# NI 43-101 Technical Report for

# El Milagro Project

# Huancavelica and Ayacucho Regions, Peru

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# 1. Summary

## 1.1. Introduction

Sociedad Minera Reliquia requested a Technical Report by reviewing the historical information generated by Buenaventura and an on-site acknowledgement of the information available and and spatial verification of drilling carried out at the El Milagro project.

The main mining title consists of 200 hectares out of a total of 4,000 hectares of the El Milagro project.

The Technical Report was prepared by the qualified persons: Mr. Antonio Cruz and Victor Rivasplata and visited the project on July 26th. and 27th., 2022.

## 1.2. Property Description and Location

The El Milagro Exploration Project is located near the Centro Poblado Menor de Licapa, at kilometer 214 of the Via Los Libertadores Wari highway. Politically, Licapa belongs to the district of Paras, province of Cangallo, department of Ayacucho, Peru.

## 1.3. Accesibility

The El Milagro project is located at kilometer 215 of the national highway Via Los Libertadores and the access from the city of Lima is via the South Panamericana Highway Lima-Chincha-San Clemente (227 km) and Via Los Libertadores San Clemente-Huaytara-El Milagro (215 km).

Local and infrastructure resources near the project have easy access to electricity and water resources.

## 1.4. History

The El Milagro project was explored by Compañía de Minas Buevantura S.A.A. during 2006 and 2009, after which Compañía Minera Castrovirreyna acquired all of the mining concessions from Compañía de Minas Buenaventura S.A.A. (BVN)

BVN carried out exploration work on a regional and local scale identifying mineralized zones, mainly in the Milagro area. Sampling and mapping campaigns have been developed at local scale to define the mineralized zone; subsequently a drilling program was designed to determine and define the mineralized bodies, Genoveva 1, Genoveva 2 and El Milagro between levels 4,090 and 4,040. Exploratory mining work was also developed to define and size the mineralized bodies.

In 2019, Corporación Minera Castrovirreyna requested ROWAN General Services S.A.C (ROWAN) (Resource Estimation Consultant in Peru) to carry out the first resource estimation of the Genoveva 1, Genoveva 2 and El Milagro orebodies. The Table 1-1 shows the summary of the historical resources of the El Milagro project with different ZnEq cut-off.

The historical resources reported by Corporación Minera Castrovirreyna have a category of inferred since the drilling mesh was greater than 40m, also the interpretation and delimitation of the mineralogical zone lack precision, it is possible that the volumes of each mineralized body are greater than reported in 2009.

*Table 1-1 Summary of Historical Resources - Inferred for the El Milagro project*

| COG ZnEq (%) | Tonnes (t) | ZnEq (%) | Ag (oz/t) | Zn (%) | Pb (%) |
|---|---|---|---|---|---|
| ≥ 1 | 873,259 | 5.49 | 2.01 | 2.78 | 1.10 |
| ≥ 2 | 700,444 | 6.53 | 2.38 | 3.30 | 1.32 |
| ≥ 3 | 617,905 | 7.06 | 2.55 | 3.58 | 1.44 |
| ≥ 4 | 487,778 | 8.02 | 2.97 | 3.93 | 1.71 |

The authors of this Technical Report declare the following with respect to the historical resource estimate: i) The resource estimate was prepared by ROWAN in December 2009, ii) It has not been possible to corroborate the economic and estimation parameters used in the estimation of resources, iii) Historical resource estimate was classified according to the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards, iv) The authors of this Technical Report consider that the historical resource estimate is relevant for the proper understanding of El Milagro and additional exploration work (mineralization interpretation, diamond drilling, etc.) could be needed to verify the historical estimate as current Mineral Resources or Mineral Reserves, v) A QP has not completed sufficient work to classify the historical estimate as current Mineral Resources or Mineral Reserves, vi) Historic mineral resources should not be considered current Mineral Resources or used for Mineral Reserve estimation.

From 2019 to date, they have not performed any exploratory geological work on the El Milagro project.

### 1.5. Geological Setting and Mineralization

El Milagro consists mainly of Mesozoic and Cenozoic sediments. The main rock types include limestones, sandstones, pyroclastic deposits, lava flows and subvolcanic intrusions.

The most important structural feature is the Chonta regional fault, with a northwest-southeast Andean direction, along which subvolcanic intrusions are located, in addition to numerous mines and prospects along more than 100 km in length. Transtensional shear zones are oriented perpendicular to compression, producing northeast-southwest trending lineaments.

Locally, the El Milagro project consists of carbonate rocks of the Pucará Group (Triassic-Jurassic), which are widely spread with a NS orientation, consisting mainly of limestones of mudstone texture, gray to black, in metric banks and with significant organic matter content. They have an average azimuth of 25° inclined to the west (between 70° to 85°). It is common to observe karstic dissolution textures, as well as intense calcite veining and breccia bodies, especially in areas near the mineralized zones. The Sacsaquero Formation present in the area consists of a volcano-sedimentary sequence with a basal conglomerate with volcanic clasts and sandstones in a fine-grained green matrix.

The sequences of the Pucara Group and the Sacsaquero Formation are intruded by dikes and stocks of andesitic composition, with moderate argillic - phyllic alteration, with intense oxide veining. In addition, to the north of the El Milagro project camp, there is a polymict pyroclastic gap. This consists of angular to sub-angular limestone fragments, volcanic clasts and andesitic intrusives in a polymict matrix of sandy granulometry. According to BVN's work, this unit would be part of a diatreme volcanic system.

Structurally, the El Milagro project is located within the NW-SE trending Chonta fault system, intersecting the NE-SW trending Palmitos fault. The most important folding in the project area is the Auccancca anticline developed in the limestones of the Pucara Group. Pucará, whose folding axis has a N35ºW strike. The El Milagro project is the southern extension of the Chonta fault system of Andean trend; within the argentiferous polymetallic belt of Southern and Central Peru.

Mineralization occurs mainly as replacement bodies in carbonate rocks of irregular vetiform geometry and as vetiform structures in sub-volcanic rocks. These bodies occur at or near the contacts between the different sub-volcanic intrusive rocks and the carbonate rocks, mainly limestones of the Pucara Group. In addition to the replacement bodies and veins, disseminations are also observed forming structures of poorly defined geometry. The dimensions of the bodies so far recognized are in the order of 50 m-200 m long by 10-50 m wide and 5-40 m thick.

### 1.6. Deposit Type

The El Milagro project is a polymetallic epithermal vein (fracture-fill) and metasomatic replacement polymetallic deposit, located in carbonate rocks of the Pucara Group. Mineralization is controlled by vein structures associated with stratification, replacement bodies and distal skarn.

### 1.7. Exploration

Sociedad Minera Reliquia has not carried out exploration work at the El Milagro project.

### 1.8. Sample Preparation, Analyses, and Security

The authors performed specific sampling in two historical drill holes, the samples were sent to the ALS Peru laboratory. In our opinion, this activity was performed correctly and according to quality control and quality assurance standards, in addition, coarse blank samples, standard samples, fine blank samples and duplicate samples were inserted.

### 1.9. Data Verification

The historical information reviewed by the authors of this Technical Report has been validated during the site visit, the lithology and the sampled zones were verified, and some mineralized sections of drill holes EM-EM06-05 and EM-EM06-14 were also requested to be verified.

The results show significant variability, however, there is no specific trend for the historical results or for the current results, for the authors, the results of the ALS Peru laboratory confirm that the selected samples belong to the zones with high content of silver, zinc and copper values. Therefore, the analyzed intercepts are reliable.

### 1.10. Interpretation and Conclusions

It has been observed at site visit that the mineralized intervals of the drill cores are concordant with the grade record reported by BVN, noting that there are Zinc ore minerals (sphalerite) and Lead (Galena) occurring as replacement structures, gaps and filling of open spaces.

It is possible to consider that there is a first order structural control defined by the geometry of the strata, which would be controlling the geometry of emplacement of the intrusive units and the trend of mineralization. In addition, it is possible that the mineralization is associated with a dome/diatreme rim (e.g., Marcapunta dome-diatreme complex, Colquijirca).

Drilling by BVN was only focused on the mineralized bodies, therefore, there is the possibility of encountering mineralization at depth and laterally on the edges of the andesitic dome and diatreme prospective areas within the El Milagro project.

## 1.11. Recommendations

The authors recommend before any exploration program to reinterpret the historical information.

To propose a re-logging program of the drill holes located within the El Milagro project, in order to improve the structural descriptions of the mineralized sectors and to understand their location.

More detailed investigations in low confidence areas may clarify current interpretations to determine the continuity of faults or the presence of new faults and their characteristics.

Future structural mapping and/or structural data collection campaigns should include a focus on kinematic studies and the temporal relationships of fault systems which could be applied in future structural model updates. Various structural structures and structural fabrics (i.e. strata, intrusive geometry) provide strong controls on lithology and mineralization that are not currently integrated into a single geologic model.

The Table 1-2 Shows the budget to interpret the historical information

*Table 1-2 Proposed budget, reinterpret the historic information*

| Activity | Costs US$ |
|---|---:|
| Relog (3 months) | 30,000 |
| Commuty Relations | 20,000 |
| Mapping - Scale 1:500 ( 3 months) | 50,000 |
| Geochem/density (surfaces and historic drill holes ) | 100,000 |
| Lithological-Structural Model | 60,000 |
| Utilities & Support | 5,000 |
| Subtotal | 270,000 |
| Contingency 15% | 40,500 |
| Total | 310,500 |

# 2. Introduction

## 2.1. Purpose

Sociedad Minera Reliquias, a subsidiary of Silver Mountain Resources (SMR), requested the authors of this Technical Report; to carry out a review and preliminary reconnaissance for the El Milagro project. Sociedad Minera Reliquia owns 100% of the mining titles, and an evaluation of the available historical digital information and the existing physical information in its facilities located in the Huancavelica region was conducted.

The mining title "JUPITER TRECE" of approximately 200 hectares, where the El Milagros project is located, is part of a total of 4,000 hectares, of which 1,500 hectares are titled and 2,500 hectares are in the process of being titled. Therefore, Sociedad Minera Reliquias has ensured control of the mining titles around the El Milagro project and also to generate new exploration areas.

## 2.2. Terms of Reference

The preparation of this Technical Report was carried out in accordance with National Instrument 43-101 (NI 43-101) – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (CSA), and following Form 43-101F1.

## 2.3. Qualified Persons and Responsibilities

This Technical Report was prepared by the following independent qualified persons (QPs) who are recognised by the Canadian Securities Administrators (CSA):

- Mr. Antonio Cruz Bermudez, is a senior geologist member of the Australian Institute of Geoscientists (member MAIG # 7065.) who possesses the expertise and full understanding for the preparation of this Technical Report under the definition of NI 43-101.
- Mr. Victor Gerardo Rivasplata Melgar, is a professional geologist member of the Australian Institute of Geoscientists (member # 7070) who is the co-author of this Technical Report.

## 2.4. Site Visit

The authors visited the property on July 26th and 27th. 2022. The purpose of the technical visit was to review relevant information on the El Milagro Project; such as the location of the main mine accesses, review of historical drill holes and sampling in order to verify the significant values of the mineralised intercepts on the El Milagro Project.

### 2.5. Sources of information

This report contains opinions, conclusions, recommendations and initial interpretations resulting from the analysis and processing of information provided mainly by Sociedad Minera Reliquias:

- Information from maps, reports, mapping, interpretations, log sheets, generated during 2006 and 2009 by BVN.
- Geochemical laboratory results of channel samples (inside mine and surface) and drill holes.
- Surface and underground topography.
- Geological information prepared by INGEMMET (Instituto Geológico Minero y Metalúrgico) and database of mining concessions whose source is GEOCATMIN (administration and management of geological and mining cadastral information of Peru).

In addition, the authors have used complementary information such as external, scientific and research reports in a way that helped to support some of the conclusions and development of the understanding of the deposit type.

### 2.6. Report Date

The date of this Technical Report is October 17th, 2022.

The responsibilities for the preparation of the different sections of this Technical Report are shown in Table 2.1 with definitions of terms and acronyms detailed in Table 2-2.

*Table 2-1 Authors of Current Report*

| Author | Area of Responsibility |
|---|---|
| Antonio Cruz<br>AIG | Principal Reviewer, all the chapters below and Summary.<br>Chapters 1, 2, 3, 4, 5, 6, 11,12,13, 26, 27 |
| Victor Rivasplata,<br>AIG | Geology, Deposit Type, Drilling, Interpretation and Conclutions<br>Chapters 1,7, 8, 9, 10, 25, 26 |

Definitions of terms and acronyms detailed in Table 2-2.

*Table 2-2 Acronyms*

| Acronym | Description | Acronym | Description |
|---|---|---|---|
| Ag | Silver | MVA | Megavolt ampere |
| Au | Gold | MW | Megawatt |
| cfm | Cubic foot per minute | NI | National instrument |
| cm | Centimeters | NN | Nearest neighbor |
| COG | Cut-off grade | NSR | Net smelter return |
| Cu | Copper | OK | Ordinary kriging |
| dmt | Dry metric tonne | | |
| g | Grams | oz | Troy ounce |
| g/t | Grams per dry metric tonne | oz/t | Troy ounce per dry metric tonne |
| ha | Hectares / Hectares | ppm | Parts per million |
| kg | Kilograms | Pb | Lead |
| km | Kilometers | psi | Pounds per square inch |
| kg/t | kilogram per dry metric tonne | QAQC | Quality assurance/quality control |
| kV | Kilovolts | RMR | Rock mass rating |
| kW | Kilowatts | RQD | Rock quality designation |
| kVA | kilovolt ampere | s | Second |
| lbs | Pounds | t | Dry metric tonne |
| l | Liter | t/m3 | Dry metric tonnes per cubic meter |
| LOM | Life-of-mine | tpd | Dry metric tonnes per day |
| m | Meters | yd | Yard |
| mm | Millimeters | | |
| Ma | Millions of years | yr | Year |
| masl | Meters above sea level | Zn | Zinc |
| Moz | Million troy ounces | US$/t | United States dollars per tonne |
| Mn | Manganese | US$/g | United States dollars per gram |
| Mt | Million dry metric tonnes | US$/% | United States dollars per percent |
| | | US$_M | United States dollars stated in millions |

# 3. Reliance on Other Experts

The authors of this report have consulted on the legal aspects of the mining concessions at the El milagro project. According to their technical legal assessments of the contracting company, they have concluded that the mining titles belong entirely to Sociedad Minera Reliquias. However, the competent persons have also verified this version by consulting the Peruvian mining report system and with their legal advisors; having an opinion only on the mining concessions of Sociedad Minera Reliquias that confirms what has been reported by the legal project area of Sociedad Minera Reliquias.

Regarding property contracts, surface rights and agreements with communities, the authors of this Technical Report cannot express an opinion or make a statement, as there has been no exploration activity since 2020.

# 4. Property description and location

## 4.1. Project Location

The El Milagro Exploration Project is located near the Centro Poblado Menor de Licapa, at kilometre 214 of the Via Los Libertadores Wari highway. Politically, Licapa belongs to the district of Paras, province of Cangallo, department of Ayacucho, Peru.

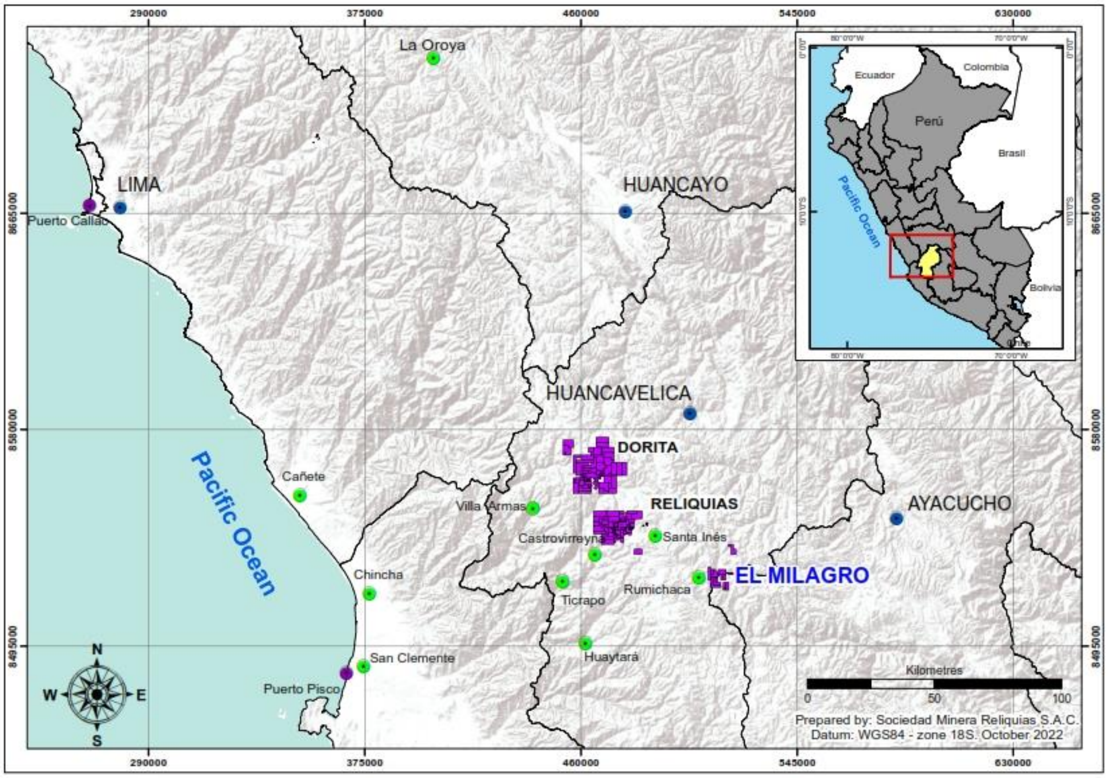



*Figure 4-1 The El Milagro project location map. Source: Sociedad Minera Reliquias*

## 4.2. Mining Right in Peru

### 4.2.1. Legal Framework

The regulatory framework applicable to the mining activity is mainly composed of the following rules: These are those rules that regulate the operation of the mining activity in environmental, tax, social and labour issues and in respect of prospecting and mining exploration, in addition to the development and construction, production, exploitation and closure of mines.

The mining regulatory framework has a history of reform in the early 1990s. This measure was implemented in order to encourage foreign investment in the sector:

- Political Constitution of Peru of 1993, Article 66.

