MITHRIL RESOURCES

ASX ANNOUNCEMENT

30 November 2020

LARGE HYDROTHERMAL GOLD SILVER SYSTEM AT EL REFUGIO TARGET, COPALQUIN MEXICO

Highlights

- Large hydrothermal gold-silver system identified at the **El Refugio target, Cometa project** with 15-30m quartz breccia zones intercepted with high grade veins
- Four further drill holes at the El Refugio target, with highlights including:
  - **5.05m @ 3.48 g/t AuEq.[1]** (1.93 g/t gold and 123.7 g/t silver) from 227.4m **(CDH-022)**, including **2.15m @ 5.03 g/t AuEq.[1]** (3.28 g/t gold and 140 g/t silver);
  - **15.75m @ 2.05 g/t AuEq.[1]** (1.59 g/t gold and 36.57 g/t silver) from 123.6m **(CDH-024)**, including **5.96m @ 3.93 g/t AuEq.[1]** (3.27 g/t gold and 53.33 g/t silver) and **1m @ 16.63 g/t AuEq.[1]** (14.75 g/t gold and 150.0 g/t silver), plus **0.8m @ 6.18 g/t AuEq.[1]** (3.87 g/t gold and 185.0 g/t silver)
  - **7.0m @ 1.22 g/t AuEq.[1]** (0.80 g/t gold and 33.56 g/t silver) from 131.0m **(CDH-025)**, including **2.0m @ 2.68 g/t AuEq.[1]** (1.81 g/t gold and 69.6 g/t silver)

    (within 27.55m @ 0.66 g/t AuEq.[1] (0.41 g/t gold and 19.8 g/t silver))
- The drilling at the El Refugio target has intercepted what is now understood to be the top of a large hydrothermal system at the Cometa project in the Copalquin district
- The above intercepts follow on the from the previously reported high grade intercepts at El Refugio:
  - **3.85m @5.97 g/t AuEq.[1]** (4.48 g/t gold and 119.3 g/t silver) from 146m **(CDH-015)**, including **2.15m @ 8.66 g/t AuEq.[1]** (6.32 g/t gold and 186.7 g/t silver);
  - **8.70m @ 4.24 g/t AuEq.[1]** (3.07 g/t gold and 93.6 g/t silver) from 176.85m **(CDH-020)**, including **2.9m @ 9.82 g/t AuEq.[1]** (7.52 g/t gold and 184.3 g/t silver) plus **1.50m @ 6.55 g/t AuEq.[1]** (5.08 g/t gold and 117.5 g/t silver) from 169.0m **(CDH-020)**
- Additionally, the first drill holes have been completed at the Reyes project and the Constancia project with assays pending
- Drilling at the Apolonia project for two drill holes has commenced to complete the maiden drill program for 2020.

Mithril Resources Ltd (ASX: MTH) (**Mithril** or the **Company**) is pleased to provide an update on drilling activities at the Cometa Project in the Copalquin Gold Silver District, Mexico.

Assays for further drill holes at the El Refugio target, indicate the top of a large and extensive hydrothermal system at the Cometa project. The Cometa project also includes the La Soledad target where very high-grade intercepts were reported in August and September 2020. The drilling at the El Refugio target now extends for over 300m.

[1] AuEq = gold equivalent grades calculated at 80 g/t Ag = 1 g/t Au, using gold price of USD1,600 per ounce and silver price of USD20 per ounce.

Mithril CEO and Managing Director, John Skeet, commented:

"The maiden drill holes at the El Refugio target have shown the area to be part of a large hydrothermal system. The broad quartz breccia zones punctuated with high grade gold-silver veins has been drill tested over 300m and is building the model of a large gold-silver system that is characterised by extensive surface alteration and rhyolite dome intrusions. This alteration is observed to extend at least 1.5km west of El Refugio in addition to the widespread alteration and rhyolitic dome intrusives in the Copalquin district. The very high grade La Soledad and Leon veins intercepted at the start of the program are also part of this larger hydrothermal system. The extension of the Cometa project at depth and along strike is a key feature of the exploration for 2021.

The first drill holes completed at the Reyes, Constancia and Apolonia projects will provide further indication of the gold and silver grade potential in these areas. We have a very large area to explore in this complex district with many strong targets identified by extensive surface mapping and supported by under-ground rock chip sampling. 2021 will be an exciting year for Mithril as we continue to develop this large epithermal centre for gold and silver."

