geological controls or other features of the zone of interest. • The RC drill crews collected 18,476 samples and 1,035 sample duplicates for a total of 19,511 samples. • The drill holes were laid out on a 50-metre pattern to cover the known areas of mineralization and test the limits of mineralization. • As is normal with RC drilling there were occasional samples that were not recovered, however, sample recoveries were of 98.6 percent for the whole drill program.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Two drill programs were run almost back to back, one in the late fall of 2004 and the second ran from March 1st after the rains decreased and ended in early May 2005. • AK Drilling International of Lima was the contractor who performed the drilling for both programs. • During the first program fifty seven (57) RC holes were drilled and during the second program one hundred and sixty five (165) RC holes were drilled totalling 222 holes. • AK Drilling used a 4x4 buggy mounted RC drill accompanied by a 4x4 support and water truck. The contractor typically had 3 personnel on the drill rig on each 12 hour shift, a driller and two helpers. None of their personnel helped with the sampling however they would assist SSR samplers at times.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drilling conditions ranged from difficult to good. Drilling through dry highly manganese replaced limestone was good however clay altered carbonates when wet posed difficult drilling conditions. Where the rock was dry typically in the upper 20-50 meters drilling conditions were good and drilling was done without water. When the rock was wet at depth and clay zones were encountered drilling conditions were difficult. When these conditions were encountered the drillers had to inject water along with additives. • During the first part of the first drilling program (holes 1-57) the drillers had numerous lost intervals. They learned how to drill the property by the end of the first program increasing recoveries and improving penetration rates. They learned that by using additives along with water and a face sampling hammer clay zones could be drilled while still recovering sample. A typical reason why there were zones with no recovery was that clay would clog the hammer and or tubes and the drillers would continue to drill. This usually occurred on night shift when the driller didn’t want to take the time to check either the drill rods, tubes leading to the cyclone or the hammer. During the second program when it appeared that there might be clogging they immediately switched to water injection.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Lithology, alteration, veining, mineralisation and weathering were logged from the RC chips and stored in Datashed. Chips from selected holes were also placed in chip trays and stored in a designated building at site for reference
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The RC Drill crews collected the samples and the samples were split 3 times, using a Jones Splitter, down to 1/8th size. • The sample size ranges from approximately 2 to 10 kilograms. Approximately every 40th sample had a second, field duplicate sample collected. • The samples were tagged with the hole number and depth and then sent to the warehouse for further preparation were SSR Peru personnel prepared the samples for shipment to the assay lab.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The samples were prepared and tagged for shipment to the assay lab and blanks and standards were inserted into the sample stream at a rate of approximately one sample in 40 for blanks and two in 40 for standards. Three different standards were utilized in the program. Periodically SSR Peru staff would deliver the samples to the ALS Chemex Labs depot in Arequipa and the samples were shipped to Lima, Peru for preparation. • The assay pulps were shipped to ALS Chemex Labs in North Vancouver for analysis. • The Samples were prepared using a standard sample preparation (PREP-31) to produce a 250-gram pulp. • The analyses performed were four acid “near total” digestions with a 27 element ICP analysis (ME-ICP61). • Samples over the maximum for silver, copper or manganese were analyzed using Atomic Absorption (AA62b) and very high silver samples were analyzed using a fire assay procedure with a gravimetric finish (Ag- GRA21) • Employed a comprehensive Quality Control/Quality Assurance (QA/QC) program during the drill program on Berenguela. The program included: standards, blanks, field duplicates and outside lab check assays as described above with the sampling procedures. Following the drill program, the author compiled the QA/QC data for the 2004 and 2005 drill programs and completed a summary of the QA/QC program results. The QA/QC summary contains recommendations for the improvement of QA/QC results, which included checking for Standard Reference Material (SRM) failures and contaminated blanks and follow up with corrective action. Other recommendations were to improve sample handling so as to reduce labelling errors.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Data verification included surface samples to confirm the mineralization at Berenguela. • James A. McCrea, in 2005, collected four randomly located surface grab samples (BER-01 to BER-04) from the property. Each sample location was surveyed with a GPS. Samples were taken over an area of approximately 1 square meter. Approximately 2 kilograms of material was taken from each sample site. The four samples were taken to represent different areas of the Berenguela Deposit. • The author carried out a visual comparison (quick logging and grade checks) between 5 twin diamond drill carried out in 2015 for Sliver Standard, that shown a excelente correlation between 2004/2005 RC Drilling (used for Mineral Resources Report) and 2015 diamond drilling (new information, It will be included to the next Mineral Resource Evaluation).