- Organic law for the Sustainable Development of Natural Resources, Law No. 26821 (June, 26th. 1997).
- Unified text of the General Mining Law, approved by Supreme Decree N° 014-92-EM (June, 3rd. 1992) (General Mining Law) and its Regulations;
- Law regulating stability contracts with the state under sectoral Laws, Law No. 27343 (September, 5th. 2000).
- General Environmental Law, Law No. 28611 (October, 15th. 2005).
- Law on the National System of Environmental Impact Assessment, Law No. 27446 (April, 23rd. 2001);
- Law Regulating Mine Closure, Law No. 28090 (October, 14th. 2013).
- Law on the right to prior consultation of indigenous or homegrown, recognised in Convention 169 of the International Labour Organisation (ILO), Law No. 29785 (September, 7th. 2011).
- Establishment law of the National Environmental Certification Service for Sustainable Investments, Law No. 29968 (December, 12th. 2012).
- Law formalising the Mining Grid System in UTM WGS84 Coordinates, Law No. 30428 (April, 12th. 2016).

In Peru, the sustainable use of natural resources is carried out according to a system of concessions and the General Mining Law (LGM) establishes the types of concessions related to the activities of exploration, exploitation, benefit, general work and mining transport, which must be carried out by national or foreign natural and legal persons through a single system of concessions.

Table 4-1 shows the responsibilities and competences of the different entities for mining activity in Peru:

a) Mining Concessions: The holder has the right to explore and exploit the natural resources that lie underneath the subsoil.

b) Beneficiation Concessions: Grants the right to extract and concentrate (through physical or chemical processes or both) the parts of a mineral aggregate.

c) General Working Concessions: Relating to all mining activities that provide auxiliary services (ventilation, dewatering or extraction) to two or more concessions held by different owners.

d) Mining Transport Concessions: grants the right to the concession holder to install and operate a massive transport system for mineral products and through conveyor belts, pipes, etc. and defined by the General Management of Mining in Peru.

*Table 4-1 Main organizations and entities related to mining activity in Peru*

| | |
|---|---|
| Ministerio de Energía y Minas (MEM) | It formulates, supervises and evaluates national policies on electricity, hydrocarbons and mining. |
| | Develops, approves, proposes and implements mining sector policy and issues relevant regulations. |
| | Regulations issued by other entities for the sectors under their competence must have their favourable opinion, except in tax cases. |
| Instituto Geológico Minero y Metalúrgico (INGEMMET) | It conducts the ordinary mining procedure, including the reception of mining petitions, the granting of mining concessions and their extinction according to the grounds established by law, ordering and systematising geo-referenced information through the national mining cadastre, as well as the administration and distribution of the right of validity and penalties. |
| Ministerio del Ambiente (MINAM) | It designs, establishes, implements and monitors the implementation of environmental policy. |
| | It promotes the conservation and sustainable use of natural resources, biological diversity and natural protected areas. |
| | It is the governing body of the National Environmental Impact Assessment System (SEIA). |
| | Its attached bodies are SERNANP, OEFA and SENACE. |
| Organismo de Evaluación y Fiscalización Ambiental (OEFA) | It oversees, supervises, controls and sanctions in environmental matters. It is the governing body of the National System of Environmental Assessment and Control (SINEFA). |
| Servicio Nacional de Certificación Ambiental para las Inversiones Sostenibles (SENACE) | Reviews and approves detailed Environmental Impact Assessments (EIA-d) and implements the Environmental Certification One-Stop-Shop for the approval procedure. |
| | Manage the National Registry of Environmental Consultants and the Administrative Registry of Environmental Certifications of national or multi-regional scope granted or denied by the corresponding organisms. |
| | Formulates improvement proposals for environmental assessment processes. |
| | Evaluates and approves the Global Environmental Certification (CAG). |
| | Coordinates with other entities to provide technical input into the issuance of the CAG. |
| Ministerio de la Agricultura (MINAG) | It promotes the development of farming families through plans and programmes in the sector, with the central objective of increasing the competitiveness of agriculture, the technification of crops, promoting greater access to markets and, consequently, improving the quality of life of families in the countryside. |
| Autoridad Nacional de Agua (ANA) | Approves the studies of water use, a requirement for obtaining environmental certification. |
| Ministerio de Cultura (MC) | It promotes and guarantees a sense of equality and respect for the rights of the country's peoples in accordance with the Law on the Right to Prior Consultation of Indigenous Peoples recognised in Convention 169 of the International Labour Organisation (ILO). |
| | It is the entity responsible for elaborating, consolidating and updating the official database of indigenous peoples and their organisations. This is used for the process of identifying the indigenous peoples to be called upon in the prior consultations. |
| | It grants the certification of the non-existence of archaeological remains (CIRA) and manages the archaeological monitoring plan. |

### 4.2.2. Mining concessions

INGEMMET is the entity in charge of granting mining concession titles, and is also responsible for the management of the national mining cadastre, the right of validity and penalties.

The right to explore and exploit metallic and non-metallic mineral resources within an area is defined by vertical planes corresponding to the sides of a closed polygon (square or rectangle) and the coordinates of the vertices are determined in the Universal Transverse Mercator (UTM) system and under the World Geodetic System (WGS84) and mining concessions are granted in extensions of 100 to 1,000 hectares, in grids or sets of grids that adjoin on at least one side, except in the maritime domain, where grids of 100 to 10,000 hectares may be granted.

Mining activities are classified into three levels. (i) General regime: mining concession holders that own more than 2,000 hectares of mining concessions or have an installed production or beneficiation capacity exceeding 350 tpd or have a legal entity among their shareholders; (ii) Small mining producer regime: Mining holders who own up to 2,000 hectares of mining concessions or who have an installed production or beneficiation capacity of no more than 350 tpd ; (iii) Artisanal mining producer regime: mining holders who own up to 1,000 hectares or who have an installed production or beneficiation capacity of no more than 25 tpd.

### 4.2.3. Right of validity and penalties

Mining concessions granted by the Peruvian state are obliged to pay an amount of money in US dollars, which is called "right to remain in force". The payment is annual and must be made prior to 30 June each year.

The total amount to be paid for mining concessions is determined by the number of hectares and according to the type of mining activity: (i) General regime: US$ 3 per year and per hectare (ii) Small mining producer regime: US$ 1 per year and per hectare and (iii) Artisanal mining producer regime: US$ 0.5 per year and per hectares. Failure to comply with this obligation for two consecutive years is cause for the mining concession to expire.

The holders of mining concessions are obliged to invest in the exploration and exploitation of minerals. The minimum production must not be less than one Tax Unit (UIT) per year and per hectares for metallic substances and 10% of the tax unit in the case of non-metallic substances, for the medium and large scale mining regime. Failure to comply with these minimum production obligations per year and per hectare will be subject to penalties and will be determined by: (i) as of the eleventh year, 2% of the Minimum Production, (ii) as of the fifteenth year, 5% of the Minimum Production; and,

(iii) as of the twentieth year, 10% of the Minimum Production. The concession holder will not pay any penalty if the amount invested is not less than 10 times the amount of the penalty per year and per acre, and if the Minimum Production is not reached at the expiry of the thirtieth year, the mining concession will be declared expired by INGEMMET.

### 4.2.4. Environmental Regulations & Explotarion Permits

The General Environmental Law, approved by Law No. 28611, and the Law of the National System of Environmental Impact Assessment, approved by Law No. 27446 (SEIA), establish basic norms, principles and rules aimed at ensuring the protection of the environment.

SEIA establishes that the approval of the environmental management instrument must be obtained from the competent authority, prior to the development of public or private investment projects that may have negative impacts on the environment. Environmental management instruments are classified according to the environmental risks or environmental impacts that projects may generate, as follows:

- Category I - Environmental Impact Statement (EIS): Applicable to investment projects that could generate slight negative environmental impacts.
- Category II - Semi-detailed Environmental Impact Assessment (EIA-sd): Applicable to investment projects that could generate moderate negative environmental impacts.
- Category III - Detailed Environmental Impact Assessment (EIA-d): Applicable to investment projects that could generate high negative environmental impacts.

For medium and large mining activities, the National Environmental Certification Service for Sustainable Investments (SENACE) is the competent authority for the approval of EIAd as Category III; while the General Directorate of Mining Environmental Affairs (hereinafter DGAAM) of the Ministry of Energy and Mines (MEM) is the competent authority for the approval of EIA-sd or DIA.

The Environmental Evaluation and Oversight Agency (OEFA) is currently the competent entity for the supervision and oversight to ensure compliance with environmental obligations and commitments by the owners of these mining activities.

It is not enough to obtain the approval of an environmental management instrument to start mining activities (neither exploration nor exploitation operations), it is necessary and an obligation for mining concessions to obtain all other necessary licences, authorisations or permits, as appropriate to the activities to be carried out, in accordance with the legislation in force.

In order to start mining exploration activities, the following requirements must be submitted to the MEM:

a. Completion of the electronic form and payment of the processing fee.
b. Name and code of the mining concession.
c. Number of the Resolution approving the environmental management instrument (IGA).
d. Location in UTM WGS84 coordinates of the surface area vertices of the exploration project.
e. Work programme.
f. Affidavit or Sworn Declaration, stating that the applicant is the owner of the property or is authorised by the owner of the property to use the surface fieldwork.
g. Authorisation from the competent authority, in the event that the project affects roads or other right of way.
h. Certificate of non-existence of archaeological remains (CIRA).

According to Article 33 of DS 042, mining exploration projects that do not fall under the SEIA Law Regulations must obtain approval of an Environmental Technical File (FTA) prior to carrying out their activities.

### 4.3. Royalties and Income Taxes

In Peru, mining companies pay a mining activity tax ranging from 29.5% to 31.5%, which varies according to operating profit, tax on dividends distributed and workers' profit sharing (8%).

Law N° 29788 (Mining Royalties Law) states that mining companies that do not have a tax stability agreement are obliged to pay a royalty calculated on the quarterly operating profit, with rates ranging from 1% to 12%. When the calculated value of the operating profit is less than 1% of sales, an ad valorem payment of 1% is due.

The special mining tax is calculated in the same way as royalties, and varies between 2% and 8.4% and will depend on the operating profit. The value of the special mining tax paid is considered as an expense for income tax purposes.

Companies with a tax stability contract are taxed at a rate ranging from 4.0 % to 13.12 % on quarterly operating profit.

50% of the income tax that the state collects from mining activity is distributed as follows: (i) 10% to the local governments of the municipality or district municipalities where the natural resource is exploited, (ii) 25% to the local governments of the district and provincial municipalities where the natural resource is exploited, (iii) 40% to the local governments of the department or departments of the regions where the natural resource is exploited and (iv) 25% to the regional governments where the natural resource is exploited. Of this percentage, the Regional Governments must transfer 20% to the National Universities in their jurisdiction.

### 4.4. Mining Tenures

The El Milagro project has 4 mining concessions (1,500 hectares) titled and 8 mining concessions (2,500 hectares) pending titling. In total, Sociedad Minera Reliquia has 12 mining concessions with a total of 4,000 hectares. According to the technical files consulted (INGEMMET-GEOCATMIN) of the 8 concessions in the titling process, the competent persons have identified that there is no risk of being rejected for award to Sociedad Minera Reliquia. Table 4-1 shows the list of mining concessions:

*Table 4-2 Mineral Concessions*

| Date Staked | Code | Concession Name | Status | Area (ha) |
|---|---|---|---|---|
| 15/09/2022 | 10036201 | JUPITER TRECE | Titled | 200 |
| 15/09/2022 | 10218020 | RELIQUIAS2020B | Claimed | 600 |
| 15/09/2022 | 10066519 | SMR 01 | Claimed | 500 |
| 15/09/2022 | 10114422 | SMR 45 | Claimed | 200 |
| 15/09/2022 | 10248621 | SMR02 | Claimed | 100 |
| 15/09/2022 | 10258021 | SMR03 | Claimed | 200 |
| 15/09/2022 | 10258121 | SMR04 | Titled | 200 |
| 15/09/2022 | 10304821 | SMR23 | Claimed | 700 |
| 15/09/2022 | 10305021 | SMR24 | Titled | 500 |
| 15/09/2022 | 10305121 | SMR25 | Titled | 600 |
| 15/09/2022 | 10305221 | SMR26 | Claimed | 200 |

Sociedad Minera Reliquias has not started any type of mining activity on the concessions, the Environmental Impact Statement (EIS) for Category I exploration projects was submitted in 2010.

The locations of all of these concessions are shown in Figure 4-2.

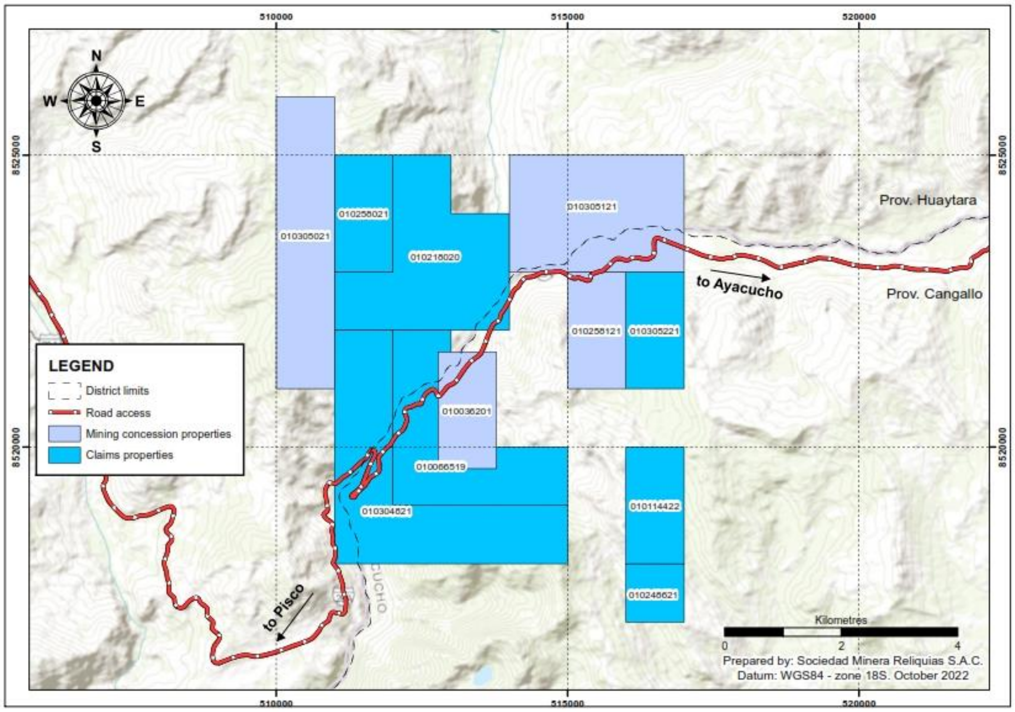



*Figure 4-2 Location of Mining Concessions at El Milagro. Source: Sociedad Minera Reliquia*

### 4.5. Surface Property

Sociedad Minera Reliquia does not own surface properties within the mining concessions, the project is located within the Ccarhuacc Licapa community.

In Peru, surface property belongs to a natural or legal person or to the State. The natural resources found below the surface properties belong to the State, which grants exploration and exploitation rights through mining concessions.

For the mining owner to access the resources of his concession, he must agree with the surface owner or request a mining easement.

# 5. Accessibility, Climate, Local Resources, Infrastructure and Physiography

## 5.1. Accessibility

The El Milagro project is located at kilometre 215 of the national highway Via Los Libertadores and access from the city of Lima is via: Via South Panamericana Lima-Chincha-San Clemente (227 km) and Via Los Libertadores San Clemente-Huaytara-El Milagro (215 km).

Figure 5.1 shows the main accesses to the El Milagro Project.

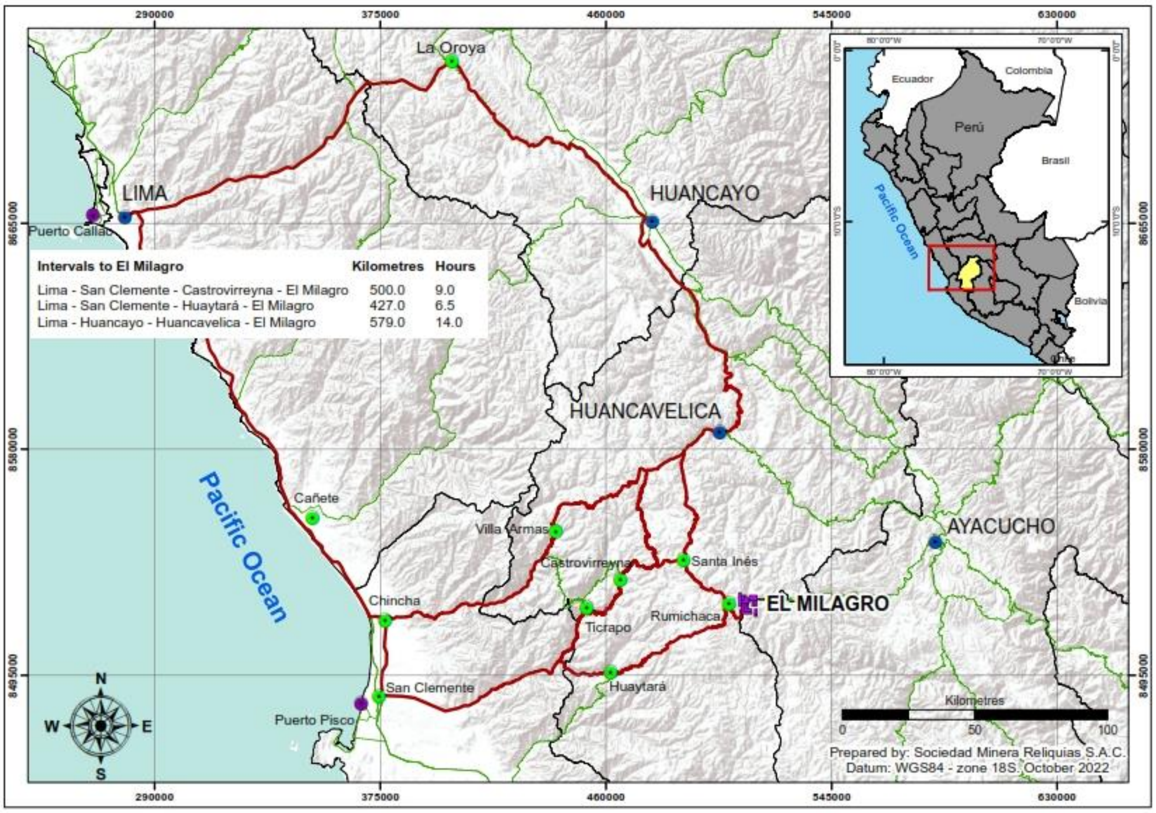



*Figure 5-1 Main Accesses to the El Milagro project. Source: Sociedad Minera Reliquia*

## 5.2. Climate

Generally, the climate is cold with an average temperature of 3.32° C and an average annual rainfall of 700 to 1000 mm. Rainfall is abundant during the months of December-March and April-November, and is characterised by a dry climate with a marked variation in temperature between day and night, ranging from 5° to -10° Celsius.

