NI 43-101 Technical Report
on the
Cerro Caliche Gold Project

Cucurpe Mining District of Sonora State
Northwestern Mexico
at 110º 37' 07" Longitude
and
30º 24' 55" Latitude

Prepared for:

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1 SUMMARY

This technical report provides an initial mineral resource estimate for the Cerro Caliche Project of Sonoro Metals Corp. (Sonoro) in the State of Sonora, Mexico. Sonoro retained Derrick Strickland, P. Geo and Robert Sim, P. Geo, SIM Geological Inc. (SGI) to prepare the report. Both authors are independent Qualified Persons (QPs) as defined by Canadian Securities Administrators *National Instrument 43-101 Standards of Disclosure for Mineral Projects* (NI 43-101) and as described in Section 28 (Date and Signature Page) of this report.

Property Description and Location

The Cerro Caliche Project (the Project) is located in the municipality of Cucurpe, State of Sonora, Mexico, approximately 40 km southeast of the city of Magdalena, Sonora, and 150 km north-northeast of the city of Hermosillo (see Figure 4-1). Road access to the property is via paved Federal Highway 15 from Hermosillo to the town of Magdalena (185 km), then southeast on the paved Magdalena–Cucurpe two-lane highway (40 km), then northeast onto an unsurfaced all-weather road to a locked gate (14 km), then continuing 4.8 km to the centre of the Project area located at UTM Zone 12, 536,740E 3,365,100N, (WGS84), or north latitude 30º 24’ 55” west longitude 110º 37’ 07”.

Ownership

The Project comprises 15 mining concessions covering a total of 1,350.10 ha. Through a Mexican subsidiary, Sonoro may obtain 100% interest in the 15 concessions through five discrete agreements totaling $4.9 million in payments and the granting of 250,000 shares of Sonoro Metal Corp. over a 72-month period. These discrete agreements are detailed in Section 4 (Property Description and Location) of this report.

Geology and Mineralization

The Cerro Caliche Project is highly prospective for low sulphidation, epithermal gold-silver deposits and intrusive-related precious-metal and polymetallic deposits. The Project includes structurally controlled zones of gold-silver mineralization hosted by diorite, granodiorite, siltstone, and arenite. Mineral showings identified on the Cerro Caliche Project are consistent with those seen at low sulphidation, epithermal mineralized systems elsewhere in the Sierra Madre and Altiplano provinces of Mexico. These systems may form potentially economic deposits that are bulk mineable stockworks and planar, mineralized structures or veins that are also exploitable by underground methods.

Historical mapping and geochemical sampling of the property shows that the system was capable of creating mineralized zones of potential; economically significant grade and the exposed areal extent of the system is in excess of 6 km^2. The dominant structural controls are NA330 to NA350 (northwest-southeast) and NA030 to NA260 (northeast-southwest) high-angle structural zones that are variably brecciated, silicified, and quartz veined. Gold concentrations are localized within discrete structural zones and within broader zones of parallel structures, brecciation and/or stockwork quartz veining.

The Cerro Caliche Project is prospective for three target types:

1. Stockwork and/or disseminated zones of gold-silver mineralization;
2. High-grade, planar, precious- and base-metal mineralized structural zones or veins; and/or
3. Concealed, intrusive-related, precious-metal deposits.

The Cerro Caliche Project lies outside the western flank of the Sierra Madre Occidental (SMO) province, within the Basin and Range subprovince. The SMO province comprises a regionally extensive Eocene to Miocene volcanic field which extends southeast from the United States-Mexico border to central Mexico. The Basin and Range subprovince which hosts the Cerro Caliche Project is characterized by extensional normal faulting that has created an alternating sequence of horsts and grabens, equivalent to Basin and Range-type extensional features of the Western United States.

Maps published by the Mexican Geological Survey indicate that the Cerro Caliche Project area is underlain by a Jurassic- to Cretaceous-aged volcano-sedimentary sequence which has been intruded by granodioritic and dioritic intrusions of presumed Tertiary age.

Seven different intrusive lithologies and two apparently distinct sedimentary sequences are found on the property. The southern portion of the Project area is underlain by dioritic and granodioritic, medium-grained equigranular intrusive rocks. The central portion of the Project area is underlain by clastic strata comprising siltstones, arkoses, greywackes, and less commonly, quartzites. Spherulitic rhyolitic sills intrude the clastic strata. Both intrusive and structural contacts were observed between the sedimentary strata and the dioritic and granodioritic intrusive rocks.

Status of Exploration

Sonoro Metals Corp conducted an exploration reverse-circulation drilling program which included 96 holes totaling 10,328 m and surface sampling at the Cerro Caliche Project. The drilling program consisted of two phases, one completed in December 2018 and the second completed in June 2019.

Mineral Resource Estimate

The mineral resource estimate was prepared under the direction of Robert Sim, P.Geo, with the assistance of Bruce Davis, PhD, FAusIMM. This report describes the mineral resource estimation methodology and summarizes the key assumptions considered by the Qualified Person (QP) to prepare the mineral resource model for the gold and silver mineralization at the Cerro Caliche Project in northern Mexico. This is the first estimate of mineral resources for the Cerro Caliche deposit.

The mineral resource estimate was generated using drill hole sample assay results and the interpretation of a geological model which relates to the spatial distribution of gold and silver. Interpolation characteristics were defined based on the geology, drill hole spacing, and geostatistical analysis of the data. The mineral resources were classified according to their proximity to the sample data locations and are reported according to the CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014), as required by NI 43-101.

Estimations are made from 3D block models based on geostatistical applications using commercial mine planning software (MinePlan® v15.4, formerly known as "MineSight").

The project limits are based in the UTM coordinate system (NAD27) using a nominal block size measuring 6 m × 6 m × 5 m (l × w × h).

Gold and silver grades in the resource block model are estimated using ordinary kriging, and the results have been validated using a combination of visual and statistical methods to ensure that they are a reasonable representation of the underlying sample data.

Histograms and probability plots for the distribution of gold and silver were reviewed to identify the presence of anomalous outlier grades in the composited (1.5 m) database. Following a review of the physical location of potentially erratic samples in relation to the surrounding sample data, it was decided that these would be controlled during block grade interpolations using a combination of traditional top-cutting and the application of outlier limitations.

No specific gravity (SG) measurements were conducted at Cerro Caliche. Based on a review of rock densities at similar nearby projects, an SG value of 2.50 was used to calculate mineral resources.

The mineral resources for the Cerro Caliche deposit were classified in accordance with the CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014). The classification parameters are defined relative to the distance between gold sample data and are intended to encompass zones of reasonably continuous mineralization that exhibit the desired degree of confidence. These parameters are based on visual observations and statistical studies. Classification parameters are based primarily on the nature of the distribution of gold data as it is the main contributor to the relative value of the deposit.

Mineral resources in Inferred category include model blocks that are located within a maximum distance of 100 m from a drill hole. At this stage of project evaluation, there are no mineral resources included in the Measured or Indicated categories.

Mineral resources in the Inferred category have a lower level of confidence than that applied to mineral resources in the Indicated category, and, although there is sufficient evidence to imply geologic grade and continuity, these characteristics cannot be verified based on the current data. It is reasonably expected that a majority of Inferred mineral resources could be upgraded to Indicated (or Measured) mineral resources with continued exploration.

The estimate of mineral resources is constrained within a pit shell to establish reasonable prospects for eventual economic extraction. The pit shell was generated using the following projected technical and economic parameters:

• Mining (open pit)	$1.75/t
• Processing	$6.80/t
• G&A	$1.50/t
• Gold price	$1,500/oz
• Silver price	$17.00/oz
• Gold process recovery	72%
• Silver process recovery	30%
• SG	2.50
• Pit slope	50 degrees

The operating cost assumptions are derived from current local operations (open pit heap leach gold mines) in the vicinity of the Cerro Caliche Project. It is not uncommon to use elevated metal prices, representing reasonable long-term metal prices, for the estimation of mineral resources; the gold and silver prices listed above represent about a 5% increase over the current metal prices as of the effective date of the mineral resource estimate. The projected metallurgical recoveries are derived from studies conducted on proximal deposits of similar geologic and mineralogical characteristics. The pit slope angle is based on similar pit slopes currently being used in similar rock types at the nearby La Colorada and Cerro Prieto mines.

Based on the metal prices and recoveries listed here, recoverable gold equivalent (AuEqR) grades are calculated using the following formula:

$$AuEqR = (Au\ g/t \times 0.72) + (Ag\ g/t \times 0.01133 \times 0.30)$$

The pit shell is generated using a floating cone algorithm based on the recoverable gold equivalent block grades. There are no adjustments for mining recoveries or dilution and the extent of the resource limiting pit shell has been constrained within the property boundary owned by Sonoro. This test indicates that some of the deeper mineralization may not be economic due to the increased waste-stripping requirements. It is important to recognize that discussions surrounding surface mining parameters are used solely to test the “reasonable prospects for eventual economic extraction,” and they do not represent an attempt to estimate mineral reserves. There are no mineral reserves calculated for the Cerro Caliche Project.

The estimate of mineral resources, contained within the $1,500/oz Au pit shell, is shown in Table 1.1. Based on the assumed metal prices, operating costs and metallurgical recoveries listed above, the base case cut-off grade for mineral resources is estimated to be 0.25 g/t gold equivalent (AuEq). The AuEq grades shown in Table 1.1 represent in-situ equivalent grades and are calculated using the formula AuEq = Au g/t + (Ag g/t x 0.01133). The average SG of the mineral resource is assumed to be 2.50.

The QPs are not aware of any factors related to environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant factors which could materially affect the mineral resource.

Table 1.1: Estimate of Inferred Mineral Resources for the Cerro Caliche Project

Category	Tonnes (000)	Average Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
Inferred	11,470	0.545	0.495	4.3	201	183	1,601

Note: The estimates in the above table are limited inside the $1,500/oz Au pit shell. The base case cut-off grade is 0.25 g/t gold equivalent (AuEq). AuEq = Au g/t + (Ag g/t x 0.01133). Mineral resources are not mineral reserves because the economic viability has not been demonstrated.

Conclusions

Based on the evaluation of the data available from the Cerro Caliche Project, the authors of this Technical Report have drawn the following conclusions:

- The Cerro Caliche deposit exhibits features that are typical of low-sulphidation epithermal style deposits. Mineralized zones are often structurally controlled and extend for strike lengths of up to 1 km and to depths approaching 200 m below surface.
- Many of the mineralized zones remain "open" along strike and at depth. Numerous other mineralized zones have been identified by surface mapping and surface geochemical rock sampling.
- Exploration activities conducted by Sonoro and the previous operators of the property followed industry standards, and the resulting database is considered to be reliable to support estimates of mineral resources.
- Drilling to date has outlined an estimated Inferred mineral resource (at a 0.25 g/t gold equivalent cut-off grade) of 11.5M tonnes at an average grade of 0.495 g/t gold and 4.3 g/t silver. It is assumed that the mineral resource is amenable to open pit extraction methods.
- Preliminary metallurgical test work has only recently been initiated by Sonoro. The majority of the rocks that host the mineral resources at Cerro Caliche are highly oxidized and it is likely that the deposit is amenable to low-cost heap leach extraction methods. There are several proximal deposits that have similar geologic characteristics that are currently extracting gold and silver through heap leach extraction.
- The QPs are not aware of any known factors related to metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which could materially affect the mineral resource estimates.

Recommendations

The following work is recommended for the Cerro Caliche Project:

Based on the review of the data provided, the authors recommend the following:

- Conduct a Phase Three drilling program that includes:
  - A 500 m infill drilling program comprising large-diameter (PQ) core drilling. This will provide valuable structural and mineralization information. The estimate budget is US$65,000.
  - A 6,500 m, reverse-circulation drilling program to increase the confidence of the known mineral resource and identify potential expansion of known mineralization. The estimated budget is US$345,000.
- Conduct a detailed metallurgical analysis of the known mineralized area.
- Review the existing data to integrate the geology, alteration, observations, and known structure into a 3D model. This will help target areas for potential expansion.
- Continue to explore for extensions of existing mineralized zones.
- Drill a series of diamond drill holes in each mineralized zone to gain additional information related to geologic and metallurgical characteristics.
- Conduct a suite of cyanide soluble gold assays on a select suite of samples to better understand the nature and distribution of soluble gold.
- Attempt to locate the older drilling data generated by Cambior.

Table 1.2 shows the proposed budget for the recommended program.

Table 1.2: Proposed Budget

Service		Cost	No. of Units	Days	Total	
Contract Geologists and Assistants	per day	$ 230.00	4	100	$ 92,000	
Travel, Expenses	per day	$ 50.00	4	100	$ 20,000	
Vehicle Rental	per day	$ 90.00	4	98	$ 35,280	
500 m PQ Core Drilling	per metre	$ 130.00	500		$ 65,000	
6,500 m RC Drilling	per metre	$ 53.00	6500		$ 344,500	
Assays	per sample	$ 40.00	5000		$ 200,000	
Heavy Equipment Rental	per hour	$ 165.00	350		$ 57,750	
Other Equipment Rental	per day	$ 50.00	200		$ 10,000	
Metallurgical/Technical Studies/Reporting					$ 230,000	
Supplies Drilling					$ 17,000	
Surface Access Payments					$ 48,000	
Legal Opinion					$ 25,000	
		Sub-Total			**$ 1,144,530**	
	Mexico Value-Added Tax (VAT) @ 16%				$ 183,125	
Management Fees	10%				$ 132,765	
Contingency 15%					$ 171,680	
		Total			$ 1,632,100	USD

2 INTRODUCTION

Sonoro Metals Corp. (Sonoro) retained Derrick Strickland, P.Geo and Robert Sim, P.Geo, SIM Geological Inc. (SGI) to provide an initial mineral resource estimate for the mineralized zones located on the Cerro Caliche Project. They are both responsible for the preparation of this technical report on the Cerro Caliche Project, which has been prepared in accordance with National Instrument 43-101 (NI 43-101) and Form 43-101F1 Technical Report (Form 43-101F1).

Both authors are independent qualified persons (QPs) as defined by Canadian Securities Administrators NI 43-101 *Standards of Disclosure for Mineral Projects*.

This report will be filed with the securities commission in all the Canadian provinces with the exception of Quebec.

To prepare this report, the authors used information provided by Sonoro as well as other technical reports in the region that have been previously published on www.sedar.com. Results for the historical exploration on the property are discussed in Section 6 (History) of this report. A list of reports, maps, and other information examined by the authors is provided in Section 27 (References) of this report.

All measurement units used in this report are metric, and all currency is expressed in U.S. dollars (USD) unless stated otherwise.

The Cerro Caliche Project, located in the Cucurpe Mining District of Sonora State in Northwestern Mexico, covers approximately 1,400 ha of mineral concessions.

Derrick Strickland visited the Cerro Caliche Project on December 11, 2018 to review the geological setting. The following Sonoro personnel accompanied Strickland on the site visit: John M. Darch (Chairman; Director), Kenneth MacLeod (President; CEO; Director), Melvin Herdrick (VP, Exploration) and Jorge Diaz (Operations Manager, Mexico). Strickland visited the Cerro Caliche Project again on July 10, 2019 with Melvin Herdrick (VP, Exploration). During the two site visits, Strickland collected a total of 27 verification samples from the Project area. When Strickland visited the Cerro Caliche Project on December 11, 2018, 45 drill holes had been completed. In December 2018, Sonoro was intending to have a non-resource NI 43-101 generated. In the early part of 2019, Sonoro management decided to wait until all of the 96 reverse-circulation holes totaling 10,328 m were completed to generate a maiden resource. As a result, Strickland completed a second site visit on July 10, 2019 to verify the remaining 51 reverse-circulation drill holes.

Robert Sim has not visited the Cerro Caliche Project.

The authors reserve the right to, but are not obliged to, revise the report and its conclusions if additional information becomes known subsequent to the effective date of this report.

The information, opinions, and conclusions contained in this technical report are based on:

- Information available to the authors at the time of preparation of this report;
- Assumptions, conditions, and qualifications as set forth in this report; and
- Discussions with Sonoro personnel.

As of the release date of this technical report, the authors are not aware of any material fact or material change with respect to the subject matter of this technical report that is not included herein, or which the omission to disclose could make this technical report misleading.

2.1 Abbreviations and Acronyms

Abbreviations and acronyms used throughout this report are shown in Table 2.1.

Table 2.1: Abbreviations and Acronyms

Description	Abbreviation or Acronym
Autorizacion en Cambio de Uso de Suelo (Land Use Change Authorization)	CUS
aluminum	Al
antimony	Sb
arsenic	As
atomic absorption spectroscopy	AAS
barium	Ba
beryllium	Be
bismuth	Bi
cadmium	Cd
calcium	Ca
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
Cerro Caliche Project	Project
chromium	Cr
cobalt	Co
copper	Cu
degree	º
degrees Celsius	ºC
digital elevation model	DEM
east	E
exploratory data analysis	EDA
gallium	Ga
general and administrative	G&A
geographic information system	GIS

Description	Abbreviation or Acronym
global positioning system	GPS
gold	Au
gold equivalent	AuEq
gram	g
grams per tonne	g/t
hectare	ha
inductively coupled plasma	ICP
inductively coupled plasma atomic emission spectroscopy	ICP-AES
inverse distance weighted	ID2
iron	Fe
joint venture	JV
kilogram	kg
kilometre	km
Laboratorio Tecnológico de Metalurgia	LTM
lanthanum	La
lead	Pb
length x width x height	L x W x H
magnesium	Mg
Manifesto de Impacto Ambiental (Environmental Impact Statement)	MIA
manganese	Mn
metre	m
millimetre	mm
million ounces	Moz, M ounces
million pounds	Mlbs
million tonnes	Mt, Mtonnes
minute (plane angle)	‘
molybdenum	Mo
National Instrument 43-101	NI 43-101
nearest neighbour	NN
net smelter return	NSR
nickel	Ni
ordinary kriging	OK
ounce	oz
Paget Southern Resources	Paget

Description	Abbreviation or Acronym
parts per billion	ppb
parts per million	ppm
percent	%
phosphorus	P
potassium	K
pound	lb
Professional Geoscientist	P.Geo
qualified person	QP
quality assurance/quality control	QA/QC
recoverable gold equivalent	AuEqR
scandium	Sc
Servicio Geologico Mexicano	SGM
seconds (plane angle)	"
Secretaria del Medio Ambiente y Recursos Naturales (Secretary of the Environment and Natural Resources)	SEMARNAT
selective mining unit	SMU
Sierra Madre Occidental	SMO
silver	Ag
SIM Geological Inc.	SGI
sodium	Na
Sonoro Metals Corp.	Sonoro
specific gravity	SG
strontium	Sr
sulphur	S
thallium	Tl
thorium	Th
thousand ounces	koz
three-dimensional	3D
titanium	Ti
tonne	t
tonnes per cubic metre	t/m^3
tungsten	W
United States dollar	USD
Universal Transverse Mercator	UTM
uranium	U

Description	Abbreviation or Acronym
vanadium	V
zinc	Zn

2.2 Information Sources

This technical report sourced historical geological information from Gray (2007) for the Cerro Caliche Project.

Sonoro provided an historical electronic database to the authors. The database contained numerous GIS files and Excel files (.xls), and this information is summarized in Section 6 (History).

Sonoro provided the authors with information regarding the legal status of Sonoro and its related companies, the current details of the property title, material terms for all agreements, and material environmental and permitting information that pertain to the Cerro Caliche Project.

The authors have not independently verified the ownership information and express no legal opinion as to the ownership status of the property.

The information, conclusions, and recommendations contained herein are based on:

- Mr. Strickland's field observations; and
- Data, reports and other information supplied by Sonoro and other third parties.

3 RELIANCE ON OTHER EXPERTS

The authors have not relied on any other experts to complete this report.

4 PROPERTY DESCRIPTION AND LOCATION

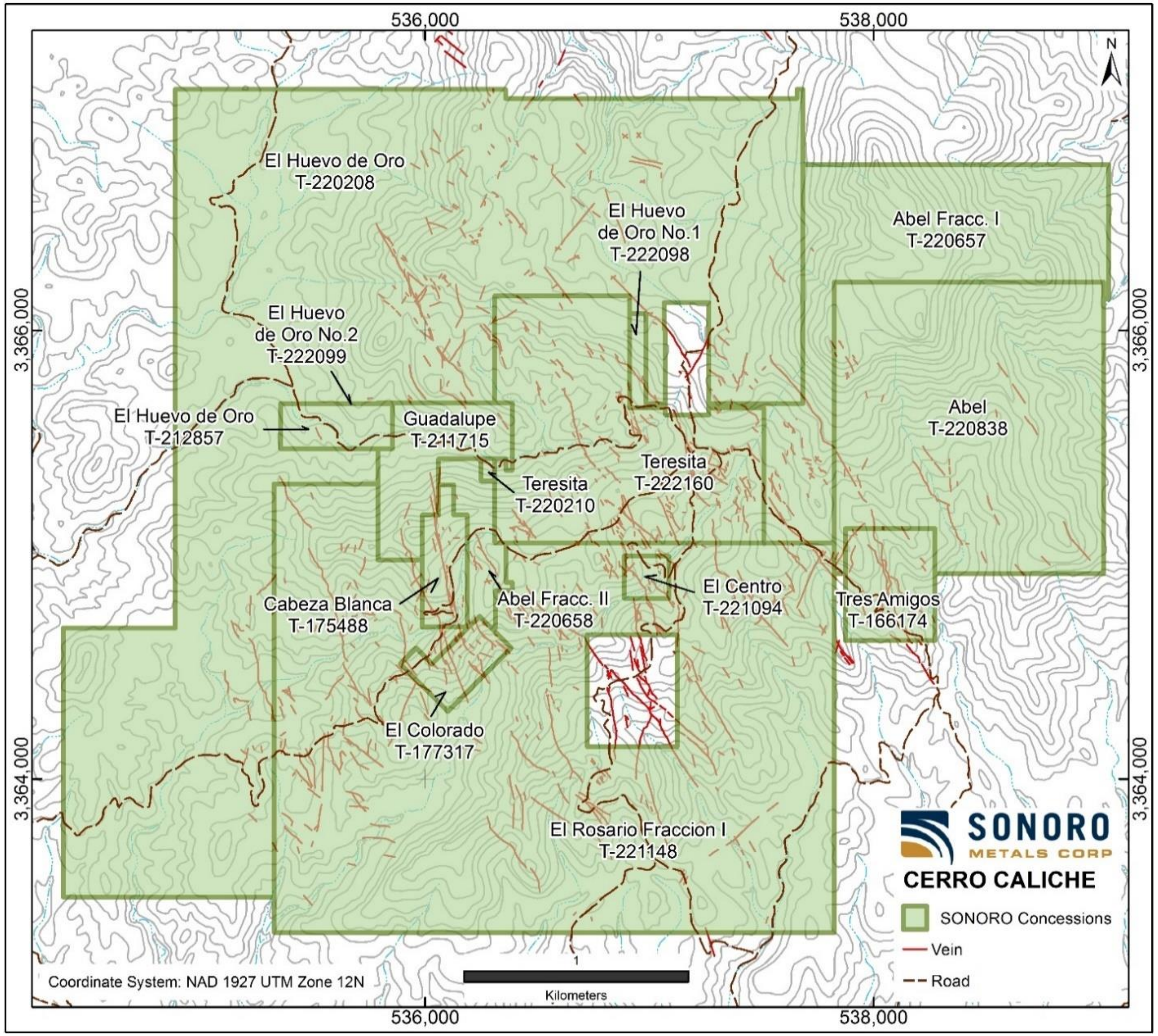
The Cerro Caliche Project comprises 15 mining concessions covering a total of 1,350.10 ha (see Table 4.1). The Project is located in the municipality of Cucurpe, State of Sonora, Mexico, approximately 40 km southeast of the city of Magdalena, Sonora, and 150 km north-northeast of the city of Hermosillo, Sonora (see Figure 4-1).

The centre of the Project area is located at UTM Zone 12, 536,740E 3,365,100N, (WGS84), or north latitude 30º 24’ 55” west longitude 110º 37’ 07”, UTM coordinates referred to in this report are UTM WGS84 unless stated otherwise.

Table 4.1: Concessions

Concession Number	Title Number	Concession Holder	Area (ha)
Tres Amigos	166174	Jesús Héctor Pavlovich Camou 50%;Raúl Ernesto Seym Gutierrez 50%	20.00
Cabeza Blanca	175488	Héctor Fernando Albelais Peral	10.00
Guadalupe	211715	Juan Pedro Fernández Duarte	24.59
El Huevo de Oro	212857	Juan Pedro Fernandez Duarte	10.00
El Huevo de Oro	220208	Juan Pedro Fernandez Duarte	510.84
Teresita	220210	Juan Pedro Fernandez Duarte	0.59
Abel Fracc I	220657	Juan Pedro Fernandez Duarte	99.09
Abel Fracc II	220658	Juan Pedro Fernandez Duarte	11.89
Abel	220838	Juan Pedro Fernandez Duarte	147.98
El Centro	221094	Edward Rivas Hoffman	3.77
El Rosario Fracc I	221148	Edward Rivas Hoffman	399.69
Huevo de Oro No. 1	222098	Juan Pedro Fernandez Duarte	3.30
Huevo de Oro No. 2	222099	Juan Pedro Fernandez Duarte	0.03
Teresita	222160	Juan Pedro Fernandez Duarte	99.33
El Colorado	177317	Felipe Albelais Varela	9.00
Total			1,350.10

Figure 4-1: Location Map



Source: Oscar Gonzalez, 2018, Sonoro Metals Corp.

4.1 Mineral Rights

4.1.1 Overview of Mining Law

Mineral exploration and mining in Mexico are regulated by the Mining Law of 1992, which establishes that all minerals found in Mexican territory are owned by the Mexican nation, and that private parties may exploit such minerals (except oil and nuclear fuel minerals) through mining licenses, or concessions, granted by the Federal Government.

Under the terms of the original law, exploration concessions were granted for a period of six years and exploitation concessions for a period of 50 years. There was no provision to extend the term of the exploration concession, but exploitation concessions were renewable one time for an additional term of fifty years.

On April 29, 2005, the Mexican Congress published several amendments to the Mining Law of 1992. According to these amendments, historical exploration and exploitation concessions were replaced by a single concession type, the mining concession, which gives the holder both exploration and exploitation rights subject to the payment of relevant taxes (see Table 4.2). Historical exploration and exploitation concessions were automatically transformed into mining concessions with a single term of 50 years from the date the concession was first registered at the Public Registry of Mines. Accordingly, exploration concessions that were originally issued for a term of six years now have a term of 50 years from the date the exploration concession was originally registered. Under the new amendments, the concession holder has all the rights previously granted for an exploitation concession under the old law.

Concessions may be granted to or acquired by Mexican individuals, local communities with collective ownership of the land known as *ejidos*, and companies incorporated pursuant to Mexican law, with no foreign ownership restrictions for such companies. While the Mexican Constitution makes it possible for foreign individuals to hold mining concessions, the Mining Law does not allow it. This means that foreigners wanting to engage in mining in Mexico must establish a Mexican corporation for that purpose or enter into joint ventures with Mexican individuals or corporations.

Maintenance obligations with respect to a mining concession require that the owner perform assessment work, pay mining taxes, and comply with environmental laws to avoid cancellation.

The Mexican Mining Law Regulations establish that a minimum amount of assessment work is required for exploration concessions, or exploration and/or exploitation work, in the case of exploitation concessions.

Table 4.2: Mexican Tax Payments

Year	Payment per Hectare (Mexican Pesos)
1–2	4.42
3–4	6.61
5–6	13.68
7–8	27.51
9–10	55.01
After 10	96.83

Mexican Mining Law also imposes a 7.5% annual tax on any profits from the extraction and sale of mineral commodities, and there is an additional 0.5% gross sales tax on mining production of gold, silver, and platinum. Both taxes are in additional to the national corporate income tax rate of 30%.

4.1.2 Property Agreements

The Project comprises 15 mining concessions covering 1,350.10 ha. Through a Mexican subsidiary, Minera Mar de Plata, S.A. de C.V., Sonoro Metals Corp. may obtain 100% interest in the 15 concessions via five discreet option agreements totalling $4,982,000 of payments and the granting of 250,000 shares of Sonoro Metals Corp. over a 72-month period.

Cerro Caliche Group of Concessions

By option agreement dated January 23, 2018 between Sonoro and Juan Pedro Fernández Duarte, Sonoro can acquire 100% interest the Cerro Caliche Group of concessions.