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Topographic survey was done of the property which included locating all roads, drill holes, claim boundaries, and topographic features in sufficient detail. • A local surveyor did the work using a Total Station Laser instrument. Data during the day was loaded into the instrument and downloaded later directly into a computer for plotting.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The RC have been drilled up to a maximum 180 vertical metres below surface on an irregular 50 m x 50 m drill pattern. • The data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralised domains to support the definition of Inferred and Indicated Mineral resources under the 2012 JORC code. • Drill hole samples have been composited to a nominal 2 m interval for the resource calculation.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The majority of drilling is orientated with a 350 – 20 degree azimuth and 45-50 dip northeast, but there are significant vertical orientated drill holes. • Generally intercepts the mineralisation at a reasonable high angle of intersection.
Sample security	• *The measures taken to ensure sample security.*	All samples were stored and preserved in the SSR warehouse near Lima – Peru, in a dry and ventilated place.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Geology audits and site visit were completed in 2005 by James A. McCrea, P.Geo, independent consultants to review sampling procedures and QAQC practices. This visit concluded the sampling to be at an industry standard, and of sufficient quality to carry out a Mineral Resource Estimation. • In 2017, this author visited the project and revised the NI-43101 Mineral Resources carried out by James A. McCrea, endorsing his conclusion and recommended an immediate revision of Mineral Resources, updating with the 2011/2015 diamond drilling information and also the geological knowledge, which improved considerably since 2005. • In addition, there are a poor precision of Copper and Silver high grade, that needs an additional study and reanalysis.

TABLE 1 – Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section)
Note: Information from NI-43101 report performed by James A. McCrea, audited and revised by Marcelo A. Batelochi (MAusimm – CP)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Berenguela Property encompasses approximately 141.33 hectares situated in the eastern part of the Western Cordilleran of south-central Peru and consists of two mineral concessions. The Berenguela concessions are located within the Department of Puno and lie within Peruvian National Topographic System (NTS) map area Lagunillas, No. 32-U. The centre of the Berenguela concessions is at 15° 40' South Latitude and 70° 34' West Longitude
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• In March of 2004, SSR entered into an option agreement with SOMINBESA (KCA) to purchase 100% of the silver resources contained in the Berenguela Project. SSR completed the exploration drill program in July of 2005 after completing 222 reverse circulation drill holes.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Based on the distribution and form of the potentially economic bodies of Mn-Cu-Ag mineralization within the structurally deformed limestone formation there is little doubt that Berenguela represents a type of epigenetic, replacement-type ore deposit (Clark et al., 1990). Silver- and copper-mineralized veins of quartz and/or carbonate appear to be a very minor component of the deposit. What is debateable at Berenguela is whether or not, or to what extent supergene processes played a role in the formation of the deposit. • More specifically, is the extensive development of manganese oxides the result of the surface oxidation of hypogene manganiferous carbonates (manganocalcite and/or rhodochrosite) which had replaced calcite and dolomite adjacent to fractures in the precursor limestone and where silver, copper and zinc were deposited as sulphides synchronous with or subsequent to the Mn-carbonate replacement event. Or are the Mn- and Fe-oxides the direct metasomatic products of

Criteria	JORC Code explanation	Commentary
		a hydrothermal system marked by strongly oxidized fluids enriched in Ag, Cu. • Considering that the replacement-type ore bodies at Uchucchacua have vertical extents of up to 300 meters, one could presume that good exploration potential still exists at Berenguela for the discovery of hypogene Ag-Cu-Mn mineralization at depths of 150 meters or greater. A possible indication of additional and extensive metasomatic alteration at depth is represented by the thick gypsum zone that has been intersected by several of the deeper holes in the deposit. (Strathern, 1969) While this gypsum may be of sedimentary origin, it could also be explained as forming a well-developed zone of sulphate alteration (perhaps originally occurring as anhydrite) that is related to a high level intrusion which exsolved a large volume of sulphur-rich fluids and/or vapour
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Drill hole information has not been included due to the large quantity of information. This information is available in digital basis in the project data room.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such*	• Drill hole information has not been included due to the large quantity of information. This information is available in digital basis in the project data room.