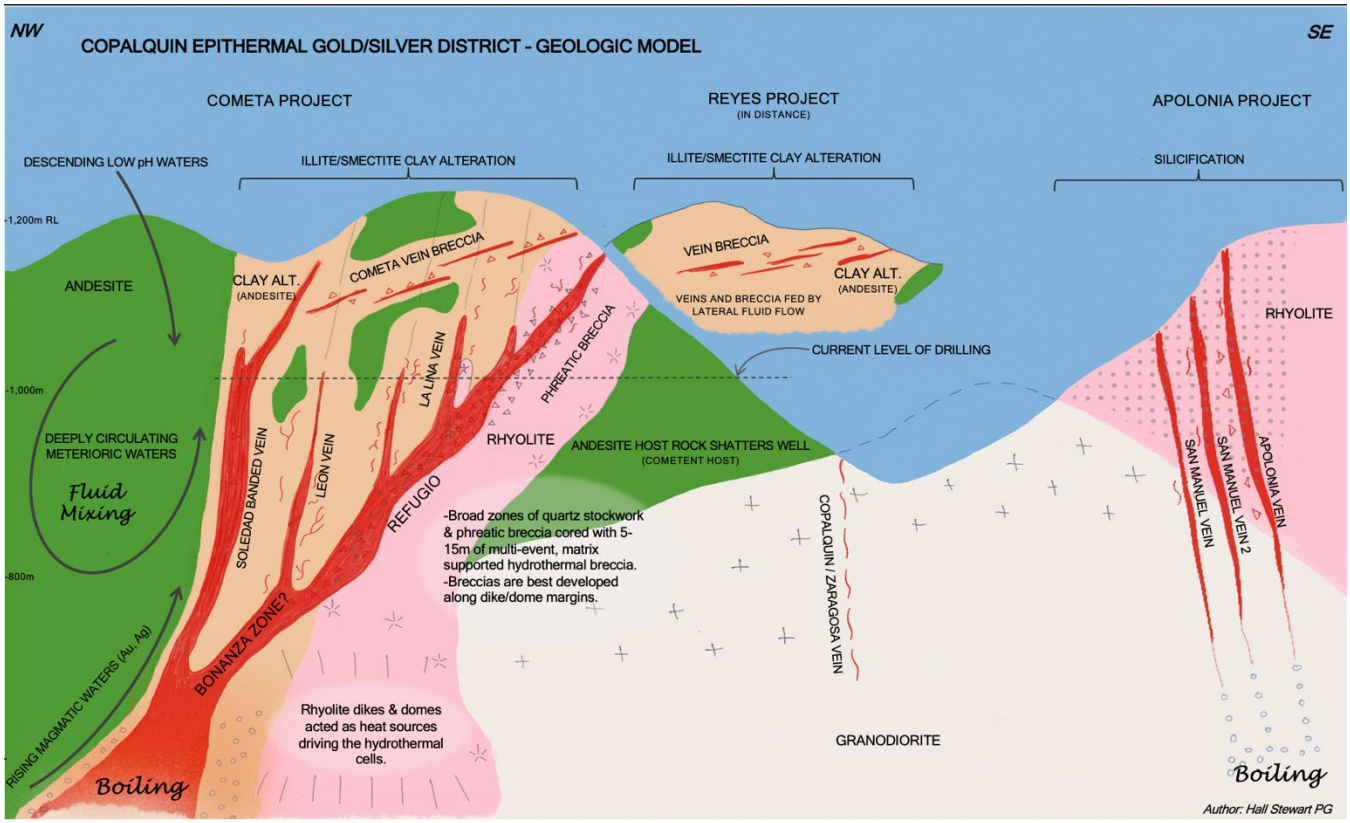

Figure 1 Copalquin District Geologic Model for epithermal gold/silver - geologic model (author: Hall Stewart PG, Chief Geologist)

Drilling Progress – El Refugio Target, Cometa Project

The second batch drill holes have been completed in the El Refugio target at the Cometa Project. The drilling has continued to successfully intercept the Refugio structure with broad brecciated and mineralised zones including the following intercepts:

- Hole CDH-022 intercepted **5.05m @ 3.48 g/t AuEq[1]** (1.93 g/t gold and 123.7 g/t silver) from 227.4m, including **2.15m @ 5.03 g/t AuEq [1]** (4.81 g/t gold and 128.13 g/t silver).

- Hole CDH-024 intercepted **15.75m @ 2.05 g/t AuEq[1]** (1.59 g/t gold and 36.57 g/t silver) from 223.6m including **5.96m @ 3.93 g/t AuEq[1]** (3.27 g/t gold and 53.33 g/t silver) including **1.0m @ 16.63 g/t AuEq[1]**

(14.75 g/t gold and 150.0 g/t silver); plus 4.0m **@ 1.74 g/t AuEq[1]** (1.10 g/t gold and 51.38 g/t silver including **0.8m @ 6.18 g/t AuEq[1]** (3.87 g/t gold and 185.0 g/t silver).

- Hole CDH-025 intercepted **7.0m @ 1.22 g/t AuEq[1]** (0.80 g/t gold and 33.56 g/t silver) from 131m, including **2.0m @ 2.68 g/t AuEq[1]** (1.81 g/t gold and 69.6 g/t silver); plus **1.85m @ 1.08 g/t AuEq[1]** (0.43 g/t gold and 51.8 g/t silver). The intercepts are within a broad low-grade zone of **27.44m @ 0.66 g/t AuEq[1]** (0.41 g/t gold and 19.8 g/t silver).

The above intercepts are in addition to the previously reported El Refugio target intercepts:

- Hole CDH-015 intercepted a broad mineralised zone and within that the reportable intercept of **3.85m @ 5.97 g/t AuEq[1]** (4.48 g/t gold and 119.3 g/t silver) from 146m, including **2.15m @ 8.66 g/t AuEq[1]** (6.32 g/t gold and 186.7 g/t silver).

- Hole CDH-020 intercepted **8.70m @ 4.24 g/t AuEq[1]** (3.07 g/t gold and 93.6 g/t silver) from 176.85m, including **2.9m @ 9.82 g/t AuEq[1]** (7.52 g/t gold and 184.3 g/t silver) from 176.85m; plus **1.50m @ 6.55 g/t AuEq[1]** (5.08 g/t gold and 117.5 g/t silver).

Refugio Target Commentary & Cross Sections

As we progress through the reconnaissance drilling program at the El Refugio target we are encouraged to observe that much of the very broad zone of quartz stockwork and breccia is mineralised with gold and silver. We also detect that there is a consistent zone of high-grade mineralisation within the overall breccia zone. These epithermal systems frequently evolve from hotter fluids producing crystalline quartz textures to cooler fluids more likely to deposit precious metals. Direct evidence for this is the broad zone of quartz stockwork and breccia at Refugio cored by breccias containing more chalcedonic quartz and increased concentrations of gold and silver. These observations direct us to drill deeper in the system to intercept the high-grade breccias as illustrated in the **Copalquin District Geologic Model (Figure 1).**

Future drilling at the El Refugio target will be to the west where it is open and down dip on the structure to progress deeper drilling. This is also the plan for the high-grade La Soledad target, also part of the Cometa Project where the advance reconnaissance drilling as part of the maiden drill program has directed the future drilling to continue west along strike.

Epithermal gold-silver deposits are typically deep long-life deposits of which there are several large epithermal gold-silver mines in the Copalquin region, namely San Dimas to the south, Palmarejo complex and Pinos Altos complex to the north. All these epithermal deposits have deep long-lived mines. Below in Figure 2, is a composite longitudinal section of Agnico's Pinos Altos complex in this Sierra Madre Trend showing its initial open pit mines which commenced production in 2009 and the underground development extending 750 metres below surface and resources still open at depth.

Agnico reports production of 155,124 oz gold at total cash cost of USD639/oz gold from underground. Pinos Altos has proven and probable mineral reserves containing 957,000 ounces of gold and 24.5 million ounces of silver (14.5 million tonnes grading 2.06 g/t gold and 52.63 g/t silver) as of December 31, 2019.