## 5.3. Local Resources and Infrastructure

### 5.3.1. Adjacent Population Centers

The communities of Ccarhuac Licapa and Ccarhuac Pampa are two population centres close to the project, located in the district of Paras and at an altitude of between 4,000 and 4,800 masl. The main economic activity of these communities is the raising of South American camelids (llamas and alpacas). The community of Ccarhuac Licapa has a health centre.

### 5.3.2. Water

The San Antonio stream is the main source of the water resource near the project, with a historical flow of 31.58 l/s. The community of Ccarhuac Licapa has a licence for the use of surface water for a volume of 27058 m$^3$/year from the Ñuñugay spring, with an average flow of 3.60 l/s.

### 5.3.3. Electricity

The town center of Ccarhuacc Licapa has three-phase electricity, allowing the use of equipment and machinery.

## 5.4. Physiography

The area is dominated by the presence of the "Apacheta" mountain range, the relief is rugged and undulating products of the erosion of the young rivers and creeks, the elevations fluctuate between 4,000 to 4,900 masl. The prevalent morphology is the glacial type with remnants of “U-shaped” valleys.

Regionally we are located in the watershed of the Pampas River. Hydrographically, the project is influenced by three watercourses: Cañahuarco, Apacheta and Quelloccato streams.

In general, the soil is classified as unsuitable for cultivation up to 4,300 masl, but temporarily useful for grazing.

The prevalent species of flora in the project area belong to the Poaceae family, whose most important representatives are "Stippa spp" (Ichu), which occur in the low, medium and high hills. Species typical of the high Andean zone and wetlands have been observed, among wild fauna and domestic fauna, such as Lama glama (llama), Vicugna vicugna (vicuña), Lagostomus maximus (vizcacha), Pseudalopex culpaeus (Andean fox), Vultur gryphus (condor), among others.

# 6. History

## 6.1. Exploration and Development

Historical records indicate that the first assessments and reviews of the surroundings of the El Milagro Project date back to 1586, carried out by the Spanish.

In 1920, the Spaniard Agustin Areas Carrasco discovered mineralised areas in the surrounding area, which he later began to extract ore on a small scale. Mining works of different magnitude have been left as vestiges, on different structures, mainly developed on the El Milagro body.

The exact years (between 1950 and 1960) are unknown, but the first owners of this area were Mr. Mejía with the mining claim El Milagro. Subsequently, Mr. E. Orbegozo concessioned the area under the name of El Milagro II.

During 1957 to 1965 several geologists such as Agapito, Vidal E., Petersen U. and Lyons (1965), studied the project with the aim of creating a mining company, which was not successful.

After the El Milagro II claim was declared freely available, it was obtained by BVN (Buenaventura) who then began its exploratory activities in 1967 in an extension of 1,000 hectares, by mining at levels 4250, 4210, 4160 and 4090 to explore the El Milagro Body.

Eng. Alberto Benavides, donated the El Milagro Mine to the Ministry of Energy and Mines in 1976, to later install a mining school, with the purpose of serving as a teaching centre for the students of the Universidad Nacional San Cristobal de Huamananga.

BVN, took possession of the area again in 2003 with the Jupiter 13 claim of 200 hectares, increasing the area in 2005 with the Jupiter 14 claim from 100 hectares to 14,000 hectares in the sectors Ccalla, Carhuancho, Llillinta and the field work was carried out between April 25 and December 22, 2005. The objective of the field study was to review previously selected sectors based on Colin Nash's LANDSAT TM photogeological interpretation and INGEMMET's geochemical sediment data.

Outcrops of several mineralized bodies named: Milagro, Genoveva and Yola were identified, on these bodies there are old mining workings at levels 4,160, 4,210 and 4,250; 74 channel samples were taken within these workings (carried out by BVN). The geochemical results obtained both on surface and inside the mine corroborate the work of Eng. H. Barrionuevo, 2001. In this sector, initial resources of 116,000 t with 5.13 oz/t Ag, 2.72 % Pb and 3.54 % Zn were estimated. In addition, the Marilu and Jimena orebodies were identified.

Explorations during 2007 covered the El Milagro, Yuraccasa, Vizcachayoc, San Antonio and Titiminas areas. Topographical surveys were carried out at 1/5,000 and 1/1,000 scale on surfaces and inside the mine at 1/500 scale. Geological mapping was carried out at a scale of 1/1,000.

Through mining, geochemical analysis of samples from inside the mine and diamond drilling, the Genoveva 1, Genoveva 2 and El Milagro bodies were defined between levels 4,090 and 4,040. For these three bodies, with average grades of 3.34 oz/t Ag; 2.47 % Pb; 6.87 % Zn and with an average width of 6.17 m, BVN has calculateded an average of 180,000 t, which were obtained from 2,697m of underground works developed between levels 4,090 and 4,040. The authors of this Technical Report disclose that it is not a category accepted by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM).

In 2009, ROWAN, carried out the first resource estimate for the El Milagro project at the request of Corporación Minera Castrovirreyna. The estimation method used was the inverse cube method and only for the main elements (Ag, Pb and Zn). Mineral resources were categorised as inferred due to drill hole spacing of 40 x 40m.

In 2018, Sociedad Minera Reliquias acquired "Jupiter Trece" (200 ha) mining title through an economic transaction with Corporación Minera Castrovirreyna.

### 6.2. Historical Resources Estimate

The historical resources held by the El Milagro project were estimated by ROWAN. The results of this internal estimation were completed in December 2009. These results have not been validated by a QP.

ROWAN constructed the economic enclosures considering the mineralised sections whose ZnEq is greater than 1%, generating three ore bodies: Genoveva 1, Genoveva2 and Milagros. The spacing of the interpreted sections was 40 metres. Subsequent to this activity, an exploratory analysis of geochemical drill hole data and sampling in underground workings, the composites determined by ROWAN was 1.0 metre. EDA analyses have been individually constructed and variographs were determined for each body and for silver, zinc and lead.

Estimates were made using the inverse of the distance squared method and the block models have a dimension of 5x5x5 metres. The average density used was 3.00 gr/cm$^3$ for grades above 1% Zn and 2.6 gr/cm$^3$ for grades below 1% Zn.

The results are shown in Table 6-1, and in the opinion of the QP, it was not possible to validate this estimate because the mineralised solids or Wireframe, the QA/QC program, factors for the ZnEq calculation, cut-off calculation, metal prices and recoveries are not available. Sociedad Minera Reliquia managed at the request of the QPs to get the original certificates issued by AMEC and SGS laboratories to verify the results of the geochemical analysis used in the estimation by ROWAN.

The authors of this Technical Report declare the following with respect to the historical resource estimate: i) The resource estimate was prepared by ROWAN in December 2009, ii) It has not been possible to corroborate the economic and estimation parameters used in the estimation of resources, iii) Historical resource estimate was classified according to the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards, iv) The authors of this Technical Report consider that the historical resource estimate is relevant for the proper understanding of El Milagro and additional exploration work (mineralization interpretation, diamond drilling, etc.) could be needed to verify the historical estimate as current Mineral Resources or Mineral Reserves, v) A QP has not completed sufficient work to classify the historical estimate as current Mineral Resources or Mineral Reserves, vi) Historic mineral resources should not be considered current Mineral Resources or used for Mineral Reserve estimation.

*Table 6-1 The historical resource estimate of the El Milagro project.*

**Inferred Resources - Genoveva 1 Body**

| COG ZnEq (%) | Tonnes (t) | ZnEq (%) | Ag (oz/t) | Zn (%) | Pb (%) |
|---|---|---|---|---|---|
| ≥ 1 | 95,431 | 1.46 | 0.50 | 0.94 | 0.12 |
| ≥ 2 | 17,209 | 3.38 | 1.21 | 2.18 | 0.24 |
| ≥ 3 | 13,159 | 3.67 | 1.30 | 2.39 | 0.26 |
| ≥ 4 | 4,266 | 4.21 | 1.52 | 2.71 | 0.31 |

**Inferred Resources - Genoveva 2 Body**

| COG ZnEq (%) | Tonnes (t) | ZnEq (%) | Ag (oz/t) | Zn (%) | Pb (%) |
|---|---|---|---|---|---|
| **≥ 1** | **769,962** | **6.03** | **2.21** | **3.02** | **1.23** |
| ≥ 2 | 682,566 | 6.61 | 2.41 | 3.33 | 1.35 |
| ≥ 3 | 604,512 | 7.14 | 2.58 | 3.60 | 1.47 |
| ≥ 4 | 483,362 | 8.06 | 2.98 | 3.94 | 1.73 |
| ≥ 5 | 378,716 | 9.05 | 3.37 | 4.32 | 2.02 |
| ≥ 6 | 282,284 | 10.26 | 3.78 | 4.76 | 2.45 |
| ≥ 7 | 208,744 | 11.59 | 4.13 | 5.34 | 2.91 |
| ≥ 8 | 159,281 | 12.87 | 4.49 | 5.82 | 3.41 |

**Inferred Resources - El Milagro Body**

| COG ZnEq (%) | Tonnes (t) | ZnEq (%) | Ag (oz/t) | Zn (%) | Pb (%) |
|---|---|---|---|---|---|
| ≥ 1 | 7,866 | 1.68 | 0.45 | 1.13 | 0.19 |
| ≥ 2 | 669 | 3.53 | 0.77 | 2.39 | 0.52 |
| ≥ 3 | 234 | 6.25 | 1.61 | 3.93 | 1.03 |
| ≥ 4 | 150 | 7.94 | 2.36 | 4.48 | 1.56 |
| ≥ 5 | 94 | 10.11 | 3.22 | 5.39 | 2.12 |
| ≥ 6 | 78 | 10.67 | 2.98 | 6.07 | 2.19 |

### 6.3. Production

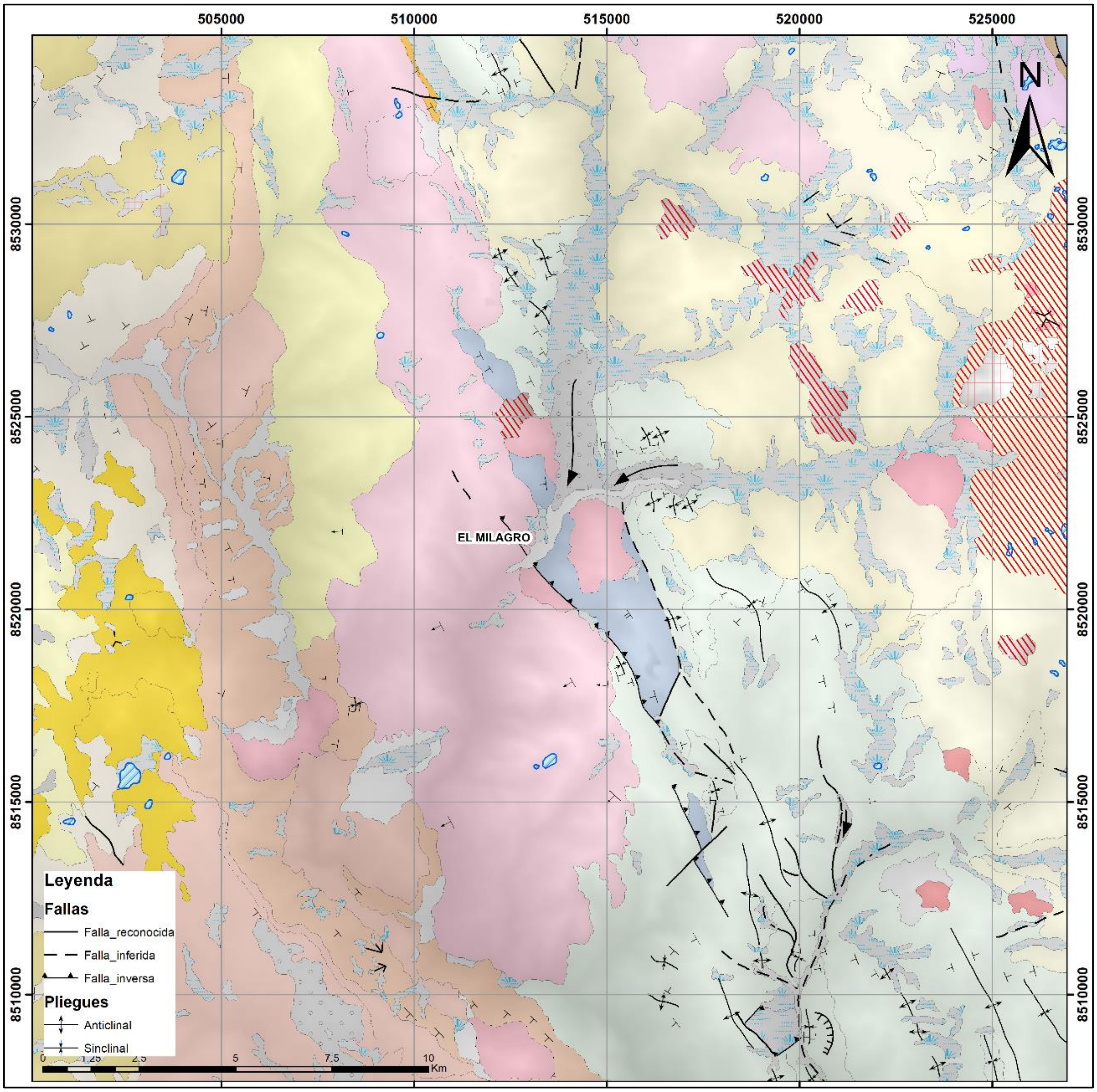
At the El Milagro project, 2,739 metres of underground workings have been developed with the objective of exploring the Genoveva1, Genoveva 2 and El Milagro orebodies. Historical data do not report any mine production.

# 7. Geological Setting and Mineralization

## 7.1. Regional Geology

The regional geological setting involving the El Milagro project consists mainly of Mesozoic and Cenozoic sediments. The main rock types include limestones, sandstones, pyroclastic deposits, lava flows and subvolcanic intrusions. The Mesozoic is represented by calcareous sediments, in parts with important bituminous content, corresponding to the Pucara Group. Pucara Group (Upper Triassic, Lower Jurassic). Overlying this carbonate unit are red shales with intercalations of conglomerates and red sandstones, belonging to the Casapalca Fm. (Upper Cretaceous red layers). The Cenozoic is represented by an important volcanic sequence. Towards the base there are greenish pyroclastic lavas and gaps of andesitic composition corresponding to the Tantará Fm. (Paleocene) and then a volcano-sedimentary sequence composed of calcareous levels, calcareous sandstones, chert levels and levels of andesitic lavas of the Sacsaquero Fm. (Oligocene). Towards the top of this volcanic sequence there are pyroclastic deposits intercalated with levels of andesitic lavas belonging to the Apacheta Fm. (Miocene). The Mesozoic and Cenozoic lithological units are intruded by dykes, stocks and subvolcanic domes of dacitic, rhyolitic to andesitic composition, showing a smooth and undulating morphology. Finally, fluvioglacial, alluvial and fluvial deposits occur in the tributary streams and terraces of the main rivers (e.g., Río Palmitos). Figure 7-1 shows the regional geology of the El Milagro project.

The most important structural feature is the regional Chonta fault (Figure 7-2), with a northwest-southeast Andean direction, along which subvolcanic intrusions are located, as well as numerous mines and prospects over a length of more than 100 km. Transtensional shear zones are oriented perpendicular to the compression, producing northeast-southwest trending lineaments.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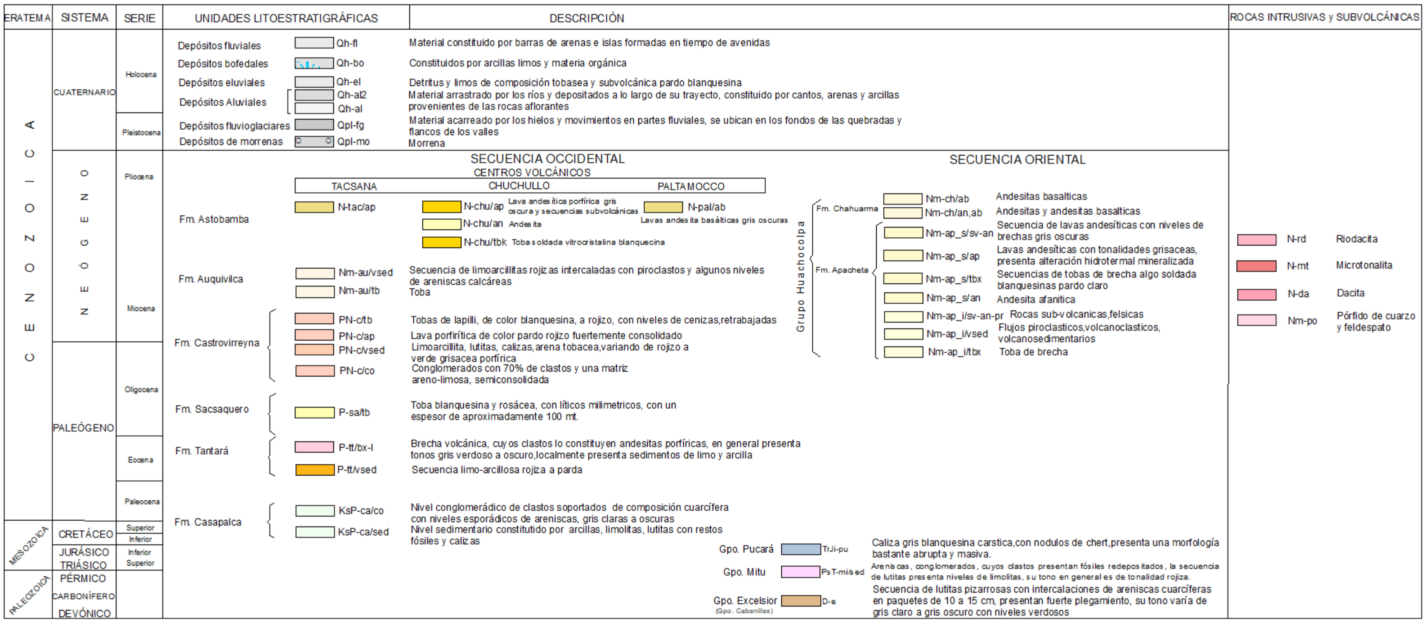