The Cerro Caliche Option Agreement provides for Sonoro to acquire 100% interest in Cerro Caliche over a 72-month period for total consideration of $2.98 million payable in the following instalments:

- December 18, 2017 (deposit) $ 10,000
- On Signing $117,000
- January 23, 2019 $200,000
- January 23, 2020 $300,000
- July 23, 2020 $200,000
- January 23, 2021 $200,000
- July 23, 2021 $250,000
- January 23, 2022 $250,000
- July 23, 2022 $300,000
- January 23, 2023 $300,000
- July 23, 2023 $400,000
- January 23, 2024 $450,000

The Cerro Caliche Group of concessions consists of El Huevo de Oro (#212857), El Huevo de Oro (#220208), Teresita (#222160), Teresita (#220210), Abel Fracc. I (#220657), Abel Fracc. II (#220658), Guadalupe (#211715). El Huevo de Oro (#212857), El Huevo de Oro (#220208), Huevo de Oro No. 1 (222098) and Huevo de Oro No. 2 (222099). Abel concession (#220838) are titled to Juan Pedro Fernández Duarte (67%) and José Arturo Gálvez Magallanes (33%). In a subsequent deal dated February 16, 2018, Juan Pedro Fernández Duarte acquired the remaining 33% of Abel concession (#220838) from the José Arturo Gálvez Magallanes estate for a payment of $300,000 Mexican pesos (approximately $15,000 USD).

After exercising the option, the Juan Pedro Fernández Duarte concessions will have a 2% net smelter return (NSR) royalty from the proceeds of the sale of minerals from Cerro Caliche. Sonoro has been granted an option to purchase the NSR at any time for $1.0 million for each 0.5% of the NSR.

El Centro and El Rosario Fracc I Concessions

In a deal dated October 5, 2018 between Sonoro and Sr. Eduardo Rivas Hoffman, Sonoro can acquire 100% interest El Centro (#221094) and El Rosario Fracc I (#221148) for $1.6 million payable in the following instalments:

- On Signing $60,000
- March 14, 2019 $75,000
- March 14, 2020 $90,000
- March 14, 2021 $150,000
- March 14, 2022 $300,000
- March 14, 2023 $375,000
- March 14, 2024 $550,000

After exercising the Rosario Option, Eduardo Rivas Hoffman will be entitled to a 2% NSR royalty from the proceeds of the sale of minerals from the Rosario project. Sonoro has been granted an option to purchase the NSR at any time for $1.0 million for each 1% of the NSR.

Tres Amigos Concession

By option agreement dated May 2, 2018 between Sonoro and Sr. Jesús Héctor Pavlovich Camou and Raúl Ernesto Seym Gutiérrez, Sonoro can acquire 100% interest in Tres Amigos (#166174) for $130,000 payable in the following instalments:

- On signing $14,444
- November 2, 2018 $14,444
- May 2, 2019 $14,444
- November 2, 2019 $14,444
- May 2, 2020 $14,444
- November 2, 2020 $14,444
- May 2, 2021 $14,444
- November 2, 2021 $14,444
- May 2, 2022 $14,444

El Colorado Concession

On August 10, 2018 Sonoro Metals Corp. entered into an option agreement to acquire 100% interest in the El Colorado (#177317) concession from Luis Felipe Albelais Cano, acting on behalf of the estate of his deceased father, Felipe Albelais Varela. Sonoro can acquire 100% interest in the El Colorado concessions by paying $100,000; $50,000 has already been paid, and the balance was due six months from the date the agreement was signed. The company reports that the El Colorado concession is full paid for.

Cabeza Blanca Concession

By option agreement dated October 5, 2018 between Sonoro and Hector Fernando Albelais Peral and Maria Fernanda Robles Contreras, Sonoro can acquire 100% interest in Cabeza Blanca (#175488) for $175,000 and 250,000 shares of Sonoro with no NSR royalty payable in the following instalments:

- On signing — $5,000 (plus 250,000 shares)
- November 5, 2018 — $20,000
- January 5, 2019 — $10,000
- October 5, 2019 — $70,000
- October 5, 2020 — $70,000

Surface Rights

Surface rights in the Project area are controlled by the Rancho Cerro Prieto, a family-owned ranch represented by Sr. Fernando Padres Equrrola. Exploration work to date has been conducted exclusively on this privately held land for which Sonoro has received permission to enter and explore in consideration for annual payments of $48,000. The agreement is valid from July 1, 2018, to June 30, 2025.

The authors have not independently verified surface ownership and have accepted the representations made by Sonoro.

4.2 Permitting

Exploration and mining activities in Mexico are controlled by the Secretaria de Medio Ambiente y Recursos Naturales (Secretary of the Environment and Natural Resources or SEMARNAT). The Cerro Caliche Project is not included in any specially protected, federally designated ecological zones; therefore, basic exploration activities are regulated under NORMA Oficial Mexicana NOM-120-ECOL-1997 (NOM-120). NOM-120 allows for the following activities: mapping, geochemical sampling, geophysical surveys, mechanized trenching, road building, and drilling. NOM-120 defines all the impact-mitigation procedures that must be followed for each activity. All exploration work conducted to date has adhered to NOM-120.

Mine construction and mine operation activities generally require a Manifesto de Impacto Ambiental (Environmental Impact Statement or MIA). A properly prepared MIA application and operating permit for a project that does not affect federally protected biospheres or ecological reserves can usually be approved within 12 months. Most mining and construction activities will also require an Autorizacion en Cambio de Uso de Suelo (Land Use Change Authorization or CUS. To obtain a CUS, the applicant must present a report summarizing the biological and ecological characteristics of the affected area and compensate the National Forestry Commission of Mexico. The amount is determined by the type of vegetation affected, degree of impact, and estimated cost to reclaim the disturbed surface area.

In a press release dated October 10, 2018, Sonoro stated "An *informe preventivo* environmental permit (valid for two years) has been granted by the Mexican Secretariat of Environment and Natural Resources (SEMARNAT) for the drilling of 87 reverse-circulation holes, equivalent to approximately 10,000 metres of drilling. The permit also provides for the construction of new drill pads and roads into previously undrilled areas, in addition to the reuse of earlier pads for new drill holes."

The Cerro Caliche Project is shown in Figure 4-2.

Figure 4-2: Cerro Caliche Project

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

Road access to the Cerro Caliche Project is via paved Federal Highway 15 from Hermosillo to the town of Magdalena, a distance of 185 km, then southeast via the paved Magdalena–Cucurpe two-lane highway, a distance of 40 km, then turning northeast onto an unsurfaced all weather road continuing 14 km to a locked gate, then continuing 4.8 km into the centre of the Project area. Driving time from Magdalena to the Project area is 1.5 hours and driving time from Hermosillo is 3.5 hours.

5.2 Local Resources and Infrastructure

Basic services and provisions, including phone, lodging, meals, gasoline, etc., may be obtained in Magdalena. The border towns of Nogales and Sonora, Mexico and Nogales, Arizona are within a three-hour drive of the Project (see Figure 5-1).

5.3 Physiography

Vertical relief in the Project area is approximately 710 m, from a maximum elevation of 1,720 m at Cerro El Caliche to a minimum elevation of 1,080 m in the arroyos draining the southernmost portion of the Project area. A radial dendritic drainage pattern with moderate hill slopes is centred about Cerro El Caliche. Vegetation is dominated by short grasses and mesquite, ocotillo, and saguaro cactus.

5.4 Climate

Exploration and mining work can be conducted in all seasons, although the periods from June to September and December to January are often marked by abundant rains. During periods of significant rainfall, unimproved roads may become temporarily impassable. Summertime high temperatures may exceed 40^{o}C. During winter, snow accumulations are possible. Climates in the Project area are classified as hot, semi-arid and temperate, semi-arid (Consejo de Recursos Minerales, 1992).

Figure 5-1: Los Japoneses and Roads

6 HISTORY

The Cerro Caliche Project lies within the Cucurpe mining region. Earliest recorded mining activity in the region dates back to the 1800s and this is evidenced by numerous small-scale artisanal mines and surface cuts, principally along structurally controlled mineralized zones and veins (Figure 6-1 and Figure 6-3).

The Cerro Caliche Project hosts hundreds of surface cuts, prospect pits, and small-scale underground mines developed on steeply to moderately dipping, structurally controlled mineralized zones and quartz veins (Figure 6-1).

Los Japoneses (Figure 6-3) is the site of extensive historical mining on the Cerro Caliche Project. It is the location of a three-level mine, portions of which were mined from the surface down to a vertical distance of at least 100 m. Splays and sub-parallel structures are mapped and evidence of gambusino interest is evident in the smaller pits and shallow shafts that dot the area. Rock types in this area include sandstone, quartz feldspar porphyry and minor siltstone. Alteration is mapped as predominantly phyllic, with lesser sericite-illite. Iron oxides are abundant and consist of both fracture-controlled and disseminated hematite and goethite.

6.1 Cambior Exploration (1990s)

Gray (2007) reported that in the 1990s Cambior Exploration assembled a mining concession package of 4,200 ha encompassing part of the Cerro Caliche Project. Cambior Exploration referred to the project as “Los Japoneses” and completed extensive surface geochemical sampling of the area and a small drilling program prior to abandoning the project in the late 1990s.

Cambior Exploration conducted a small reverse-circulation drilling program in the Project area in 1997 and 1998 before leaving Mexico. The detailed results are unknown to the authors; however, the drilling program comprised 2,245 m in 15 drill holes, averaging 150 m long.

Gray (2007) also reports a summary of drill holes completed in 1998. Detailed information regarding these drill holes is not available. All holes drilled in 1997 were angled 45º and were designed to cut across interpreted northwest-striking structural controls. Two areas were tested: 13 drill holes in the Los Japoneses area, and 2 drill holes in the El Colorado area.

All drill holes intercepted anomalous to high-grade, near-surface gold mineralization, with the best intercepts reported as: 24 m @ 1.1 g/t Au, 6 m @ 12.9 g/t Au, 29 m @ 0.6 g/t Au, 8 m @ 3.4 g/t Au, 5 m @ 4.7 g/t Au, and 92 m @ 0.3 g/t Au.

The original assay results, drill logs, and drill hole location maps are unavailable, and the location of these drill holes and their intercepts are not known. None of the drilling conducted by Cambior was used in the estimate of mineral resources for the Cerro Caliche Project.

6.2 Corex Gold Corporation (2006 to 2008)

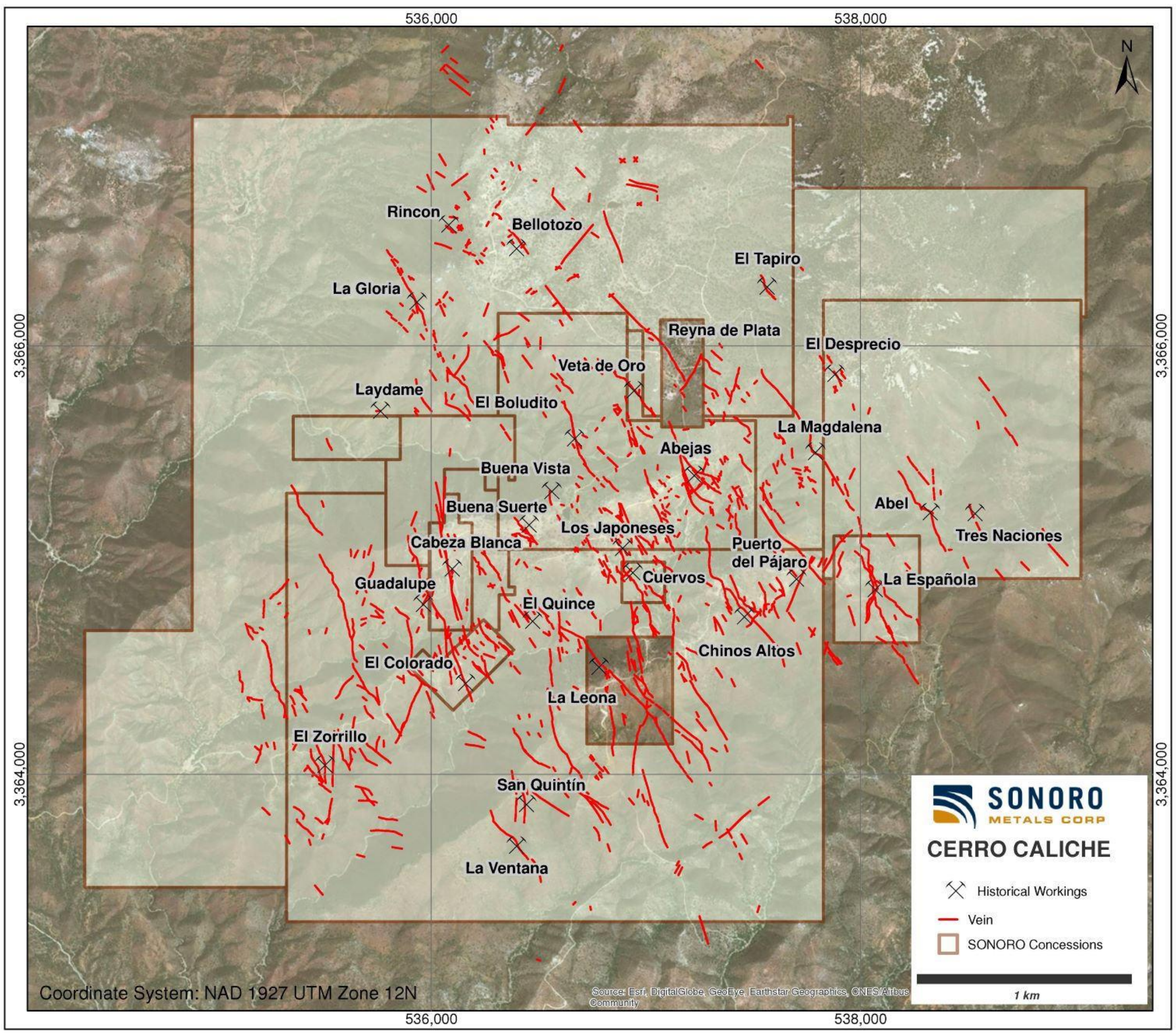
In 2006, Corex Global S. de R.L. de C.V., a subsidiary of Corex Gold Corporation (Corex Gold), initiated reconnaissance evaluations of the Cucurpe region and identified the Cerro Caliche

Project as being of significant interest and began negotiations to acquire the key concessions. In February 2007, Corex Gold began a program of detailed geological mapping (at 1:5,000 and 1:1,000) and geochemical rock-chip sampling.

All holes were reverse circulation, and most were short, inclined holes cutting shallow intercepts below the known vein systems. While most of the holes cut short low-grade intercepts, there were several highlights; these are shown in Tables 6.1 and 6.2. The best results are from the Los Japoneses vein area with up to 35 g/t Au (hole CCR-18).

Drill hole spacing varied from 25 m to greater than 90 m, and holes are spaced along the entire 700 m of strike length on Los Japoneses mineralized zone. Assay results are complete for all drill holes. The drill holes are reported from the northern end of the structure to the southern end.

Figure 6-1: Historical Artisanal Workings and Known Veins



Source: Oscar Gonzalez 2019, Sonoro Metals Corp.

Corex Gold stated the gold mineralization is structurally controlled by a normal listric fault system and a major fault host “Bull” quartz vein and “opening” for gold mineralized quartz veining of 150 to 200 m long and <15 m wide with the gold-mineralized quartz veining stage. Splays are narrow and low grade often dipping opposite and minor sub-parallel to main structures located at hanging wall rock and only in Los Japoneses area are located at foot wall rock.

In 2008, an incomplete internal report by Corex Gold contained a gold mineral resource calculation for the Cerro Caliche Project. The current resources which is the subject of this technical report supersedes the Corex Gold resource (see details in section 14).

Table 6.1: Historical Corex Gold Drill Hole Locations

Hole_ID	Az	Dip	EOH	WGS84E	WGS8N		Hole_ID	Az	Dip	EOH	WGS84E	WGS8N
CCR-01	235	-45	163	536810	3365381		CCR-47	235	-45	76	536398	3365339
CCR-02	235	-45	183	537246	3365587		CCR-48	235	-50	104	536414	3365302
CCR-03	235	-45	102	537066	3365532		CCR-49	235	-50	52	538021	3365088
CCR-04	235	-45	145	536827	3365241		CCR-50	240	-50	67	538105	3364827
CCR-05	235	-45	111	536872	3365129		CCR-51	235	-50	82	538054	3364954
CCR-06	235	-50	172	536767	3365455		CCR-52	235	-50	55	537201	3365449
CCR-07	235	-45	145	536736	3365316		CCR-53	245	-55	49	536980	3365885
CCR-08	235	-45	87	536930	3365079		CCR-54	235	-45	46	537142	3365665
CCR-09	235	-45	184	537013	3364860		CCR-55	235	-50	67	536022	3365249
CCR-10	235	-45	145	536900	3365312		CCR-56	235	-45	78	537001	3364949
CCR-11	235	-50	151	536889	3365239		CCR-57	235	-50	85	537107	3364926
CCR-12	235	-45	145	537111	3364825		CCR-58	235	-50	49	536006	3365364
CCR-13	235	-45	139	537147	3364765		CCR-59	235	-50	67	535996	3364957
CCR-14	235	-45	206	537049	3364978		CCR-60	235	-50	73	536858	3365221
CCR-15	235	-45	175	537003	3365038		CCR-61	235	-50	91	537276	3365612
CCR-16	235	-45	181	536770	3365555		CCR-62	235	-50	67	536844	3365113
CCR-17	55	-45	108	536772	3365330		CCR-63	235	-65	116	537065	3365000
CCR-18	55	-45	105	536801	3365350		CCR-64	235	-50	85	537285	3365540
CCR-19	55	-45	53	536954	3365472		CCR-65	235	-50	91	536995	3364913
CCR-20	235	-50	47	536022	3365225		CCR-66	235	-50	61	536033	3365236
CCR-21	235	-45	53	536054	3365157		CCR-67	245	-55	43	535681	3364476
CCR-22	250	-45	66	537183	3365624		CCR-68	245	-50	52	535744	3364386
CCR-23	235	-45	66	537202	3365553		CCR-69	245	-50	43	535584	3364844
CCR-24	235	-45	59	537126	3364734		CCR-70	235	-45	29	536020	3365299
CCR-25	235	-50	120	536973	3364901		CCR-71	235	-50	52	536973	3364990
CCR-26	235	-45	117	536973	3364940		CCR-72	235	-45	73	536869	3365171
CCR-27	235	-65	114	537046	3364979		CCR-73	235	-45	76	537032	3364910
CCR-28	235	-45	50	537118	3365229		CCR-74	55	-45	134	536804	3365324
CCR-29	235	-50	50	537157	3365648		CCR-75	235	-45	108	537239	3365544
CCR-30	235	-50	59	537197	3365515		CCR-76	235	-65	122	537113	3364934
CCR-31	235	-50	59	537270	3365571		CCR-77	235	-55	152	537117	3364970
CCR-32	55	-45	72	536711	3365368		CCR-78	235	-55	85	537046	3364920
CCR-33	235	-45	99	537070	3364962		CCR-79	235	-45	67	537221	3365590
CCR-34	235	-50	99	537032	3365005		CCR-80	235	-50	76	537288	3365584
CCR-35	235	-45	41	537008	3365855		CCR-81	235	-45	98	536873	3365294
CCR-36	235	-50	53	537125	3365293		CCR-82	235	-50	102	537297	3365622
CCR-37	235	-50	50	537479	3365002		CCR-83	235	-50	93	536883	3365146
CCR-38	195	-50	62	537445	3364940		CCR-84	235	-65	99	537146	3365303
CCR-39	195	-45	66	537425	3364963		CCR-85	235	-45	59	537220	3365425
CCR-40	50	-45	87	536697	3365386		CCR-86	235	-65	154	537092	3365021
CCR-41	235	-45	56	538207	3365489		CCR-43	235	-45	62	537165	3364711
CCR-42	235	-50	44	538260	3365428		CCR-44	235	-50	53	537300	3365130
							CCR-45	235	-50	94	537206	3365644
							CCR-46	235	-45	43	537174	3365531

6.3 Paget Southern Resources S. de R.L. de C.V. (2011)

In 2011, Paget Southern Resources (Paget) conducted an exploration program consisting of surface geochemistry, including rock (see Figure 6-2), silt and soil sampling and drilling.

Rock-sampling datasets include sampling by previous operators. Soil and silt datasets consist solely of Paget-collected data. Paget data exhibits the large system size, the northwest- to north-striking structural controls and an overall partitioning of data into distinct domains. These domains can be defined as base-metal dominant to the southeast, gold-silver with base metals in the core of the Project, and Au-Ag-Pb-Zn as well as Sb in the northwest.

In 2011, Paget conducted a drill program consisting of drilling over a large area testing a variety of targets. Paget drilled a total of 29 holes; 18 holes were on the Sonoro property (3,037.5 m), and 11 holes (1,679 m) were drilled 0.5 to 1.5 km north of the Sonoro property boundary (see Table 6.2 for select results on the current property configuration).

Paget reported that due to the presence of coarse visible gold in some samples, numerous check samples were submitted to ALS Chemex de Mexico S.A., de C.V. in Hermosillo (ALS Chemex) for screened metallic assays (see Table 6.3).

Paget also reported that silver and gold ratios are variable across the concession area. The Rincon area veins tend to have somewhat higher, stronger silver values; vein intercepts at Los Japoneses locally show high silver content, and all of the rhyolite-hosted mineralization is gold dominated with more uniformly lower silver content only.

The best gold results are from the Los Japoneses vein area with up to 17.9 g/t Au over 3 m, and 3.9 g/t Au over 13.9 m, including 9 g/t Au over 3 m. Farther north, a hole collared in the footwall of the vein (13 g/t Au; 0.4 m from surface samples) cut 16.8 m @ 0.41 g/t Au in narrow-sheeted veins. Some other weaker but anomalous intercepts are from veins that are the southern extension of the Veta de Oro and a splay off of the Los Japoneses vein.

Table 6.2: Select Assays from Paget Southern Resources

Hole	From	To	Length	Au g/t	Ag g/t
CC-009	117.6	144	26.4	0.18	10
CC-011	23.5	51	27.5	0.33	55.8
Including	28.5	46.5	18	0.46	58.9
and	30.2	32.7	2.5	2.27	364
CC-011	122.1	132	10	1.6	1.4
	124.4	129	4.7	3.04	1.9
CC-020	0	30	30	0.28	4.9
Inc	22.5	30	7.5	0.66	17.4
CC-021	0	146	146	0.28	0.8
Incl	0	34.5	34.5	0.56	2.8
Incl	6	24	18	0.8	2.7
and	113	131	18.5	0.75	0.3
incl	113	122	9.5	1.14	0.3
CC-022	98	154	55.5	0.18	0.3
incl	127	130	3	0.83	0.3
and	133	136	3	0.6	0.3
and	139	142	3	0.67	0.3

The structurally complex Los Japoneses area displays a variety of targets. Chip sampling in the wall rock along the main veins has indicated widespread low-grade gold with values ranging from 0.3 to 2 g/t Au in 5 m chip samples over 40 m. Silicified and strong quartz-sericite-pyrite (QSP)-altered areas have returned strong Au in soil responses over >100 m widths. Other rock sampling has indicated anomalous to 2.5 g/t Au from two areas of strong alteration where six holes were drilled. Holes CC-020 and CC-021 tested the soil/rock anomalies in strong alteration, CC-022 and CC-023 were drilled as a scissor across the area of veining with strong gold grades in wall rock and minor veining, and CC-013 was drilled across the proposed north extension of high-grade gold reported by Corex Gold. Hole CC-024 was drilled north of the Laydame drainage near the Boludito workings to test the north projection of the Los Japoneses veins. None of the holes cut high-grade mineralization; the best intervals consisted of three intercepts in CC-024 of 1.3 to 1.9 g/t Au over 1 to 3 m. However, most drill holes did cut broad widths of disseminated mineralization both within the strong silicification zones ranging to QSP and in alteration consisting of weaker chlorite pyrite alteration and lower density quartz veining. The best disseminated mineralization to date was hole CC-021 with 146 m @ 0.3 g/t Au, including 34 m @ 0.56 g/t Au, 18 m @ 0.8 g/t Au or 9.5 m @ 1 g/t Au.

Table 6.3: Drill Hole Locations for Paget Southern Resources

Hole_ID	Az	Dip	EOH m	WGS84E	WGS84N
CC-009	240	-60	234.5	536999	3366133
CC-010	32	-55	173.4	536999	3366133
CC-011	240	-60	148.35	536189	3366904
CC-012	240	-55	237	536224	3366636
CC-013	240	-55	124.45	536838	3365416
CC-017	270	-60	116.2	537747	3365725
CC-018	280	-75	56.95	537747	3365725
CC-019	20	-60	233.8	536473	3366396
CC-020	220	-60	188.85	537013	3365515
CC-021	290	-55	202.3	536591	3365497
CC-022	70	-55	186.2	536626	3365579
CC-023	250	-55	161.7	536722	3365625
CC-024	230	-55	109.05	536660	3365790
CC-025	240	-50	222.65	536267	3366830
CC-026	80	-55	194.5	536515	3365292
CC-027	45	-55	204.1	536294	3366879
CC-029	40	-50	118.4	536793	3365340
CC-030	270	-60	125.1	536027	3365487

Abeles

Figure 6-2: Historical Rock Samples showing Gold on the Property

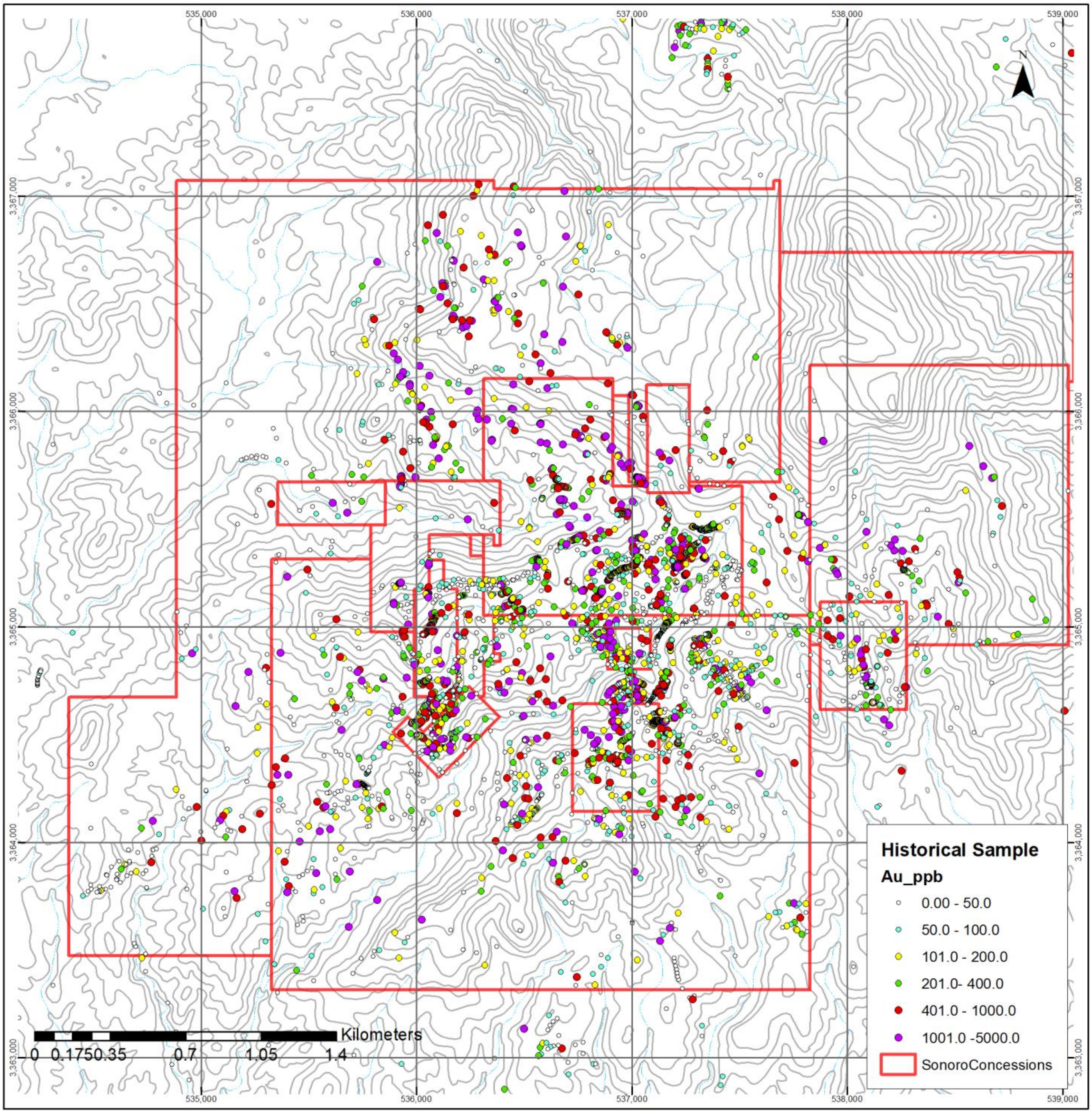
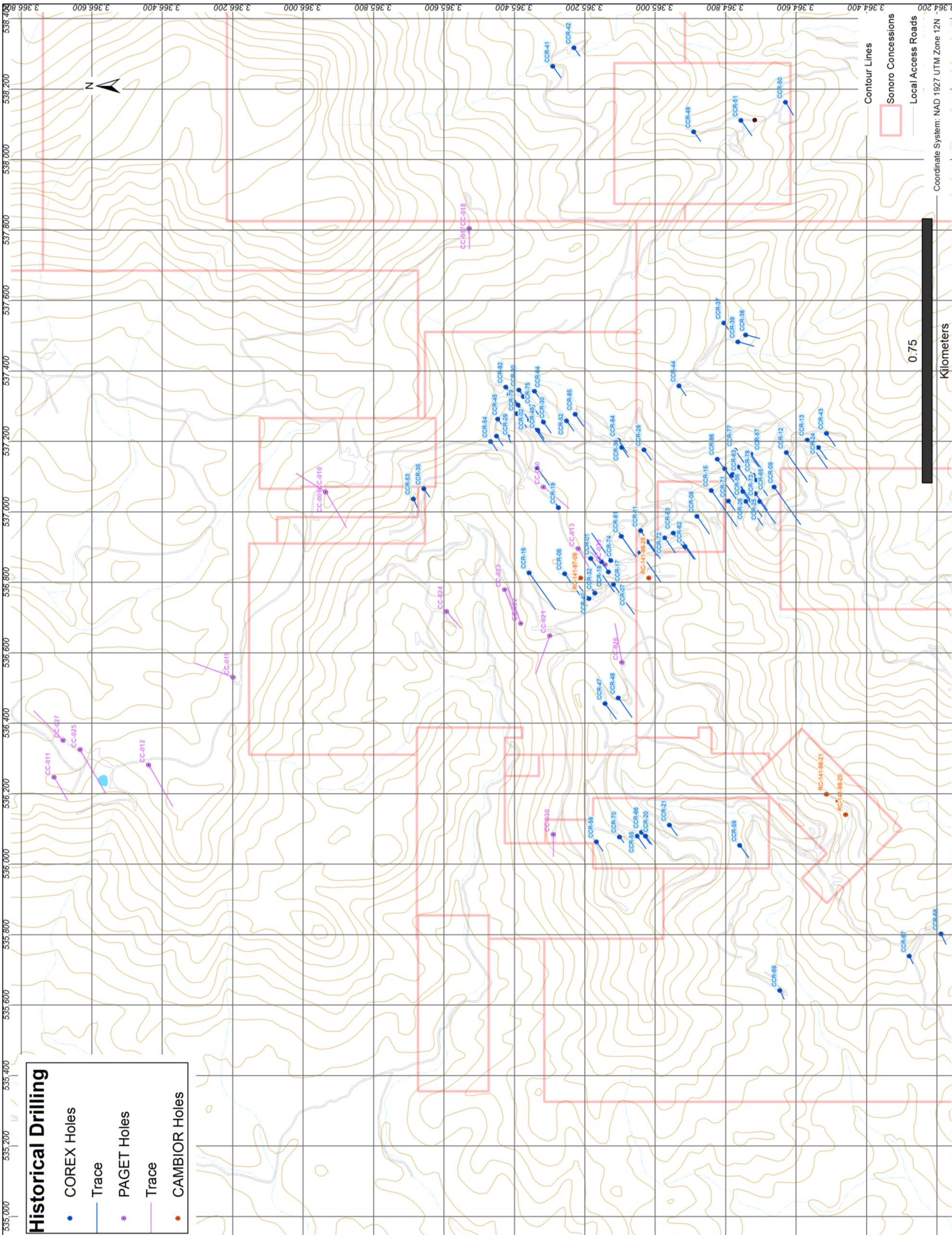


Figure 6-3: Historical Drilling on the Property



Source: Modified after Oscar Gonzalez 2019, Sonoro Metals Corp.