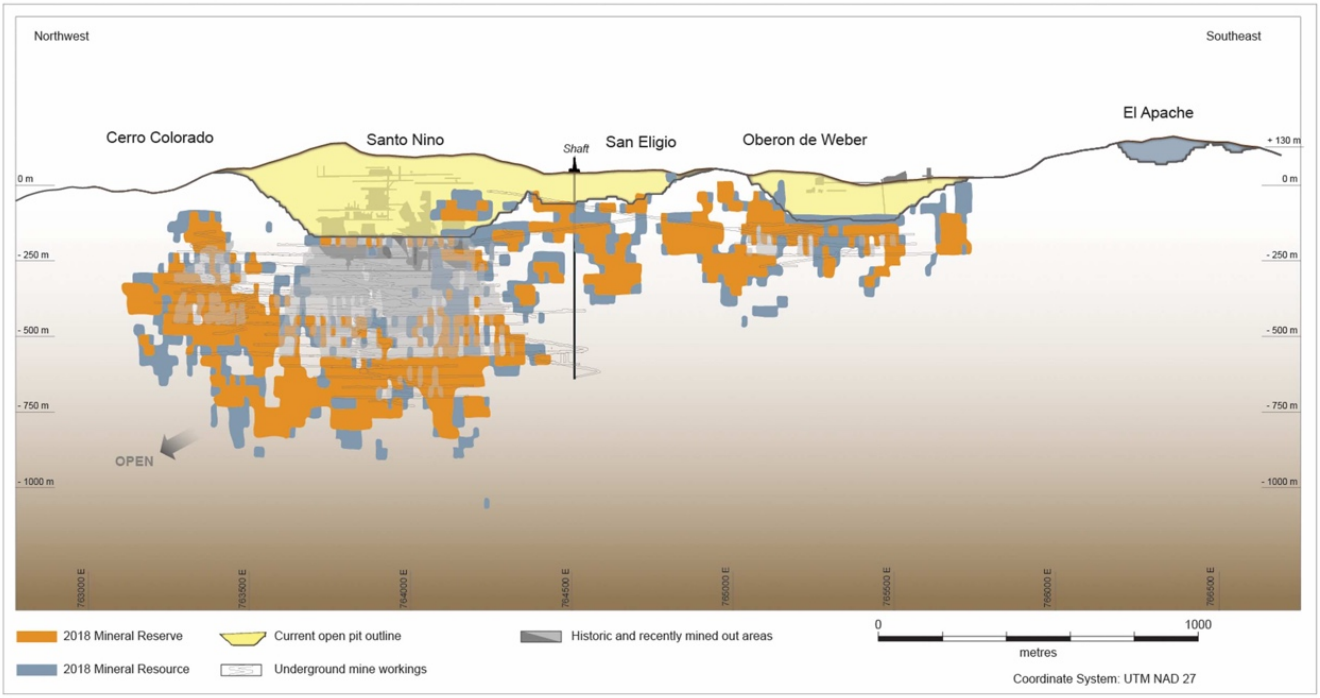

Figure 2 Composite longitudinal section of Agnico Eagle's Pinos Altos epithermal gold-silver mine complex in Chihuahua state, Mexico.

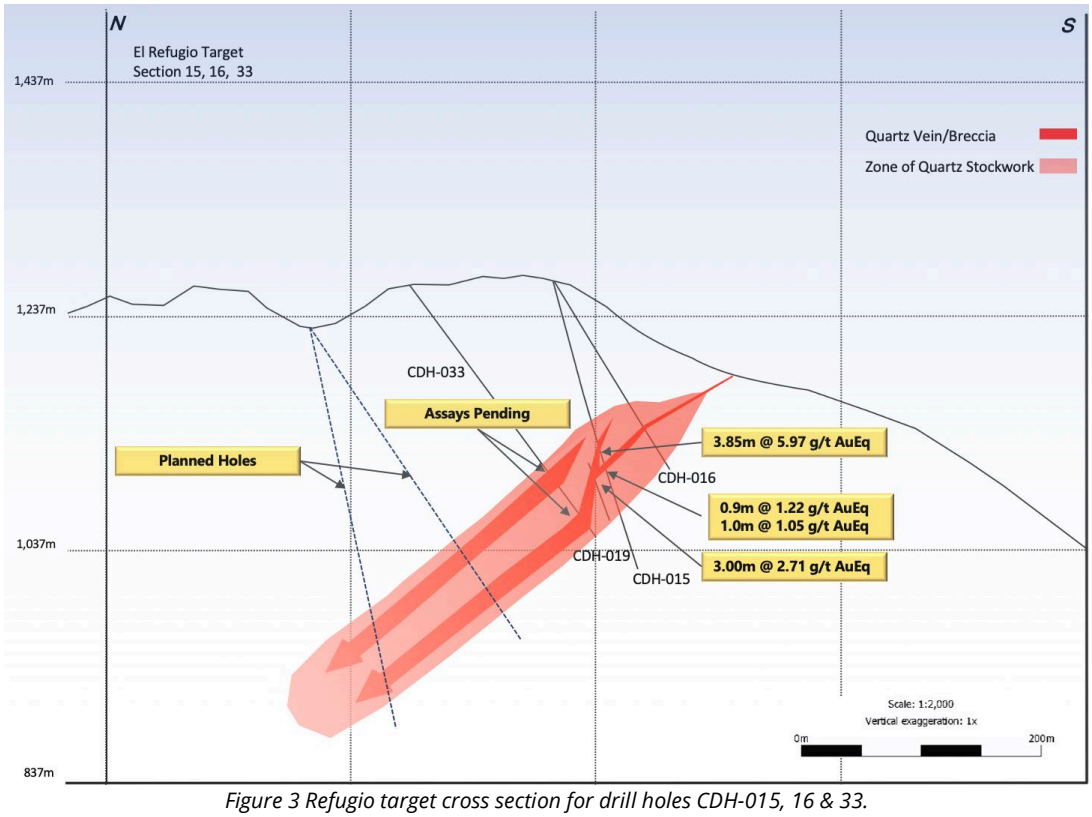

Figure 3 Refugio target cross section for drill holes CDH-015, 16 & 33.