*Figure 7-1 Regional geological map. Source: Modified from INGEMMET*

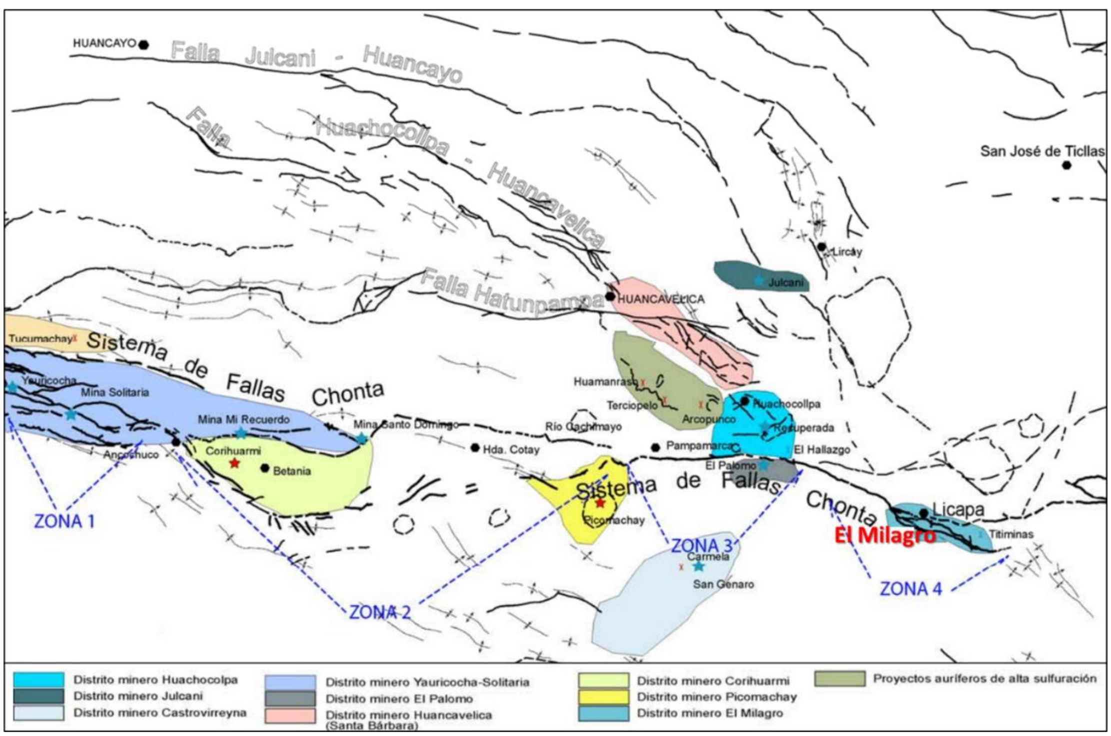


*Figure 7-2 Chonta fault system in relation to metallogenic districts in the region. Note the location of the El Milagro project (red text) in zone 4. Source: Modified from Rodríguez, R. (2008).*

## 7.2. Property Geology

The base line in the project area is made up of carbonate rocks of the Pucara Group (Triassic-Jurassic), which are widely spread in the El Milagro project area in almost N-S direction, consisting mainly of mudstone-textured limestones, grey to black, in metric banks and with significant organic matter content. They have an average strike of 25° W and dips from 70° to 85° SW (Figure 7-3). It is common to observe karstic dissolution textures, as well as intense calcite veining and breccia bodies, especially in areas close to the mineralised zones.

The Sacsaquero Formation consists of a volcano-sedimentary sequence with a basal conglomerate with volcanic clasts and sandstones in a fine-grained, green matrix. Above this occurs a sequence of yellowish-brown andesitic lavas, which grades to levels of andesitic lavas intercalated with gaps flows. The Sacsaquero Fm. occupies mainly the western portion of the El Milagro project (Figure 7-3) yellowish white with a concretionary and fibrous texture.

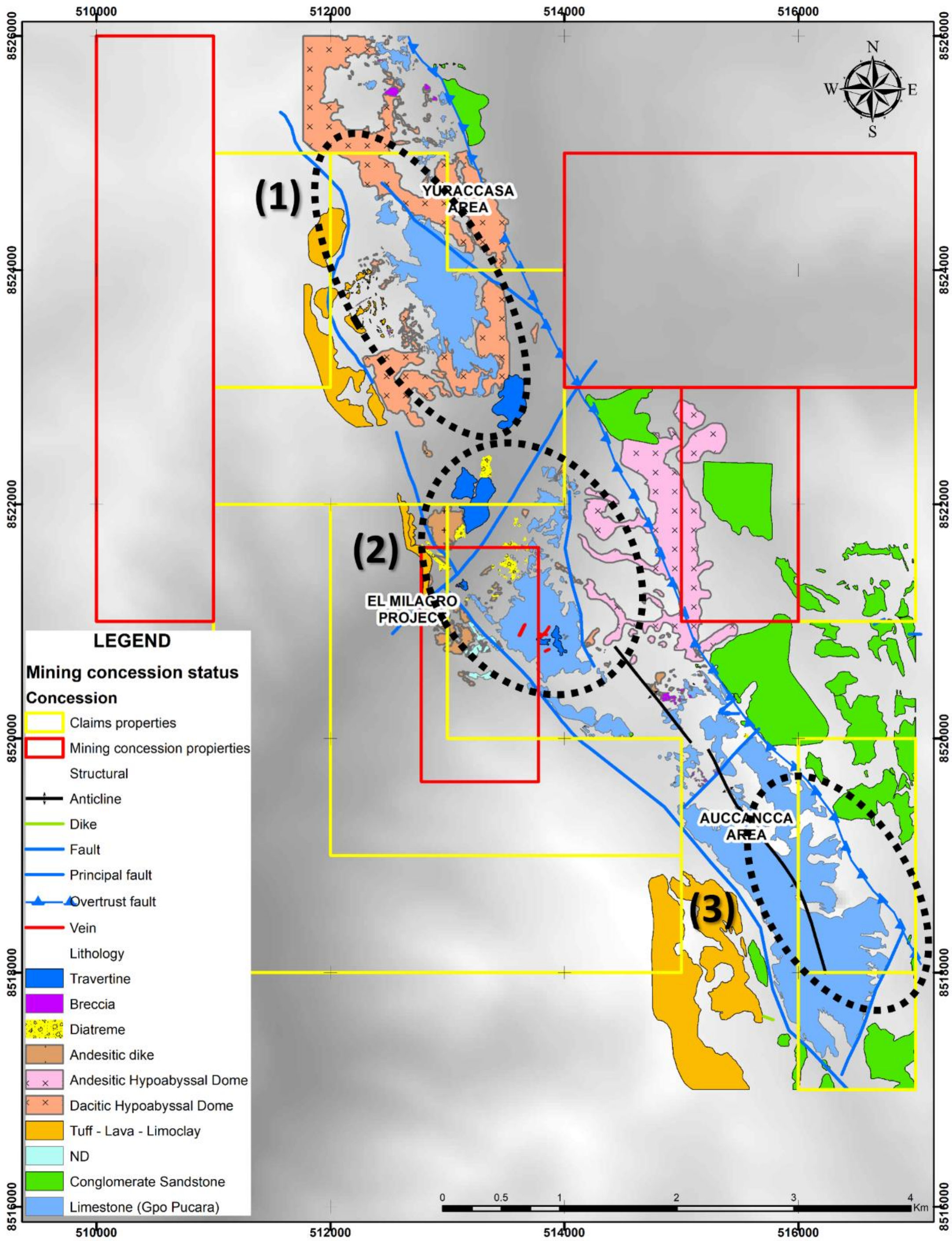


*Figure 7-3 District geological map. Source: BVN*

The Pucara Group and Sacsaquero Formation sequences are intruded by dykes and stocks of andesitic composition, with moderate argillic-phyllic alteration and intense oxide veining. In addition, a polymict pyroclastic breccia occurs immediately north of the El

Milagro camp. This consists of angular to sub-angular limestone fragments, volcanic clasts and andesitic intrusives in a polymict matrix of sandy granulometry. According to BVN's work, this unit would be part of a diatreme volcanic system (diatreme Libertadores, Figure 7-4).

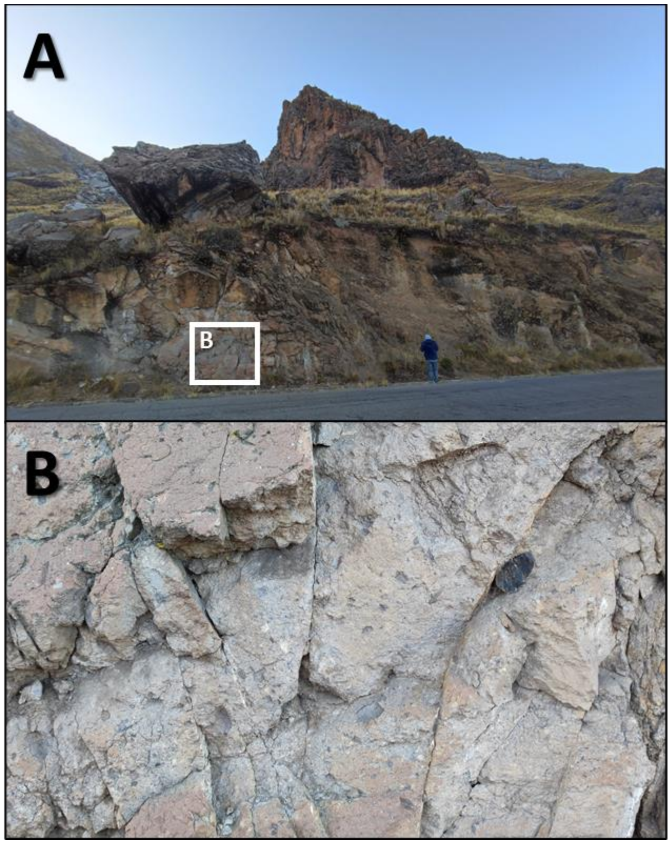


*Figure 7-4 (A) Photograph with view to the SE showing the Libertadores diatreme. (B) Close-up of the inset in Figure A, showing the diatreme breccia features, with sub angular to sub rounded polymict fragments.*

On the right bank of the Palmitos River, in front of level 4040 (near the mine mouth) and in a sub-horizontal arrangement, there are travertine deposits of yellowish, cream and brownish colour, with a concretionary and fibrous texture (Figure 7-5).

*Figure 7-5 Photograph looking NE, showing the occurrence of yellowish-white travertine deposits with concretionary and fibrous texture.*

### 7.3. Structural Geology

Structurally, the El Milagro project is located within the NWSE-trending Chonta fault system, intersecting the NWSE-trending Palmitos fault (Figure 7-6). The most important folding in the project area is the Auccancca anticline developed in the limestones of the Pucará Group Pucara, whose fold axis has a 35° NW strike. The El Milagro project is the southern extension of the Chonta Andean fault system, within the Argentiferous polymetallic belt of southern and central Peru. Regional extension and related to the Huachocolpa polymetallic mining district (Paullo, 2009).

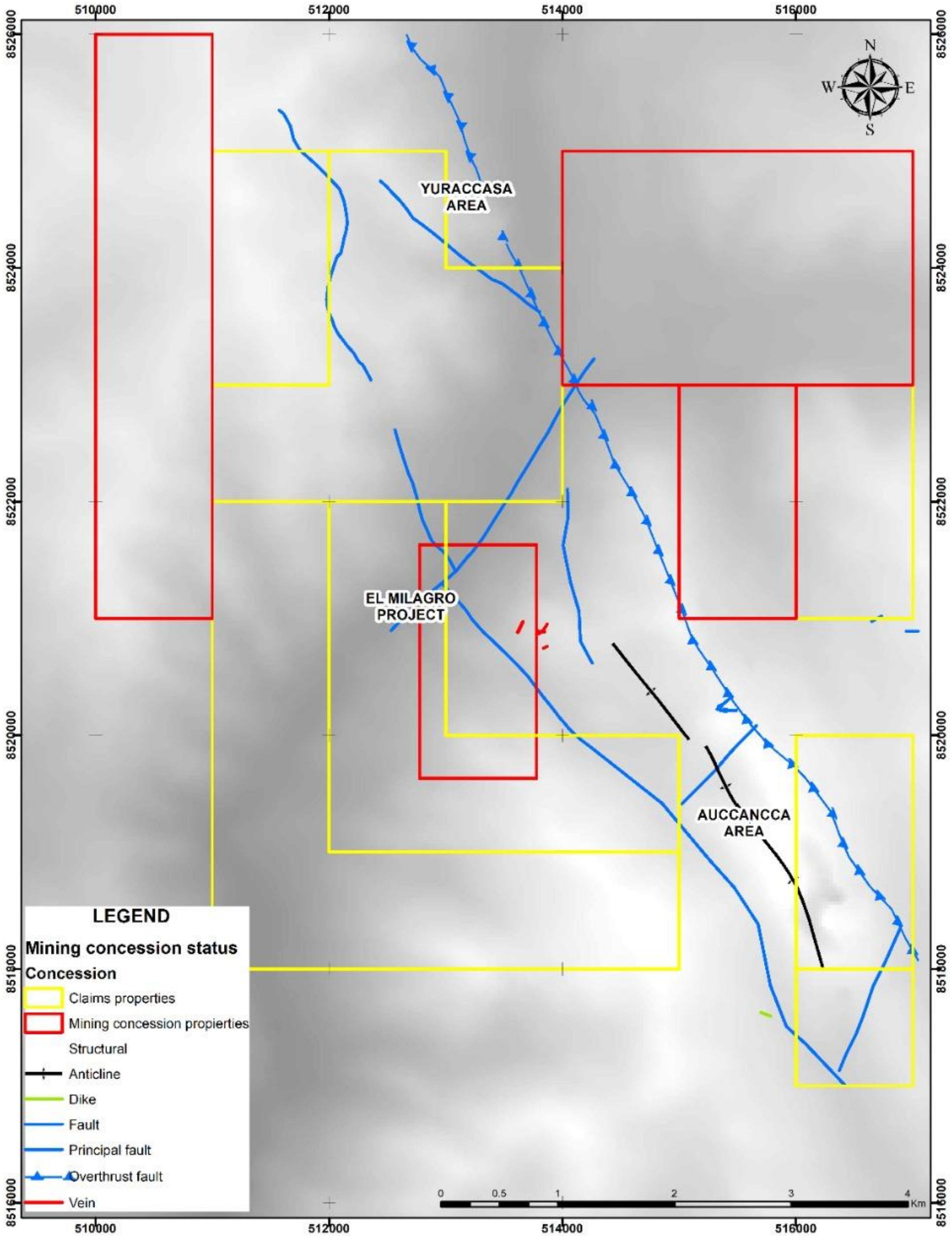


*Figure 7-6 Geological structural plan. Source: BVN.*

### 7.4. Meaningful results and interpretation

The authors have defined a three-dimensional interpretation of the lithological units according to the geological logs, analysing together the spatial position of the zinc mineralisation, noting the close relationship of this mineralisation, at the contact of the intrusive stock and the limestones of the Pucara Group (Figure 7-7).

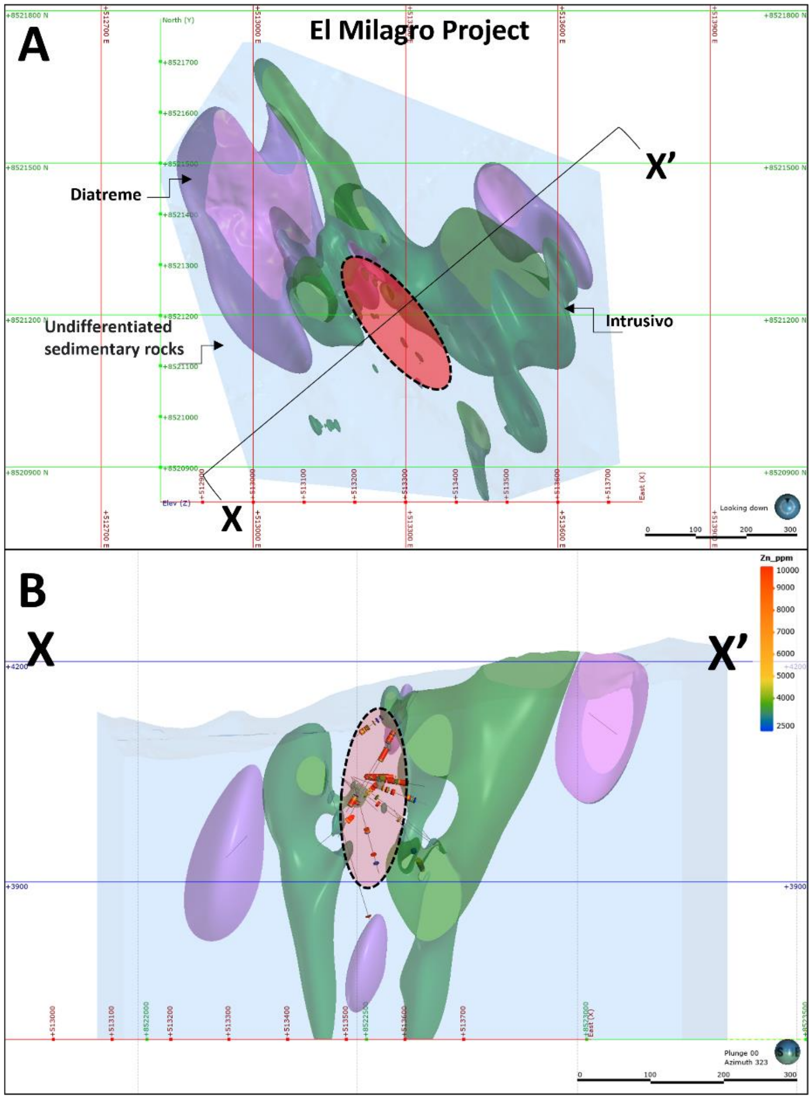


*Figure 7-7 (A) Plan view showing the interpretation of the lithology units at the El Milagro project and the location of mineralisation (red oval on transparency) and of section X-X'. (B) Section X-X' looking NW showing the continuity of lithology units and the location of mineralisation (red oval on transparency). Source: V. Rivasplata.*

### 7.5. Mineralization

Mineralisation occurs mainly as replacement bodies in carbonate rocks of irregular vetiform geometry and as vetiform structures in sub-volcanic rocks. These bodies occur at or near the contacts between the different sub-volcanic intrusive rocks and the carbonate rocks, mainly limestones of the Pucara Group. In addition to the replacement bodies and veins, disseminations are also observed forming structures of poorly defined geometry. The dimensions of the bodies so far recognised are in the order of 50 m-200 m long by 10-50 m wide and 5-40 m thick (Figure 7-8).