7 GEOLOGICAL SETTING AND MINERALIZATION

After Gray 2007

7.1 Regional Geology

The Cerro Caliche Project lies outside the western flank of the Sierra Madre Occidental (SMO) province, within the Basin and Range subprovince. The SMO province comprises a regionally extensive Eocene to Miocene volcanic field and high mountain range which extends south-southeast from the United States-Mexico border to central Mexico. The Basin and Range subprovince which hosts the Cerro Caliche Project is characterized by extensional normal faulting that has created an alternating sequence of horsts and grabens, equivalent Basin and Range-type extensional features of the Western United States. Mountain ranges and valleys trend north-south and northwest-southeast. The Basins flanking Cerro Caliche mountain range are filled with prominent outcropping polymictic conglomerate (Miocene-age Baucerit Formation) and interbedded young Sierra Madre upper series white volcanic ash flow tuffs.

Geologic maps published by the Servicio Geologico Mexicano (Mexican Geological Survey or SGM) indicate that the Cerro Caliche Project area is underlain by a Jurassic- to Cretaceous-aged volcano sedimentary sequence which has been intruded by two intrusive units: granodioritic and dioritic intrusions of presumed Tertiary age. Younger rhyolitic volcanic rocks may correlate with the lower part of the upper volcanic layered series of the SMO, and disconformably overlie the Jurassic volcano sedimentary sequence (Servicio Geologico Mexicano, 1999). The Jurassic units are deformed, and the SGM correlates this deformation with mid-Cretaceous compression resulting in the development of thrust faults and folding.

7.2 Local and Property Geology

Historical mapping completed by Corex Gold identified as many as seven textural and compositionally different intrusive phases and two apparently distinct sedimentary sequences. The central portion of the Project area is underlain by clastic strata comprising siltstones, arkoses, greywackes, and less commonly, quartzites and limestone. Spherulitic rhyolitic to glassy sills and dikes intrude the clastic strata and as flows overlaying the sedimentary rocks. Both intrusive and structural contacts were observed between the sedimentary strata and the dioritic and granodioritic intrusive rocks (see Figure 7-2) as well as basal flow contacts of the rhyolite.

7.2.1 Igneous Rocks

The west-central portion of the Project area is underlain by two related intrusive phases consisting of medium-grained dioritic intrusive and granodioritic medium-grained equigranular intrusive rocks. The medium- to coarse-grained granodiorite with approximately 20% quartz grains are intergrown with white alkali feldspar, locally with myrmekitic textures without discernable mafic minerals. Lack of mafics is possibly the result of texturally and mineralogically destructive sericite alteration. Textural variants of granodiorite include very coarse-grain-zoned alkali feldspar phenocrysts in a fine- to medium-grained groundmass of equigranular quartz and feldspar with subordinate biotite.

Medium- to coarse-grained plagioclase hornblende diorite occurs in contact with the quartz-rich granodiorite often with gradational boundaries. Coarse-grained, very magnetic, quartz dioritic intrusion is characterized by very coarse-grained biotite crystals that are light greenish brown in colour and possibly phlogopite. These mafic phases may represent normal magmatic evolution representing differentiation to more felsic phases over a short timeline. Mapping indicates that finer grained textures of all igneous rock types may be characteristic of intrusion margins.

Fine-grained, dark grey-green andesitic rocks are common in the western central side of the concession area. This andesitic unit is in fault contact, possibly a low-angle thrust fault, with overlying Jurassic clastic rock units. This andesite may be the same Cretaceous andesite unit that hosts veins in the Mercedes mine where it conformably rests on the Jurassic sedimentary sequence. Granodioritic rocks are crosscut in places by dioritic/andesitic dikes.

Andesitic intrusive dikes are seen in some areas with occasional fine- to medium-grained plagioclase laths in a fine-grained to aphanitic matrix. These dikes have orientations ranging from northeast to northwest.

Rhyolite as ignimbritic flow units make up part of Cerro Caliche, especially the mountain top. Part of the rhyolite is also observed as dikes and sill form intrusives. Spherulitic rhyolitic units exposed at Cerro El Caliche, have been interpreted by project geologists to be sills intruding the clastic sequence. Strong flow foliation is common in the mountain top rhyolite. Many dikes in the concession area and in the Batamote and Abeles areas are seen to contain mineralization; possibly the dikes are associated in part with the genesis of the gold mineralization. A basal 40 to 50 m thick unit of rhyolite forms the Diana gold-mineralized zone north of the concessions. This basal unit is not welded, but likely was a porous rhyolite tuff unit receptive of weak-moderate silicification with clay alteration and disseminated strata-bound gold mineralization. The total thickness of the rhyolite is around 200 m.

7.2.2 Sedimentary Rocks

At the extreme western edge of the concession package, roadcuts expose deformed shaly siltstones that appear similar to Cretaceous strata exposed elsewhere in the region. These strata are distinct from the immature clastic sediments exposed in the centre of the Project area. They reflect a different provenance, apparently lacking detrital input from adjacent volcanic or igneous terranes and a deeper marine depositional environment. Low-angle structures, interpreted as thrust faults, are exposed in these strata. Similar strata are exposed at lower elevations in the Los Japoneses area, and include calcareous beds. Silicified and deformed thinly bedded sedimentary strata are exposed in the arroyo between Los Japoneses and Los Cuervos and may represent tectonic deformation associated with regional thrusting.

7.3 Mineralization and Structure

The structural pattern at the Cerro Caliche Project is dominated by AZ330 to NA350 strikes, moderately to steeply dipping extensional veins and mineralized structural zones that crosscut all rock types. Open-space vein textures, vertical slicken lines, and fault plane chatter marks suggest that the structures exhibited normal displacement. Total displacement across these structures is unknown. In some cases, they form lithologic contacts suggestive of significant displacement, whereas in others the structures show no appreciable offset of mappable geologic features.

The Cerro Caliche Project area is underlain by a large epithermal mineralized system probably driven by a large intrusive. Mineralization displays a different character in different host rocks and displays systematic variations across the property. The mineralization can be considered in three broad categories:

1. **Epithermal veins:** The property hosts numerous epithermal veins. These veins vary from centimetres wide to more than 2 m wide. They consist largely of crystalline-banded quartz with iron oxides and locally abundant green chlorite. Galena, sphalerite, and chalcopyrite are locally present, especially in the southeastern part of the property, but base metals are a persistent part of the assays with all vein systems displaying elevated Pb and Zn in association with Au and Ag.

2. **Disseminated gold associated with disseminated cubic pyrite and minor quartz vein stockwork and associated surrounding silicification:** Follow-up drilling on soil anomalies associated with silicification and the vein swarms has defined areas underlain by both strong quartz-sericite-pyrite with silicification as well as moderately altered wall rock with very weak to weak quartz veining and prominent coarse oxidized pyrite from 2 to 6 mm that carry wide zones of low-grade gold. These zones display grades from 0.1 to more than 1 g/t Au over significant widths; these zones are anomalous in base metals but low in Ag.

3. **Disseminated gold associated with coarse-grained pyrite lining fractures in rhyolite basal horizontal flow unit:** This is in the Bancos area in the northern part of the property where there are numerous old workings that exploited relatively coarse visible gold associated with oxidized pyrite filling fractures in the rhyolite. These zones lack any associated base metals or Ag.

Mineralization observed between the contact area between the andesite and sandstone package is characterized by very strong quartz-sericite-pyrite to silicification making up a ridgeline of highly altered rocks. The vein systems tend to be poorly defined in the areas of strong alteration (Figure 7-3), but soil sampling and some follow-up rock-chips and drilling have indicated areas with significant gold values associated with the alteration. The gold grades appear to be not linked to the alteration and tend to continue beneath the silicified rocks into much less altered andesite with some minor quartz veining, disseminated coarse-grained pyrite and pink carbonate stringers.

Numerous abandoned small mines, exploration workings, and alteration zones are present within the property area. Most are developed on high-angle mineralized structural zones or veins, and the metals produced or sought include gold and silver. Lead, zinc, and copper are present in minor amounts but are not of economic significance.

The known mineral occurrences occur within a 6 km^2 zone that hosts hundreds of mineralized structures and veins and is associated with large-scale but irregular zones of hydrothermal alteration including hematization, pyritization (now evidenced by Fe-oxides), weak silicification, sericitization, and chloritization. Detailed mapping is required to determine the relationships between the differing alteration assemblages.

Gray (2007) reported numerous epithermal veins and mineralized structural zones exposed in the Project area. Most strike NA330 to NA350 with steep dips to the northeast. Northeast-striking veins of lesser width and length were observed to crosscut the northwest-striking veins (Figure 7-4). Host rocks include siltstones, fine- to medium-grained arkoses, greywackes, quartzites, dioritic and granodioritic intrusive rocks, and rhyolitic volcanic sills. Some mineralized zones locally follow lithological contacts. The historically mined mineralized zones are structurally controlled and they crosscut all rock types. Mineralized structures are characterized by pervasive silicification, replacement and open-space filling silica veining, and brecciation. The most intensely quartz-veined and brecciated zones are typically no more than 3 m wide, but less intense quartz veining and brecciation, and/or parallel structures, occur over widths of several metres in the hanging walls and footwalls of the main structures. Veins and mineralized structural zones can be continuously traced for as much as 1,200 m along strike and are exposed over vertical ranges by as much as 220 m. The more intensely exploited zones have been nearly continuously mined or prospected over as much as 800 m of strike extent. Vein textures indicate multiple stages of veining and silica replacement of calcite. The multi-stage veins comprise aplitic white silica, aphanitic dense silica, and open space filling drusy quartz. Silicified healed breccias are present in the same structural zones that host the banded veins and consist of angular white silica fragments in grey aphanitic silica matrix. The veins exposed at surface are oxidized and Fe-oxide stained. They originally contained no more than a few percent sulphides and sulfosalts. Primary vein minerals identified in unoxidized vein material collected from mine stockpiles include pyrite and occasionally tetrahedrite and galena. Host rocks are typically sericitized and were originally pyritic, as evidenced by disseminated iron oxides pseudomorphous after pyrite.

Gray (2007) reported the gold occurrences at Cerro Caliche Project are associated with elevated silver contents and, occasionally, with elevated lead and zinc concentrations. Analysis of select rock chip samples that contained greater than 50 ppb Au does not yield significant positive correlations between gold and any metal other than silver. A strong positive statistical correlation between Cu and Sb, with a correlation coefficient of 0.99, indicates that tetrahedrite ($(Cu,Fe)_{12}Sb_4S_{13}$) is probably the only cupriferous mineral present. Positive correlations are noted between Pb, Zn, and Mo, suggesting a coeval deposition of these metals, and Mo and As positively correlate.

Host rocks include Jurassic-Cretaceous metasedimentary rock types, including argillite, shale, quartzite, limestone, quartz-pebble conglomerate and andesite. Intrusive rock consisting of medium coarse-grained altered granodiorite is present in the western parts of the Project near the Cabeza Blanca mine. It is apparent that veining cuts the intrusive stock. The granodiorite also shows evidence of weak metamorphism, with chloritic alteration and irregular lineation textures. Rhyolite occurs in irregular bodies distributed in higher elevations in the northerly part of the concession, including the Rincon area, where it occurs as flows, sills, dikes, and rhyolite domes. Part of the rhyolite is mineralized and appears to be related to epithermal gold mineralization throughout the Project.

Of particular interest are the Los Japoneses Veins (see Figure 7-1). This is a large area comprising the southern and southwestern parts of the Project. It is underlain by a complex and widespread vein array that has seen significant historical mining activity. Most of the past mining has focused on the Los Japoneses, Los Cuervos, Las Abejas and Cabeza Blanca veins. The veins are north to northwest striking, 0.5 to 2 m wide and consist largely of weakly banded coarse-grained quartz with some green chlorite, Mn, and Fe oxides. Evidence of carbonate leaching from the veins is abundant. The majority of the workings are located south of the Laydame drainage, although there are extensive workings on the north end of Los Japoneses and on the main Veta de Oro veins. The veins continue northwards to the Rincon rhyolite and appear to extend beneath and across the rhyolite. This area yields the best gold in vein grades with numerous samples in the 1 to 20 g/t range, generally low Ag and consistently anomalous Pb and Zn.

Figure 7-1: Los Japoneses Structure

Figure 7-2: Property Geology

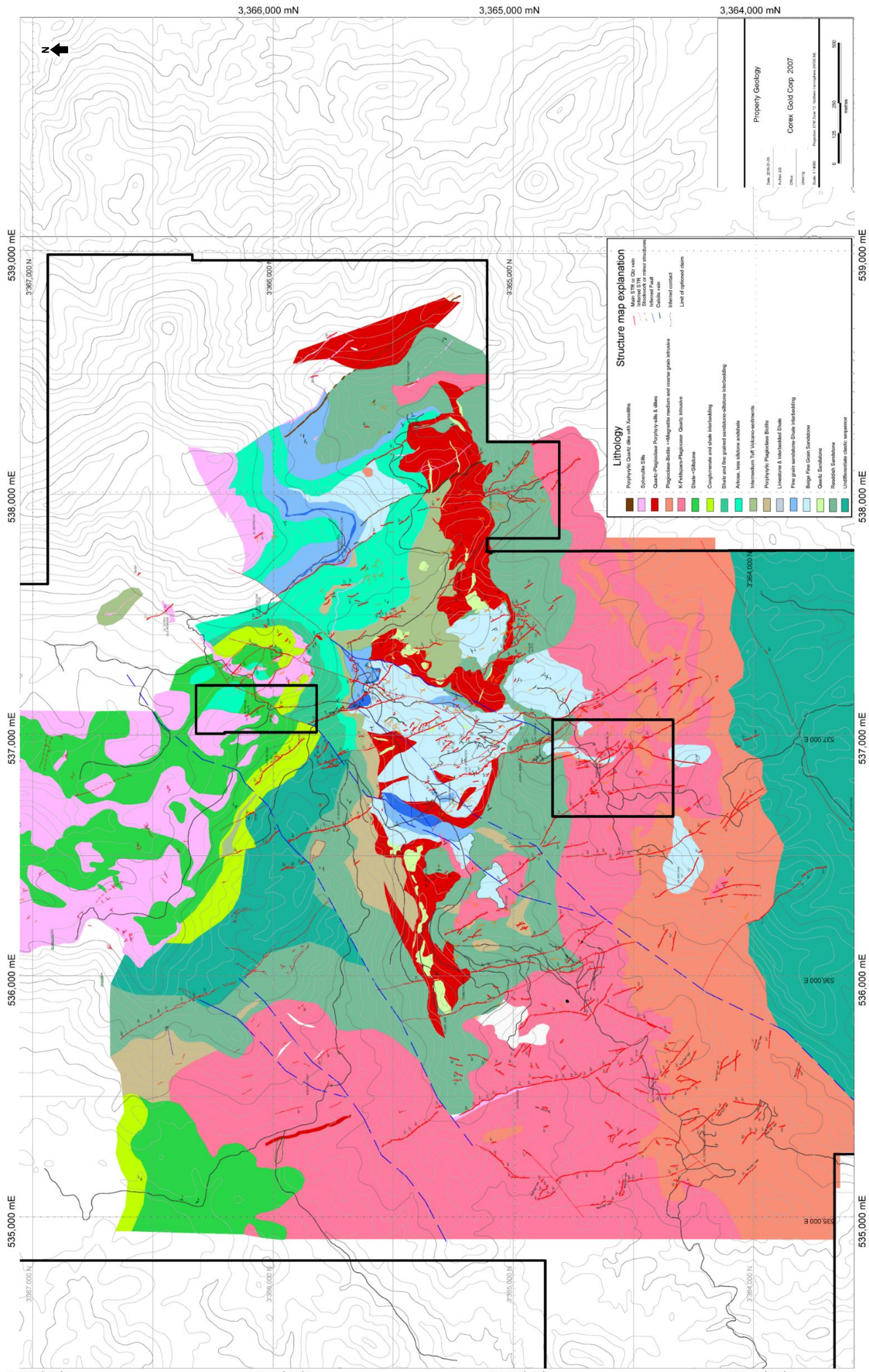


Figure 7-3: Property Alteration Mapping

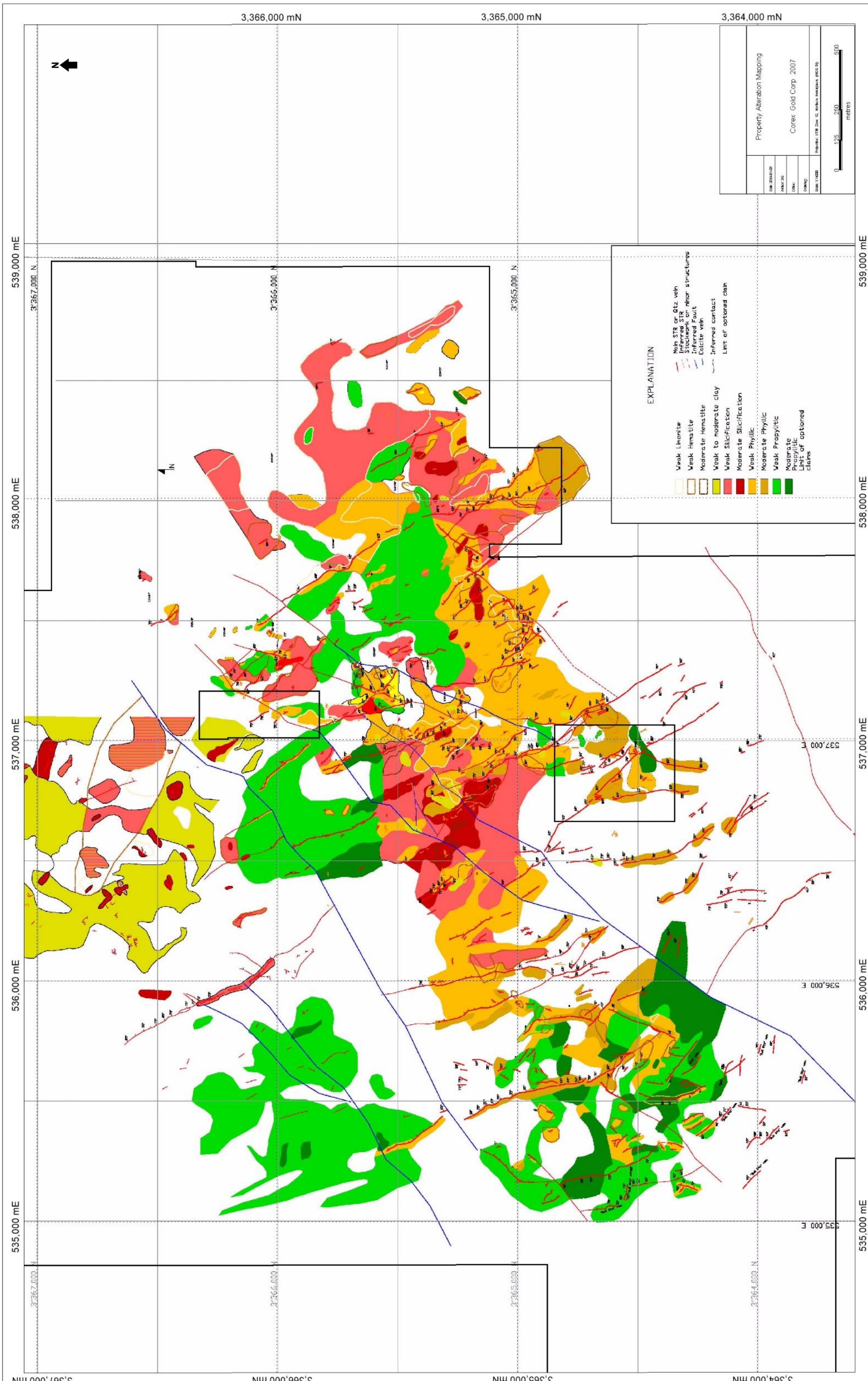
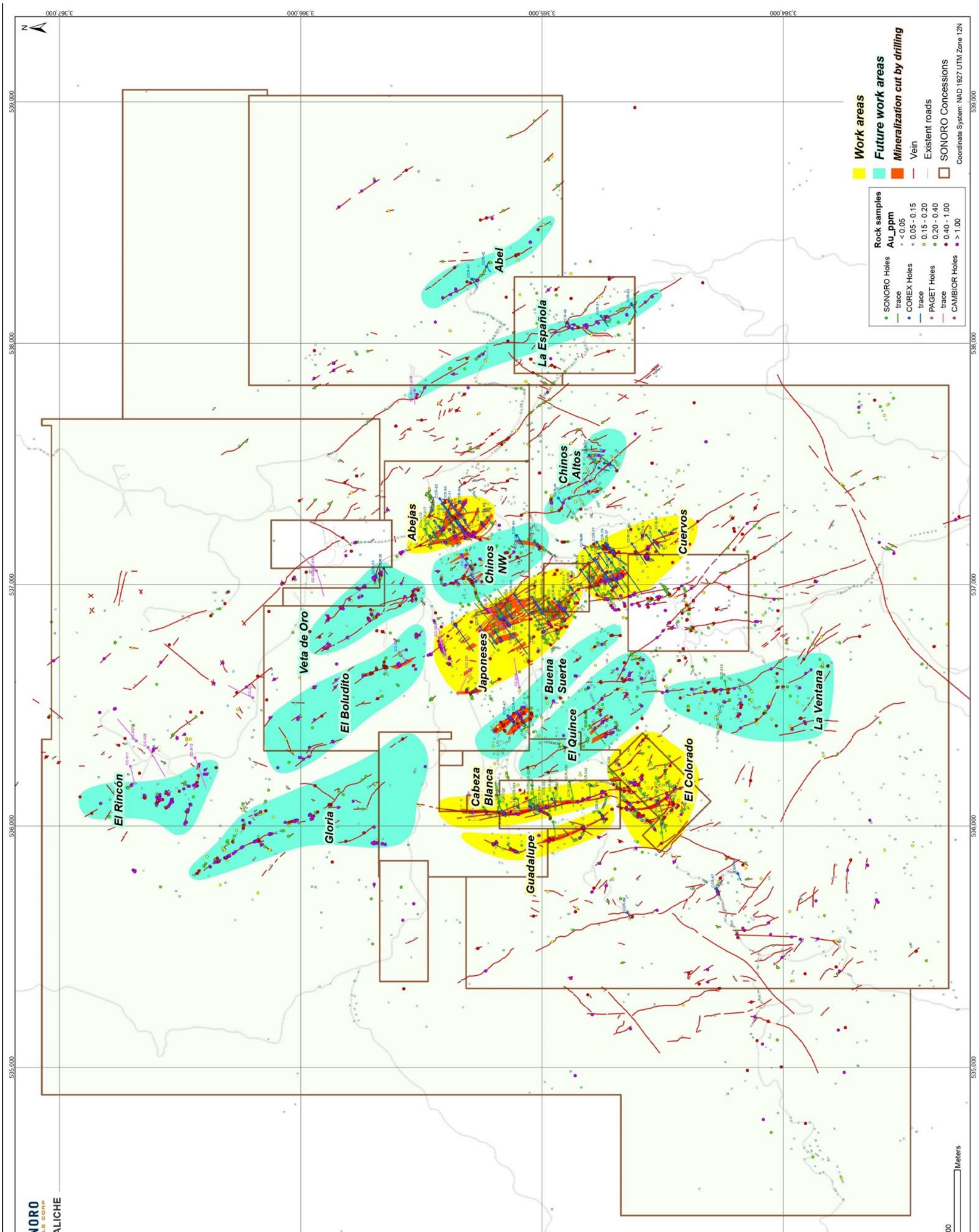


Figure 7-4: Mineralized Trends



Source: Modified after Oscar Gonzalez 2019, Sonoro Metals Corp.

8 DEPOSIT TYPES

Mineral deposits in the area are classified as silver and gold, low to intermediate sulphidation, epithermal systems, typical of many local deposits in northeastern Sonora, including the nearby Santa Elena Silver/Gold mine (First Majestic Silver Corp.) and the Mercedes mine (Premier Gold Mines Limited). Other examples in the Sierra Madre include the Dolores mine (Pan American Silver) and the Piños Altos mine (Agnico-Eagle Mines Limited) in the state of Chihuahua.