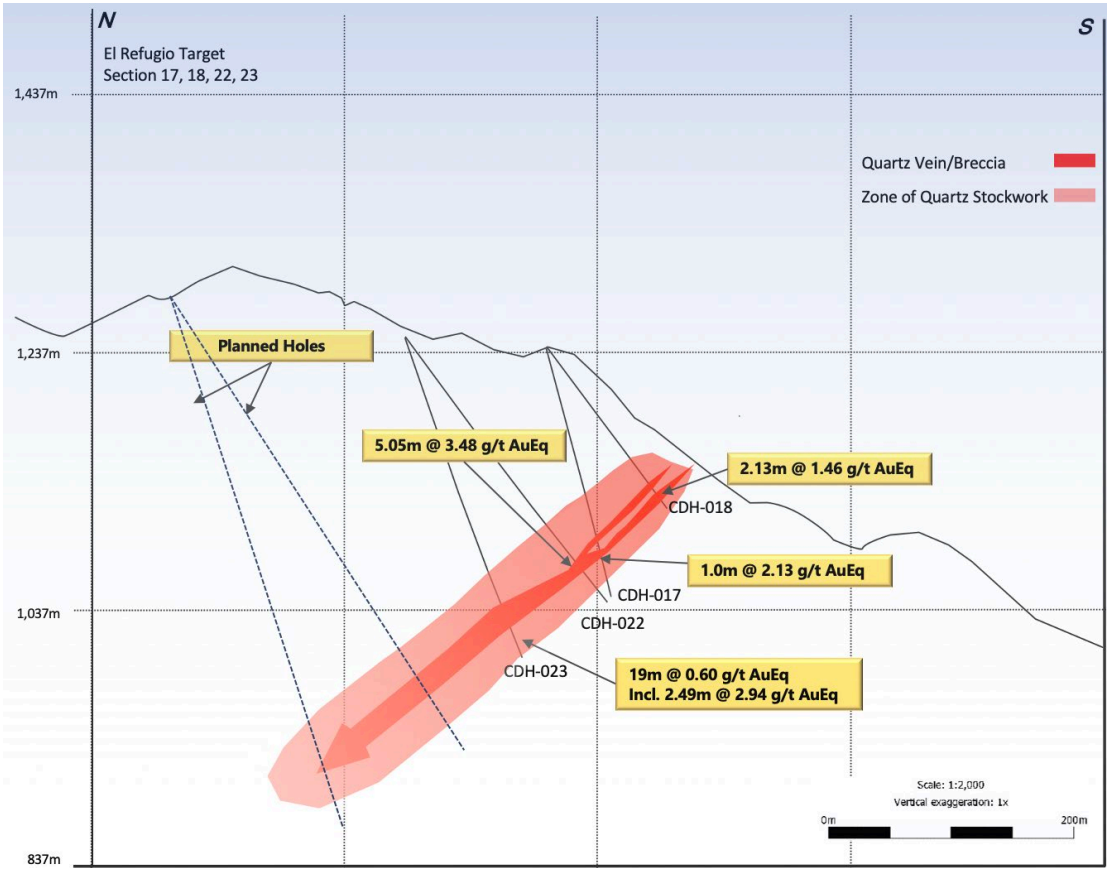

Figure 4 Refugio target cross section for drill holes CDH-017, 18, 22 & 23.

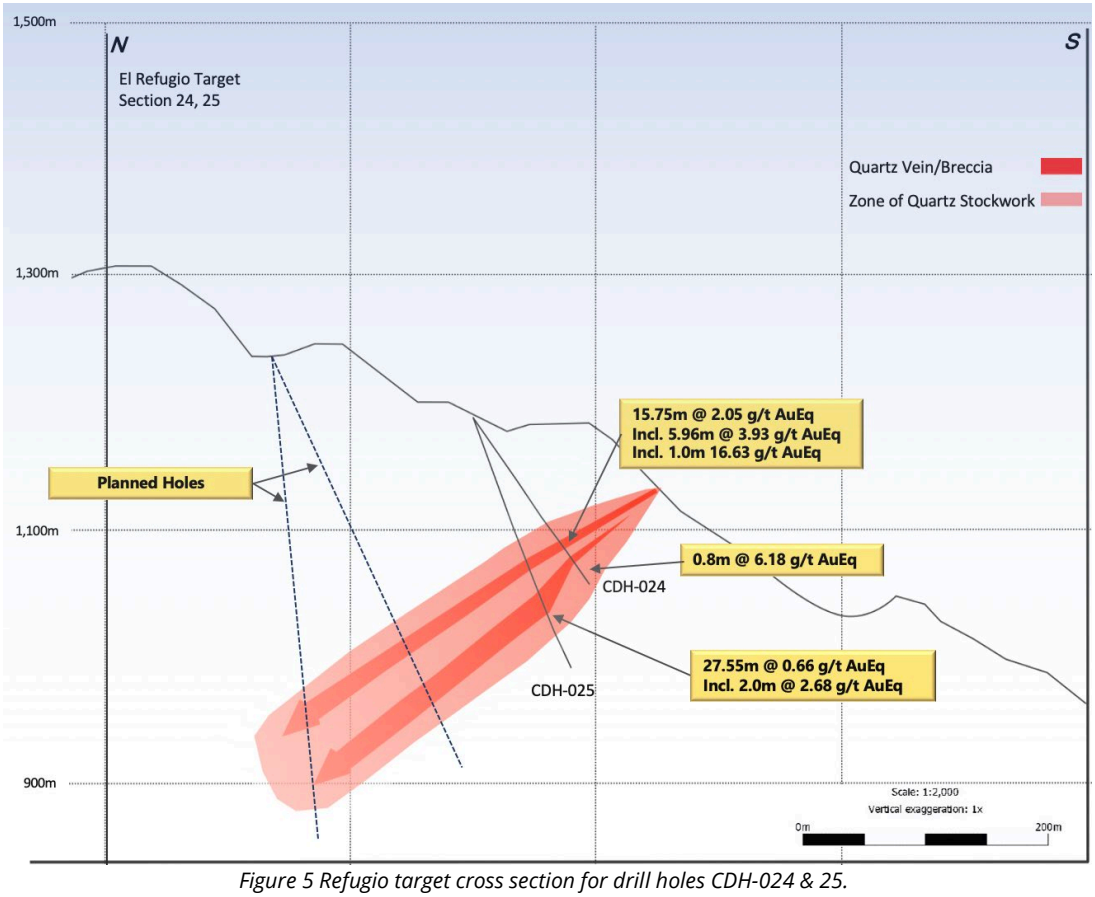

Figure 5 Refugio target cross section for drill holes CDH-024 & 25.