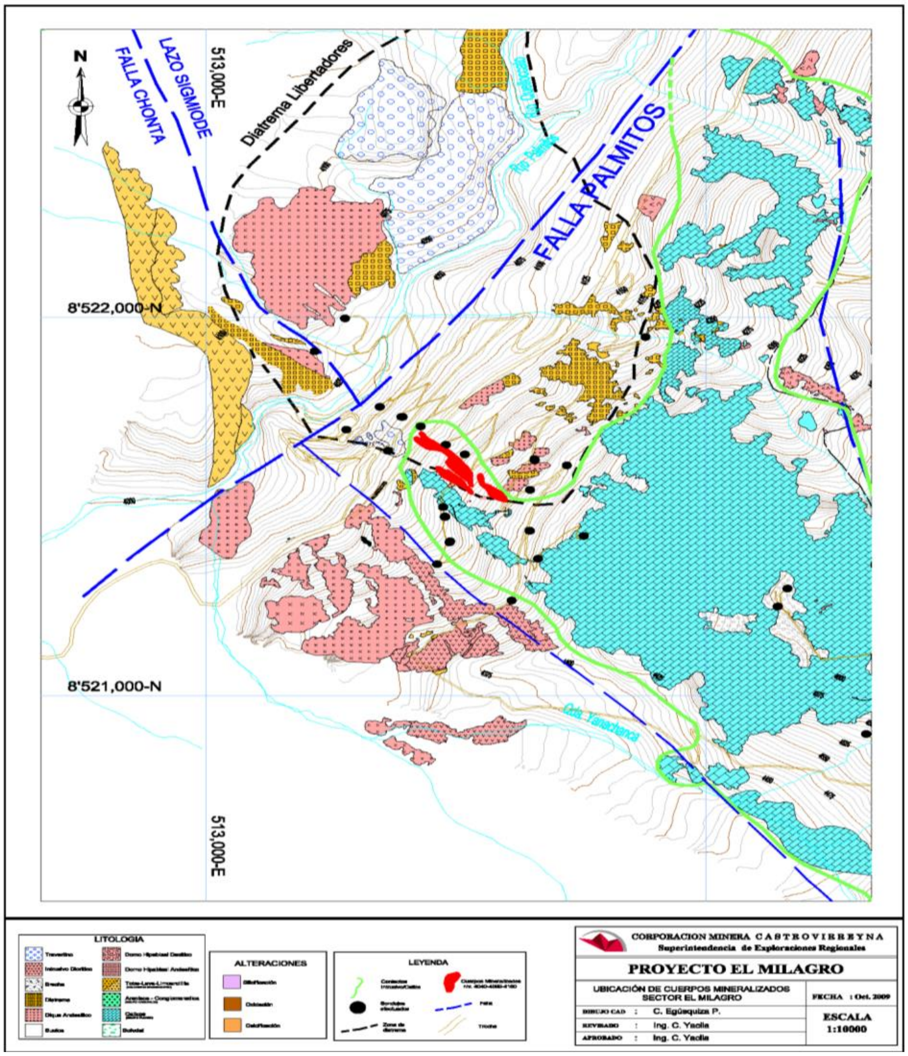


*Figure 7-8 . Geological map showing the location of ore bodies in the El Milagro sector. Source: Yacila et al., 2009.*

The replacement bodies exhibit mainly gap textures and consist mainly of light coloured sphalerite, galena and calcite as part of the breccia matrix (Figure 7-9).

*Figure 7-9 Hand sample showing sphalerite mineralisation as breccia matrix supporting limestone clasts (Nv 4040, BY PASS 312-SE: 6.00 m @ 6.39 oz/t Ag; 1.80 % Pb; 8.44 % Zn. Source: Paullo (2009).*

The bodies also contain minor amounts of pyrite, arsenopyrite, tetrahedrite, bournonite and others. The ore bodies are closely related to zones of intense calcitization including massive replacement (Figure 7-10) around the bodies. The upper portion of the bodies is generally oxidised and consists mostly of goethite. The overlying rocks show moderate to intense silicification, especially in the limestones and moderate argillic alteration, especially in the sub-volcanic intrusions (Yacila et al., 2009).

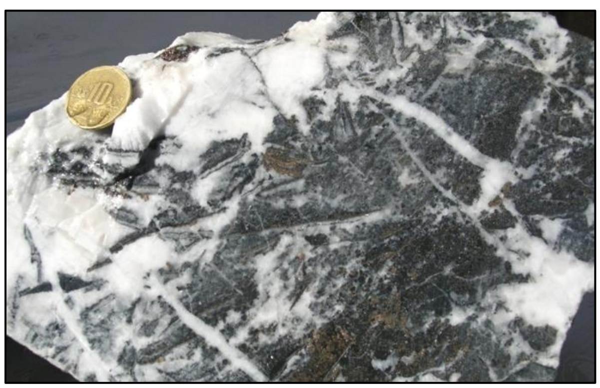

*Figure 7-10 Hand sample showing fracture-filling sphalerite and galena mineralisation and subsequent calcite formation occurring cutting through the Zn and Pb mineralisation. Source: Paullo (2009).*

Mineralisation occurs in association with the presence of intense to moderate calcitisation; being abundant towards the edges of the ore bodies; it is present filling secondary porosity such as fractures and limestone dissolution cavities. In general, calcitization has a structural control defined as zones of major fracturing and karstic dissolution aligned to the Chonta fault system. In some cases, silicified limestone strips have been recognised in contact with the microdioritic intrusive, with high concentration sphalerite ore. Likewise, during the mapping of the 4090 and 4040 levels in the El Milagro sector, it has been observed that, adjacent to the argillised microdioritic intrusive, some calcareous horizons are marbleised with disseminated pyrite of 1% to 2%. In the argillised microdioritic and andesitic intrusives, millimetre to centimetre veins of calcite are intimately associated with sphalerite minerals are recognised, suggesting that the intrusives are pre-mineral. The selvages of the mineralized structures and calcitized halos are dolomitized and the surrounding limestone is macroscopically unaltered (Paullo, 2009).

#### 7.5.1. Significant mineralized zones

El Milagro constitutes replacement and cavity-filling bodies developed in carbonate rocks. The polymetallic Zn+Pb+Ag mineralisation is concentrated in a deposit of irregular bodies and following the trend of the stratification geometry with irregular lenticular shapes. Some siliceous crests of irregular geomorphology and silicified breccias are also seen on the surface, where the adjacent calcareous beds contain calcite veinlets that criss-cross in a structural pattern. Ore minerals recognised are mainly Zn and Pb sulphides, such as well-crystallised light coloured sphalerite, galena, argentiferous galena, associated with red silver/silver, pyrite, calcite, barite and occasionally tetrahedrite. Geochemical analysis of selective sampling indicates that there is a close Zn-Ca; Pb-Ag; Ba-Ag relationship in the recognised orebodies, ranging from negligible trace grades to 34.33 % Zn; 18.42 % Pb and 126.95 oz/t Ag. The average grade in the mineralized zones is 6.48 oz/t Ag; 2.66 % Pb; 7.51 % Zn (Paullo, 2009).

# 8. Deposit Types

The El Milagro project is a polymetallic epithermal vein (fracture-fill) and metasomatic replacement polymetallic deposit, located in carbonate rocks of the Pucara Group. Mineralisation is controlled by vein structures associated with layering, replacement bodies and distal skarn (Figure 8-1).

Carbonate replacement deposits (CRD) related to intrusives are an important global resource for base metal production; these deposits have a variety of manifestations ranging from Pb-Zn-Cu skarns, to polymetallic replacement bodies in carbonate rocks with Pb-Zn-Ag, to distal skarns with Pb-Zn-Ag-Mn.

In Peru, these deposits are generally associated with Miocene calc-alkaline intrusions resulting from subduction of the oceanic plate beneath the continental plate. They show a zoning pattern characterised by Cu±Au±Ag in the higher temperature core that grades towards Pb-Zn-Ag and Mn zones in the distal low-temperature epithermal parts of the hydrothermal system. Uchucchacua is an excellent example of the latter manifestation.

Although the Uchucchacua deposits have many features in common with other skarn-associated Zn-Pb deposits, they possess a combination of important distinguishing features (Bussell et al. 1990):

a. Minerals have unusually high Ag values.

b. Mineral assemblages are Mn-enriched, which can be considered to indicate Mn enrichment in the late stage of the Pb-Zn skarn series. The main mineralisation took place at lower temperatures compared to other similar deposits and developed at low temperatures towards the end of a skarn-type hydrothermal system.

c. The fluid was polygenetic with a significant contribution of brines mixed with meteoric and (probably) magmatic hot waters.

d. It is common to find a systematic association of mineralisation in contact with the intrusive. Mineralisation develops through fissure filling and replacement of calcareous rock along the fractured rock zones.

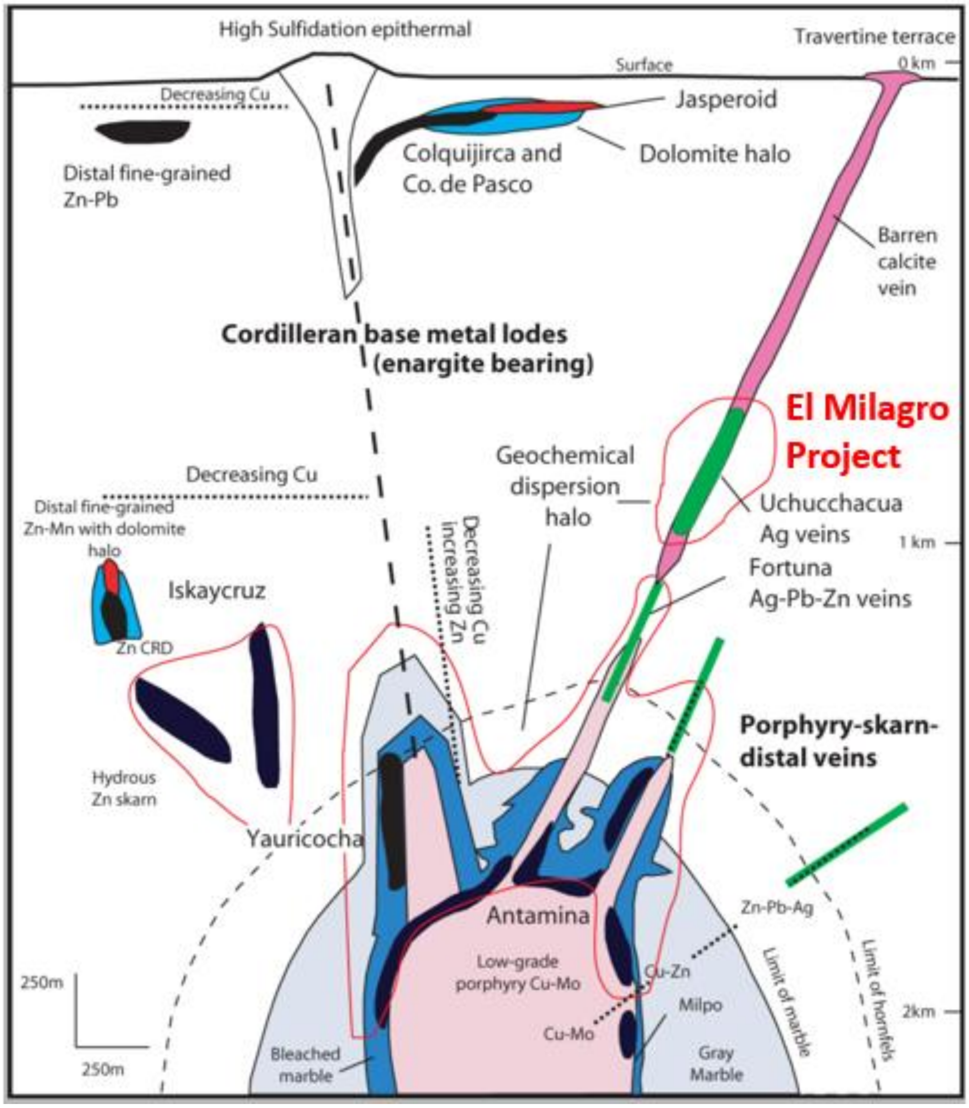


*Figure 8-1 Conceptual model showing the El Milagro project. Source: Toasdal et al., 2009*

# 9. Exploration

The different surface exploratory work campaigns, since 1967 and with greater intensity in 2006, 2007 and 2008, were conducted by BVN. These works consisted of surface geological mapping and geochemical prospecting of soils and rocks.

## 9.1. Geological Mapping

The historical geological mapping works, executed by BVN, cover an approximate area of 3,640 Ha, covering an area whose major axis has a NWSE trend with a longitudinal extension of approximately 11 Km. This exploration work defined the following prospective sectors: Yuraccasa, El Milagro and Auccancca (Figure 9-1).

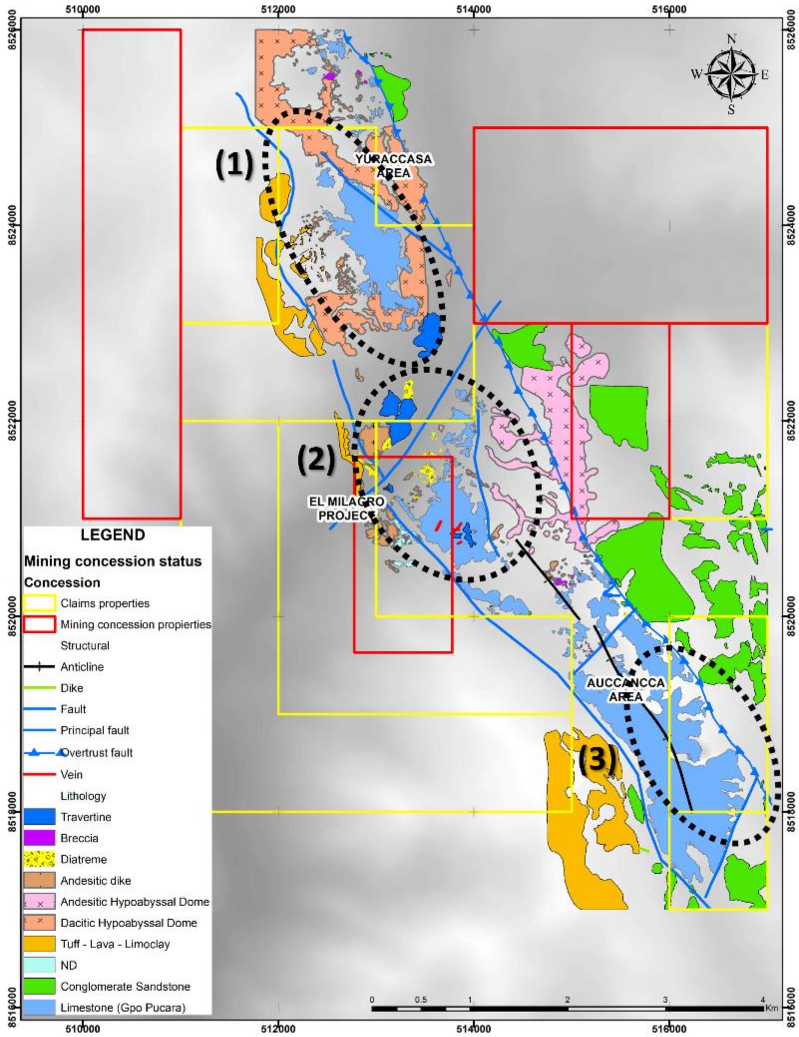


*Figure 9-1 Prospective Areas: (1) Yuraccasa, (2) El Milagro) y (3) Auccancca. Source: BVN*

## 9.2. Geochemical Sampling

The geochemical sampling campaigns were executed following a systematic and random sampling by collecting samples in soils and rocks. All certificates of these campaigns have been verified by the qualified persons.

### 9.2.1. Soil

Soil sampling has been executed on the basis of a systematic and random sampling design covering areas with evidence of alteration exposure and presence of oxidation near or at the contact of carbonate rocks and intrusives. A total of 237 samples have been collected which show Zn anomalies greater than 395 ppm up to 6,072.10 ppm (Figure 9-2).

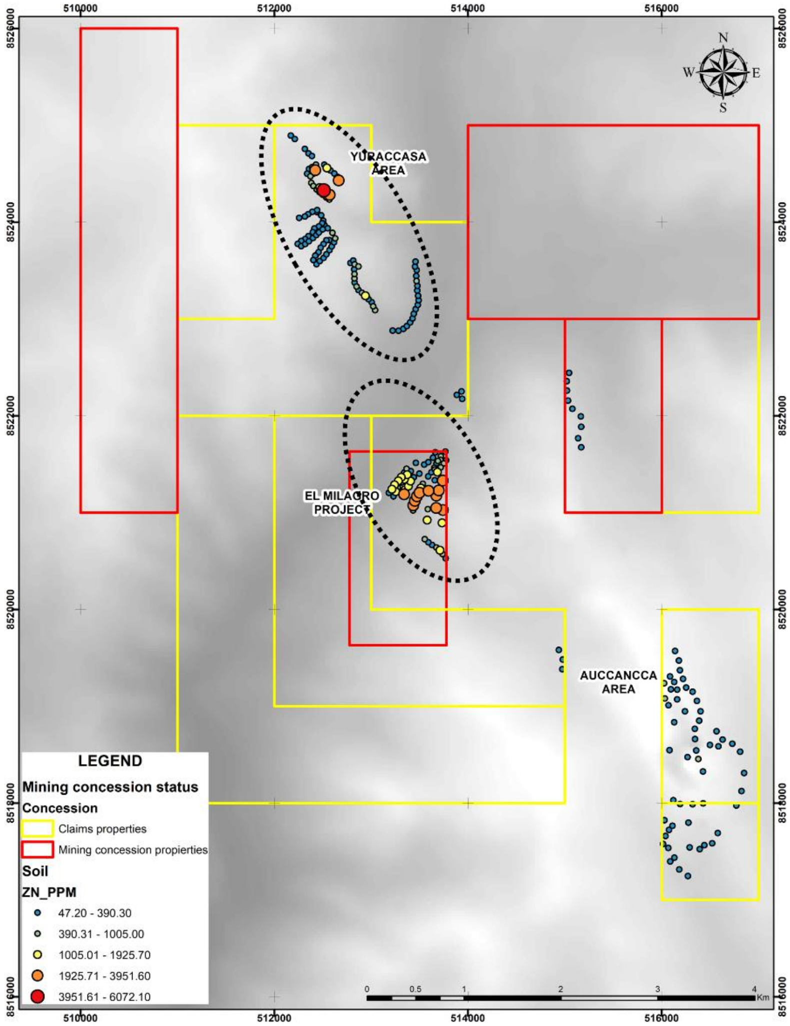


*Figure 9-2 Prospectivity plan of the El Milagro project showing the chemical results of the soil samplestaken. Source: BVN*

### 9.2.2. Rocks

Rock sampling (rockchips and channels) has been carried out for evidence of mineralisation (e.g., veins, oxidation bodies). A total of 2,014 samples have been collected which show Zn anomalies greater than 18.94% Zn (Figure 9-3).