These deposits form in predominantly brittle and/or porous subaerial felsic volcanic complexes in extensional and strike-slip structural regimes. Local groundwater dilutes and cools, upwelling magmatic-derived hydrothermal brines within extensional and transpressional fractures. Mineralization is typically deposited as multi-zoned veins, stockwork and breccia due to episodic events. Deposit formation occurs in near-surface environments, typically between 200 and 400 m, and down to one kilometre depth from surface, and within temperature gradients of between 200°C and 600°C. Indicative textures of mid- to high-level deposits can include miarolitic cavities, comb structure, drusy/crustiform, or colloform banding, and platy/bladed calcite. Minerals with silver and gold tenure can precipitate as deposits within these conditions depending on the concentration of the metals in the brines, with sudden changes to local pressure gradients, and with sudden changes to local pH conditions.

Deposit alteration is generally weak due to near-neutral pH of the diluted hydrothermal fluids. Silicification is generally pervasive in proximity to mineralization followed by sericite-illite-kaolinite assemblages. Advanced argillic alteration (kaolinite-alunite) may form along the tops of mineralized zones. Propylitic alteration, including pyrite and epidote, are formed within alteration haloes laterally surrounding the mineral deposits at depth.

9 EXPLORATION

Beginning in 2018, Sonoro launched a multi-phase exploration program consisting of drilling, mapping and surface rock sampling. The drilling included 96 reverse-circulation drill holes totaling 10,328 m at the Cerro Caliche Project.

Sonoro analyzed the databases from Corex Gold and other operators that carried out historical drilling programs at Cerro Caliche since 2007. These operators completed a total of 116 drill holes (12,442 m of drilling), including more than 4,000 surface samples.

Sonoro reported in a press release (October 10, 2018) that it conducted surface exploration at the Cerro Caliche Project throughout 2018 and has identified an aggregate of approximately 10 linear-kilometres of sub-parallel veins over the approximately two-square-kilometre initial target area. To date, Sonoro's exploration has produced more than 2,000 surface samples and assay results (Table 9.1 and Figure 9-1).

The surface samples provided to the authors are a combination of grab and rock-chip samples (0.3 to 12 mm in size).

Table 9.1: 2018 Gold in Surface Samples

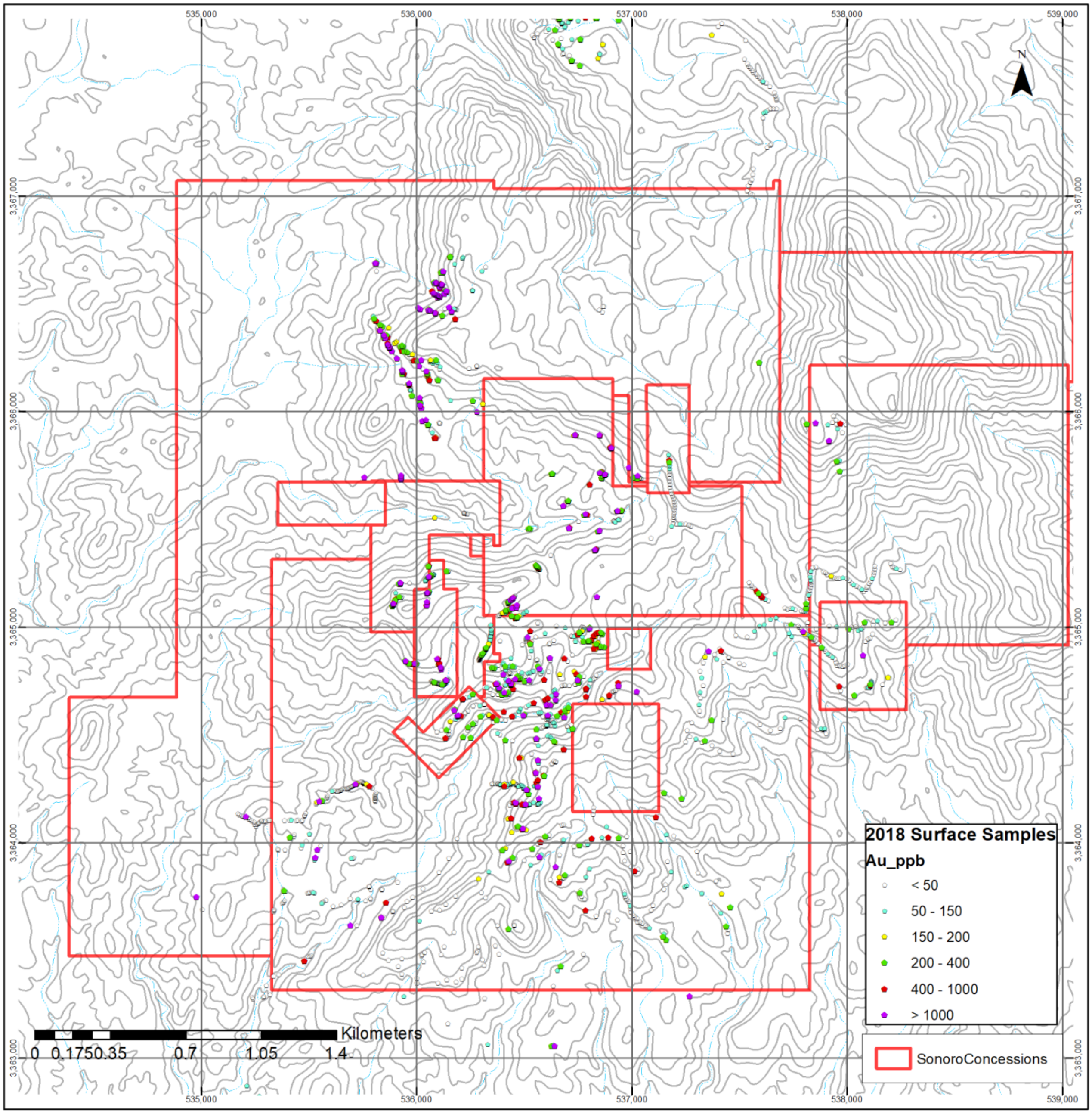
Range of Values Au (g/t)	Number of Samples
More than 3.0	52
More than 1.0 to 3.0	110
More than 0.4 to 1.0	179
More than 0.2 to 0.4	226
More than 0.1 to 0.2	249
Less than 0.1	1,196
Total	2,012

Sonoro reports that the principal gold mineralization in Cerro Caliche is evident in quartz-veined zones where current exploration is taking place. Quartz veining is in the form of a thick swarm of NA330 to NA350 with trending veins of quartz, carrying gold and silver mineralization with oxidized former sulphides. Generally, the northwest-trend of veining is persistent throughout the region. However, on a smaller scale, 1,000 m zone, veins exemplified by the Cabeza Blanca vein turn to a nearly north-south strike. Most veins dip to the east or northeast where drilling shows an evolving pattern of a basal shear footwall vein zone with other steeper vein splays where the vein splays dips more steeply eastward. This *horse-tailing* has near-vertical, multiple vein attitudes that join the deeper lower angle structure.

Weak anomalies of arsenic and much less antimony are also present in numerous gold-bearing vein areas. Many gold-bearing intervals will often show only traces of silver with gold-bearing zones. The silver and gold have minor coincidences of elevated values in the same sample, although silver may be elevated in a nearby higher gold-bearing sample. Manganese is often elevated in the gold-bearing areas.

In 2018, Sonoro conducted a differential global positioning unit to accurately locate historical drilling completed by Corex Gold and Paget. This information was integrated into Sonoro's database.

Figure 9-1: 2018 Gold in Surface Samples



10 DRILLING

10.1 Sonoro Metals Corp. (2018-2019)

Sonoro conducted a drilling program to confirm historical results and produce a maiden resource on Cerro Caliche Project. In late 2018 and the first half of 2019, Sonoro drilled a total of 96-reverse-circulation (RC) drill holes totaling 10,328 m (Figure 10-5). The drill program used a truck-mounted RC drill rig to collect cuttings from within a plastic liner for analysis, see Section 11 for sampling details. Drill holes were located using a differential GPS system, and were cemented upon completion (see Figure 10-2). Drilling at SRC-043 is shown in Figure 10-1.

The mineralized zones are named after historical mine workings situated within each zone, from east to west, as follow: Las Abejas; Chinos NW; Los Japoneses; Los Cuervos; El Quince; Cabeza Blanca; Guadalupe; and El Colorado (Figure 7-4).

The Phase One reverse-circulation drilling program was initiated in October 2018 with 45 drill holes totaling 4,604 m completed by year end. Table 10.1 contains these reverse-circulation drill locations, while Table 10.2 highlights significant intervals assay results. The drill holes expanded the two known mineralized zones (Los Japoneses and Cabeza Blanca) along the northwest-southeast vein trends and began to build a zone of oxidized gold mineralization. Almost all the Phase One drill holes were shallow, to an average depth of approximately 100 m.

The Phase Two drilling was initiated in March 2019 consisting of 5,724 m of drilling in 51 reverse-circulation drill holes. The second program investigated areas outside of the two known areas the subject of previous drilling. The drill holes of this second program were termed “Scout drill holes” to verify additional potential areas of gold mineralization on Veta de Oro, Rincon, and other zones flanking the northern extension of the known mineralized zones confirmed by drilling. The subsequent continuation of the Phase Two drilling focused on both the Los Japoneses and Cabeza Blanca zones, with infill and extension drilling increasing the area of mineralized material for these zones. The Phase Two drilling program was completed in June 2019 (See Table 10.1 for drill locations and Table 10.3 for select assay results from Phase Two).

Results from drill holes in the Cabeza Blanca, El Colorado and Guadalupe zones outline a linear, central-vein structure with sheeted- to stockwork-associated mineralization. Results also confirm lateral continuity of more than 500 m for both the Cabeza Blanca zone and its parallel companion area, the Guadalupe zone.

The drill holes completed in the Los Japoneses and Los Cuervos zones appear to indicate a continuous structure extending along approximately 1.2 km. A multiple-vein mineralized zone, Los Japoneses to Los Cuervos, is the largest area of mineralization on the Cerro Caliche Project to be investigated to date. Host rocks cut by the gold mineralization include quartzite of Jurassic-age and early-Tertiary biotite granodiorite porphyries with minor rhyolite.

The Las Abejas zone is the most northeasterly gold-mineralized structure at Cerro Caliche. Drilling at Las Abejas has confirmed the presence of host rocks similar to those identified in the Los Japoneses to Los Cuervos area.

The cross sections shown in Figures 10-3 and 10-4 illustrate the Cerro Caliche mineralizing hydrothermal system and may represent a discontinuous 700 m of implied width of mineralization. Cross sections A-A’, B-B’ and C-C’ illustrate the implied width based only on gold assay results. See Figure 10-5 for the locations of cross sections A-A’, B-B’ and C-C’.

Evidence from drilling suggests there is a basal listric nature to an interpreted footwall structure, which is coincident with the Buena Vista zone in the northern end (Figure 10-3, Section A-A’) of the section. Sonoro’s current thinking is that the Cabeza Blanca zone may have similar structural characteristics. If this is the case, the sequence of steeper inclined splays may intersect a larger structure at depth with all of the structures being tensional or extensional settings.

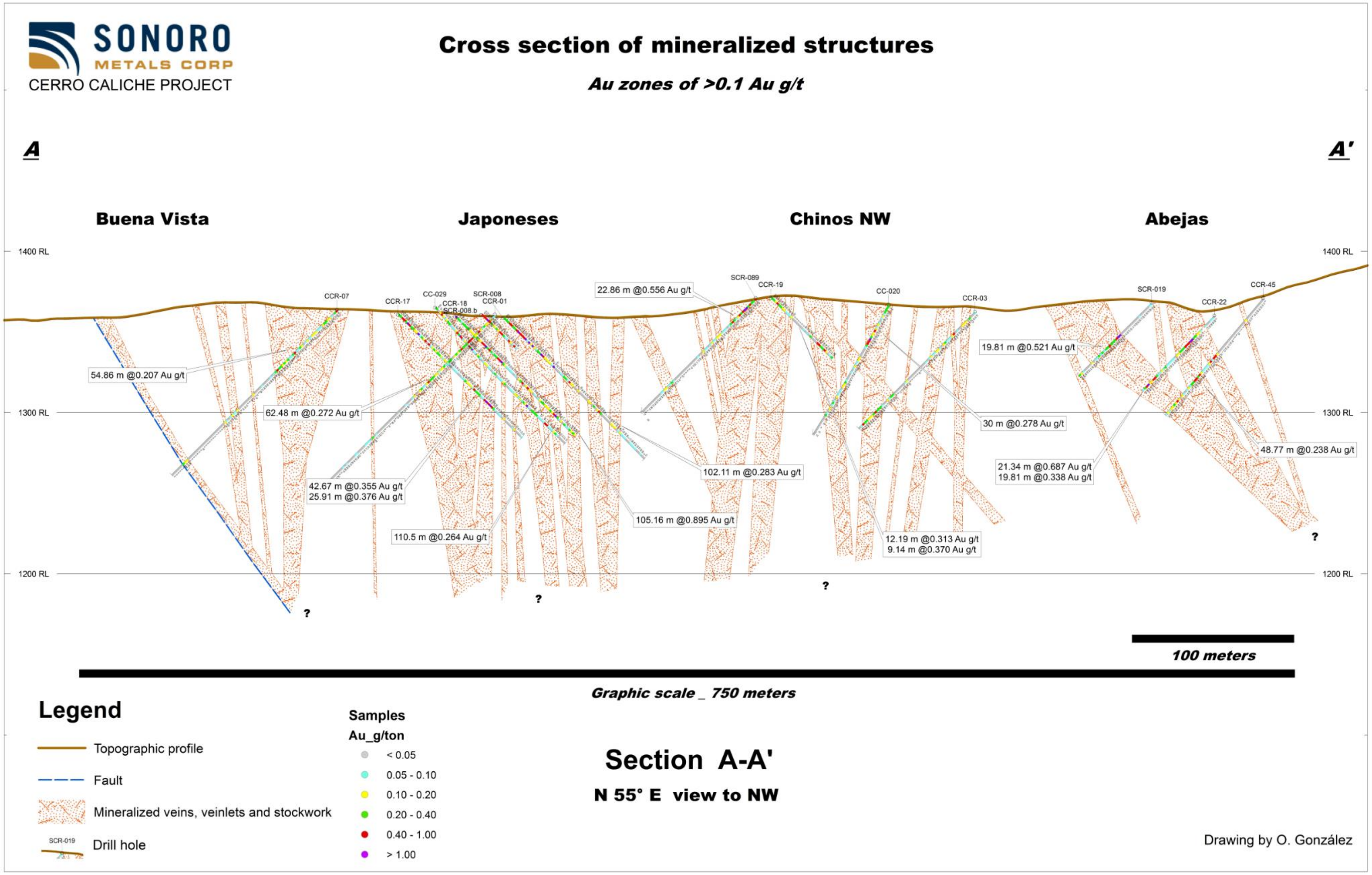
Current observations from drill core and in the accompanying preliminary sections indicate a possible mid-level in the vertical extent of the identified-to-date mineralized system where fracturing is strongest with smaller veins, sheeted veinlet swarms, and stockwork fracturing envelopes around the main mineralized veins.

The cross sections shown in Figure 10-3 (Section A-A’) and Figure 10-4 (Sections B-B’ and C-C’) illustrate that the main splay structures are possibly at a high angle. Based on the drill holes crossing the mineralization at 45º angles, the implied true width of the mineralization is approximately 70% of the drill intercepts.

Figure 10-1: Drilling at SRC-043

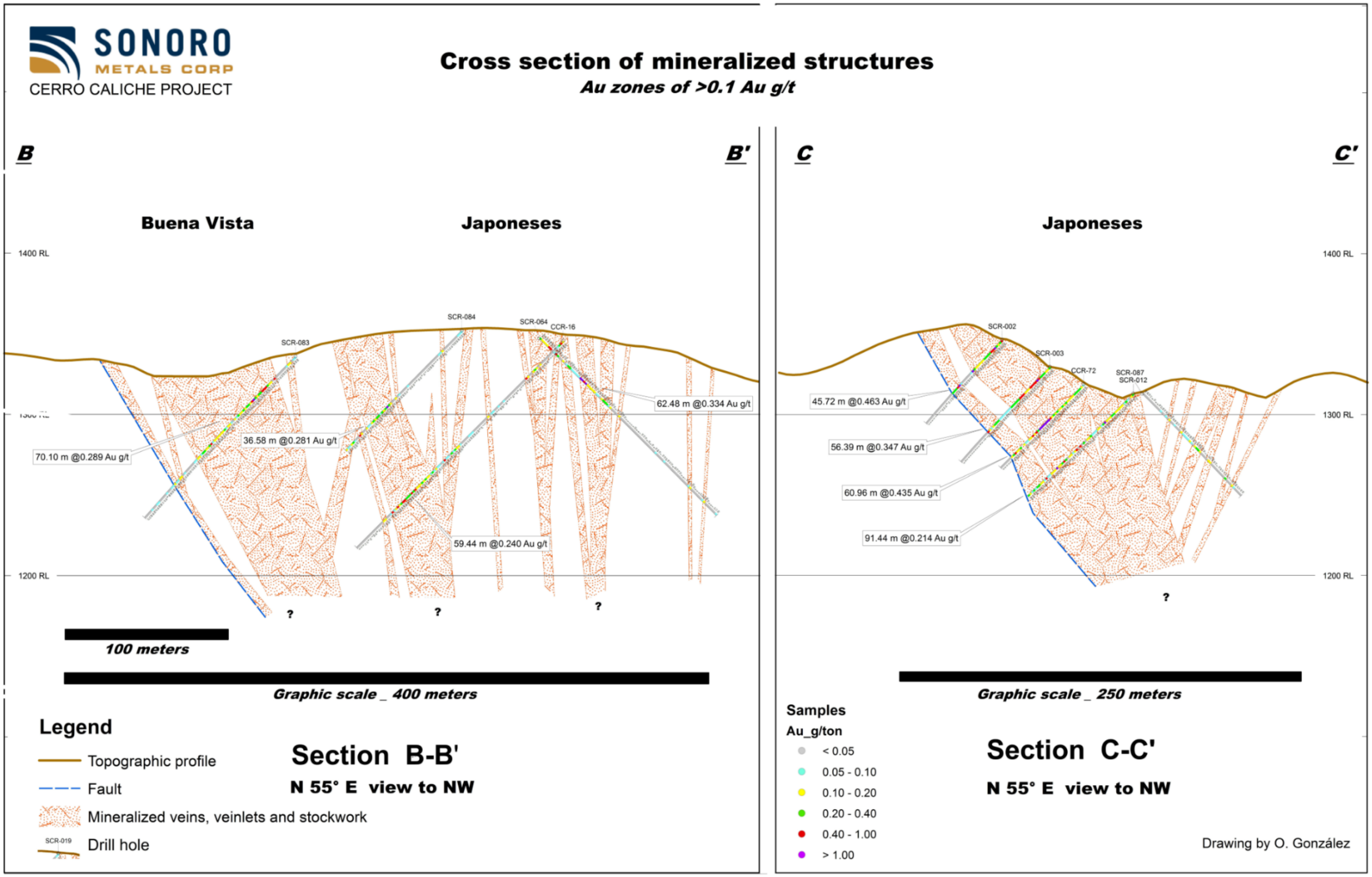
Figure 10-2: SRC-65 Cemented Drill Hole

Figure 10-3: Cross Section A-A'



Modified after Oscar Gonzalez 2019, Sonoro Metals Corp.

Figure 10-4: Cross Section B-B' and C-C'



Modified after Oscar Gonzalez 2019, Sonoro Metals Corp.

Table 10.1: 2018-2019 Drill Hole Location Data

HOLE	Nad27E	Nad27N	Azimuth	Dip	EOH (m)	HOLE	Nad27E	Nad27N	Azimuth	Dip	EOH (m)
SCR-001	536837	3365000	233	-45	111.3	SCR-048	536132	3366412	57	-45	100.6
SCR-002	536887	3364942	235	-45	70.1	SCR-049	536004	3366423	55	-45	88.4
SCR-003	536912	3364958	237	-45	80.8	SCR-050	535915	3366330	237	-55	128.0
SCR-004	536901	3364983	235	-45	70.1	SCR-051	535948	3366276	230	-55	121.9
SCR-005	536896	3365019	233	-45	100.6	SCR-052	535966	3366201	235	-55	121.9
SCR-006	536907	3365135	315	-45	120.4	SCR-053	535993	3366135	263	-60	109.7
SCR-007	536806	3365189	54	-45	219.5	SCR-054	536693	3365612	239	-45	109.7
SCR-008	536878	3365178	55	-45	123.4	SCR-055	536672	3365328	240	-45	152.4
SCR-008.b	536867	3365170	55	-45	30.5	SCR-056	537064	3365728	235	-55	91.4
SCR-009	536910	3365135	55	-45	120.4	SCR-057	537008	3365789	235	-62	91.4
SCR-010	536947	3364914	235	-45	94.5	SCR-058	536936	3365866	222	-62	128.0
SCR-011	536941	3365009	235	-45	91.4	SCR-059	537070	3365379	235	-45	114.3
SCR-012	536954	3364988	235	-45	91.4	SCR-060	535948	3365137	251	-45	103.6
SCR-013	536973	3364897	235	-45	91.4	SCR-061	536043	3364830	265	-45	103.6
SCR-014	537058	3364790	235	-45	42.7	SCR-062	536431	3365171	237	-45	100.6
SCR-015	537053	3364818	235	-45	79.3	SCR-063	536520	3365081	232	-45	121.9
SCR-016	536971	3364726	235	-45	61.0	SCR-064	536813	3365353	55	-45	155.5
SCR-017	537253	3365471	235	-45	146.3	SCR-065	536831	3365268	55	-45	149.4
SCR-018	537230	3365489	235	-64	115.8	SCR-066	537132	3365160	233	-45	73.2
SCR-019	537208	3365406	235	-45	64.0	SCR-067	537595	3364976	235	-45	106.7
SCR-020	536978	3364770	235	-45	70.1	SCR-068	538145	3364690	222	-45	140.2
SCR-021	537060	3364696	235	-50	152.4	SCR-069	537621	3364866	231	-45	100.6
SCR-022	537261	3365415	234	-45	115.8	SCR-070	537476	3364839	238	-45	109.7
SCR-023	536088	3365147	258	-45	70.0	SCR-071	537383	3364855	236	-45	76.2
SCR-024	536111	3365101	259	-45	79.3	SCR-072	536944	3365046	50	-45	176.8
SCR-025	536104	3365045	260	-45	67.1	SCR-073	536961	3365114	50	-45	109.7
SCR-026	536167	3365043	260	-45	170.7	SCR-074	536842	3365098	53	-45	164.6
SCR-027	536177	3365194	259	-45	167.6	SCR-075	536836	3365093	238	-45	128.1
SCR-028	536100	3365174	285	-45	97.5	SCR-076	536865	3365226	53	-45	140.2
SCR-029	537235	3365370	236	-45	76.2	SCR-077	536922	3365269	54	-45	100.6
SCR-030	536017	3364954	260	-45	109.7	SCR-078	537023	3365342	231	-45	91.4
SCR-031	536137	3364954	260	-45	100.6	SCR-079	537117	3365273	235	-45	100.6
SCR-032	536114	3364924	260	-45	61.0	SCR-080	537123	3365210	230	-45	76.2
SCR-033	536113	3364874	260	-45	39.6	SCR-081	536767	3365157	233	-45	125.0
SCR-034	536122	3364977	260	-45	88.4	SCR-082	536710	3365215	235	-45	126.5
SCR-035	536183	3364886	258	-45	100.6	SCR-083	536695	3365258	235	-45	137.2
SCR-036	536042	3364513	262	-45	158.5	SCR-084	536774	3365325	235	-45	103.6
SCR-037	536114	3364515	260	-48	222.5	SCR-085	536808	3365392	238	-45	91.4
SCR-038	536414	3364805	228	-45	146.3	SCR-086	537041	3364868	238	-45	82.3
SCR-039	536216	3364709	246	-45	185.9	SCR-087	536958	3364992	60	-45	88.4
SCR-040	536121	3365026	260	-45	88.4	SCR-088	537012	3365076	59	-45	73.2
SCR-041	536101	3364998	260	-45	57.9	SCR-089	537001	3365274	241	-45	103.6
SCR-042	536173	3364804	264	-45	70.1	SCR-090	537058	3365239	235	-45	79.3
SCR-043	536600	3364242	260	-45	70.1	SCR-091	536893	3365299	53	-45	73.2
SCR-044	536176	3364478	263	-45	112.8	SCR-092	536647	3365349	55	-45	128.0
SCR-045	536177	3364479	265	-70	121.9	SCR-093	536633	3365382	45	-45	121.9
SCR-046	536160	3364523	235	-45	131.1	SCR-094	536633	3365382	242	-45	106.7
SCR-047	536175	3366597	238	-45	152.4	SCR-095	536741	3365484	237	-45	91.4

Table 10.2: Select Phase One Drill Results

Hole			From (m)	To (m)	length (m)	Gold (g/t)	Silver (g/t)
SCR-001	Los Japoneses		0	10.67	10.67	0.234	2
			19.8	24.38	4.57	0.438	2
			27.4	32	4.57	0.251	3
			36.6	45.72	9.14	0.482	0.4
SCR-002	Los Japoneses		0	27.43	27.43	0.594	7
			38.1	45.72	7.62	0.574	4
SCR-003	Los Japoneses		4.57	35.05	30.48	0.505	8
			45.7	50.29	4.57	0.283	1
SCR-004	Los Japoneses		0	39.62	39.62	0.884	9
		inc.	3.05	9.14	6.09	2.881	20
SCR-005	Los Japoneses		1.52	12.19	10.67	0.691	21
			18.3	28.96	10.67	0.601	1
			45.7	50.29	4.57	0.239	1
SCR-006	Los Japoneses		0	10.67	10.67	1.245	21
		inc.	0	6.1	6.1	1.962	26
			18.3	35.05	16.76	0.422	2
			38.1	51.82	13.72	0.827	8
SCR-007	Los Japoneses		0	27.43	27.43	0.278	9
			32	54.86	22.86	0.902	13
		inc.	33.5	38	4.57	2.256	20
			61	68.58	7.62	0.26	3
			197	213.4	16.76	0.241	1
SCR-008	Los Japoneses		0	36.58	36.58	0.537	4
			39.6	44.2	4.58	0.422	10
			51.8	57.91	6.09	0.318	7
SCR-008B	Los Japoneses		0	19.81	19.81	0.63	3
SCR-009	Los Japoneses		3.05	27.43	24.38	0.328	3
			36.6	45.72	9.14	0.168	3
SCR-10	Los Japoneses		6.1	15.24	9.14	0.713	10
			18.3	36.58	18.29	0.255	2
SCR-011	Los Japoneses		0	7.62	7.62	0.379	3
SCR-12	Los Japoneses		13.7	27.43	13.71	0.352	2
			36.6	50.29	13.71	0.203	3
			54.9	67.06	12.2	0.351	6
			79.3	91.44	12.19	0.225	1
SCR-013	Los Japoneses		18.3	28.96	10.67	0.501	5
SCR-014	Cuervos		21.3	42.67	21.33	0.441	4
SCR-015	Cuervos		9.14	13.72	4.58	0.179	1
			19.8	30.48	10.67	0.507	1
			33.5	53.34	19.81	0.346	2
			56.4	62.48	6.09	0.162	1
SCR-016	Cuervos		38.1	44.2	6.1	0.542	7
SCR-020	Cuervos		35.1	39.62	4.57	0.539	1
		last	68.6	70.1	1.52	1.48	2.3
SCR-021	Cuervos		0	32	32	0.553	11
		inc.	24.4	27.43	3.05	2.13	65
SCR-017	Abejas		64	71.63	7.62	0.325	12
			76.2	85.34	9.14	0.476	10
SCR-018	Abejas		73.2	80.77	7.62	0.307	4
SCR-019	Abejas		27.4	47.24	19.81	0.521	7
SCR-022	Abejas		25.9	39.62	13.71	0.754	14
			42.7	48.77	6.1	0.179	2
			61	82.3	21.34	0.198	3
			89.9	100.6	10.67	0.491	3