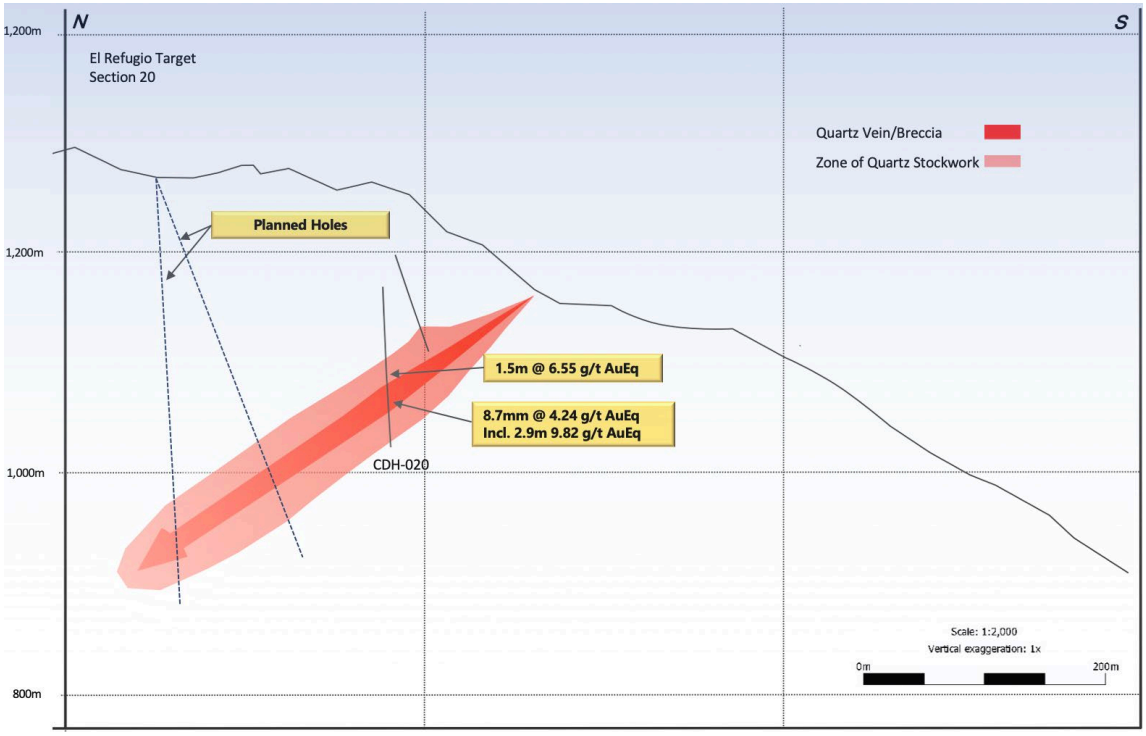

Figure 6 Refugio target cross section for drill hole CDH-020.

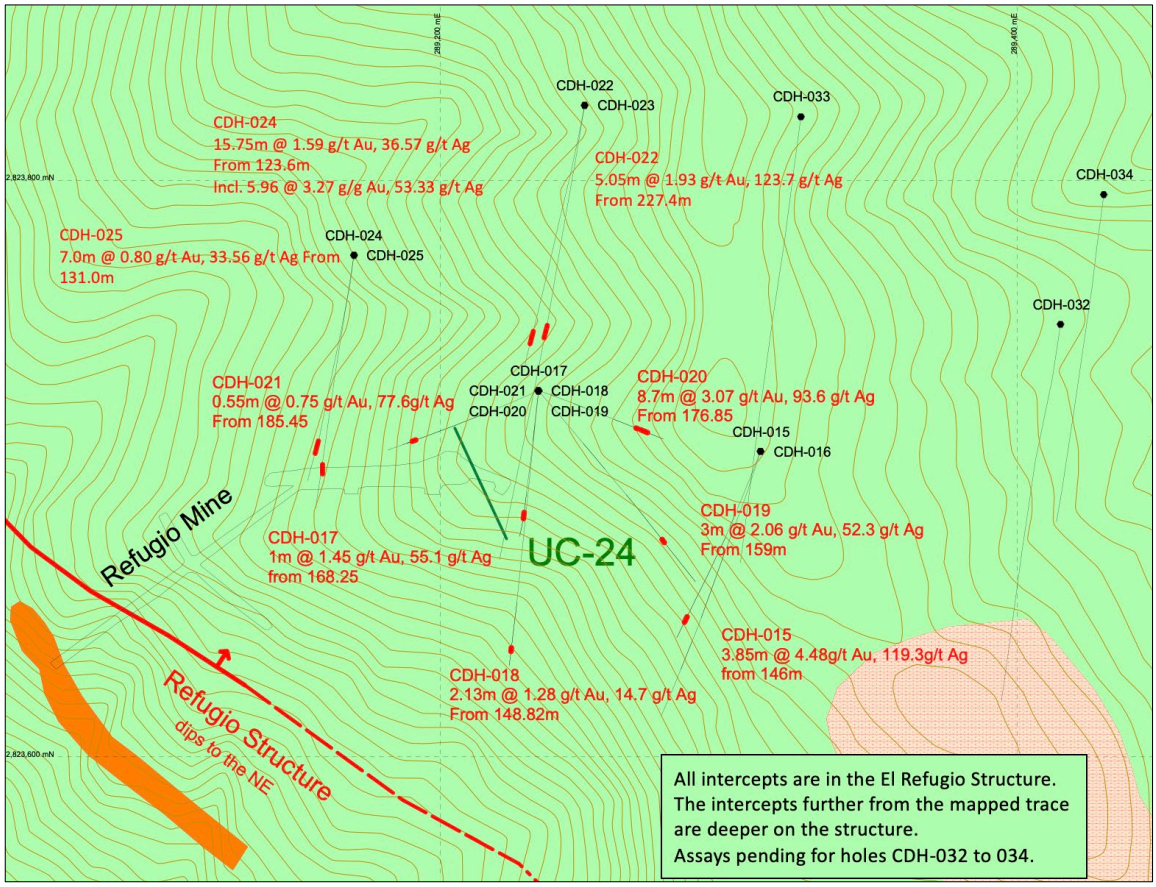

Figure 7 Drill traces at the Refugio target, Cometa Project. All drill holes intercepted the Refugio structure. The location of drill hole UC-24 drilled by UC Resources & reported under Canadian NI43-101 in February 2005 is shown.

Additionally, Canadian junior UC Resources, drilled the Refugio target in 2004-2005. In February 2005, UC Resources reported, *'UC-24 drilled from the same drill pad as UC-23 intersected 7.90 metres of 6.54 g/t gold and 140.09 g/t silver which included 3.90 metres of 12.26 g/t gold and 220.38 g/t silver. UC-23 drilled on the El Refugio zone intersected 8.0 metres of 1.26 g/t gold and 79.50 g/t silver which included 6.00 meters of 1.57 g/t gold and 88.33 g/t silver. UC-21 intersected 10.11 metres of 2.20 g/t gold and 199.90 g/t silver recently discovered on the new El Refugio zone 350 metres west of El Cometa.*[2]

Assay results are pending for one further El Refugio target hole, CDH-033, and drill holes for the El Cometa target CDH-026 to CDH-032 and CDH-034 to CDH-036. Additionally, samples from drill holes up to CDH-045 have been dispatched from site which includes samples from the scout drill holes at Reyes Project targets and the first two holes at the Constancia Project target.

November 2020 – Drilling Activity at Reyes, Constancia and Apolonia Projects, Copalquin Mining District

The drill rig was moved to the Reyes Project and has completed a total of 5 exploratory holes at the Los Pinos and Los Reyes targets.