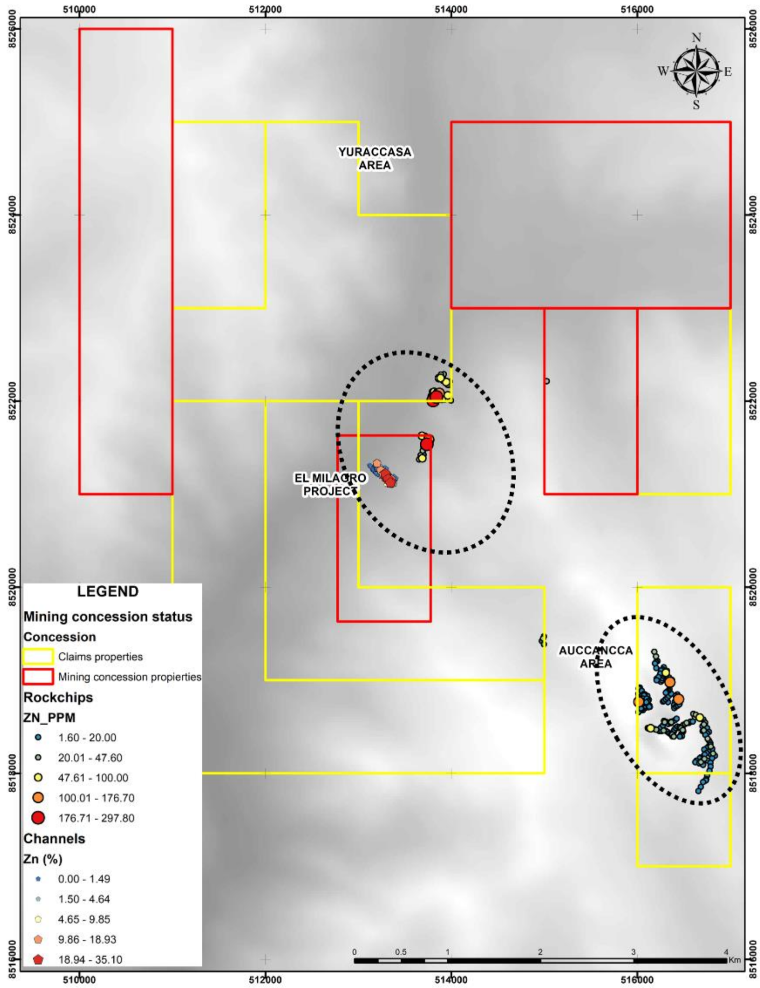


*Figure 9-3 Prospecting plan of the El Milagro project showing the chemical results of the rock samples taken. Source: BVN*

### 9.3. Meaningful results and interpretation

In terms of prospectivity, the primary control of mineralisation and the main exploration target at El Milagro is the contact between the sub-volcanic intrusions and the limestones of the Pucara Group and to a lesser extent some portions along the Chonta fault. Considering the 3 sub-volcanic intrusive bodies recognised in the El Milagro project, there are about 10 kilometres of prospective area distributed in the following targets:

- Yuraccasa
- El Milagro

- Auccanca

In the opinion of the authors, the El Milagro project offers significant prospectivity for multiple, Zn-Pb-Ag mineralised veins similar to those already defined in the El Milagro sector. However, its exploration will systematically require diamond drill holes longer than 300m.

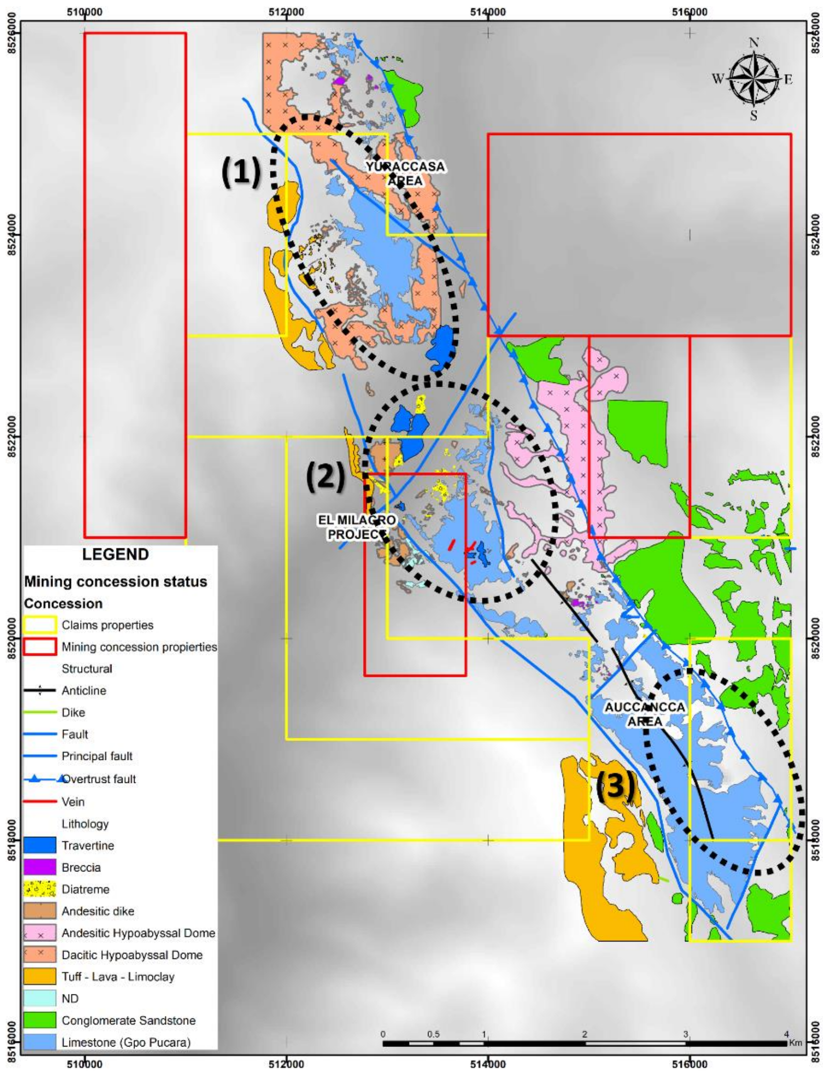


*Figure 9-4 Prospectivity plan of the El Milagro project showing the prospective areas (1) Yuraccasa, (2) El Milagro and (3) Auccancca. Source BVN*

# 10. Drilling

Buenaventura has executed different drilling campaigns from 2006 to 2008, covering the El Milagro (53 drill holes) and Yuraccasa (10 drill holes) areas.

Tables 10-1 show the distribution of diamond drilling versus length, classified by area, and the number of sampling channels executed respectively.

In addition, BVN has collected a total of 1,804 channel samples from underground exploration workings.

*Table 10-1 Summary table of drilling carried out over the El Milagro and Yuraccasa project*

| Area | Year | N° of Drillings | Meters | Developed by |
|---|---|---|---|---|
| El Milagro | 2006 | 22 | 4,250.70 | BVN |
| | 2007 | 13 | 2,480.20 | BVN |
| | 2008 | 18 | 3,159.16 | BVN |
| Yuraccasa | 2006 | 2 | 141.10 | BVN |
| | 2007 | 7 | 1,339.40 | BVN |
| | 2008 | 1 | 333.80 | BVN |
| **TOTAL** | | 63 | 11,704.36 | |

## 10.1. Topographical survey

During the site visit, the author was unable to verify the existence of the borehole monuments, as they may have been disturbed or moved since the date of their execution (2006 to 2008). However, it has been possible to corroborate, through certificates, that the boreholes' collars have been surveyed with a total station.

## 10.2. Measuring deviations

It has not been possible to verify the executed drill holes measuring deviation records, as this information has not been found in the files shared by Minera Reliquias.

## 10.3. Sampling methods and sample quality

Records show that core recoveries are generally above 95%. For drill core sampling, a symmetrical line is drawn along the core for cutting. The core sampling interval for chemical assays ranges from 0.12 metres to 6.15 metres and takes into account geological contacts as well as mineralogical variations. All samples were sent to the SGS laboratory.

In the opinion of the authors of this Technical Report, the recovery and sampling of drill core is adequate for the potentialpurpose of resource estimation.  Minera Reliquias has space for the storage of drill core boxes (Figure 10-1), as well as rejects (Figure 10-2).

*Figure 10-1 Storage of boxes with drill cores.*

*Figure 10-2 Rejects warehouse.*

## 10.4. Geological Logging

All cores have been logged by Buenaventura geologists, all data was collected through standardised log sheet records according to lithologies, mineralisation and structural defined by Buenaventura geologists.

## 10.5. Type and extent of drilling

Drilling at the project is mainly of the DDH type. Several campaigns have been carried out covering the property corresponding to the projects, considering that the highest density of drilling has been executed within the El Milagro project with 53 total drill holes and 1,804 sampling channels in the underground exploration levels. The boreholes have been drilled at different orientations and inclinations (Figures 10-3 and 10-4).

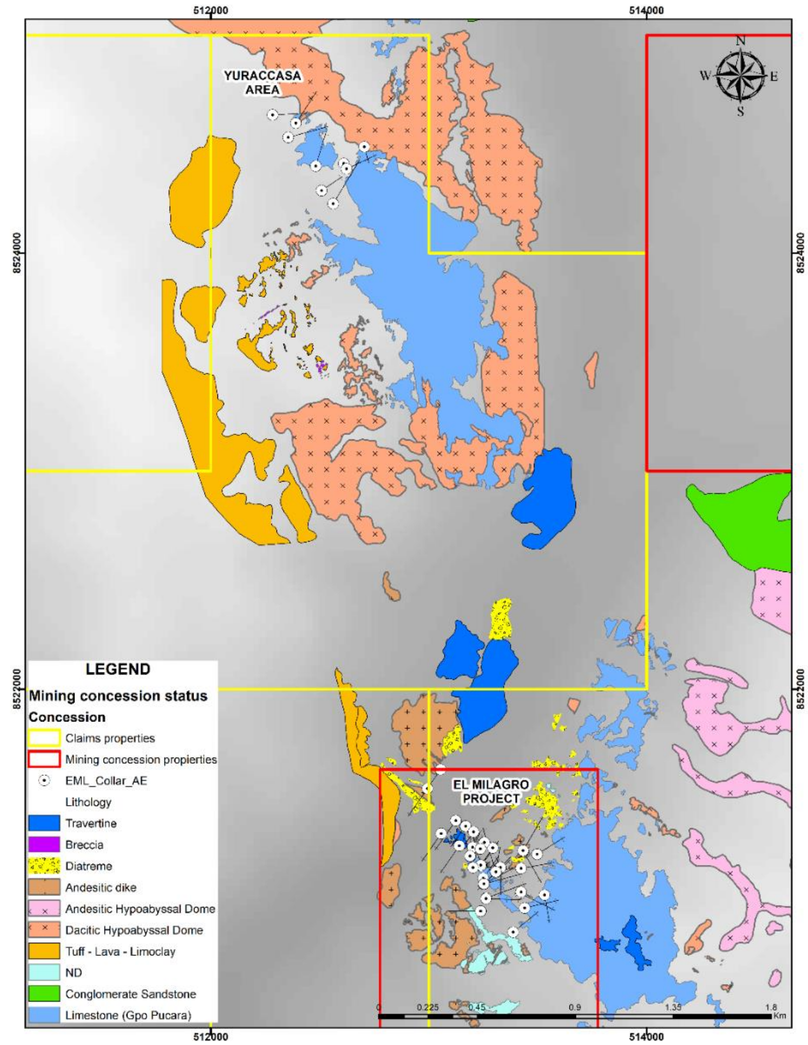


*Figure 10-3 Map showing the boreholes executed as part of the El Milagro project (n = 53) and Yuraccasa area (n = 10). Source: BVN*

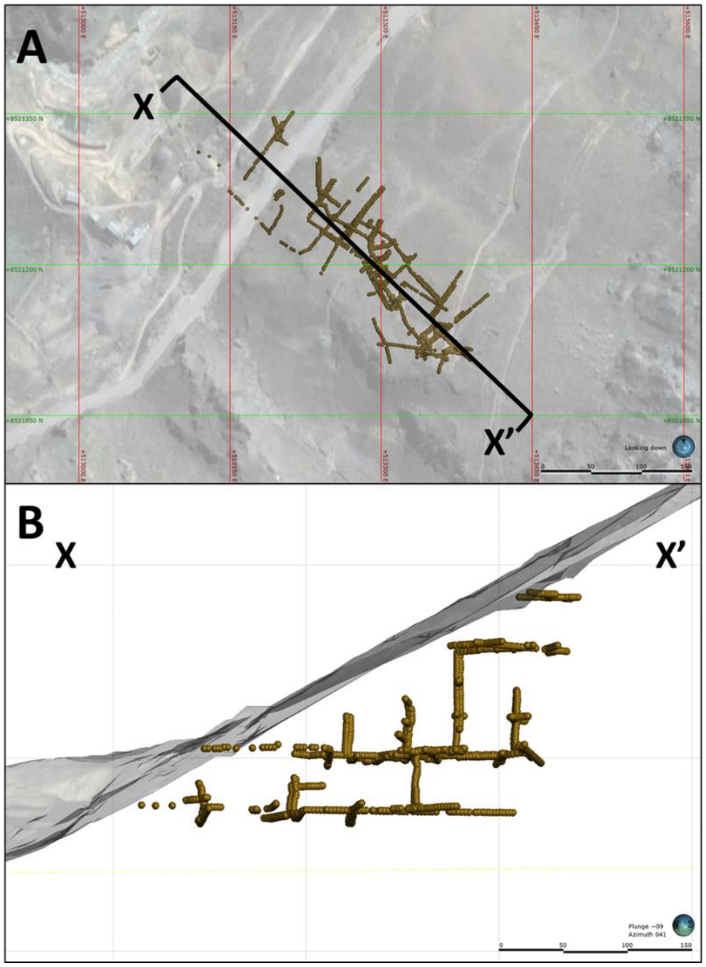


*Figure 10-4 (A) Channels sampled within the El Milagro project (visualized as brown dots), and the Location of the X-X' section. (B) Section X-X' showing the location of the sampling channels executed in the exploration levels and chimneys. Source: V. Rivasplata.*

### 10.6. Meaningful results and interpretation

Geological information recorded from drill core was used to develop a model of the lithology using Leapfrog GeoTM software (see section 7.4).

Table 10.2 shows the best intervals with Zn (%) and Pb (%) mineralisation for the El Milagro project.

*Table 10-2 Drilling intervals with significant mineralisation at the El Milagro project. Source: Buenaventura*

| Hole Id | Sample | From | To | Certificate | Ag (oz) | Pb (%) | Zn (%) | Reporting Date |
|---|---|---|---|---|---|---|---|---|
| EM-EM06-01 | SD78005 | 102.57 | 103.30 | LI06041389 | 11.86 | 3.39 | 17.6 | 13-May-06 |
| EM-EM06-01 | SD78006 | 103.30 | 104.3 | LI06041389 | 1.60 | 0.54 | 3.78 | 13-May-06 |
| EM-EM06-01 | SD78009 | 105.65 | 106.3 | LI06041389 | 8.36 | 4.4 | 4.36 | 13-May-06 |
| EM-EM06-01 | SD78010 | 106.30 | 107.40 | LI06041389 | 7.84 | 3.6 | 9.02 | 13-May-06 |
| EM-EM06-01 | SD78011 | 107.40 | 108.40 | LI06041389 | 2.63 | 1.73 | 3.33 | 13-May-06 |
| EM-EM06-01 | SD78012 | 108.40 | 108.95 | LI06041389 | 2.84 | 1.75 | 3.30 | 13-May-06 |
| EM-EM06-01 | SD78017 | 135.90 | 137.10 | LI06041389 | 2.07 | 0.63 | 7.70 | 13-May-06 |
| EM-EM06-01 | SD78025 | 147.50 | 148.30 | LI06041389 | 1.80 | 0.28 | 7.32 | 13-May-06 |
| EM-EM06-02 | SD78069 | 107.80 | 109.25 | LI06045316 | 3.67 | 1.21 | 7.92 | 23-May-06 |
| EM-EM06-02 | SD78071 | 110.70 | 111.85 | LI06045316 | 1.86 | 0.24 | 6.36 | 23-May-06 |
| EM-EM06-02 | SD78074 | 113.80 | 115.30 | LI06045316 | 1.65 | 2.84 | 13.90 | 23-May-06 |
| EM-EM06-02 | SD78096 | 137.60 | 138.85 | LI06045316 | 2.01 | 0.66 | 2.53 | 23-May-06 |
| EM-EM06-02 | SD78099 | 140.90 | 142.25 | LI06045316 | 3.41 | 3.98 | 19.95 | 23-May-06 |
| EM-EM06-05 | SD78326 | 104.35 | 104.82 | EML060701 | 8.18 | 4.49 | 7.40 | 01-Jul-06 |
| EM-EM06-05 | SD78327 | 104.82 | 105.8 | EML060701 | 6.19 | 3.23 | 4.60 | 01-Jul-06 |
| EM-EM06-05 | SD78328 | 105.8 | 106.15 | EML060701 | 11.90 | 3.73 | 6.40 | 01-Jul-06 |
| EM-EM06-05 | SD78329 | 106.15 | 106.90 | EML060701 | 19.95 | 6.36 | 30.70 | 01-Jul-06 |
| EM-EM06-05 | SD78330 | 106.90 | 108.1 | EML060701 | 5.81 | 3.49 | 6.80 | 01-Jul-06 |
| EM-EM06-05 | SD78335 | 111.75 | 112.34 | EML060701 | 6.29 | 4.35 | 27.9 | 01-Jul-06 |
| EM-EM06-05 | SD78336 | 112.34 | 112.95 | EML060701 | 4.07 | 1.32 | 14.6 | 01-Jul-06 |
| EM-EM06-20 | SD86706 | 30.00 | 32.00 | PLE3368-06 | 1.60 | 1.13 | 1.31 | 23-Oct-06 |
| EM-EM06-20 | SD86711 | 38.00 | 40.00 | PLE3368-06 | 2.14 | 1.7 | 4.10 | 23-Oct-06 |
| EM-EM06-20 | SD86712 | 40.00 | 42.00 | PLE3368-06 | 2.57 | 1.45 | 3.70 | 23-Oct-06 |
| EM-EM06-20 | SD86713 | 42.00 | 44.00 | PLE3368-06 | 22.96 | 5.36 | 6.00 | 23-Oct-06 |
| EM-EM06-20 | SD86714 | 44.00 | 46.00 | PLE3368-06 | 4.94 | 1.50 | 5.30 | 23-Oct-06 |
| EM-EM06-20 | SD86715 | 46.00 | 48.00 | PLE3368-06 | 2.11 | 1.46 | 5.60 | 23-Oct-06 |
| EM-EM06-20 | SD86716 | 48.00 | 50.00 | PLE3368-06 | 1.72 | 1.28 | 8.60 | 23-Oct-06 |
| EM-EM06-20 | SD86718 | 52.00 | 54.00 | PLE3368-06 | 3.21 | 2.05 | 3.40 | 23-Oct-06 |
| EM-EM06-20 | SD86733 | 122.00 | 124.00 | PLE3368-06 | 1.95 | 0.98 | 1.67 | 23-Oct-06 |
| EM-EM06-20 | SD86734 | 124.00 | 126.00 | PLE3368-06 | 2.01 | 0.83 | 2.70 | 23-Oct-06 |
| EM-EM06-20 | SD86735 | 126.00 | 128.00 | PLE3368-06 | 1.82 | 1.34 | 2.06 | 23-Oct-06 |
| EM-EM06-20 | SD86736 | 128.00 | 130.00 | PLE3368-06 | 1.59 | 0.80 | 5.40 | 23-Oct-06 |
| EM-EM06-21 | SD86894 | 135.00 | 136.90 | PLE3675-06 | 2.00 | 1.48 | 6.10 | 12-Dec-2006 |
| EM-EM06-21 | SD86897 | 140.00 | 141.75 | PLE3675-06 | 2.67 | 1.42 | 5.30 | 12-Dec-2006 |
| EM-EM06-21 | SD86898 | 141.75 | 142.45 | PLE3675-06 | 3.15 | 1.41 | 11.90 | 12-Dec-2006 |
| EM-EM07-36 | SD117726 | 100.70 | 101.00 | GQ800087 | 12.64 | 6.38 | 1.85 | 8-Jan-2008 |
| EM-EM07-36 | SD117729 | 101.80 | 102.05 | GQ800087 | 2.38 | 1.68 | 0.02 | 8-Jan-2008 |
| EM-MIN07-01 | SD116794 | 0.00 | 1.00 | GQ704465 | 3.17 | 0.43 | 5.03 | 19-Dec-2007 |