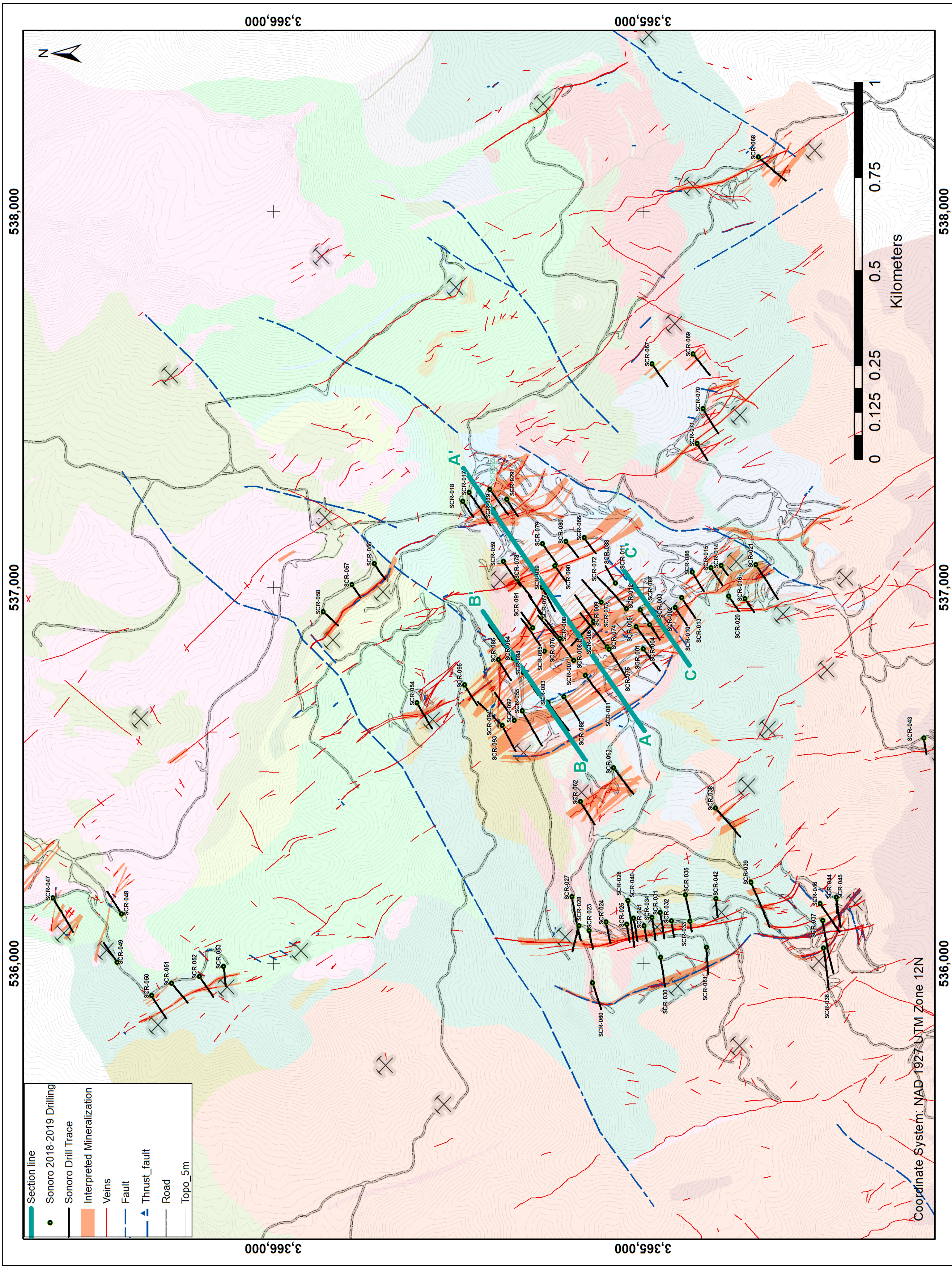
Hole			From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
SCR-029	Abejas		12.2	22.86	10.67	0.27	5
			30.5	39.62	9.14	0.86	6
			47.2	62.48	15.24	0.72	4
SCR-024	Cabeza Blanca		9.14	13.72	4.58	0.35	1
			42.7	56.39	13.72	0.69	8
		inc.	48.8	53.34	4.57	1.36	16
SCR-025	Cabeza Blanca		32	45.72	13.72	0.68	11
		inc.	33.5	38.1	4.57	1.48	24
SCR-026	Cabeza Blanca		97.5	105.2	7.62	0.33	6
SCR-027	Cabeza Blanca		74.7	79.25	4.57	0.15	1
			139	152.4	13.72	0.54	4
SCR-028	Cabeza Blanca		10.7	21.34	10.67	0.2	1
			38.1	44.2	6.1	0.22	2
			57.9	62.48	4.57	1.22	5
SCR-030	Guadalupe		50.3	73.15	22.86	0.73	3
		inc.	50.3	60.96	10.67	1.26	3
SCR-031	Cabeza Blanca		1.52	3.05	1.53	2.18	0.7
			29	35.05	6.09	0.46	3
			51.8	54.86	3.04	0.29	1
			73.2	77.72	4.57	0.55	0.5
SCR-032	Cabeza Blanca		22.9	27.43	4.57	2.3	15.3
			32	36.58	4.58	0.51	0.9
SCR-033	Cabeza Blanca		4.57	16.76	12.19	0.82	8.5
		inc.	12.2	16.76	4.57	1.14	19.2
SCR-034	Cabeza Blanca		25.9	28.96	3.05	1.66	5
			41.2	45.72	4.57	0.35	6.2
SCR-035	Cabeza Blanca		32	33.53	1.53	0.28	0.6
			77.7	80.77	3.05	0.32	2
SCR-036	EL Colorado		6.1	10.67	4.57	4.67	1.9
			25.9	30.48	4.57	0.41	1
			35.1	38.1	3.05	0.34	1
SCR-037	EL Colorado		6.1	21.34	15.24	0.6	6.9
		inc.	9.14	15.24	6.1	1.04	7.5
			102	106.7	4.57	0.32	1.5
SCR-038	El Quince		30.5	38.1	7.62	0.27	2.9
			54.9	64.01	9.15	0.17	0.8
SCR-039	EL Colorado		33.5	36.58	3.05	0.26	1
			117	120.4	3.05	0.38	2
			123	128	4.58	0.41	1
			131	135.6	4.58	0.24	0.7
			151	153.9	3.05	0.59	4
SCR-040	Cabeza Blanca		45.7	50.29	4.57	0.24	3.3
SCR-041	Cabeza Blanca		0	4.57	4.57	0.18	0.4
			13.7	38.1	24.38	0.42	6.5
		inc.	21.3	24.38	3.04	1.54	6.1
SCR-042	Cabeza Blanca		4.57	7.62	3.05	2.2	1
			64	67.06	3.05	1.19	4
SCR-043	San Quintin		44.2	47.24	3.04	0.59	14
SCR-044	EL Colorado		13.7	16.76	3.04	0.58	4
			24.4	28.96	4.58	0.51	4
			36.6	38.1	1.52	0.19	3.1
			48.8	60.96	12.19	11.2	5.9
		inc.	51.8	57.91	6.09	21.6	8.2
			85.3	92.96	7.62	2.07	15.7
		inc.	86.9	91.44	4.57	3.15	23.2

Table 10.3: Select Phase Two Drill Results

Hole			From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
SCR-045	El Colorado		56.39	71.6	15.24	0.99	4.1
		Inc.	64.01	71.6	7.62	1.77	6.7
SCR-046	El Colorado		24.38	25.9	1.53	0.43	37.3
			64.01	67.1	3.05	0.19	1
SCR-047	El Rincon		1.52	3.05	1.53	0.37	0.25
			53.34	64	10.67	0.71	2.1
		Inc.	53.34	57.9	4.57	1.26	2.5
			83.82	89.9	6.1	0.43	1.5
			109.7	113	3.05	0.36	0.5
SCR-048	El Rincon		94.49	96	1.52	0.64	0.5
SCR-049	El Rincon		47.24	48.8	1.53	1.64	17.7
			59.44	62.5	3.04	0.85	1.2
SCR-050	Gloria		6.1	9.14	3.04	0.36	1.2
			13.72	21.3	7.62	0.32	2.3
SCR-051	Gloria		111.3	114	3.05	0.19	0.9
SCR-052	Gloria		56.39	57.9	1.52	0.43	2.8
SCR-053	Gloria		51.82	57.9	6.09	0.26	1.3
SCR-054	El Boludito		13.72	16.8	3.04	0.44	26
			80.77	82.3	1.53	0.31	0.8
SCR-055	Buena Suerta		68.58	73.2	4.57	0.57	3.1
			121.9	134	12.19	0.45	1.6
SCR-056	VETA DE ORO		35.05	36.6	1.53	0.34	22.7
			67.06	76.2	9.14	1.76	23.7
		Inc.	68.58	71.6	3.05	4.67	57.3
SCR-057	VETA DE ORO		54.86	65.5	10.67	1.52	84.6
		Inc.	56.39	62.5	6.09	2.46	133
			68.58	76.2	7.62	0.37	2.9
			86.87	88.4	1.52	0.55	1.6
SCR-058	VETA DE ORO		77.72	79.3	1.53	1.42	1.4
			112.8	116	3.04	0.61	2.8
SCR-059	Chinos NW		27.43	29	1.53	1.17	2.2
			41.15	51.8	10.67	0.46	2
		Inc.	45.72	48.8	3.05	1.01	2.1
			71.63	73.2	1.52	0.72	1.4
SCR-060	Guadalupe		59.44	61	1.52	0.18	3.9
SCR-061	Guadalupe		36.58	51.8	15.24	0.52	2.8
			91.44	97.5	6.1	0.43	2.8
SCR-062	Buena Suerta		1.52	12.2	10.67	0.71	24.5
			16.76	27.4	10.67	0.68	4.7
SCR-063	Buena Suerta		32	44.2	12.2	0.44	4.7
			64.01	68.6	4.57	0.41	5.3
SCR-64	Japoneses		13.72	16.8	3.04	0.64	22.8
			35.05	44.2	9.15	1.23	1.8
		Inc.	35.05	41.2	6.1	1.76	2.5
SCR-065	Japoneses		1.52	29	27.44	0.82	9.2
			36.58	39.6	3.04	1.85	17.9

Hole			From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
SCR-066	Chinos NW		0	6.1	6.1	0.5	4.7
			24.38	30.48	6.1	0.5	1.4
SCR-067	Chinos Altos		21.34	27.43	6.09	0.3	2.3
SCR-068	La Espanola		15.24	18.29	3.05	6.1	3.4
			60.96	65.53	4.57	0.5	1.8
			99.06	103.63	4.57	0.5	1.4
SCR-072	Japoneses		3.05	18.29	15.24	0.6	3
			22.86	30.48	7.62	0.3	1
SCR-074	Japoneses		9.14	24.38	15.24	0.3	2.8
			146.3	163.07	19.81	0.4	1.4
SCR-075	Japoneses		53.34	57.91	4.57	0.3	0.8
			88.39	91.44	3.05	0.4	0.3
SCR-076	Japoneses		9.14	30.48	21.34	0.3	6.3
			39.62	44.2	4.58	0.6	1.9
			51.82	56.39	4.57	0.5	4.1
			108.2	114.3	6.1	0.6	1.7
SCR-077	Chinos NW		18.29	22.86	4.57	0.3	3.6
			77.72	79.25	1.53	0.4	0.9
SCR-078	Chinos NW		0	24.38	24.38	0.3	8.2
SCR-079	Chinos NW		16.76	22.86	6.1	0.3	7.5
			27.43	39.62	12.19	0.4	3.6
SCR-080	Chinos NW		9.14	16.76	7.62	0.4	6.1
			41.15	42.67	1.52	0.8	1.1
SCR-081	Japoneses		4.57	13.72	9.15	0.3	3.7
			80.77	88.39	7.62	0.8	1.1
SCR-082	Japoneses		56.39	59.44	3.05	1.2	4.2
			82.3	91.44	9.14	0.3	1
			114.3	117.35	3.05	0.8	1.7
SCR-083	Japoneses		24.38	47.24	22.86	0.5	16.9
		Inc.	36.58	38.1	1.52	3.2	36.4
SCR-084	Japoneses		64.01	79.25	15.24	0.5	13.6
		Inc.	65.53	67.06	1.53	2.9	33.6
SCR-085	Japoneses		28.96	50.29	21.33	0.4	7.1
			54.86	64.01	9.15	0.6	1.8
SCR-089	Chinos NW		0	22.86	22.86	0.6	7.1
		Inc.	7.62	10.67	3.05	1.8	13.1
SCR-090	Chinos NW		4.57	13.72	9.15	0.4	7.5
SCR-091	Japoneses		9.14	15.24	6.1	0.3	3.7
SCR-092	Japoneses		92.96	96.01	3.05	0.4	1.2
			117.4	124.97	7.62	0.4	3.4
SCR-093	Japoneses		59.44	64.01	4.57	0.4	0.3
SCR-094	Japoneses		50.29	60.96	10.67	0.3	1
			82.3	94.49	12.19	1.1	1.8
		Inc.	86.87	89.92	3.05	2.7	2.2
SCR-095	Japoneses		36.58	56.39	19.81	0.7	8.8
		Inc.	36.58	38.1	1.52	4.5	17.6

Figure 10-5: 2018-2019 Drill Hole Locations SRC-001 to SRC-095



Modified after Oscar Gonzalez 2019, Sonoro Metals Corp.

11 SAMPLING PREPARATION, ANALYSES, AND SECURITY

11.1 Paget Southern Resources (2011)

Paget Southern Resources (2011) (Paget) drill samples were collected from split core over 1.5 m lengths, except where restricted by geology. Assays were completed by two laboratories, ALS Chemex and Laboratorio Tecnológico de Metalurgia (LTM) both in Hermosillo, Mexico. ALS Chemex samples were assayed by fire assay and ICP. LTM samples were assayed by fire assay for only gold and silver. Due to the presence of coarse visible gold in some samples, numerous check samples were submitted to ALS Chemex for screened metallic assays. All samples were submitted with blanks and standards inserted every tenth sample.

11.2 Sonoro Metals Corp. (2018-2019)

In a press release dated October 10, 2018, Sonoro stated "Rock samples were collected by Sonoro's geological and technical employees utilizing industry-standard methods of collection, including recording of descriptive data with hand-held GPS-determined (global positioning system) locations in UTM NAD 27 grid locations and two-to-three-metre-long channel-type sampling".

Collected rock material is contained in numbered plastic bags with plastic zip tie closures. Numbered paper tags are inserted into the bags to confirm identification. Bags are locked in secure locations under the supervision of Sonoro staff and transported by Sonoro staff to the ALS Chemex sample preparation facility in Hermosillo, Sonora, Mexico (an accredited independent laboratory; ISO 9001:2008). The ALS Chemex laboratory in Hermosillo prepares the samples by crushing, splitting, and grinding to a fine pulp, culminating with shipment to the ALS Chemex analytical laboratory in Vancouver, B.C. for gold analysis by 30-gram fire assay with AA finish (Au-AA23). In addition, a second small fraction of pulp is dissolved in a four-acid mixture and processed for the ICP determination of normal 35-element package (ME-ICP41). The ALS Chemex laboratory inserts blanks and gold standards into the sample stream to verify the accuracy of the laboratory processes." These surface "rock" samples are used to guide exploration activities and are not used in the estimation of mineral resources.

The reverse-circulation drill samples were collected with an airstream cyclone and then passed into a splitter that quarters the large sample. The resulting quartered sample was bagged, sealed with identification, and the geology was logged at the drill site. Each sample group had blanks, standards and duplicates inserted into the sample stream. Sonoro reported the samples were picked up by ALS Chemex and transported directly to the preparation laboratory in Hermosillo, Sonora. The rejected quarters were stored at the drill site under a tarp (see Figure 11-1).

Sonoro reported that reverse-circulation samples were collected at five-foot intervals at site; Sonoro explained that metric drill rods were not available. The drilling data was then converted from imperial to metric units.

Au analyses were performed on reverse-circulation drilling samples using the Au-AA23 (50 g sample) fire assay method with atomic absorption finish. When gold detection exceeded 10 ppm, the sample was assayed by fire assay and gravimetric finish following the Au-GRA21 internal method. This was completed using a 50 g split of sample. In addition to Au assaying, a four-acid digestion with ICP-AES finish method was used to obtain analytical results for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W and Zn (ME-ICP61 internal method).

The insertion for the blanks was one in 30 samples; duplicate field samples (splits) were taken at a rate of one in 50 samples (5 samples after its original). The reference materials (standards) were inserted at a rate of one in 40 samples; the different reference materials (low, medium, high and very-high standards) were randomly selected.

In January 2019, Sonoro generated a report titled "Laboratory Analytical Results QA/QC Report in Cerro Caliche Project: First-Stage Drilling" authored by Hector Mendivil, a consultant to Sonoro. The report summarizes Sonoro's preliminary QA/QC analysis and control practices during phase one of the 2018 drilling program, including the first 45 reverse-circulation drill holes where 3,277 samples were sent for assays. Phase Two drilling finished at the beginning of June 2019. Sonoro has not yet completed a second QA/QC analysis report on the remaining drill holes, but it continued to insert control samples as with the first 45 reverse-circulation drill holes.

Of the 7,353 samples that were sent to the analytical laboratory, 575 were control samples (representing 8% of total samples). The control samples consist of 245 blank samples, 147 drill cuttings duplicates (field duplicates), and 183 reference material (standards) samples.

The standards included: 34 low-grade standards (OxB130); 30 mid-grade standards (OxF125); 9 high-grade standards (OxH139); and 8 very high-grade standards (OxL118). Additionally, 65 field duplicates were inserted into the sample stream during the first-pass analysis where the normal difference between sample pairs is expected to be no greater than 0.1 ppm, but to account for the irregular distribution of gold, a second threshold for sample pairs of ±0.2 ppm has been applied by Sonoro.

While there is no documented procedure for sample chain of custody or formal documentation for the inserted QA/QC controls, the well-organized sample registry as observed in Sonoro's spreadsheets and sample logs, and the contents of the first QA/QC analysis report, demonstrate that Sonoro is adhering to standard industry practices in its sample procedures and controls. It is recommended that the formal documentation of sampling processes and control procedures is completed to maintain consistency in results for future programs. It is the opinion of Mr. Strickland that Sonoro is following industry best practices.

11.3 Duplicate Sample Numbers

When the authors reviewed the electronic database provided by Sonoro, there were 611 duplicate sample numbers identified. The 611 duplicate samples numbers were from two different drilling campaigns, 2011 and 2018.

The 2011 drilling campaign data by Paget has the same 611 sample number sequences as the current drilling by Sonoro's 2018 reverse-circulation program.

In an email dated January 8, 2019, Sonoro's project manager stated, "we are using the same sequence in the numbering of samples that Paget used in its stage of drilling (from the sample 510001), rare coincidence because the assay books for our sampling are provided by ALS Chemex. The author does not think there is any problem because they are associated with different drill hole numbers."

Figure 11-1: 2018 Reverse-Circulation Reject Samples at Site

12 DATA VERIFICATION

Data verification and validation consisted of the following:

- Two site visits resulting in the collection of 27 independent duplicate validation samples;
- Validation of databases comprising collar coordinates, down-hole surveys, assay sheets, QA/QC protocols, drill data and interpretation, and assay database.

12.1 Site Inspection

Derrick Strickland, QP, visited the Cerro Caliche Project on December 11, 2018 to review the geological setting. The following Sonoro personnel accompanied Strickland on the site visit: John M. Darch (Chairman; Director), Kenneth MacLeod (President; CEO; Director), Melvin Herdrick (VP, Exploration) and Jorge Diaz (Operations Manager, Mexico). On July 10, 2019, Derrick Strickland, QP, visited the Cerro Caliche Project a second time with Melvin Herdrick after the drill program was completed. Note: Unless stated otherwise, Strickland created all the maps in this technical report.

12.1.1 Site Visit December 11, 2018

During his first site visit on December 11, 2018, Strickland collected 10 reverse-circulation samples from the rejects stored at the 2018 drill site locations (see Table 12.1). Strickland reviewed the select drill logs, chip trays, assays certificate results, and the actual drilling of hole SRC-043, and he was satisfied that they all met current industry standards.

Table 12.1: Author-Collected Samples December 11, 2018

	Sonoro Metals Corp Data						Author data		
Sample No	Hole No.	From (ft)	to (ft)	Resample No.	Au ppm	Ag ppm	Au ppm	Ag ppm	Comments
S18-02	SRC-042	75	80	511615	0.01	0.5	0.012	0.5	witness samples at drill site
S18-03	SCR-030	195	200	510673	0.98	17	1.065	17.6	witness samples at drill site
S18-04	SCR-004	30	35	518695	0.85	34.3	0.837	21.8	witness samples at drill site
S18-05	SCR-003	55	60	518643	0.576	12.3	0.403	11.4	witness samples at drill site
S18-06	SCR-008	70	75	519066	1.065	10.9	0.525	1.6	witness samples at drill site
S18-07	SCR-019	120	125	519852	0.592	16.8	0.613	16.4	witness samples at drill site
S18-08	SCR-011	205	210	519358	1.985	7.7	2.5	6.9	witness samples at drill site
S18-09	SRC-015	35	40	519547	0.093	0.5	0.128	1.5	witness samples at drill site
S18-10	SRC-021	85	90	519940	2.17	66.9	2.01	76.5	witness samples at drill site
S18-11	SRC-043	145	150	511679	0.294	18.4	0.52	25.8	Taken directly from operational reverse circulations drill site

12.1.2 Site Visit July 10, 2019

During his second site visit on July 10, 2019, Strickland collected 17 reverse-circulation samples from the rejects stored at the 2019 drill site locations (see Table 12.2).

Table 12.2: Author-Collected Samples July 10, 2019

	Sonoro Metals Corp Data						Author data		
Sample No	Hole No.	From (ft)	to (ft)	Resample No.	Au ppm	Ag ppm	Au ppm	Ag ppm	Comments
S19-01	SRC-47	415	420	512051	0.01	0.25	0.01	<0.5	witness samples at drill site
S19-02	SRC-47	180	185	511999	1.72	2.2	1.85	2.5	witness samples at drill site
S19-03	SRC-57	195	200	512838	3.21	142	3.00	152	witness samples at drill site
S19-04	SRC-56	235	240	512781	7.99	46.3	2.49	40.8	witness samples at drill site
S19-05	SRC-68	60	65	513697	11.9	4.6	10.20	3.8	witness samples at drill site
S19-06	SRC-68	210	215	513729	0.34	1.5	2.09	1.3	witness samples at drill site
S19-07	SRC-59	155	160	512986	1.24	2.9	0.15	2.7	witness samples at drill site
S19-08	SRC-65	125	130	513476	3.37	24.3	1.81	35.9	witness samples at drill site
S19-09	SRC-81	280	285	514823	0.16	1.1	0.18	1	witness samples at drill site
S19-10	SRC-81	190	195	514804	0.19	0.25	0.24	<0.5	witness samples at drill site
S19-11	SRC-83	125	130	514969	3.16	36.4	2.02	30.3	witness samples at drill site
S19-12	SRC-55	75	80	512638	0.43	0.8	0.42	2.4	witness samples at drill site
S19-13	SRC-95	185	190	620827	0.72	7.6	0.68	1.8	witness samples at drill site
S19-14	SRC-94	290	295	620775	4.05	1.6	3.49	1.7	witness samples at drill site
S19-15	SRC-85	55	60	620125	0.55	7.8	0.64	7.8	witness samples at drill site
S19-16	SRC-85	110	115	620137	0.71	27.5	0.84	32.4	witness samples at drill site
S19-17	SRC-85	200	205	620156	2.18	1.3	0.92	1.3	witness samples at drill site

In total, Strickland took samples from 27 unique locations and hand-delivered them to ALS Chemex de Mexico S.A., de C.V. (ALS Chemex) in Hermosillo, Sonora, Mexico (ISO 9001), to undergo Au-AA23 and ME-ICP61 testing.

Strickland's sampling program was completed during the 2019 site visit to test the repeatability of sample results obtained by Sonoro during its 2018 drilling program. Strickland designed the program as a quality-control measure.

Gold analyses were conducted on a 30 g sub-sample using ALS Method Au-AA23: fire assay fusion with atomic absorption spectroscopy (AAS) finish.

Four-acid digestion ICP (ALS Method ME-ICP61) was performed to analyze 33 elements: Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, and Zn. The method uses inductively coupled plasma - atomic emission spectrometry (ICP-AES) conducted on 0.25 g of prepared sample digested in perchloric, nitric, hydrofluoric, and hydrochloric acids. For samples in which Cu, Zn, Pb, or Ag values exceeded the ME-ICP61 upper-detection limit, ALS Method OG62 was used (a four-acid ICP-AES technique calibrated for ore-grade mineralization).

12.2 Database Validation

12.2.1 Collar Coordinates

Collar-elevation data were validated by comparing collar survey elevations with the satellite photo digital elevation model (DEM). Most elevation differences in the collars were less than one metre.

12.2.2 Down-Hole Survey

The down-hole survey data were validated by identifying any large discrepancies between previous and subsequent dip and azimuth readings. No significant discrepancies were found**.**

12.2.3 Assays

All the data for collars, surveys, geology and assays were exported from Excel® files into MinePlan® software. There are no identical sample IDs, all FROM_TO data are either a zero or positive value, and no interval exceeds the total depth of its hole.

To validate the data, the following checks were confirmed:

- Maximum depth of samples was checked against hole depth;
- Less-than-detection-limit values were converted into a positive number equal to one-half the detection limit.

12.2.4 QA/QC Protocols

The QA/QC results for Sonoro drilling were reviewed. Four different standard reference materials were inserted at regular intervals in the assay stream. All results returned values within the control limits. Blank material inserted with the assays exceeded the control limit only 2.4% of the time. Rig duplicate samples were taken on a regular basis, but such samples can only be used for information purposes; they do not provide insight into the quality of the sampling and assay programs.

12.2.5 Drill Data and Interpretation

Several geological variables were captured during drill core logging. Drill data were verified by confirming that the geological designations were correct in each sample interval. This process included the following:

- Examine "FROM_TO" intervals for gaps, overlaps and duplicated intervals;
- Identify collar and sample identification mismatches;
- Verify correct geological codes.

12.2.6 Assay Database Validation

The assay data from seven randomly selected drill holes drilled by Sonoro, representing approximately 7% of the Sonoro database, were dumped from MinePlan® and manually compared to the original assay certificates. Similarly, the sample data from three holes drilled by Paget were also compared to the values contained in the assay certificates. No errors were found.

There are no assay certificates available for the sample data collected by Corex Gold. Comparisons were made between declustered data from the Corex Gold drilling and the (validated) drill results produced by Sonoro. The results show that both sources of data provide similar results over larger volume areas and, therefore, validating the Corex Gold data for use in the estimation of mineral resources.

12.3 Conclusion

Strickland believes the sample preparation and analytical procedures used by Sonoro are adequate and that the description of sampling methods and details of location, number, type, nature, and spacing or density of samples collected, and the size of the area covered, are all adequate for the current stage of the Cerro Caliche Project. There was no bias in the sampling program completed on the Cerro Caliche Project.

The assay results for the samples collected by Strickland (Tables 12.1 and 12.2) are consistent with the samples collected by Sonoro. The one exception is Sample No. S18-11 which is significantly higher than Resample No. 511679 (Table 12.1). This is probably because it was previously identified as coarse visible gold in the drill core. Note: Sample length units in Table 12.1 are expressed in feet to reflect the original drilling unit.

Observations of the drilling programs during the site visits and inspection and analyses of the validation of collected sample data indicates that the drilling programs and related sample collection and analyses has been conducted according to industry standards. The QPs deem that the Sonoro drilling data is adequate for use in the estimation of mineral resources.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

Sonoro has announced that preliminary metallurgical analysis is currently underway. As of the effective date of this report, the results are pending.

14 MINERAL RESOURCE ESTIMATES

14.1 Introduction

The mineral resource estimate was prepared under the direction of Robert Sim, P.Geo, with the assistance of Bruce Davis, PhD, FAusIMM. This report describes the mineral resource estimation methodology and summarizes the key assumptions considered by the qualified person (QP) to prepare the mineral resource model for the gold and silver mineralization at the Cerro Caliche Project in northern Mexico. This is the first estimate of mineral resources for the Cerro Caliche deposit.

In the opinion of the QP, the mineral resource estimate reported herein is a reasonable representation of the mineralization found at the Cerro Caliche Project at the current level of sampling. The mineral resource was estimated in conformity with generally accepted CIM *Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines* (November 23, 2003) and is reported in accordance with National Instrument (NI) 43-101.

Mineral resources are not mineral reserves, and they do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into a mineral reserve upon application of modifying factors. There are no mineral reserves estimated for the Cerro Caliche Project.

Estimations are made from 3D block models based on geostatistical applications using commercial mine planning software (MinePlan® v15.4, formerly known as MineSight). The project limits are based in the UTM coordinate system (NAD27) using a nominal block size measuring 6 m × 6 m × 5 m (l × w × h). The majority of the mineralized zones are interpreted to trend generally in a north-northwest direction dipping moderately to steeply to the east. Drill holes that test the zones are often oriented in a southwest direction. Drill holes testing the mineralized zones typically extend to depths of about 125 m below surface and some holes have intersected gold and silver mineralization at depths approaching 200 m below surface.