Three holes have also been drilled at the La Constancia target within the Constancia Project 1,900m east of the Los Reyes target. The Constancia Project also includes the Fraguita, Guadalupe and Jabali mines.

At the Apolonia Project, one kilometre south of the Reyes Project, two holes are being drilled beneath the historic San Manuel mine workings. The veins, stopes and exstensive historic sampling in these workings indicate significant past production from San Manuel mine. There is historic infrastructure in the area consisting of an aerial tramway and the ruins of a flotation mill below the San Manuel mine, part of the Apolonia Project. The historic workings cover approximately 75 metres vertically and 200 metres of strike.

[2] The UC Resources news releases were reported to the Canadian market under the NI43-101 guidelines and signed off by a qualified person. The drill results cannot be verified by Mithril and they cannot be used for JORC compliant resource and reserve estimations. The releases are available on the Mithril Resources website under Historic Drilling Reports.

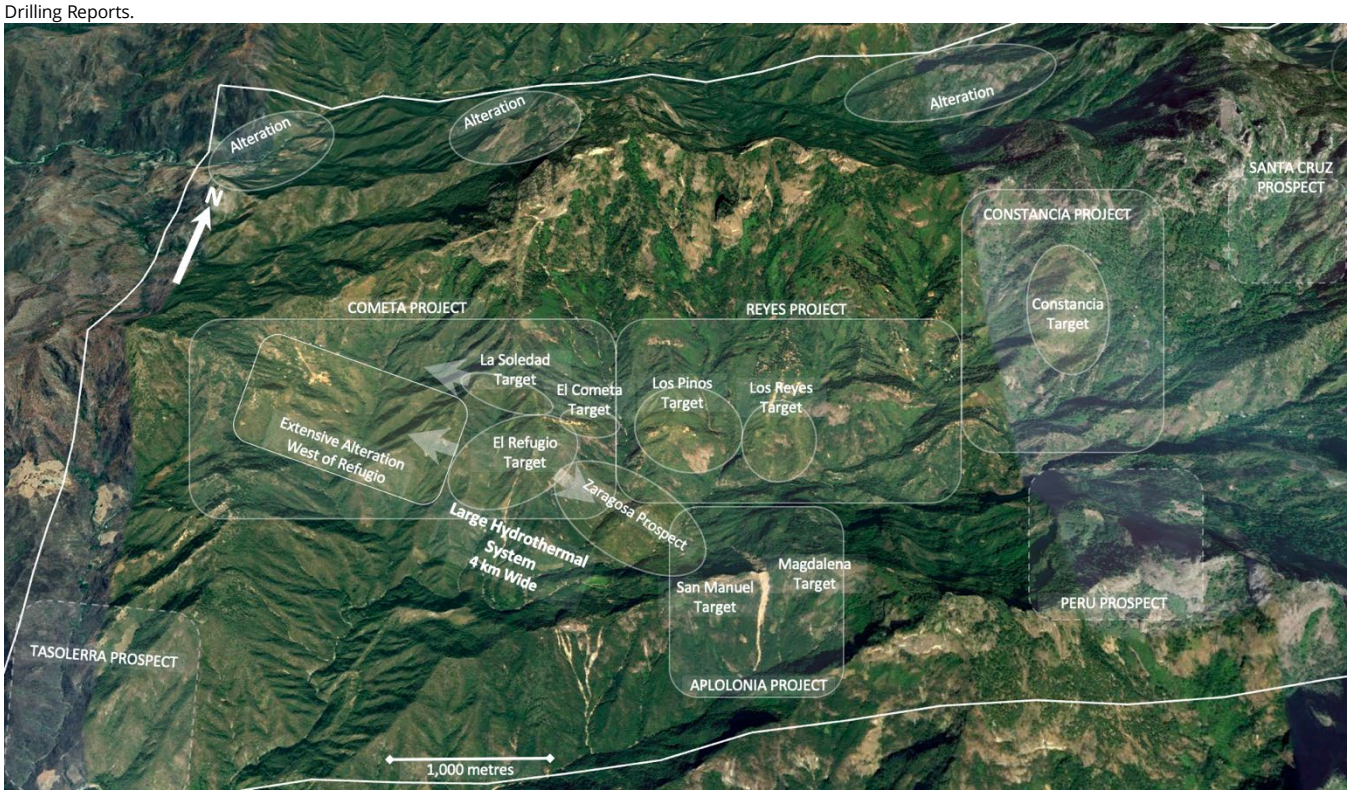

Figure 8 Projects and Prospects within the 7,005Ha concession are covering the Copalquin District. Large hydrothermal system extending for 4 km indicated by drilling to date at the El Refugio targe, the extensive surface alteration and rhyolitic dikes/domes.

ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km2 containing several dozen historic gold and silver mines and workings, ten of which had notable production. The district is within the Sierra Madre Gold Silver Trend which extends north-south along the western side of Mexico and hosts many world class gold and silver deposits.

Multiple mineralisation events, young intrusives thought to be system-driving heat sources, widespread alteration together with extensive surface vein exposures and dozens of historic mine workings, identify the Copalquin mining district as a major epithermal centre for Gold and Silver.

Mithril has operated one man-portable diamond drill rig (HQ size diamond core) in the Copalquin District since late July 2020. Over 7,000m have been drilled in this maiden drill program to test several targets at four projects in the district. To date, the maiden drill program has been highly successful.

-ENDS-

Released with the authority of the Board.

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Competent Persons Statement

The information in this report that relates to sampling techniques and data, exploration results and geological interpretation has been compiled by Mr Hall Stewart who is Mithril's Chief Geologist. Mr Stewart is a certified professional geologist of the American Institute of Professional Geologists. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Stewart has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Stewart consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Hole_ID	From interval (m)	To interval (m)	Length interval (m)	Au interval (g/t)	Ag interval (g/t)	AuEq[1] (g/t)
CDH-022	227.4	232.45	5.05	1.93	123.70	3.48
	Including					
CDH-022	227.4	229.55	2.15	3.28	140.00	5.03
CDH-023	223.51	230.00	6.49	0.92	30.34	1.30
	Including					
CDH-023	223.51	226.00	2.49	2.09	68.00	2.94
CDH-024	123.60	139.35	15.75	1.59	36.57	3.93
	Including					
CDH-024	123.60	129.56	5.96	3.27	53.33	3.93
	Including					
CDH-024	124.7	125.7	1	14.75	150	16.63
	and					
CDH-024	135.35	139.35	4	1.10	51.38	1.74
	Including					
CDH-024	135.35	136.15	0.8	3.87	185	6.18
CDH-025	131.00	138.00	7.00	0.80	33.56	1.22
	Including					
CDH-025	135.00	137.00	2.00	1.81	69.60	2.68
	and					
CDH-025	145.59	147.44	1.85	0.43	51.79	1.08