Criteria	JORC Code explanation	Commentary
	aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Since few drill holes completed at Berenguela are longer than 150 m, there are few accounts of hypogene, sulphide-rich mineralization. However, this is not to say that such mineralization does not exist in altered limestones at greater depths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Diagrams, maps and sections have not been included due to the large quantity of information. This information is available in digital basis in the project data room.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Weekly and Monthly reports are not included due to the large quantity of information. This information is available in digital basis in the project data room.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Other substantive exploration data information has not been included due to the large quantity of information. This information is available in digital basis in the project data room.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Berenguela deposit remain open at depth and there are other orebodies near the deposit. • Is strongly recommended the revision of Mineral Resources, updating with the 2011/2015 diamond drilling information and also the geological knowledge, which improved considerably since 2005;

Criteria	JORC Code explanation	Commentary
		• The timing of Infill and extension drilling at Berenguela will be determined at completion of the Mineral Resources and prefeasibility study.

TABLE 1 – Section 3 Estimation and Reporting of Mineral Resources
(Criteria listed in section 1, and where relevant in section 2, also apply to this section)
Note: Information from NI-43101 report performed by James A. McCrea, audited and revised by Marcelo A. Batelochi (MAusimm – CP)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The database was checked against the original raw data with respect to drill collar locations and down-hole surveys, and final drill hole depths. • All data with respect to sample intervals has been (overlaps and duplicate records) have been verified. • No issues were identified with the data.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Mr Marcelo A. Batelochi is a member of The Australian Institute of Mining and Metallurgy and is a Competent Person who has visited this site. • In the opinion of the competent person, the drilling, sampling and mining practices used on site are of a high industry standard.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The mineralized zone on the property is bowl shaped and elongated in an east west direction. North south sections for the entire property were created to domain the mineralization. The sectional interpretations were entered into Gemcom as 3D polylines. • The polylines were stitched together to produce 3D solid body models, or grade shells for the mineralized zones. The solid model was used to code the rock type model in the block model, control the interpolation and to filter the composites for statistics and geostatistics. • Grade shell domain based on a 20 g/t Au reference grade.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Dimensions</td><td>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</td><td>The Berenguela Ag-Cu-Mn deposit trends in a WNW direction for more than 1,400 meters along a whale-back ridge that separates two valleys, the broader one being to the south.
The eastern and western limits of the deposit roughly correspond to where steep slopes truncate the ridge and descend to the pampa valleys some 200 metres below the ridge-crest.
Moderately to isoclinally folded limestones and dolomites of the Cretaceous-age Ayavacas Formation are the dominant lithologies exposed along the ridge and host the deposit mineralization.</td></tr>
<tr><td>Estimation and modelling techniques</td><td>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.
The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.
The assumptions made regarding recovery of by-products.
Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).
In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.
Any assumptions behind modelling of selective mining units.
Any assumptions about correlation between variables.
Description of how the geological interpretation was used to control the resource estimates.
Discussion of basis for using or not using grade cutting or capping.
The process of validation, the checking process</td><td>The 1-metre samples were composited into 2-metre composites for resource modelling and grade interpolation. Compositing produced 9400 2-metre composites. The solid model was used to code the composites as being from within the ore zone or the background domain.