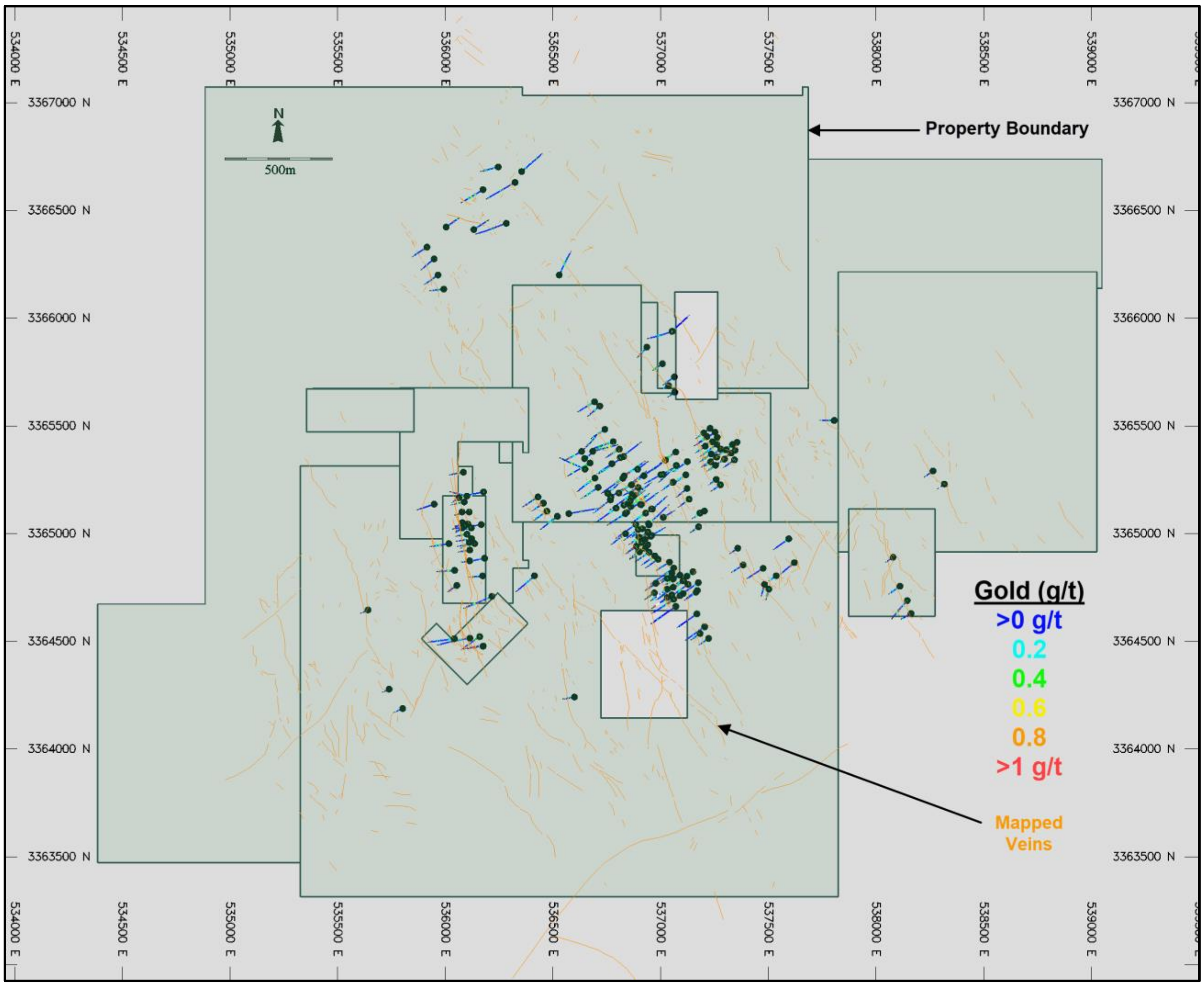
The mineral resource estimate was generated using drill hole sample assay results and the interpretation of a geological model which relates to the spatial distribution of gold and silver. Interpolation characteristics were defined based on the geology, drill hole spacing, and geostatistical analysis of the data. The mineral resources were classified according to their proximity to the sample data locations and are reported according to the CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014), as required by NI 43-101.

14.2 Available Data

Sonoro Metals Corp. (Sonoro) provided the drill hole sample data for the Cerro Caliche Project on June 29, 2019. This comprised a series of ASCII files (.csv spreadsheet) containing collar locations, down-hole survey results, geologic information and assay results for a total of 211 drill holes representing 22,770 m of drilling. Eleven of the holes in the database are north (outside) of Sonoro's property boundary. All drilling has been conducted using reverse-circulation drilling equipment. A total of 177 drill holes test mineralized areas with sufficient data distribution to support the estimation of mineral resources. The other 34 drill holes are exploratory in nature and test for other satellite deposits on the property and north of the Sonoro property.

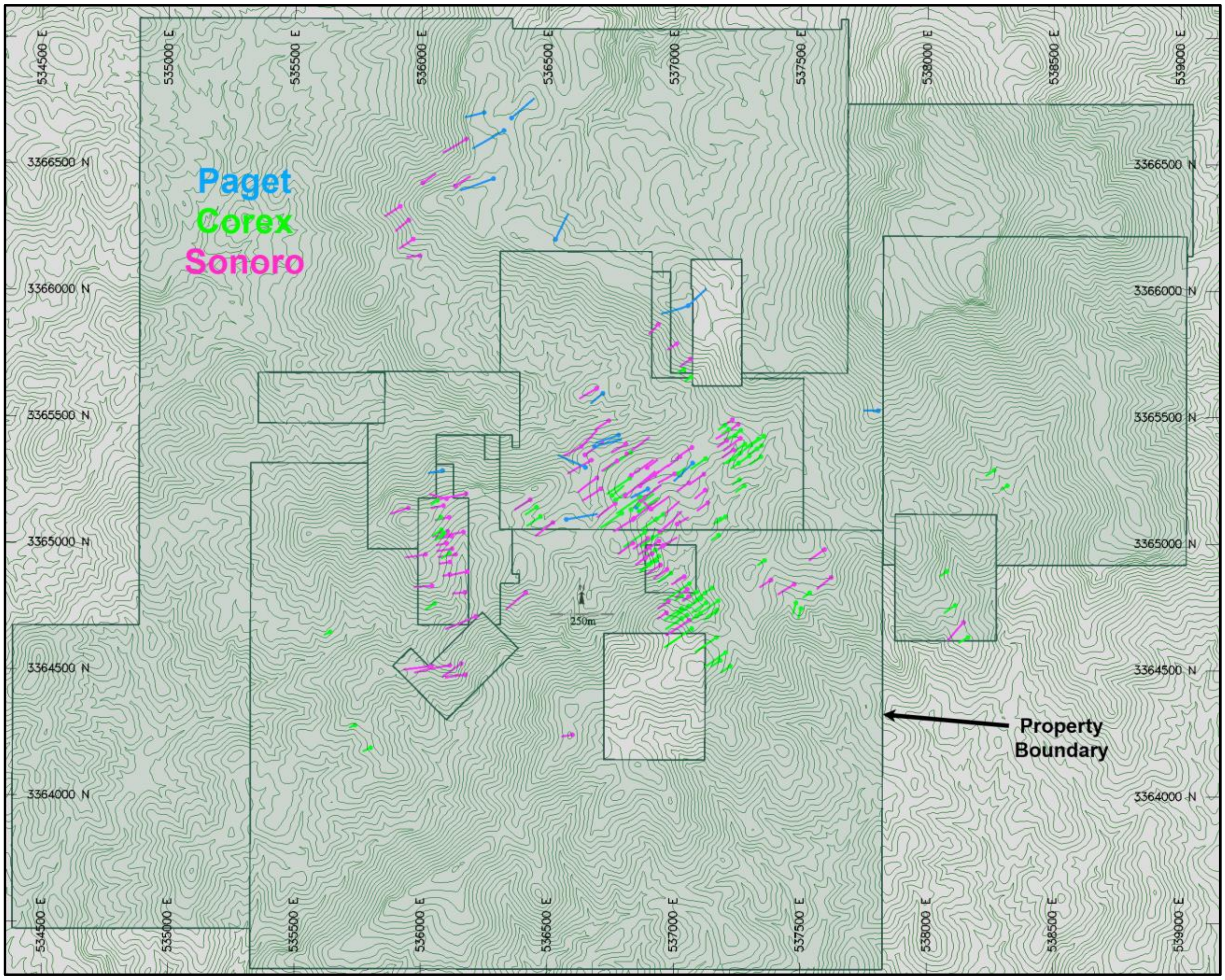
The distribution of gold-grades in drill holes located on the Sonoro Project is shown in plan view in Figure 14-1. Also shown in Figure 14-1 are the traces of gold-bearing veins that have been identified through surface mapping.

Figure 14-1: Plan View of Gold Grades in Drilling on Sonoro Property



The Cerro Caliche property has been explored using drilling by three operators. The distribution of drill holes by company is shown in plan in Figure 14-2. Comparisons of the drilling results have been made between the previous operators and the most recent drilling completed by Sonoro, and the results indicate that similar results have been generated by all three vintages of drilling.

Figure 14-2: Plan View of Drill Holes by Operator



In the Cerro Caliche sample database, a total of 14,261 samples have been tested for gold and silver content, representing 22,361 m of drilling. Individual sample intervals range from 0.3 m to 8.5 m in length and average 1.57 m long. Ninety-five percent of samples are exactly 1.52 m in length, representing a standard 5-ft sample interval of most reverse-circulation drilling equipment.

The distribution of gold grades in drilling in the area of the Sonoro mineral resources is shown in Figure 14-3. The available silver data is shown in Figure 14-4. There are a few rare intervals drilled where sample data is not available. These likely represent intervals with drill recovery problems. There have been no modifications to the database to account for missing sample data.

Figure 14-3: Isometric View of Available Gold Grades in Drilling

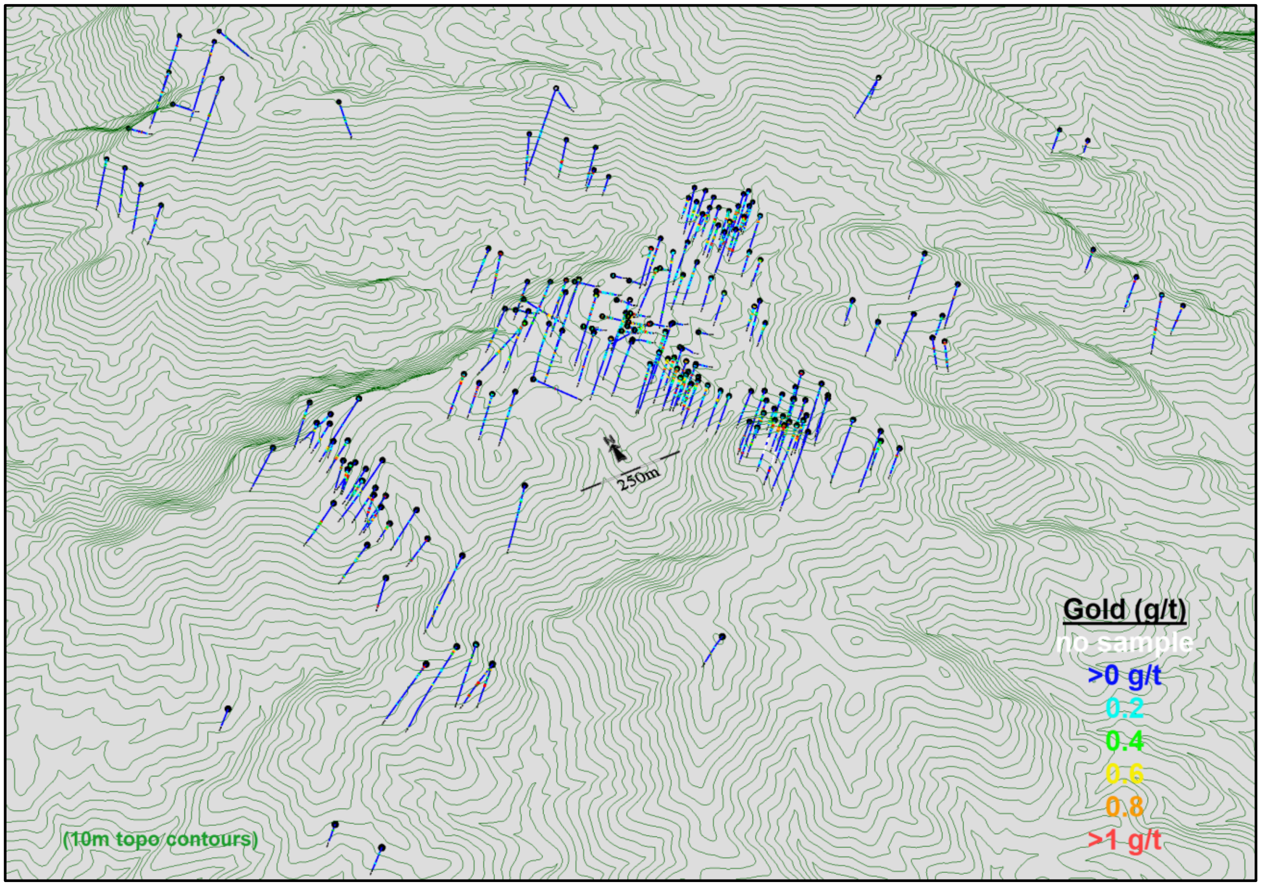
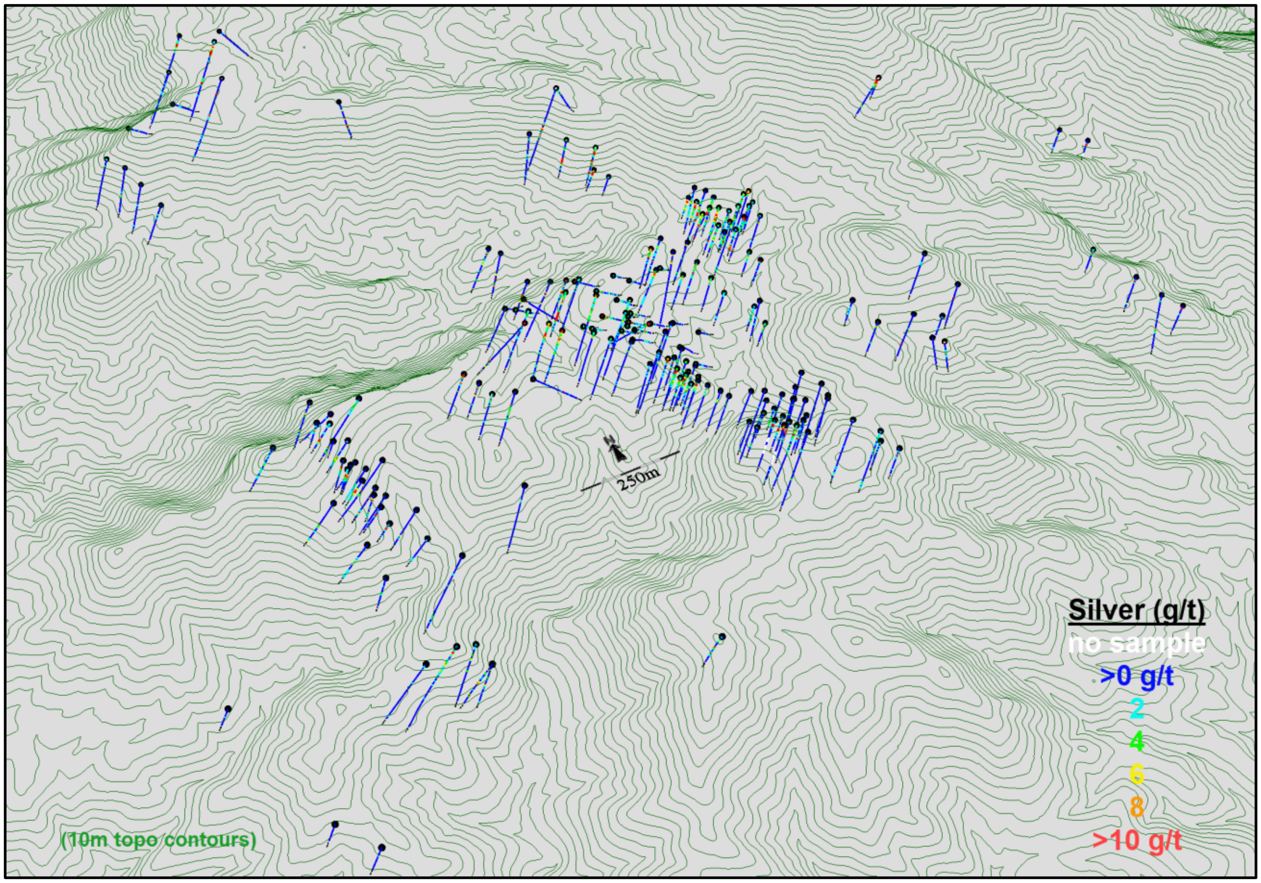
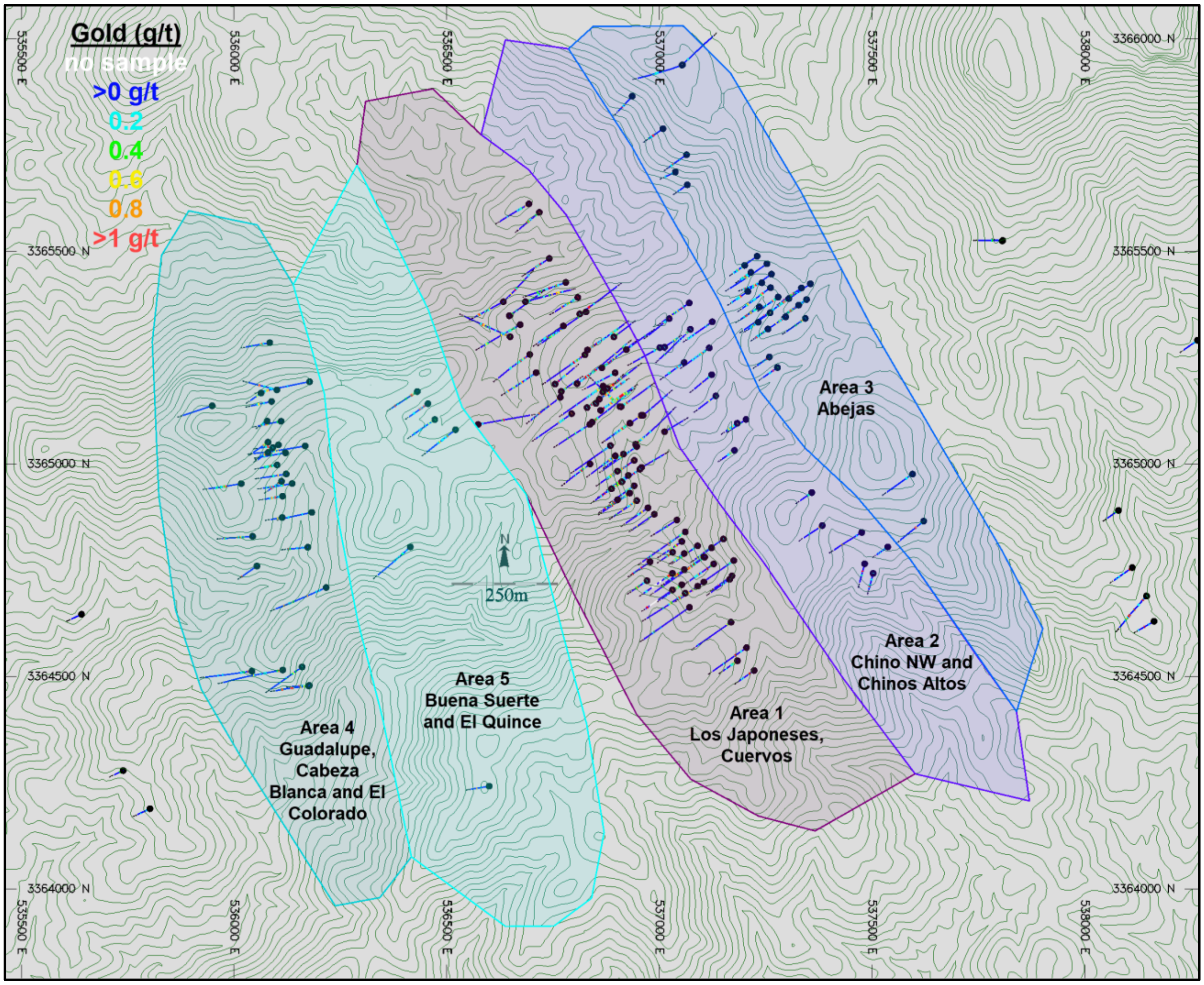


Figure 14-4: Isometric View of Available Silver Grades in Drilling



The mineralized areas on the Cerro Caliche Project have specific names that were originally used by artisanal miners. The area of the Cerro Caliche mineral resources includes ten of these historical mining locations. These have been segregated into five areas that represent separate zones or trends of mineralization as shown in Figure 14-5. Areas 1, 3 and 4 contain most of the drilling and associated mineral resources. Areas 2 and 5 have somewhat limited drilling to support estimates of mineral resources.

Figure 14-5: Plan View of Segregated Mineralized Areas



There are six older holes in the database, drilled by Paget in 2011 (CC-019 through CC-024), that have samples grades derived from fire assay (no ICP), and, as a result, the lower detection limit for silver was quite high at 5 g/t Ag. These occur in the original database with silver grades equal to ½ the detection limit, or 2.5 g/t Ag which is ten-times the grade of samples below the detection limit using ICP. A total of 467 samples from these six drill holes with grades of 2.5 g/t Ag have been changed to silver grades of 0.25 g/t Ag.

There is no specific gravity (SG) data included in the database. SG measurements from the nearby Cerro Prieto mine averaged 2.60 in its 2012 technical report and 2.77 in its 2013 technical report. At La Colorada, the average SG of 2.69 has been used since 2011. A report generated by Corex Gold in 2008 assumes an SG value of 2.50 for the Cerro Caliche Project. An average SG value of 2.50 is considered appropriate for the generally highly oxidized rocks at Cerro Caliche.

Surface topographic data was provided over the project area as a series of 3D contour lines on 1 m vertical intervals. A 3D triangulated surface was generated from the 1 m contour lines. Figures

14-2, 14-3, 14-4 and 14-5 show 10 m vertical contour lines generated from this 3D digital terrain surface.

Geologic information, derived from observations during reverse-circulation chip logging, provide lithology code designations for the various rock units present on the property. Also recorded in most holes is the location of veins, stockwork, faults and the type of oxidation environment.

The statistical properties of the reverse-circulation sample data in the vicinity of the Cerro Caliche mineral resource deposit are shown in Table 14.1.

Table 14.1: Summary of Basic Statistics of Data Proximal to the Mineral Resource Model

Element	# of Samples	Cumulative Length (m)	Min	Max	Mean	Std. Dev.
Gold (g/t)	11,824	18,370	0	41.400	0.169	0.705
Silver (g/t)	11,824	18,370	0	176.0	1.89	5.70

Note: Original sample data are weighted by sample length. The data used in the above table are restricted to drill holes in the vicinity of the Cerro Caliche deposit.

14.3 Compositing

Compositing the drill hole samples helps standardize the database for further statistical evaluation. This step eliminates any effect that inconsistent sample lengths might have on the data.

To retain the original characteristics of the underlying data, a composite length was selected that reflects the average, original sample length. The generation of longer composites can result in some degree of smoothing which could mask certain features of the data. A composite length of 1.5 m was selected for the Cerro Caliche Project, reflecting the fact that the vast majority of samples were taken over 1.5 m intervals.

Drill hole composites are length-weighted and were generated down-the-hole; this means that composites begin at the top of each hole and are generated at 1.5 m intervals down the length of the hole.

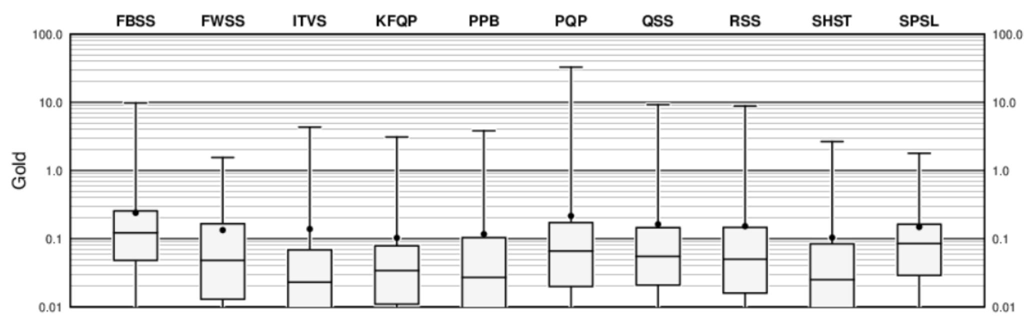
14.4 Exploratory Data Analysis

Exploratory data analysis (EDA) involves the statistical summarization of the database to better understand the characteristics of the data that may control grade. One of the main purposes of this exercise is to determine if there is evidence of spatial distinctions in grade which may require the separation and isolation of domains during interpolation. The application of separate domains prevents unwanted mixing of data during interpolation, and, therefore, the resulting grade model will better reflect the unique properties of the deposit. However, applying domain boundaries in areas where the data are not statistically unique may impose a bias in the distribution of grades in the model.

A domain boundary, which segregates the data during interpolation, is typically applied if the average grade in one domain is significantly different from that of another domain. A boundary may also be applied if there is evidence that a significant change in the grade distribution has occurred across the contact.

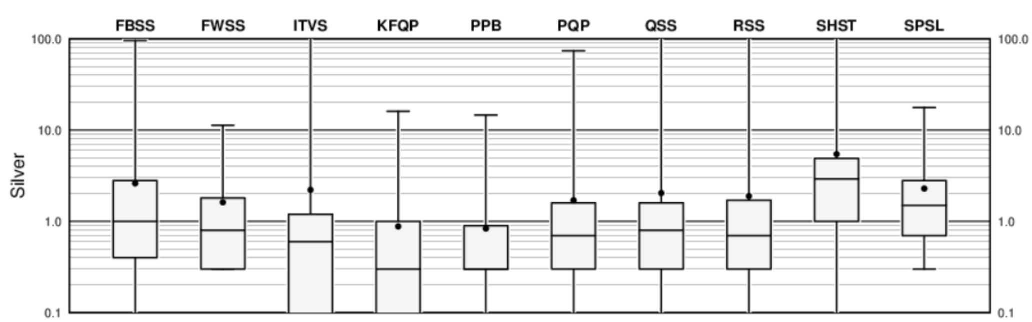
A series of boxplots were generated comparing the statistical properties of sample data related to the various information recorded during drill hole logging. There are a total of 14 different lithology types, including overburden. The boxplots in Figures 14-6 and 14-7 show the statistical properties of gold and silver, respectively, in the most prominent rock units. Essentially all units are mineralized to some degree. The higher grade units (FBSS, PQP, QSS and RSS) comprise over 80% of the rocks by volume. There are no distinct grade properties attributed to lithology type.