| Hole Id | Sample | From | To | Certificate | Ag (oz) | Pb (%) | Zn (%) | Reporting Date |
|---|---|---|---|---|---|---|---|---|
| EM-MIN07-01 | SD116795 | 1.00 | 2.00 | GQ704465 | 3.54 | 0.43 | 6.30 | 19-Dec-2007 |
| EM-MIN07-01 | SD116799 | 5.05 | 5.35 | GQ704465 | 24.53 | 6.03 | 21.47 | 19-Dec-2007 |
| EM-MIN07-01 | SD116800 | 5.35 | 6.15 | GQ704465 | 9.00 | 2.54 | 8.07 | 19-Dec-2007 |
| EM-MIN07-01 | SD117601 | 6.15 | 7.4 | GQ704465 | 7.39 | 2.45 | 10.11 | 19-Dec-2007 |
| EM-MIN07-01 | SD117603 | 8.65 | 10.65 | GQ704465 | 5.21 | 3.12 | 4.06 | 19-Dec-2007 |
| EM-MIN07-01 | SD117604 | 10.65 | 12.55 | GQ704465 | 3.95 | 1.77 | 3.02 | 19-Dec-2007 |
| EM-MIN07-01 | SD117605 | 12.55 | 13.05 | GQ704465 | 3.07 | 0.65 | 7.21 | 19-Dec-2007 |
| EM-MIN07-01 | SD117606 | 13.05 | 13.5 | GQ704465 | 6.14 | 2.04 | 4.77 | 19-Dec-2007 |
| EM-MIN07-01 | SD117616 | 272.00 | 28.80 | GQ704465 | 1.68 | 0.36 | 3.45 | 19-Dec-2007 |
| EM-MIN07-01 | SD117634 | 51.70 | 53.35 | GQ704465 | 2.86 | 1.30 | 2.76 | 19-Dec-2007 |
| EM-MIN07-01 | SD117635 | 53.35 | 54.45 | GQ704465 | 2.22 | 1.31 | 3.43 | 19-Dec-2007 |
| EM-MIN07-01 | SD117636 | 54.45 | 56.20 | GQ704465 | 2.36 | 0.88 | 4.88 | 19-Dec-2007 |
| EM-MIN07-01 | SD117637 | 56.20 | 57.05 | GQ704465 | 1.94 | 0.15 | 5.06 | 19-Dec-2007 |
| EM-MIN07-01 | SD117768 | 59.20 | 59.40 | GQ704509 | 6.40 | 9.95 | 12.14 | 22-Dec-2007 |
| EM-MIN08-02 | SD117792 | 4.75 | 5.55 | GQ800088 | 8.04 | 2.23 | 5.68 | 8-Jan-2008 |
| EM-MIN08-02 | SD117793 | 5.55 | 6.20 | GQ800088 | 14.21 | 4.89 | 15.42 | 8-Jan-2008 |
| EM-MIN08-02 | SD117794 | 6.20 | 8.75 | GQ800088 | 14.47 | 4.94 | 15.9 | 8-Jan-2008 |
| EM-MIN08-02 | SD117797 | 9.20 | 11.35 | GQ800088 | 9.58 | 2.04 | 10.64 | 8-Jan-2008 |
| EM-MIN08-02 | SD117798 | 11.35 | 12.45 | GQ800088 | 2.03 | 0.65 | 1.35 | 8-Jan-2008 |
| EM-MIN08-02 | SD117799 | 12.45 | 15.5 | GQ800088 | 1.86 | 0.78 | 2.17 | 8-Jan-2008 |
| EM-MIN08-02 | SD117801 | 16.25 | 18.35 | GQ800088 | 2.49 | 1.54 | 1.64 | 8-Jan-2008 |
| EM-MIN08-02 | SD117802 | 18.35 | 20.00 | GQ800088 | 6.59 | 2.76 | 4.78 | 8-Jan-2008 |
| EM-MIN08-02 | SD117803 | 20.00 | 21.65 | GQ800088 | 23.73 | 10.02 | 8.24 | 8-Jan-2008 |
| EM-MIN08-02 | SD117806 | 24 | 26.35 | GQ800088 | 2.70 | 2.61 | 1.51 | 8-Jan-2008 |
| EM-MIN08-02 | SD117807 | 26.35 | 27.65 | GQ800088 | 1.89 | 0.41 | 6.85 | 8-Jan-2008 |
| EM-MIN08-02 | SD117808 | 27.65 | 29.2 | GQ800088 | 1.69 | 0.55 | 6.68 | 8-Jan-2008 |
| EM-MIN08-02 | SD117814 | 37.70 | 38.35 | GQ800088 | 5.53 | 3.01 | 4.39 | 8-Jan-2008 |
| EM-MIN08-02 | SD117815 | 38.35 | 39.75 | GQ800088 | 1.71 | 0.92 | 1.51 | 8-Jan-2008 |
| EM-MIN08-02 | SD117818 | 40.70 | 42.40 | GQ800088 | 1.76 | 0.84 | 3.84 | 8-Jan-2008 |
| EM-MIN08-03 | SD117833 | 4.30 | 6.15 | GQ800189 | 3.31 | 1.25 | 1.89 | 16-Jan-2008 |
| EM-MIN08-03 | SD117834 | 6.15 | 7.30 | GQ800189 | 4.95 | 2.20 | 6.35 | 16-Jan-2008 |
| EM-MIN08-03 | SD117837 | 8.90 | 10.65 | GQ800189 | 2.24 | 1.14 | 2.6 | 16-Jan-2008 |
| EM-MIN08-03 | SD117838 | 10.65 | 12.15 | GQ800189 | 2.89 | 0.87 | 1.21 | 16-Jan-2008 |
| EM-MIN08-03 | SD117847 | 21.10 | 22.30 | GQ800189 | 2.46 | 0.33 | 2.73 | 16-Jan-2008 |
| EM-MIN08-03 | SD117849 | 22.55 | 24.25 | GQ800189 | 9.10 | 3.77 | 6.17 | 16-Jan-2008 |
| EM-MIN08-03 | SD117851 | 24.25 | 26.05 | GQ800189 | 4.28 | 2.89 | 2.29 | 16-Jan-2008 |
| EM-MIN08-03 | SD117852 | 26.05 | 27.85 | GQ800189 | 13.76 | 8.23 | 9.85 | 16-Jan-2008 |
| EM-MIN08-03 | SD117853 | 27.85 | 29.40 | GQ800189 | 6.01 | 2.20 | 15.5 | 16-Jan-2008 |
| EM-MIN08-03 | SD117856 | 29.65 | 29.90 | GQ800189 | 8.10 | 2.52 | 22.2 | 16-Jan-2008 |

| Hole Id | Sample | From | To | Certificate | Ag (oz) | Pb (%) | Zn (%) | Reporting Date |
|---|---|---|---|---|---|---|---|---|
| EM-MIN08-03 | SD117864 | 38.80 | 39.10 | GQ800189 | 2.41 | 2.62 | 13.13 | 16-Jan-2008 |
| EM-MIN08-03 | SD117867 | 40.45 | 41.65 | GQ800189 | 4.85 | 1.90 | 15.38 | 16-Jan-2008 |
| EM-MIN08-03 | SD117868 | 41.65 | 42.85 | GQ800189 | 8.52 | 3.85 | 16.88 | 16-Jan-2008 |
| EM-MIN08-04 | SD117944 | 58.15 | 58.7 | GQ800324 | 1.63 | 0.50 | 4.07 | 24-Jan-2008 |
| EM-MIN08-04 | SD117957 | 79.25 | 79.95 | GQ800324 | 4.79 | 2.37 | 4.83 | 24-Jan-2008 |
| EM-MIN08-04 | SD117959 | 82.40 | 82.75 | GQ800324 | 36.36 | 17.9 | 39.44 | 24-Jan-2008 |
| EM-MIN08-04 | SD117960 | 82.75 | 83.40 | GQ800324 | 52.24 | 45.19 | 26.64 | 24-Jan-2008 |
| EM-MIN08-04 | SD117961 | 83.40 | 84.10 | GQ800324 | 30.41 | 14.76 | 4.09 | 24-Jan-2008 |
| EM-MIN08-04 | SD117963 | 84.10 | 84.80 | GQ800538 | 5.08 | 2.20 | 3.31 | 06-Feb-08 |
| EM-MIN08-08 | SD118556 | 60.20 | 60.75 | GQ803449 | 1.69 | 0.20 | 6.77 | 12-Jul-08 |
| EM-MIN08-08 | SD118557 | 60.75 | 60.90 | GQ803449 | 1.74 | 1.10 | 3.43 | 12-Jul-08 |
| EM-MIN08-09 | SD118604 | 72.20 | 72.85 | GQ803588 | 4.73 | 3.88 | 5.45 | 21-Jul-08 |
| EM-MIN08-09 | SD118605 | 72.85 | 74.00 | GQ803588 | 1.75 | 1.29 | 3.5 | 21-Jul-08 |
| EM-MIN08-09 | SD118608 | 76.2 | 76.75 | GQ803588 | 1.71 | 1.52 | 2.34 | 21-Jul-08 |
| EM-MIN08-09 | SD118609 | 76.75 | 77.15 | GQ803588 | 2.00 | 1.55 | 7.44 | 21-Jul-08 |
| EM-MIN08-12 | SD118720 | 22.10 | 22.30 | GQ803639 | 3.38 | 0.92 | 3.37 | 23-Jul-08 |
| EM-MIN08-12 | SD118722 | 22.80 | 23.40 | GQ803639 | 4.31 | 0.86 | 5.01 | 23-Jul-08 |
| EM-MIN08-12 | SD118723 | 23.40 | 23.90 | GQ803639 | 4.40 | 0.928 | 5.77 | 23-Jul-08 |
| EM-MIN08-12 | SD118724 | 23.90 | 25.45 | GQ803639 | 16.30 | 1.89 | 28.56 | 23-Jul-08 |
| EM-MIN08-12 | SD118730 | 29.55 | 30.30 | GQ803639 | 2.97 | 2.27 | 1.73 | 23-Jul-08 |
| EM-MIN08-12 | SD120344 | 48.60 | 49.10 | GQ803833 | 1.79 | 0.19 | 2.62 | 4-Aug-2008 |
| EM-MIN08-13 | SD120473 | 233.60 | 234.25 | GQ803880 | 6.30 | 3.36 | 2.61 | 6-Aug-2008 |
| EM-MIN08-18 | SD124017 | 243.75 | 244.20 | GQ804531 | 4.95 | 1.00 | 1.27 | 10-Sep-2008 |
| EM-MIN08-18 | SD124025 | 255.70 | 257.65 | GQ804531 | 1.84 | 0.89 | 1.00 | 10-Sep-2008 |

# 11. Sample Preparation, Analyses, and Security

The authors have not been able to verify the methodology used for sampling and sample preparation for sending historical samples to the laboratory. Therefore, an accurate opinion on sample preparation, analysis and security cannot be given because the protocols used for this activity are not available.

A sample shipment was made to the ALS Peru laboratory through project support staff, the procedures and protocols used for this shipment were provided for our review and validation of the sample preparation methodology and shipment to the laboratory. In our opinión, this activity was performed correctly and in accordance with quality control and quality assurance standards, and coarse white samples, standard samples, fine white samples and duplicate samples were inserted.

The analytical method requested from the ALS-Peru laboratory was ME-ICP61, containing 4 acids for digestion and ICP-AES termination and for Gold Au-AA23 (Gold Fire Assay AA Finish). For the limit envelope the package ME-OG62h (+Ag-OG62h, Pb-OG62h, Cu-OG62h, Zn-OG62h) was requested.

# 12. Data Verification

The authors have reviewed historical information compiled by Sociedad Minera Reliquias. The coordinate system used by Buenaventura to generate the spatial information was South American Provisional Datum 1956 (PSAD 56). Sociedad Minera Reliquia changed the coordinate system, all the information was transformed to the WGS84 system. The QPs carried out a verification of the process and have had access to the Technical Report "Transformation of UTM coordinates from PSAD to WGS84, August 2022".

The drill hole database containing coordinates and geological descriptions were reviewed and a site visit was completed to verify some mineralised sections of drill holes EM-EM06-05 and EM-EM06-14.

*Table 12-1 Summary of results of the 2006 drilling samples versus the results analyzed at the ALS Peru Laboratory, 2022, the original samples were analysed at the SGS laboratory (*) 2006, (**) 2022.*

| | | | Original (*) | | | | Duplicate (**) | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Hole Id | From | To | Sample | Ag (ppm) | Zn (%) | Pb (%) | Sample | Ag (ppm) | Zn (%) | Pb (%) |
| EM-EM06-05 | 104.35 | 104.82 | SD78326 | 254 | 7.40 | 4.49 | SMR-014002 | 415 | 6.80 | 5.80 |
| EM-EM06-05 | 104.82 | 105.80 | SD78327 | 193 | 4.60 | 3.23 | SMR-014003 | 157 | 4.10 | 2.50 |
| EM-EM06-05 | 105.80 | 106.15 | SD78328 | 370 | 6.40 | 3.73 | SMR-014004 | 327 | 6.00 | 3.90 |
| EM-EM06-05 | 106.15 | 106.95 | SD78329 | 621 | 30.70 | 6.36 | SMR-014005 | 693 | 38.20 | 6.60 |
| EM-EM06-05 | 106.95 | 108.10 | SD78330 | 181 | 6.80 | 3.49 | SMR-014007 | 215 | 5.10 | 3.70 |
| EM-EM06-05 | 108.10 | 109.05 | SD78331 | 5 | 0.52 | 0.37 | SMR-014008 | 19.8 | 0.61 | 0.37 |
| EM-EM06-05 | 109.05 | 109.90 | SD78332 | 2 | 0.70 | 0.23 | SMR-014010 | 18 | 0.91 | 0.26 |
| EM-EM06-14 | 67.45 | 68.20 | SD84933 | 1,410 | 5.20 | 15.30 | SMR-014011 | 1270 | 3.60 | 11.60 |
| EM-EM06-14 | 68.20 | 69.30 | SD84934 | 1,266 | 2.80 | 15.20 | SMR-014013 | 671 | 2.20 | 10.40 |
| EM-EM06-14 | 69.30 | 70.00 | SD84935 | 439 | 4.30 | 5.73 | SMR-014014 | 494 | 3.40 | 4.80 |
| EM-EM06-14 | 70.00 | 72.00 | SD84936 | 6 | 0.01 | 0.03 | SMR-014016 | 7 | 0.03 | 0.07 |

Note: The original samples were analysed at the SGS laboratory. (*) 2006, (**) 2022

The results show significant variability and do not show a preferential trend, for the authors the results of the ALS Peru laboratory confirm that the selected samples belong to the zones with high silver, zinc and copper content. Therefore, the intercepts analysed in the historical data are reliable.

# 13. Mineral Processing and Metallurgical Testing

Samples have been prepared and obtained from existing mine stope drift. Metallurgical flotation tests were carried out on the selected samples by the C.H. Plenge Laboratory and in the laboratory of the Compañia Minera Castrovirreyna located in the Reliquias mine. With the objective of pre-characterizing a metallurgical model, six samples were sent from Level 4090, two samples which correspond to oxides and the other four samples correspond to sulfides. The metallurgical investigation had two objectives: (i) to prepare composites by sections (Section 1 of the oxide zone and Sections 2 and 3 of the sulfide zone) and to assay each composite, and (ii) to carry out selective lead-silver and zinc flotation tests.

Assays of the sulfide composites indicate that approximately 65% of the lead and 10% of the zinc is oxidized.

*Table 13-1 Summary of historical metallurgical test work carried out on El Milagro samples.*

| Section | Description | Assays | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Ag (oz/t) | Pb (%) | Zn (%) | As (%) | OxPb (%) | OxZn (%) | Hg (ppm) |
| Section 1 | Drift 473NW, Lvl 4090 Oxides | 3.8 | 1.92 | 4.9 | 0.9 | 1.5 | 1.3 | 174 |
| Section 1 | Drift 473NW, Lvl 4090 Oxides | 3.4 | 1.69 | 4.45 | 0.9 | 1.3 | 1.4 | 149 |
| Section 2 | Drift 526SE, Lvl 4090 Sulphides | 4.5 | 2.24 | 6.35 | 0.7 | 1.0 | 1.0 | 172 |
| Section 2 | Drift 526SE, Lvl 4090 Sulphides | 4.4 | 2.42 | 6.00 | 0.7 | 1.0 | 1.00 | 171 |
| Section 3 | Raise 526NW, Lvl 4090 Sulphides | 11.4 | 3.8 | 8.5 | 1.5 | 0.7 | 0.70 | 166 |
| Section 3 | Raise 526NW, Lvl 4090 Sulphides | 10.5 | 3.93 | 7.55 | 1.4 | 0.9 | 0.90 | 160 |

## 13.1. Metallurgical Testwork

It should be noted that the "source" of the sample in each case is "homogenized ore from the mine". The reports give details of where the samples were taken and although there is no mention of what controls were made in the sampling it is reasonable to think that there is assurance that the samples provided for testing were "representative" to some reasonable degree.