Grades were capped for the Berenguela resource. Capping was based on histograms, probability plots and the coefficient of variation. Silver grades were capped at 2000 ppm Ag, copper grades were capped at 4.5 Cu% and manganese grades were capped at 35 Mn%. The assays were capped and then the composites were created. Capping of silver at 2000 ppm Ag is equivalent to the 99.6 percentile; capping of copper at 4.5 Cu% is equivalent to the 99.4 percentile and capping the manganese at 35 Mn% is equivalent to the 99.4 percentile. These capping levels are consistent with industry standard practice.
Filtering left 6233 composites in the domain for interpolation and variogram modelling.
The 2-metre composites for silver, copper and manganese were imported into Isaaks' Sage software for Variogram analysis. The variograms were modelled with exponential structures. All metals exhibited low nuggets in the 5 to 10% range and reasonable search ranges.
A 3D whole block model was laid out to cover the mineralization on the Berenguela Property and to allow room for pit optimizations during later analyses of the project.
<table>
<tr><th colspan="4">Co-ordinates</th><th>Origin</th><th>Block Size</th><th rowspan="2">Number of Blocks</th></tr>
<tr><th>Axis Direction</th><th>Actual Orientation</th><th>Axis</th><th>Axis Nomenclature</th><th>Co-ordinates</th><th>Metres</th></tr>
<tr><td>"Easting"</td><td>90°</td><td>X</td><td>Column</td><td>331350</td><td>5</td><td>330</td></tr>
<tr><td>"Northing"</td><td>0°</td><td>Y</td><td>Row</td><td>8268150</td><td>5</td><td>190</td></tr>
<tr><td>"Elevation"</td><td>Vertical</td><td>Z</td><td>Level</td><td>4300</td><td>5</td><td>60</td></tr>
</table>
The solid models were used to code the rock type model and control the interpolation.The block model was coded for air (above topography), background and for the mineralized zone by coding blocks using a 50% threshold. Blocks with more then 50% of the block inside the solid were given the code of the solid. During the interpolation of the model, the background zone was not interpolated and the ore zone was not allowed to use data points from the background zone.
The block model was interpolated using inverse distance squared where a minimum of four composites was required to interpolate a block with a maximum of 16 composites.
The interpolation was required to use data from two drill holes to interpolate grade into a block.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	used, the comparison of model data to drill hole data, and use of reconciliation data if available.	
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• All tonnages were calculated using dry density.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• A reference grade of 20 Ag g/t was used to wireframe the lode envelopes. • A cut off of 50 Ag g/t was used to report mineral resources.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Kappes, Cassiday & Associates, after purchasing Berenguela collected bulk samples and carried out metallurgical testing at their Reno facilities
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic*	• An environmental permit was obtained from the Ministerio de Minas, in Lima in order to drill and was amended in order to sink shafts. A blasting permit was also obtained in order to sink the shafts

Criteria	JORC Code explanation	Commentary
	extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfield project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• The specific gravity used for tonnage calculations in the past and more specifically by the government is 2.47. Nine samples were recently taken at the Berenguela property of representative mineralized material and specific gravities ranged from 1.87 to 2.73, giving an average of the of 2.32 • An extensive database of density measurements were recorded at 2015 drilling campaign, which will be used to estimate the density in the next resource update.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The model was classified as indicated and inferred based on distance. • No measured category was defined because of no geologic model and a lack of surface trenches. • Only blocks inside the grade shell were classified. • All other blocks were not interpolated or classified. The table below contains a summary of the resource model. • Blocks were classified as follows: an indicated range of 0 to 25 metres and inferred range of 25 to 60 metres. • Blocks outside these ranges are not reported.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The stated resources are not materially affected by any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant issues, unless stated in this report, to the best knowledge of the author. • There are no known mining, metallurgical, infrastructure, or other factors that materially affect this resource. • The Berenguela Property contains a large potentially exploitable resource of silver and copper. The objective of the exploration program was to delineate and possibly expand the resource at Berenguela. The property is now ready for advancement towards production. • In 2017, this author visited the project and revised the NI-43101 Mineral Resources carried out by James A. McCrea, endorsing his conclusion and recommended an immediate revision of Mineral Resources, updating with the 2011/2015 diamond drilling information and also the geological knowledge, which improved considerably since 2005.