Figure 14-6: Boxplot of Gold by Lithology Type



	FBSS	FWSS	ITVS	KFQP	PPB	PQP	QSS	RSS	SHST	SPSL
Number of data	1793	108	211	767	530	2683	1206	3208	260	162
Mean	0.24	0.134	0.139	0.103	0.117	0.216	0.163	0.153	0.104	0.149
Variance	0.227	0.054	0.181	0.08	0.094	1.25	0.226	0.134	0.071	0.053
Skewness	9.098	3.766	6.159	6.916	7.335	20.918	11.816	9.379	5.947	4.656
Coef of Variation	1.986	1.739	3.062	2.751	2.61	5.17	2.914	2.395	2.567	1.553
Maximum	9.78	1.551	4.349	3.104	3.848	32.856	9.219	8.839	2.664	1.796
Upper quartile	0.255	0.166	0.069	0.079	0.104	0.172	0.145	0.147	0.084	0.163
Median	0.122	0.048	0.023	0.034	0.027	0.066	0.055	0.05	0.025	0.085
Lower quartile	0.048	0.013	0.008	0.011	0.008	0.02	0.021	0.016	0.009	0.029
Minimum	0.0	0.003	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.006

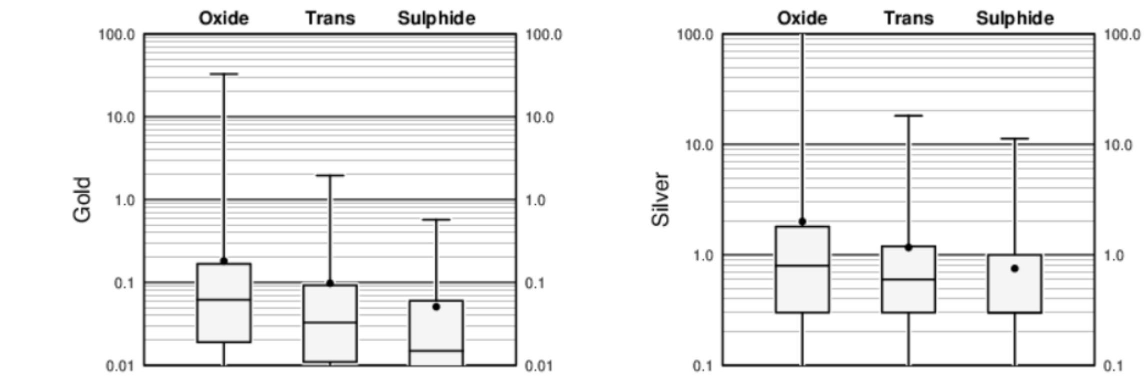
Figure 14-7: Boxplot of Silver by Lithology Type



	FBSS	FWSS	ITVS	KFQP	PPB	PQP	QSS	RSS	SHST	SPSL
Number of data	1793	108	211	767	530	2683	1206	3208	260	162
Mean	2.612	1.618	2.214	0.881	0.835	1.703	2.042	1.895	5.459	2.29
Variance	30.549	4.275	81.802	2.556	2.507	16.649	37.935	39.77	121.842	7.228
Skewness	8.299	2.415	9.514	4.757	4.978	8.551	12.085	14.258	6.242	2.971
Coef of Variation	2.116	1.278	4.085	1.815	1.895	2.395	3.016	3.329	2.022	1.174
Maximum	96.1	11.3	109.1	16.1	14.6	74.0	127.9	162.6	108.9	17.7
Upper quartile	2.8	1.8	1.2	1.0	0.9	1.6	1.6	1.7	4.9	2.8
Median	1.0	0.8	0.6	0.3	0.3	0.7	0.8	0.7	2.924	1.5
Lower quartile	0.4	0.3	0.0	0.0	0.3	0.3	0.3	0.3	1.0	0.7
Minimum	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3

Figure 14-8 shows the distributions of gold and silver by oxide type. Essentially all of the rocks encountered in drilling are highly oxidized. A small proportion of rocks (8% by volume) are considered transitional or primary rocks, and these tend to be only weakly mineralized.

Figure 14-8: Boxplots of Gold and Silver by Oxide Type

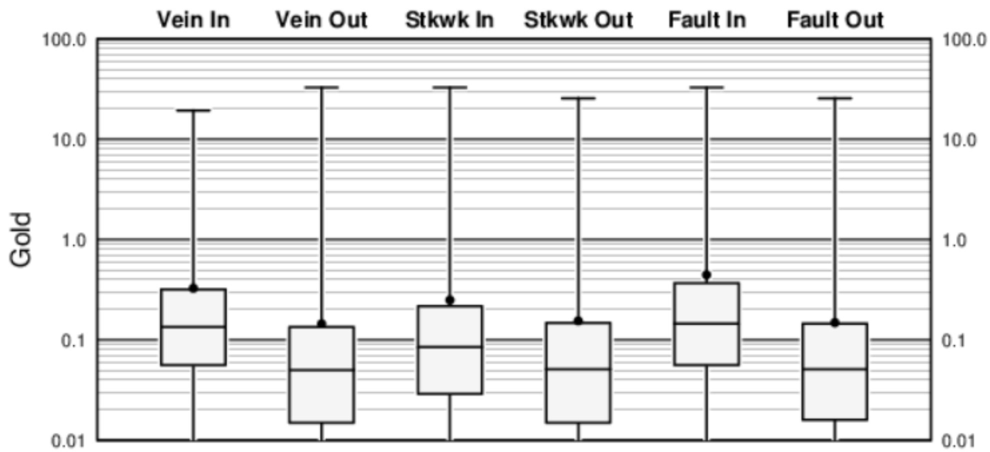


	Oxide	Trans	Sulphide
Number of data	10094	672	212
Mean	0.182	0.098	0.051
Variance	0.455	0.04	0.007
Skewness	26.974	5.009	2.985
Coef of Variation	3.709	2.041	1.596
Maximum	32.856	1.96	0.575
Upper quartile	0.168	0.093	0.06
Median	0.062	0.033	0.015
Lower quartile	0.019	0.011	0.004
Minimum	0.0	0.0	0.0

	Oxide	Trans	Sulphide
Number of data	10094	672	212
Mean	2.007	1.168	0.754
Variance	32.211	3.78	1.136
Skewness	12.341	4.884	4.983
Coef of Variation	2.828	1.664	1.414
Maximum	162.6	18.2	11.3
Upper quartile	1.8	1.2	1.0
Median	0.8	0.6	0.3
Lower quartile	0.3	0.3	0.3
Minimum	0.0	0.0	0.0

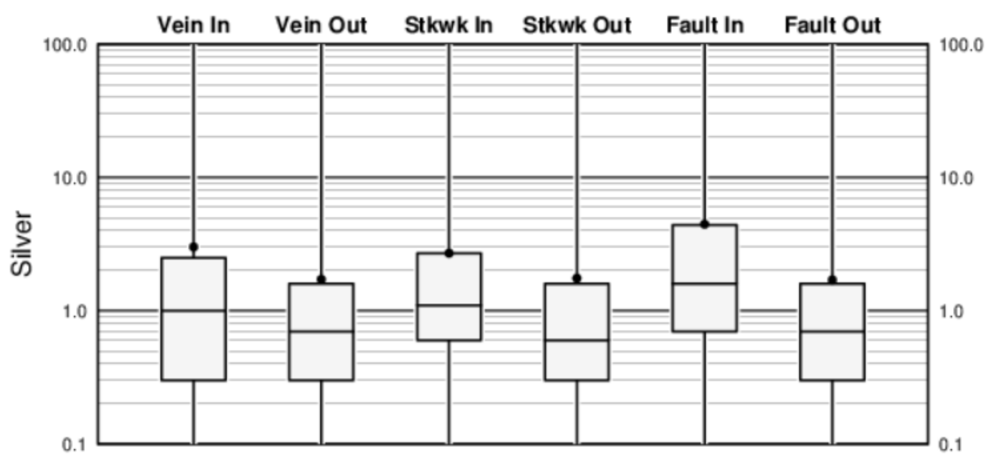
Elevated grades tend to occur where veins, stockwork and/or faults have been logged, as shown in the boxplots in Figures 14-9 and 14-10. However, it is not uncommon to find high gold and silver grades present where there is no mention of these geologic features. The contact profiles in Figures 14-11, 14-12 and 14-13, show the changes in grade that occur at the contacts of the logged veins, stockwork and fault zones. Grades tend to be higher inside these geologic features, but the differences are not overly significant. Based on observations of grades and geology on cross sections, these features are likely related to the introduction of mineralization in the area, and it is common to have significant gold and silver mineralization near these geologic features but not necessarily contained within them. As a result, these are not considered distinct or unique geologic features that control the mineralization at Cerro Caliche.

Figure 14-9: Boxplots of Gold by Vein, Stockwork and Fault Zone



	Vein In	Vein Out	Stkwk In	Stkwk Out	Fault In	Fault Out
Number of data	1639	10658	1811	10486	842	11455
Mean	0.328	0.145	0.25	0.155	0.446	0.149
Variance	0.649	0.34	1.172	0.247	2.935	0.19
Skewness	12.066	34.808	22.841	24.0	13.73	24.784
Coef of Variation	2.46	4.031	4.335	3.205	3.844	2.933
Maximum	19.461	32.856	32.856	25.692	32.856	25.692
Upper quartile	0.319	0.135	0.218	0.148	0.367	0.145
Median	0.135	0.05	0.085	0.051	0.146	0.051
Lower quartile	0.056	0.015	0.029	0.015	0.056	0.016
Minimum	0.0	0.0	0.003	0.0	0.0	0.0

Figure 14-10: Boxplots of Silver by Vein, Stockwork and Fault Zone



	Vein In	Vein Out	Stkwk In	Stkwk Out	Fault In	Fault Out
Number of data	1639	10658	1811	10486	842	11455
Mean	3.011	1.722	2.705	1.754	4.462	1.705
Variance	67.625	22.739	41.196	26.696	91.728	23.778
Skewness	8.068	14.549	12.748	12.63	6.398	14.481
Coef of Variation	2.731	2.769	2.372	2.945	2.146	2.861
Maximum	109.1	162.6	162.6	134.5	108.9	162.6
Upper quartile	2.5	1.6	2.7	1.6	4.4	1.6
Median	1.0	0.7	1.1	0.6	1.6	0.7
Lower quartile	0.3	0.3	0.6	0.3	0.7	0.3
Minimum	0.0	0.0	0.0	0.0	0.0	0.0

Figure 14-11: Contact Profiles of Gold and Silver In and Out of Veins

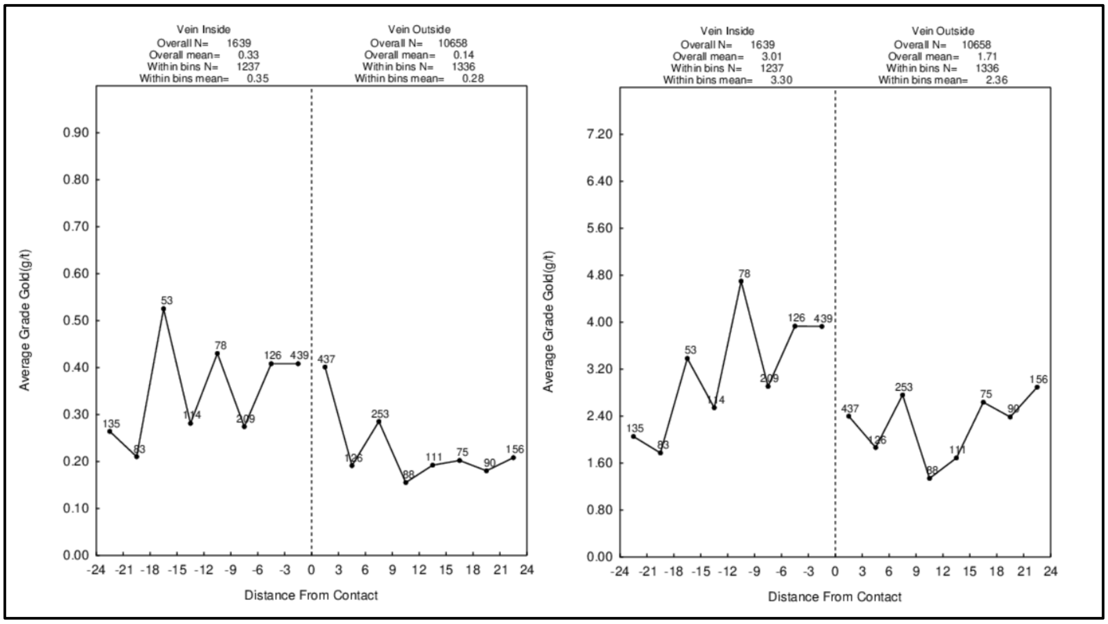


Figure 14-12: Contact Profiles of Gold and Silver In and Out of Stockwork Zones

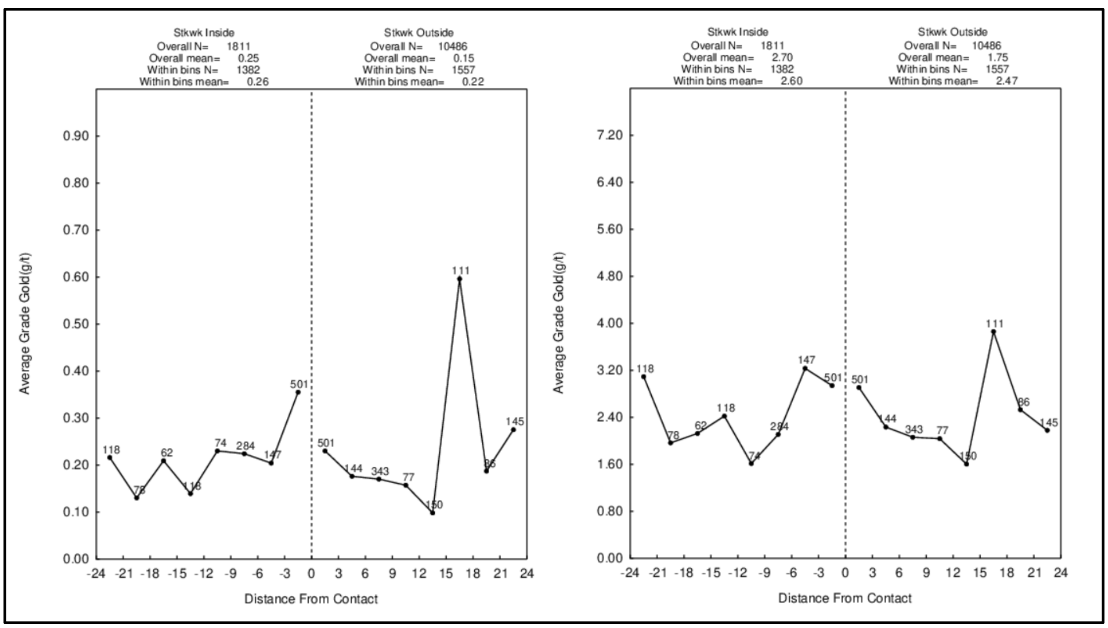
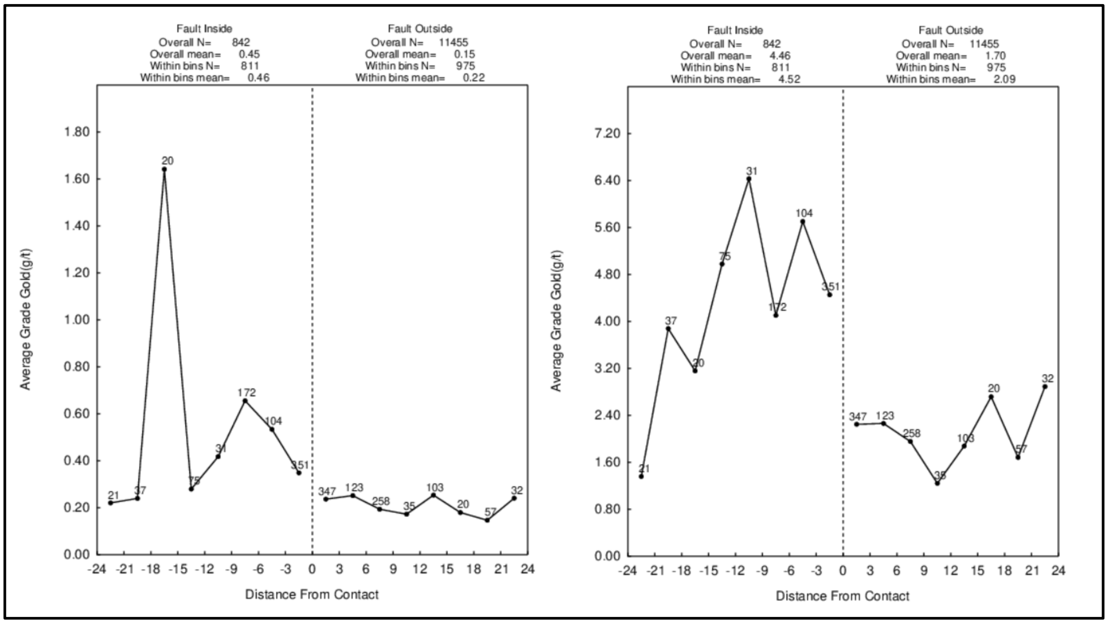


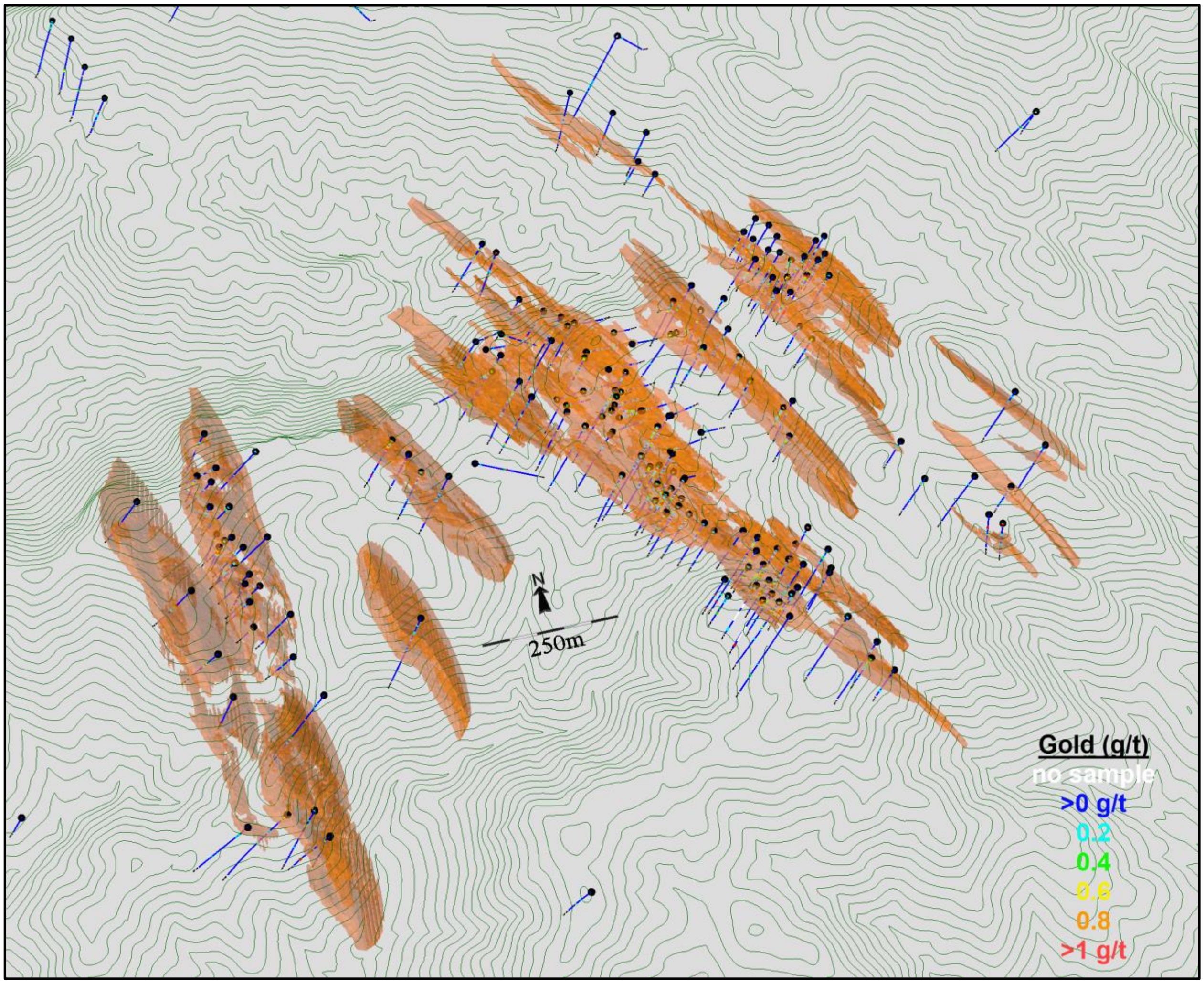
Figure 14-13: Contact Profiles of Gold and Silver In and Out of Fault Zones



14.5 Generation of a Gold Probability Shell Domain

The distributions of gold and silver tend to be quite similar, and the generation of a domain encompassing areas of elevated gold mineralization also captures the majority of the silver mineralization. Indicator values are assigned to 1.5 m composited sample data based on a threshold grade of 0.10 g/t Au. Probability estimates are made in model blocks using ordinary kriging. During interpolations, oriented ellipses are applied to control the anisotropy observed in the various mineralized areas as shown in Figure 14-4. Following interpolation, a 3D domain was produced that envelopes areas where there is a >50% probability that the grade will be above 0.1 g/t Au. The shape and extent of the grade probability shell domain is shown in Figure 14-14.

Figure 14-14: Isometric View of Gold Probability Grade Shell Domain



14.5.1 Conclusions and Modelling Implications

The results of the EDA indicate that the distributions of gold and silver are not controlled by lithology type. Elevated grades are often associated with the presence of veins, stockwork or faulting, but gold and silver are not distinctly restricted to these geologic features. A probability grade shell domain has been produced that outlines areas where gold and silver mineralization is more likely to occur. Mineralization is present outside of the probability shell domain, but it tends to be more erratic or discontinuously distributed. The probability shell domain is used as a hard boundary domain, ensuring that the sample data located inside the shell is not mixed with samples outside the domain during block grade interpolation.

14.6 Evaluation of Outlier Grades

Histograms and probability plots for the distribution of gold and silver were reviewed to identify the presence of anomalous outlier grades in the composited (1.5 m) database. Following a review of the physical location of potentially erratic samples in relation to the surrounding sample data, it was decided that these would be controlled during block grade interpolations using a combination of traditional top-cutting and the application of outlier limitations. An outlier limitation controls the distance of influence of samples above a defined grade threshold. During grade interpolations, samples above the outlier thresholds are limited to a maximum distance of influence of 15 m. The grade thresholds for gold and silver and the treatment of high-grade samples in the five mineralized areas are shown in Tables 14.2 and 14.3, respectively.

These applications result in approximately a 10% reduction in contained gold and a 9% reduction in contained silver in the resource block model. These measures are considered appropriate for a deposit with this distribution of delineation drilling.

Table 14.2: Treatment of Gold Outlier Sample Data

Area	Domain	Maximum	Top-Cut Limit	Outlier Limit
Area 1 Japoneses & Cuervos	Inside Shell	25.692	15	3.5
	Outside Shell	9.780	-	1.5
Area 2 Chinas NW & Altos	Inside Shell	1.796	-	-
	Outside Shell	1.366	-	1
Area 3 Abejas	Inside Shell	6.166	-	4
	Outside Shell	1.191	-	0.5
Area 4 Cabeza Blanca, Guadalupe & El Colorado	Inside Shell	32.856	-	4
	Outside Shell	5.077	-	1
Area 5 Buena Suerte & El Quince	Inside Shell	5.155	-	1.5
	Outside Shell	1.418	-	0.3

Note: The table reflects 1.5 m composited drill hole data.

Table 14.3: Treatment of Silver Outlier Sample Data

Area	Domain	Maximum	Top-Cut Limit	Outlier Limit
Area 1 Japoneses & Cuervos	Inside Shell	127.9	-	60
	Outside Shell	102.7	40	13
Area 2 Chinas NW & Altos	Inside Shell	42.1	-	15
	Outside Shell	25.8	-	10
Area 3 Abejas	Inside Shell	162.6	-	50
	Outside Shell	53.8	30	18
Area 4 Cabeza Blanca, Guadalupe & El Colorado	Inside Shell	57.2	-	35
	Outside Shell	29.2	-	12
Area 5 Buena Suerte & El Quince	Inside Shell	52.2	30	7
	Outside Shell	13.7	-	6

Note: The table reflects 1.5 m composited drill hole data.

14.7 Variography

The degree of spatial variability in a mineral deposit depends on both the distance and direction between points of comparison. Typically, the variability between samples increases as the distance between those samples increases. If the degree of variability is related to the direction of comparison, then the deposit is said to exhibit *anisotropic* tendencies which can be summarized with the search ellipse. The semi-variogram is a common function used to measure the spatial variability within a deposit.

The components of the variogram include the nugget, the sill and the range. Often samples compared over very short distances, even samples compared from the same location, show some degree of variability. As a result, the curve of the variogram often begins at some point on the y-axis above the origin: this point is called the *nugget*. The nugget is a measure of not only the natural variability of the data over very short distances but also a measure of the variability which can be introduced due to errors during sample collection, preparation, and the assay process.

The amount of variability between samples typically increases as the distance between the samples increases. Eventually, the degree of variability between samples reaches a constant, maximum value: this is called the *sill*, and the distance between samples at which this occurs is called the *range*.

In this report, the spatial evaluation of the data was conducted using a correlogram rather than the traditional variogram. The correlogram is normalized to the variance of the data and is less sensitive to outlier values, generally giving better results.

Variograms were created using the commercial software package Sage 2001© developed by Isaaks & Co. Multidirectional variograms for gold and silver were generated from the distributions of data located inside the probability shell domains in Areas 1, 3 and 4. Areas 2 and 5 do not have sufficient data to produce reliable variograms, and the ones produced from the other areas are applied to these areas. The same variograms are used to estimate the grades both inside and outside of the probability shell domains. The gold variograms are summarized in Table 14.4 and the silver variograms in Table 14.5.

Table 14.4: Gold Variogram Parameters

Area				1st Structure			2nd Structure		
	Nugget	Sill 1	Sill 2	Range (m)	Azimuth (°)	Dip	Range (m)	Azimuth (°)	Dip
Area 1 & Area 2	0.205	0.616	0.179	28	92	-19	142	175	37
	Spherical			11	43	63	15	321	47
				4	176	19	9	71	18
Area 3	0.420	0.077	0.502	544	135	0	157	192	21
	Spherical			63	45	-60	30	309	50
				10	45	30	7	88	32
Area 4 & Area 5	0.200	0.700	0.100	52	38	-22	184	337	44
	Spherical			36	15	66	100	11	-41
				6	124	8	18	85	18

Note: Correlograms were conducted on 1.5 m composite sample data.

Table 14.5: Silver Variogram Parameters

Area				1st Structure			2nd Structure		
	Nugget	Sill 1	Sill 2	Range (m)	Azimuth (°)	Dip	Range (m)	Azimuth (°)	Dip
Area 1 & Area 2	0.300	0.568	0.132	31	114	1	394	154	28
	Spherical			12	23	68	107	292	54
				7	205	22	33	52	20
Area 3	0.482	0.298	0.221	58	106	-60	653	320	-8
	Spherical			25	40	13	156	246	62
				20	137	27	24	46	26
Area 4 & Area 5	0.450	0.397	0.153	96	352	-48	542	311	47
	Spherical			9	49	26	202	195	22
				8	303	30	12	88	34

Note: Correlograms were conducted on 1.5 m composite sample data.

14.8 Model Setup and Limits

A block model was initialized in MinePlan®, and the dimensions are defined in Table 14.6. The selection of a nominal block size measuring 6 × 6 × 5 m (l × w × h) is considered appropriate with respect to the current drill hole spacing as well as the selective mining unit (SMU) size typical of other active operations of this type and scale in northern Mexico.

Table 14.6: Block Model Limits

Direction	Minimum	Maximum	Block Size (m)	# of Blocks
X (east)	535500	537900	6	400
Y (north)	3363900	3366000	6	350
Z (elevation)	1000	1500	5	100

Blocks in the model were coded on a majority basis with the probability grade shell domain. During this stage, blocks along a domain boundary are coded if more than 50% of the block occurs within the boundaries of that domain.

The proportion of blocks that occur below the topographic surface is also calculated and stored within the model as individual percentage items. These values are used as weighting factors to determine the in-situ mineral resources for the deposit.

14.9 Interpolation Parameters

The block model grades for gold and silver were estimated using ordinary kriging (OK). The results of the OK estimation were compared with the Hermitian Polynomial Change of Support model (also referred to as the Discrete Gaussian Correction). This method is described in more detail in Section 14.10 of this report.

The Cerro Caliche OK model was generated with a relatively limited number of samples to match the change of support or Herco (*Her*mitian *Co*rrection) grade distribution. This approach reduces the amount of smoothing or averaging in the model, and, while there may be some uncertainty on a localized scale, this approach produces reliable estimates of the recoverable grade and tonnage for the overall deposit.

The estimation parameters for the various elements in the mineral resource block model are shown in Table 14.7 for gold and Table 14.8 for silver. All grade estimations use length-weighted composite drill hole sample data. Oriented search ellipses are used in each area to help retain the anisotropic nature of the mineralization.