Table 1 Significant intersections for drill holes CDH-022 to CDH-025 at the El Refugio target, Cometa Project, Copalquin District.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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.*	• *Samples for the 2020 Copalquin, Mexico drill program consist of ½ HQ core cut lengthwise with a diamond saw. Intervals are nominally 1 m, but may vary between 1.5 m to 0.5 m based on geologic criteria.* • *The same side of the core is always sent to sample (left side of saw).*
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).*	• *Drilling is done with an MP500 man-portable core rig capable of drilling HQ size core to depths of 400 m. To data all core has been HQ size although we are prepared to reduce to NQ if needed.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• *Drill recovery is measured based on measured length of core divided by length of drill run.*

Criteria	JORC Code explanation	Commentary
	• *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.*	• *Recovery in holes CDH-001 through CDH-025 was always above 90% in the mineralized zones.* • *There is no adverse relationship between recovery and grade identified to date.*
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.*	• *Core samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Core logging is both qualitative or quantitative in nature. Photos are taken of each box of core before samples are cut. Core is wetted to improve visibility of features in the photos.* • *All core has been logged and photographed.*
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.*	• *Core is sawn and half core is taken for sample.* • *Samples are prepared using ALS Minerals Prep-31 crushing, splitting and pulverizing. This is appropriate for the type of deposit being explored.* • *Visual review to assure that the cut core is ½ of the core is performed to assure representativity of samples.* • *field duplicate/second-half sampling is undertaken for 3% of all samples to determine representativity of the sample media submitted.* • *Sample sizes are appropriate to the grain size of the material being sampled.*
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• *Samples are assayed for gold using ALS Minerals Au-AA23 method a 30 g fire assay with an AA finish. This is considered a total assay technique.*

Criteria	JORC Code explanation	Commentary
laboratory tests	• *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.*	*Samples are assayed for silver using ALS Minerals ME-ICP61 method. Overlimits are assayed by AgOG63 and AgGRAV21. These are considered a total assay technique.* • *Standards, blanks and duplicates are inserted appropriately into the sample stream. External laboratory checks will be conducted as sufficient samples are collected. Levels of accuracy (ie lack of bias) and precision have not yet been established.*
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.*	• *The verification of significant intersections by either independent or alternative company personnel has not been conducted.* • *The use of twinned holes. No twin holes have been drilled.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols are maintained in the company's core facility.* • *Assay data have not been adjusted other than applying length weighted averages to reported intercepts.*
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.*	• *Drill collar coordinates are currently located by hand held GPS. Precise survey of hole locations is planned. Downhole surveys of hole deviation are recorded for all holes.* • *UTM/UPS WGS 84 zone 13 N* • *High quality topographic control from Photosat covers the entire drill project area.*
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.*	• *Data spacing is appropriate for the reporting of Exploration Results.* • *No Resource Estimation is included in this News Release.* • *No sample compositing has been applied.*

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	
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.*	• *Cut lines are marked on the core by the geologists to assure that the orientation of sampling achieves unbiased sampling of possible structures. This is reasonably well observed in the core and is appropriate to the deposit type.* • *The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.*
Sample security	• *The measures taken to ensure sample security.*	• *Samples are stored in a secure core storage facility until they are shipped off site by small aircraft and delivered directly to ALS Minerals.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *No audits or reviews of sampling techniques and data have been performed.*

SECTION 2 REPORTING OF EXPLORATION RESULTS

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*	• Concessions at Copalquin

No.	Concession	Concession Title number	Area (Ha)	Location
1	LA SOLEDAD	52033	6	Tamazula, Durango, Mexico

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>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.</td><td>• <table><tr><td>2</td><td>EL COMETA</td><td>164869</td><td>36</td><td>Tamazula, Durango, Mexico</td></tr><tr><td>3</td><td>SAN MANUEL</td><td>165451</td><td>36</td><td>Tamazula, Durango, Mexico</td></tr><tr><td>4</td><td>COPALQUIN</td><td>178014</td><td>20</td><td>Tamazula, Durango, Mexico</td></tr><tr><td>5</td><td>EL SOL</td><td>236130</td><td>6,000</td><td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td></tr><tr><td>6</td><td>EL CORRAL</td><td>236131</td><td>907.3243</td><td>Tamazula, Durango and Badiraguato, Sinaloa, Mexico</td></tr></table></td></tr>
<tr><td>Exploration done by other parties</td><td>• Acknowledgment and appraisal of exploration by other parties.</td><td>• Previous exploration by Bell Coast Capital Corp. and UC Resources was done in the late 1990’s and in 2005 – 2007. Work done by these companies is historic and non-JORC compliant. Mithril uses these historic data only as a general guide and will not incorporate work done by these companies in resource modelling.
• Work done by the Mexican government and by IMMSA and will be used for modelling of historic mine workings which are now inaccessible (void model)</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• Copalquin is a low sulfidation epithermal gold-silver deposit hosted in andesite. This deposit type is common in the Sierra Madre Occidental of Mexico and is characterized by quartz veins and stockworks surrounded by haloes of argillic (illite/smectite) alteration. Veins have formed as both low-angle semi-continuous lenses parallel to the contact between granodiorite and andesite and as tabular veins in high-angle normal faults. Vein and breccia thickness has been observed up to 30 meters wide with average widths on the order of 2 to 3 meters. The overall strike length of the semi-continuous mineralized zone from Refugio to Cometa to Los Pinos to Los Reyes is 2 kilometres. Additional strike length at La Constancia and San Manuel provide additional exploration potential.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Drill hole Information	•	