*Table 13-2 Results of the composite samples chemical tests.*

| Testing Metallurgical Type | Concentrate Pb-Ag | | | | Concentrate Zn | |
|---|---|---|---|---|---|---|
| | Ag (oz/t) | Pb (%) | RM Ag (%) | RM Pb (%) | Zn (%) | RM Zn (%) |
| Open Circuit Flotation | 120 | 54 | 48 | 56 | 63 | 81 |
| Closed Circuit Flotation | 120 | 54 | 48 | 56 | 63 | 81 |

*RM: Metallurgical Recovery

These results are therefore only representative of possible variability, whereas the past recorded toll processing and flotation concentration results, are fully representative of the metallurgical characteristics and processing of the polymetallic minerals for the historical the El Milagro project.

It can be concluded from this table, that the silver-rich polymetallic mineralization of the El Milagro Mine responds well to standard flotation technology used in Peru.

# 14. Mineral Resource Estimates

Not applicable at the current stage of the Project.

# 15. Ore Reserve Estimation

Not applicable at the current stage of the Project.

# 16. Mining Method

Not applicable at the current stage of the Project.

# 17. Recovery Methods

Not applicable at the current stage of the Project.

# 18. Project Infrastructure

Not applicable at the current stage of the Project.

# 19. Market Studies and Contracts

Not applicable at the current stage of the Project.

# 20. Environmental Studies, Permitting and Social or Community Impact

The Property is not an advanced property as defined by NI 43-101, therefore no disclosure is required for this Item.

# 21. Capital and Operating Costs

Not applicable at the current stage of the Project.

# 22. Economic Analysis

Not applicable at the current stage of the Project.

# 23. Adjacent Properties

There are no adjacent properties near the Property.

# 24. Other Relevant Data and Information

The authors are not aware of any other relevant information at this time.

# 25. Interpretation and Conclusions

The lithological sequences described in the drill holes' description within the El Milagro project were corroborated during the site visit. Therefore, the units described in the historical reports are correct.

The mineralised intervals of the drill core have been observed in the logging room and contrasted with the grade log reported by BVN, noting that there are Zinc (Sphalerite) and Lead (Galena) ore minerals occurring as replacement structures, breccias and open space infill.

It is assumed that the high Silver values are associated with Galena ore or with another mineral species (e.g., red silver) that has not been clearly observed during the review.

For the authors it is possible to consider that there is a first order structural control defined by the geometry of the strata, which would be controlling the emplacement geometry of the intrusive units and the trend of the mineralisation. In addition, it is possible that the mineralisation is associated with a dome/diatreme rim (e.g., e.g., Marcapunta dome-diatreme complex, Colquijirca).

There is potential for continuity of mineralisation within the El Milagro project to depth and laterally at the andesitic dome and diatreme rims. Also, note that all of the drilling is shallow.

Figure 25-1 shows the prospective areas within the mineralised zone.

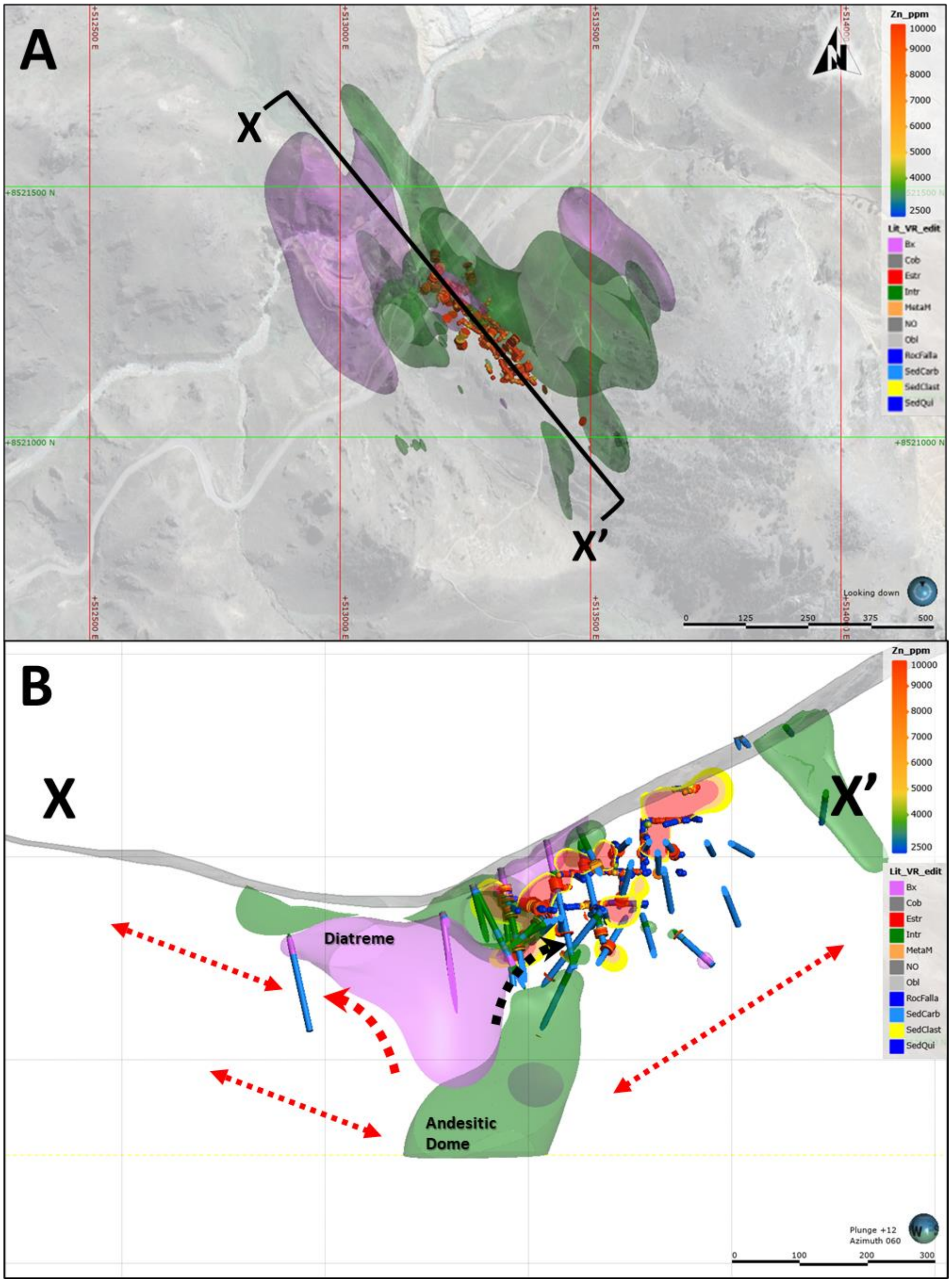


*Figure 25-1 (A) Plan view showing the interpretation of the lithology units at the El Milagro project and the location of mineralisation (red discs) and Section X-X'. (B) Section X-X' looking NE showing the continuity of lithology units and the location of mineralisation (red and yellow interpolants) and the zones showing potential to investigate the continuity of mineralisation (red dashed arrows). Source: V. Rivasplata*

# 26. Recommendations

## 26.1. Re-logging programme

Propose a re-logging programme of the drill holes located within the El Milagro project, in order to improve the structural descriptions of the mineralised sectors and understand their spatial location (e.g., Zones of high grade Zn or Pb), as well as to investigate if there are one or more intrusives and/or breccias, and the trends they present in the area, in order to improve the continuity of the units to be modelled in 3-D.

## 26.2. Mapping and Structural Modelling

Structural mapping could be expanded in areas with few structural observations and controls to improve the confidence of the faults that would be modelled (e.g., characteristics/properties, continuity).

More detailed investigations in low confidence areas can clarify current interpretations to determine fault continuity or the presence of new faults and their characteristics.

Data collection and structural mapping could be completed by exploration/mine geologists, but it is also recommended that the data collected and results are periodically reviewed through geological audits, to have greater confidence in the quality of the data and interpretations.

Future structural mapping and/or structural data collection campaigns should include a focus on kinematic studies and the temporal relationships of fault systems which could be applied in future structural model updates.

## 26.3. Lithological-Structural Model

A geological or lithological model of the El Milagro project could be elaborated and integrated with the structural (geological) model to generate a litho-structural model. Currently there is no lithological model of the mining district that includes several projects (e.g., El Milagro and Yuraccasa). It is clear that various structural structures and fabrics (e.g., strata, intrusive geometry) provide strong controls on lithology and mineralisation that are currently not integrated into a single geological model.

## 26.4. Structural Logging

The structural logging should be modified for the documentation and collection of the current characteristics and properties of the structures.

It is possible that structures in the cores could be oriented if there is a shear relationship with a known oriented structure (e.g., reference map).

Generally, the layering in the El Milagro area appears regular and well-defined (e.g., Figure 26-1), which could be used to orient the drill core. It should be noted that the shape of the layering varies little within the El Milagro district; furthermore, some areas may be locally complex. Several methodologies exist to reorient structural data based on the orientation of a known structure (e.g., physical orientation in core frame, Figure 26-2; reorientation calculations based on angles between structures, Figure 26-3). It is not recommended to employ this structure reorientation methodology if the orientation of the reference map (e.g., stratigraphy, foliation) occurs in an area that is structurally complex.

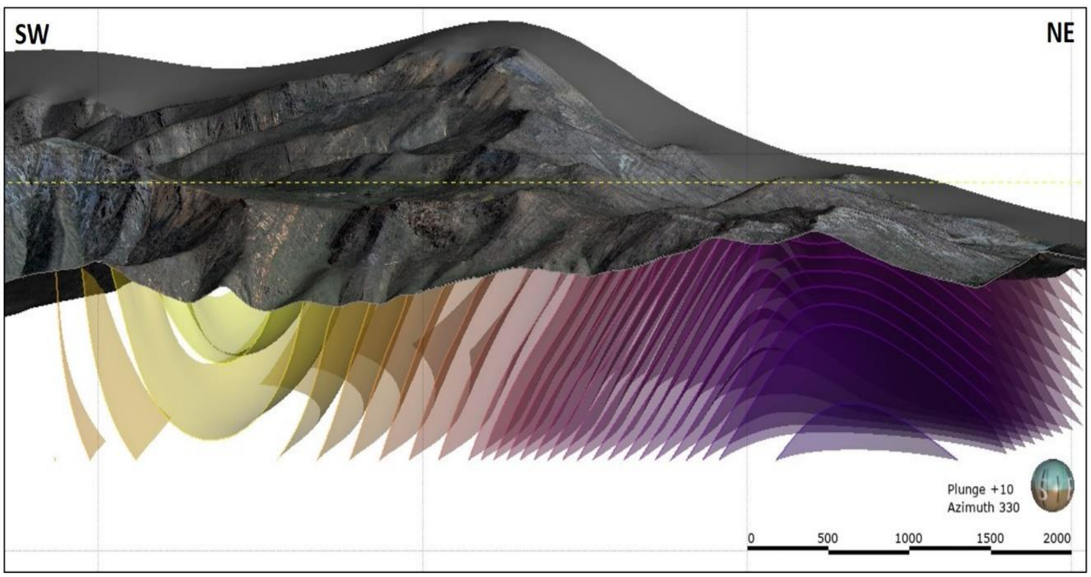


*Figure 26-1 Coarse cross-section, looking north-west, showing the layering pattern of a mining project. Surce: V. Rivasplata*

*Table 26-1 Proposed budget, reinterpret the historic information*

| Activity | Costs US$ |
|---|---|
| Relog (3 months) | 30,000 |
| Commuty Relations | 20,000 |
| Mapping - Scale 1:500 ( 3 months) | 50,000 |
| Geochem/density (surfaces and historic drill holes ) | 100,000 |
| Lithological-Structural Model | 60,000 |
| Utilities & Support | 5,000 |
| Subtotal | 270,000 |
| Contingency 15% | 40,500 |
| Total | 310,500 |


*Figure 26-2 (A) Photograph of a frame for orienting the borehole core. (B) Photograph showing the orientation shot of a structure. Source: V. Rivasplata*

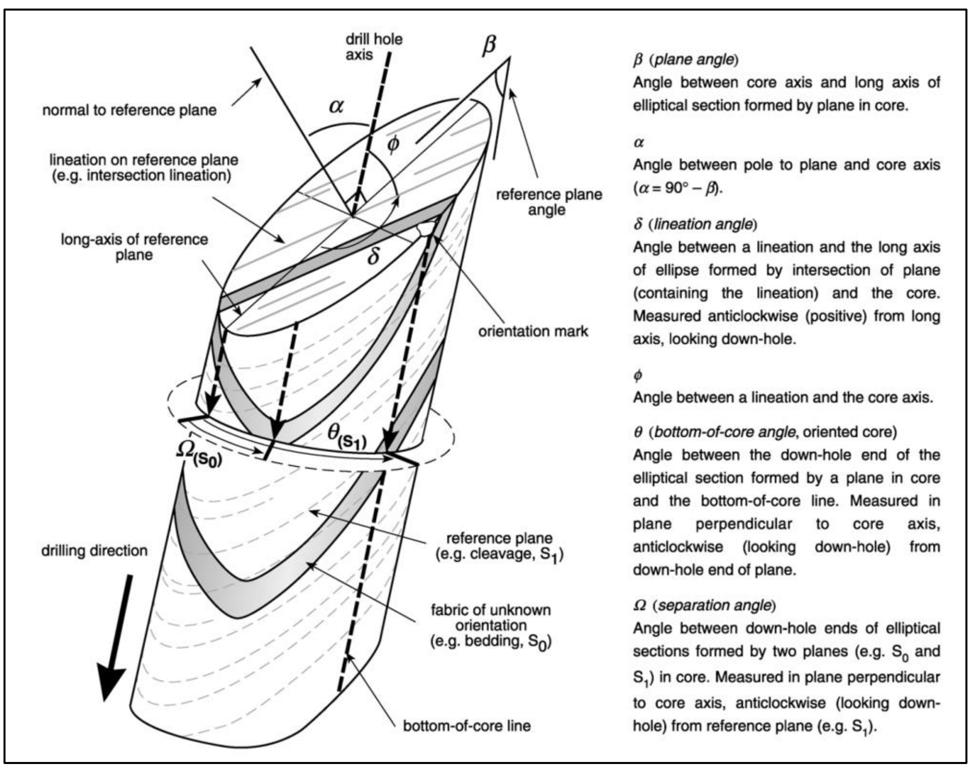


*Figure 26-3 Diagram of a witness with various structures and angle conventions. Source: Scott and Berry, 2004).*

# 27. References


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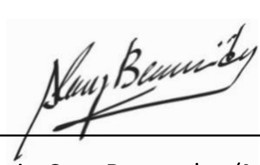
# 28. Certificates

## 28.1 Statement of Certification by Author

I, Antonio Cruz Bermudez (MAIG), do hereby certify that:

1. I am a professional engineer and an independent consultant (Lima-Peru) and have an address at Jr. Bernardo Monteagudo No 300, Los Norgales, Comas, Lima.
2. I am the author or co-author for the items set out below in the report titled, National Instrument 43-101 Technical Report for El Milagro Project, Department of Huancavalica & Ayacucho, Province of Cangallo, Peru (the "Technical Report"), dated October 17, 2022 and with an Effective Date of October 17, 2022.
3. I am a registered member of the Australian Institute of Geoscientists (AIG), member number MAIG #7065 and the Australasian Institute of Mining and Metallurgy (AusIMM), member number MAusIMM # 3056028. I graduated from the Universidad Mayor de San Marcos (Lima-Peru) in 2007 with a BSc Geology Engineering. I am a member, in good standing, of Association of Professional Engineers of Peru (Colegio de Ingenieros del Peru), License Number 207806, where I am registered as a Professional Geological engineer from 2011. I am a member, in good standing, of Association of Professional Engineers of Peru (Colegio de Ingenieros del Peru), License Number 207806, where I am registered as a Professional Geological engineer from 2011. I have practiced my profession continuously since 2007 and I have relevant work experience in Mineral Resource Estimation and Mine Geology of VMS (Volcanic Massive Sulfides), replacement polymetallic deposits and other vein deposits. I also hold a Masters degree in Administration and Project Management from UPC (Universidad Peruana de Cienclas Aplicadas), Lima Peru and a Postgraduate Diploma in Geostatistics applied to the evaluation of Mineral Resources from BS Grupo Lima 2013. I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the proposes of NI 43-101.
4. I visited the El Milagro Project on July 26 – 27, 2022 and I have not visited before or after the indicated date.
5. I am responsible for items 2, 3, 4, 5, 6, 11, 12, 13 and 27 and responsible as a co-author for items 1 and 26.
6. I am independent of Silver Mountain Resources applying all of the tests in Section 1.5 of NI 43-; and prior to my engagement with respect to preparation of the Technical Report I had no prior involvement with the El Milagro Project.
7. I have had no prior involvement with the property that is the subject of the Technical Report.
8. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
9. As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Lima, Perú this 18th day of October 2022.



Antonio Cruz Bermudez (MAIG)

I, Víctor Rivasplata Melgar, MAIG, do hereby certify that:

1. I am a professional engineer (Cajamarca - Perú) of the items set out below and an independent consultant. My address is Pasaje El Parque D-5, Urb. Santa Mercedes, Cajamarca.
2. I am the author / co-author of the items set out below of the Technical Report for the El Milagro Project, Department of Huancavelica & Ayacucho, Province of Cangallo, Peru (the "Technical Report"), having an Effective Date of October 17, 2022.
3. I graduated from the Universidad Nacional de Cajamarca (Cajamarca - Perú) in 2004 with a Bsc Geology Engineering. I am a member, in good standing, of Association of Professional Engineers of Perú (Colegio de Ingenieros del Perú), License Number 156222, where I am registered as Professional Geological engineer from 2012. I have practiced my profession continuously since 2005 and have relevant work experience in Structural Geological Studies and Mineral Exploration in porphyry, ephithermal, polymetallic replacement, skarn and other deposits. I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the proposes of NI 43-101.
4. I visited the El Milagro Project on July 26 and 27, 2022 and I have not visited before or after the indicated date.
5. I am responsible for items 7, 8, 9, 10, 25 and am responsible as a co-author of items 1 and 26 of the Technical Report.
6. I am independent of Silver Mountain Resources applying all of the tests in Section 1.5 of NI 43-101; and prior to my engagement with respect to preparation of the Technical Report I had no prior involvement with the El Milagro Project.
7. I have had no prior involvement with the project that is the subject of the Technical Report.
8. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that Instrument and Form.
9. As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report I am responsible for contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Lima, Perú this 18th day of October 2022.

Víctor Rivasplata Melgar (MAIG)