Hole_ID	WGS 84_E	WGS 84_N	El_M	Azimuth	Incl	Depth	Comment	Company	Date Start	Date_End
CDH-001	289591	2824210	1113	220	-65	210.50	Soledad	MTH	7/26/2020	7/30/2020
CDH-002	289591	2824210	1113	165	-60	204.00	Soledad	MTH	7/30/2020	8/1/2020
CDH-003	289591	2824210	1113	155	-70	153.00	Soledad	MTH	8/2/2020	8/4/2020
CDH-004	289591	2824210	1113	245	-55	202.50	Soledad	MTH	8/4/2020	8/7/2020
CDH-005	289665	2824195	1083	205	-60	10.50	Soledad	MTH	8/7/2020	8/7/2020
CDH-006	289665	2824195	1083	200	-59	87.00	Soledad	MTH	8/8/2020	8/9/2020
CDH-007	289665	2824195	1083	240	-68	12.00	Soledad	MTH	8/10/2020	8/10/2020
CDH-008	289645	2824196	1088	150	-62	165.00	Soledad	MTH	8/11/2020	8/13/2020
CDH-009	289645	2824196	1088	197	-70	21.00	Soledad	MTH	8/14/2020	8/14/2020
CDH-010	289649	2824206	1083	198	-64	180.00	Soledad	MTH	8/15/2020	8/17/2020
CDH-011	289649	2824206	1083	173	-62	138.00	Soledad	MTH	8/17/2020	8/20/2020
CDH-012	289678	2824313	1095	200	-45	228.00	Soledad	MTH	20/8/20	23/8/20
CDH-013	289678	2824313	1095	180	-45	240.30	Soledad	MTH	23/8/20	26/8/20
CDH-014	289678	2824313	1095	220	-45	279.00	Soledad	MTH	23/8/20	30/8/20
CDH-015	289311	2823706	1271	200	-75	256.50	Refugio	MTH	1/9/20	4/9/20
CDH-016	289311	2823706	1271	200	-60	190.50	Refugio	MTH	5/9/20	7/9/20
CDH-017	289234	2823727	1236	190	-75	201.00	Refugio	MTH	8/9/20	11/9/20
CDH-018	289234	2823727	1236	190	-53	159.00	Refugio	MTH	11/9/20	14/9/20
CDH-019	289234	2823727	1236	140	-65	201.00	Refugio	MTH	14/9/20	17/9/20

Criteria	JORC Code explanation	Commentary

CDH-020	289234	2823727	1236	115	-78	216.00	Refugio	MTH	17/9/20	19/9/20
CDH-021	289234	2823727	1236	250	-75	222.00	Refugio	MTH	20/9/20	22/9/20
CDH-022	289255	2823835	1250	190	-54	261.00	Refugio	MTH	23/9/20	26/9/20
CDH-023	289255	2823835	1251	190	-70	267.00	Refugio	MTH	27/9/20	30/9/20
CDH-024	289170	2823774	1185	190	-55	150.00	Refugio	MTH	1/10/20	2/10/20
CDH-025	289170	2823774	1185	190	-70	213.00	Refugio	MTH	3/10/20	5/10/20

Data aggregation methods

- *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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 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.*

- Intercepts are reported for all intercepts greater than or equal to 1 g/t AuEQ_80 using a 80:1 Silver to gold price ratio. No upper cutoff is applied to reporting intercepts.
- Length weighted averaging is used to report intercepts. The example of CDH-002 is shown. The line of zero assays is a standard which was removed from reporting.

Au raw	Ag raw	Length (m)	Au *length	Ag *length					
7.51	678	0.5	3.755	339					
11.85	425	0.55	6.5175	233.75					
0	0	0	0	0					
0.306	16	1	0.306	16					
0.364	31.7	1	0.364	31.7					
3.15	241	0.5	1.575	120.5					
10.7	709	0.5	5.35	354.5					
15.6	773	0.5	7.8	386.5					
					From	To	Length	Au gpt	Ag gpt
		4.55	25.6675	1481.95	91.95	96.5	4.55	5.64	325.70

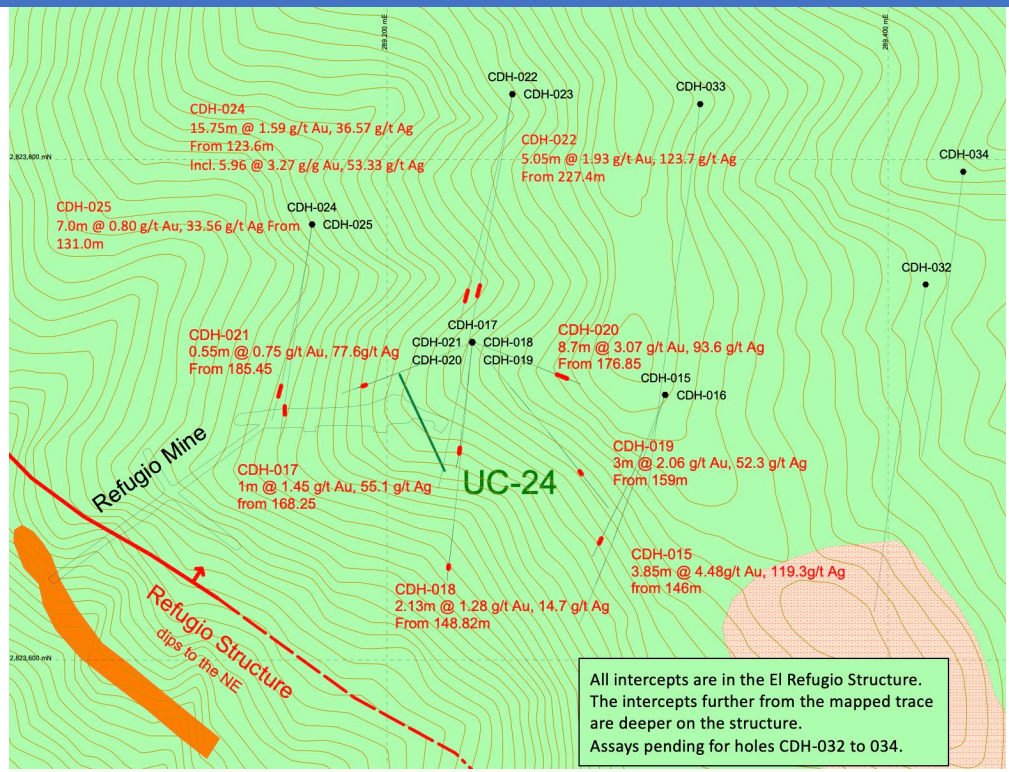
- Metal equivalent grades are reported using a 80:1 silver to gold price ratio. This ratio is based on the gold and silver prices reported on kitco.com as of 28 September, 2020 (actual ratio at that date 80.36:1)

Relationship between

- *These relationships are particularly important in the*

- Downhole intercepts are reported. True widths are not known. Once data from additional holes are received true widths will be calculated and reported.

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	*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 (eg 'down hole length, true width not known').*	

Criteria	JORC Code explanation	Commentary
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.*	
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.*	• All exploration results are reported.
Other substantive	• *Other exploration data, if meaningful and material,*	• No additional exploration data are substantive at this time.

Criteria	JORC Code explanation	Commentary
exploration data	*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.*	
Further work	• *The nature and scale of planned further work (eg 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.*	• Four new holes are reported in this news release. First pass drilling is complete on the Soledad and Refugio targets.