Table 14.7: Gold Interpolation Parameters

Area	Search Ellipse Range (m)			# of Composites			Comments
	X	Y	Z	Min/block	Max/block	Max/hole	
Area 1	200	200	15	4	16	4	1DH per octant
Area 2	200	200	15	4	20	5	1DH per octant
Area 3	200	200	15	4	20	5	1DH per octant
Area 4	200	200	15	4	20	5	1DH per octant
Area 5	200	200	15	4	20	5	1DH per octant
All Areas, Outside Probability Shell Domain	200	200	15	4	16	4	1DH per octant

Note: DH = drill hole

Table 14.8: Silver Interpolation Parameters

Area	Search Ellipse Range (m)			# of Composites			Comments
	X	Y	Z	Min/block	Max/block	Max/hole	
Area 1	200	200	15	4	16	4	1DH per octant
Area 2	200	200	15	4	12	4	1DH per octant
Area 3	200	200	15	4	16	4	1DH per octant
Area 4	200	200	15	4	16	4	1DH per octant
Area 5	200	200	15	4	16	4	1DH per octant
All Areas, Outside Probability Shell Domain	200	200	15	4	20	5	1DH per octant

Note: DH = drill hole

14.10 Validation

The results of the modelling process were validated using several methods. These include a thorough visual review of the model grades in relation to the underlying drill hole sample grades, comparisons with the change of support model, comparisons with other estimation methods and grade distribution comparisons using swath plots.

14.10.1 Visual Inspection

A detailed visual inspection of the block model was conducted in both section and plan to ensure the desired results following interpolation. This includes confirmation of the proper coding of blocks within the grade probability shell domain. The estimated gold and silver grades in the model appear to be valid representations of the underlying drill hole sample data. Examples of the distribution of gold and silver grades in model blocks compared to the drill hole sample data are shown in several selected vertical cross sections in Figures 14-15 and 14-16.

Figure 14-15: Gold and Silver Grades in Drilling and Block Model in Area 1

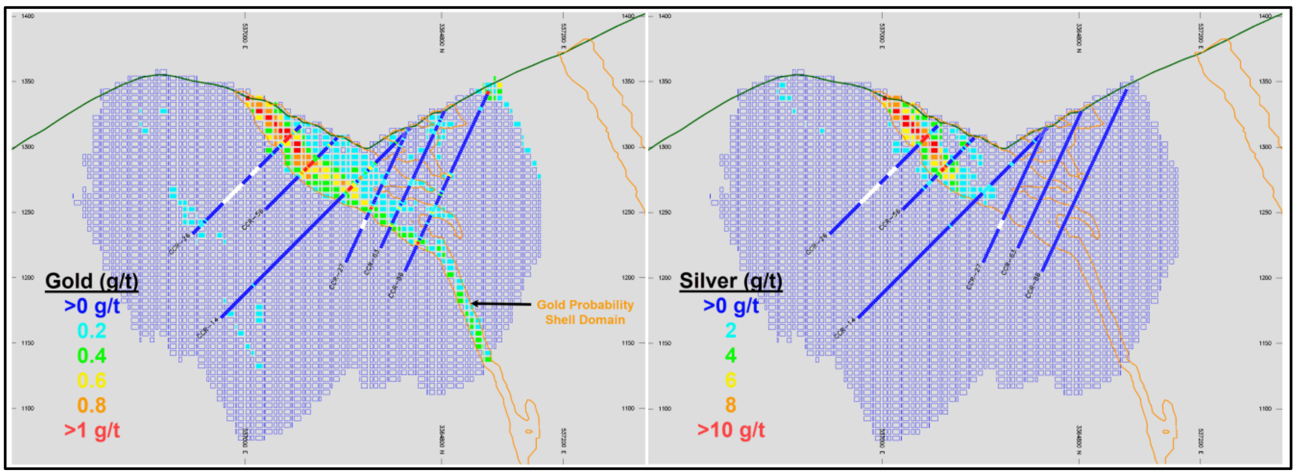
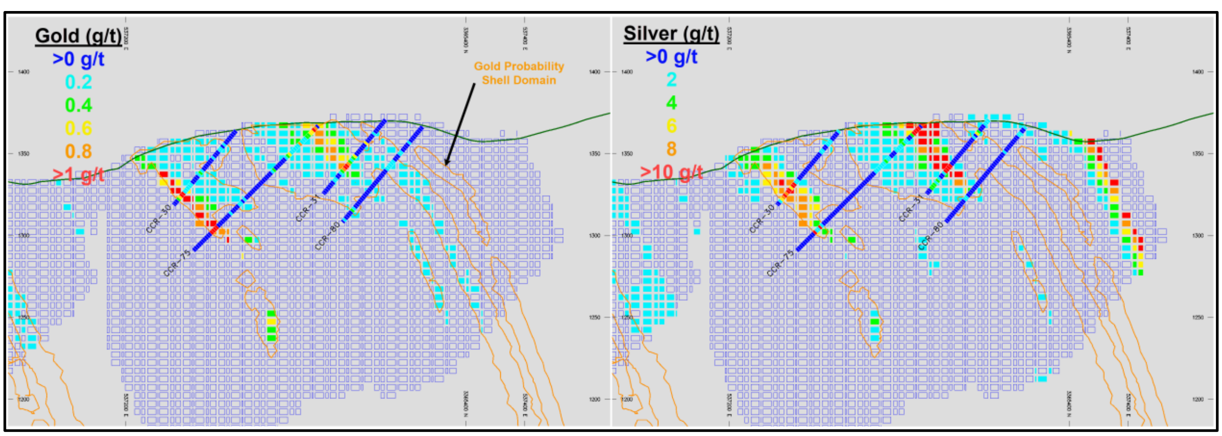


Figure 14-16: Gold and Silver Grades in Drilling and Block Model in Area 3



14.10.2 Model Checks for Change of Support

The relative degree of smoothing in the block model estimates were evaluated using the Discrete Gaussian of Hermitian Polynomial Change of Support method (described by Journel and Huijbregts, Mining Geostatistics, 1978).

With this method, the distribution of the hypothetical block grades can be directly compared to the estimated (OK) model through the use of pseudo-grade/tonnage curves. Adjustments are made to the block model interpolation parameters until an acceptable match is made with the Herco distribution. In general, the estimated model should be slightly higher in tonnage and slightly lower in grade when compared to the Herco distribution at the projected cut-off grade. These differences account for selectivity and other potential ore-handling issues which commonly occur during mining.

The Herco distribution is derived from the declustered composite grades which were adjusted to account for the change in support, going from smaller drill hole composite samples to the large blocks in the model. The transformation results in a less skewed distribution but with the same mean as the original declustered samples.

The Herco analysis was conducted on the distribution of gold and silver in the block model and a level of correspondence was achieved in all cases.

Examples showing the distributions of the gold and silver models inside their respective probability grade shell domains are shown in Figures 14-17 and 14-18.

Figure 14-17: Herco Grade/Tonnage Plot for Gold Models

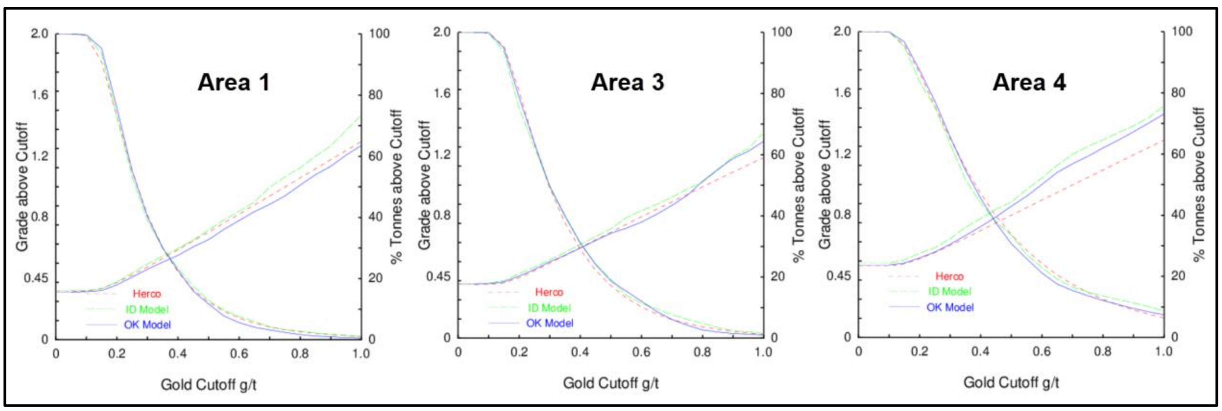
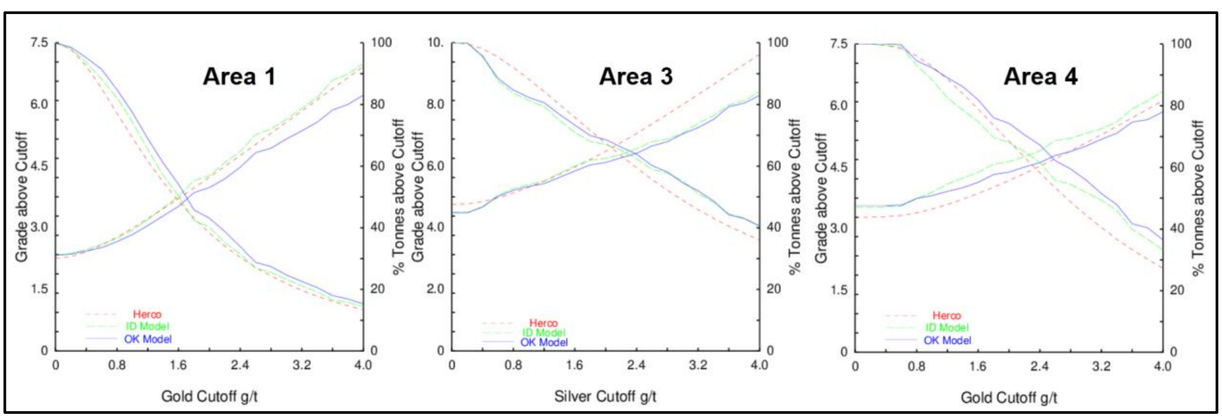


Figure 14-18: Herco Grade/Tonnage Plot for Silver Models



14.10.3 Comparison of Interpolation Methods

For comparison purposes, additional models for gold and silver were generated using both the inverse distance weighted (ID2) and nearest neighbour (NN) interpolation methods (the NN model was generated using data composited to 5 m intervals).

Comparisons are made between these models on grade/tonnage curves. Examples of the grade/tonnage curves for gold and silver are shown in Figures 14-19 and 14-20 (these are restricted to model blocks within the probability shell domain and within 100 m of a drill hole). There is good correlation between the OK and ID2 models throughout the range of cut-off grades. The NN distribution, generally showing less tonnage and higher grade, is the result of the absence of smoothing in this modelling approach.

Reproduction of the model using different methods tends to increase the confidence in the overall mineral resource estimate.

Figure 14-19: Grade/Tonnage Comparison of Gold Models

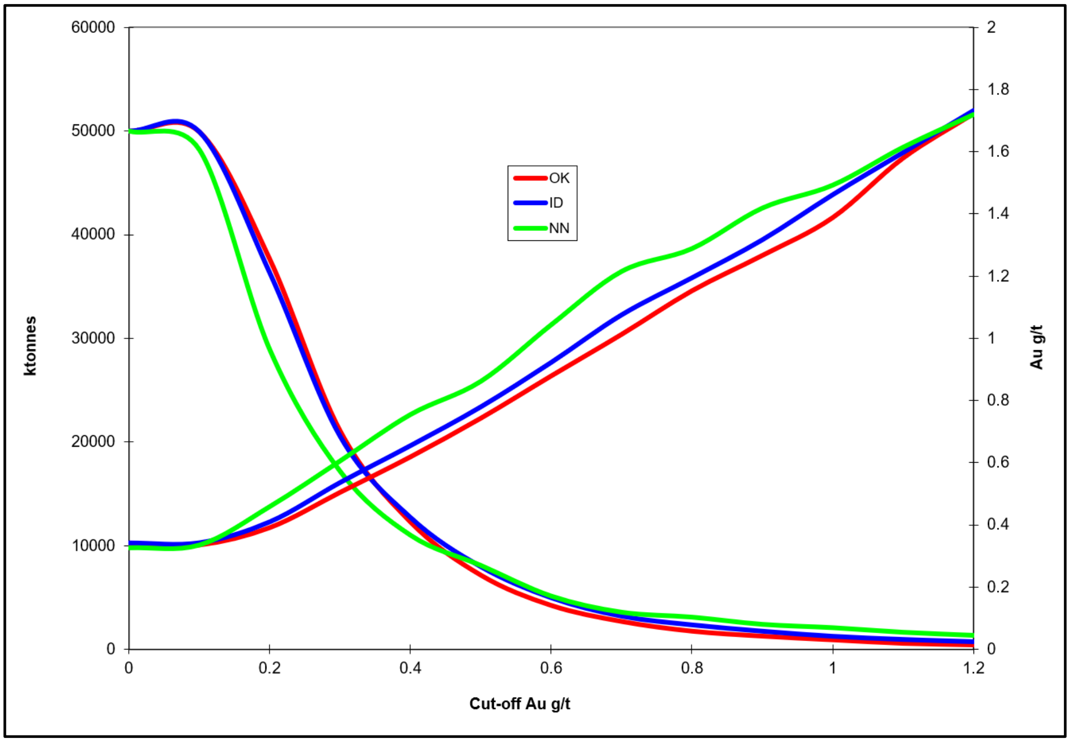
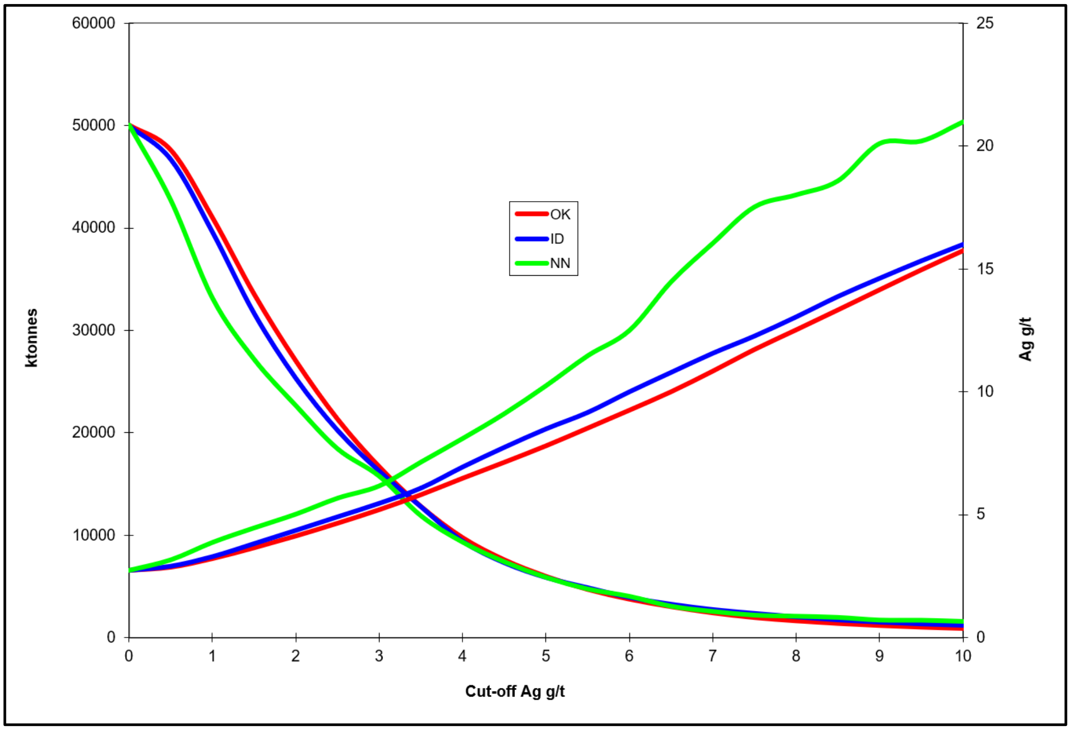


Figure 14-20: Grade/Tonnage Comparison of Silver Models



14.10.4 Swath Plots (Drift Analysis)

A swath plot is a graphical display of the grade distribution derived from a series of bands, or swaths, generated in several directions through the deposit. Grade variations from the OK model are compared using the swath plot to the distribution derived from the declustered (NN) grade model.

On a local scale, the NN model does not provide reliable estimations of grade, but, on a much larger scale, it represents an unbiased estimation of the grade distribution based on the underlying data. Therefore, if the OK model is unbiased, the grade trends may show local fluctuations on a swath plot, but the overall trend should be similar to the NN distribution of grade.

Swath plots were generated in three orthogonal directions for all models. Examples of the gold and silver distributions in west-east and north-south oriented swaths, restricted inside the gold probability shell domain, are shown in Figures 14-21 and 14-22.

There is good correspondence between the models in most areas. Areas where there are large differences between the models tend to be the result of “edge” effects, where there is less available data to support a comparison.

The validation results indicate that the OK model is a reasonable reflection of the underlying sample data.

Figure 14-21: Swath Plot of Gold and Silver OK and NN Models by Northing

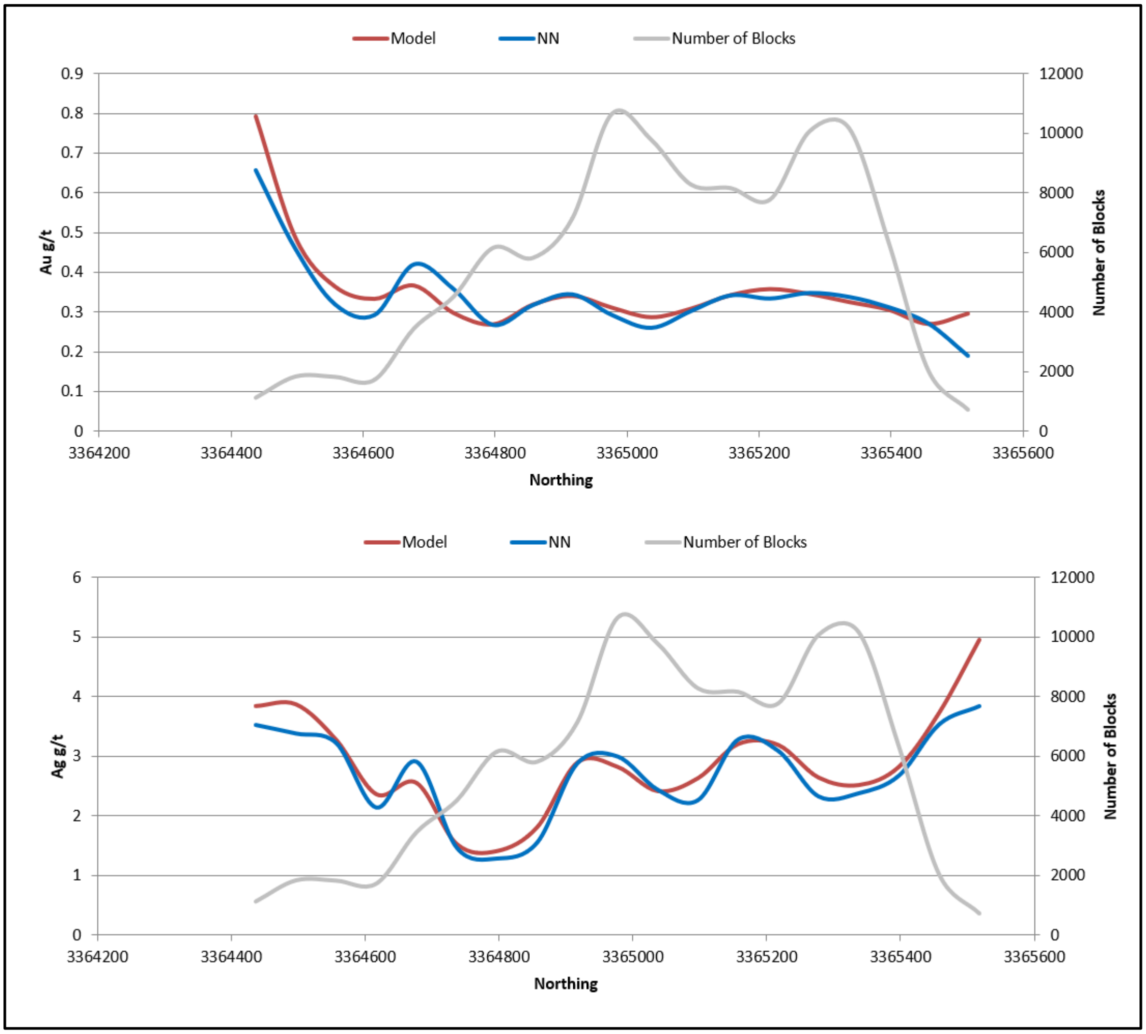
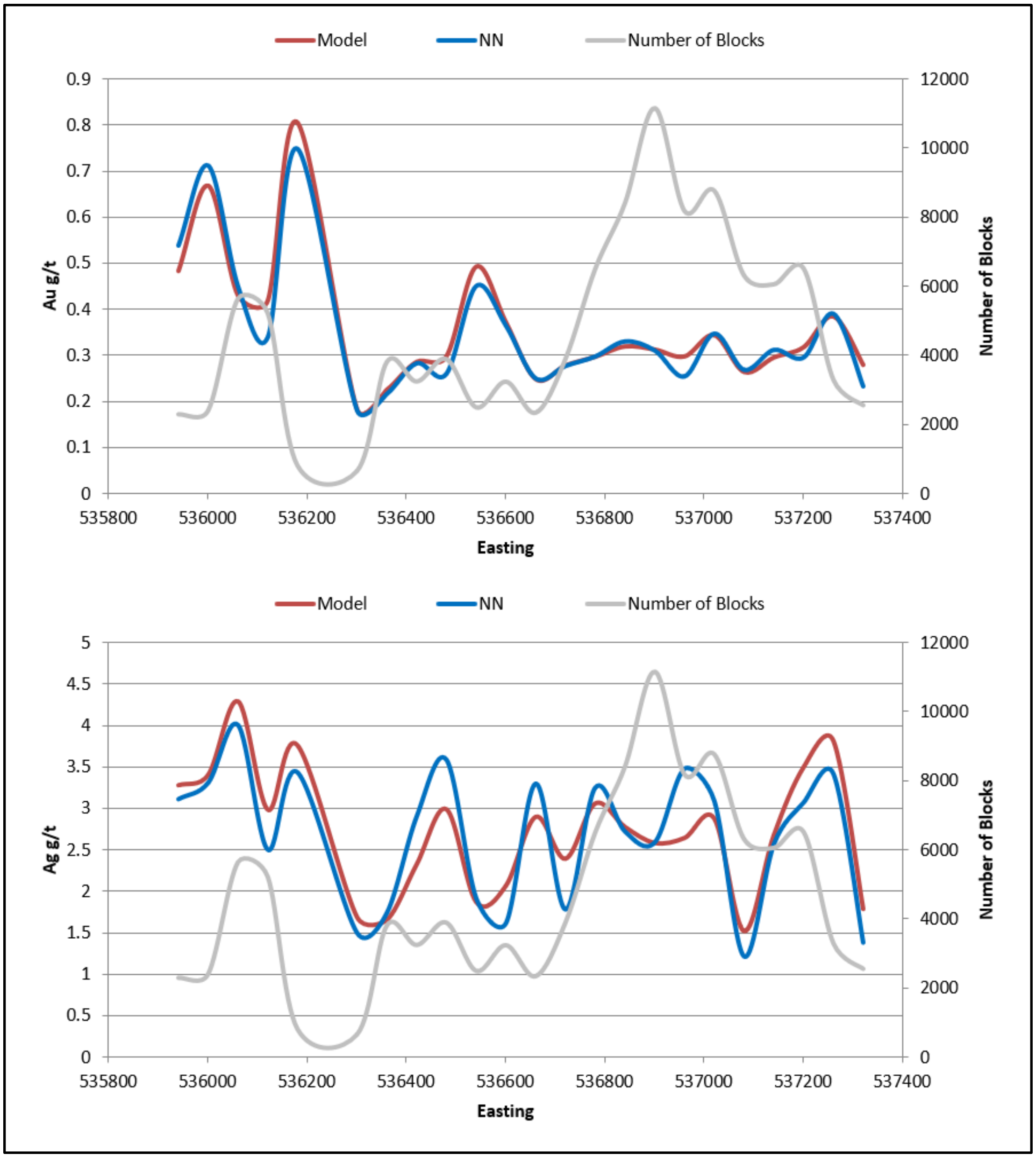


Figure 14-22: Swath Plot of Gold and Silver OK and NN Models by Easting



14.11 Resource Classification

The mineral resources for the Cerro Caliche deposit were classified in accordance with the CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014). The classification parameters are defined relative to the distance between gold sample data and are intended to encompass zones of reasonably continuous mineralization that exhibit the desired degree of confidence. These parameters are based on visual observations and statistical studies. Classification parameters are based primarily on the nature of the distribution of gold data as it is the main contributor to the relative value of the deposit.

Based on the continuity of gold mineralization and the scale of the mineral resource at Cerro Caliche, mineralized areas that exhibit good continuity of mineralization and are tested by drilling with a consistent pattern of drill holes that are on a maximum nominal spacing of 35 m could be considered to be in the Indicated category. However, due to the absence of actual SG measurements and metallurgical testing from the property, all mineral resources are considered to be in the Inferred category.

The following criteria were used to define mineral resources in the Inferred category.

Inferred Mineral Resources

Mineral resources in this category include model blocks that are located within a maximum distance of 100 m from a drill hole.

At this stage of project evaluation, there are no mineral resources included in the Measured or Indicated categories.

14.12 Mineral Resources

CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014) define a mineral resource as:

"[A] concentration or occurrence of solid material of economic interest, in or on the Earth's crust in such form, grade or quality and quantity, that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling."

The requirement with respect to "reasonable prospects for eventual economic extraction" generally implies that quantity and grade estimates meet certain economic thresholds and that mineral resources are reported at an appropriate cut-off grade that takes into account extraction scenarios and processing recovery.

The estimate of mineral resources is constrained within a pit shell to establish reasonable prospects for eventual economic extraction. The pit shell was generated using the following projected technical and economic parameters. :

- Mining (open pit) $1.75/t
- Processing $6.80/t
- G&A $1.50/t
- Gold price $1,500/oz
- Silver price $17.00/oz
- Gold process recovery 72%
- Silver process recovery 30%
- SG 2.50
- Pit slope 50 degrees

The operating cost assumptions are derived from current local operations (open pit heap leach gold mines) in the vicinity of the Cerro Caliche Project. It is not uncommon to use elevated metal prices, representing reasonable long-term metal prices, for the estimation of mineral resources; the gold and silver prices listed above represent about a 5% increase over the current metal prices as of the effective date of the mineral resource estimate. The projected metallurgical recoveries are derived from studies conducted on proximal deposits of similar geologic and mineralogical characteristics. The pit slope angle is based on similar pit slopes currently being used in similar rock types at the nearby La Colorada and Cerro Prieto mines.

Based on the metal prices and recoveries listed here, recoverable gold equivalent (AuEqR) grades are calculated using the following formula:

$$AuEqR = (Au\ g/t \times 0.72) + (Ag\ g/t \times 0.01133 \times 0.30)$$

The pit shell is generated using a floating cone algorithm based on the recoverable gold equivalent block grades. There are no adjustments for mining recoveries or dilution and the extent of the resource limiting pit shell has been constrained within the property boundary owned by Sonoro. This test indicates that some of the deeper mineralization may not be economic due to the increased waste-stripping requirements. It is important to recognize that discussions surrounding surface mining parameters are used solely to test the “reasonable prospects for eventual economic extraction,” and they do not represent an attempt to estimate mineral reserves. There are no mineral reserves calculated for the Cerro Caliche Project. These preliminary evaluations are used to prepare a Mineral Resource Statement and to select appropriate reporting assumptions.

The estimate of mineral resources, contained within the $1,500/oz Au pit shell, is shown in Table 14.9. Based on the assumed metal prices, operating costs and metallurgical recoveries listed above, the base case cut-off grade for mineral resources is estimated to be 0.25 g/t gold equivalent (AuEq). The AuEq grades presented in Table 14.9 represent in-situ equivalent grades and are calculated using the formula AuEq = Au g/t + (Ag g/t x 0.01133). The average SG of the mineral resource is assumed to be 2.50.

There are several areas where mineralization has been encountered but there is insufficient drilling to support estimates of mineral resources. This includes potential resources in Areas 2 and 5, including an area with a series of drill holes located about 1 km north of the current resources at Cerro Caliche. Additional drilling is required in order to support estimates of mineral resources in these areas.

The distribution of the base case mineral resource within the $1,500/oz Au pit shell is shown from a series of isometric viewpoints in Figures 14-23 and 14-24.

The QP is not aware of any factors related to environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant factors which could materially affect the mineral resource.

There is evidence of small-scale historical mining activities in many locations on the Cerro Caliche Project. It is assumed that the volume of gold (and silver) extracted by these artisanal miners is insignificant in relation to the overall estimate of mineral resource presented in this report. As a result, there have been no adjustments and the estimate of mineral resources includes any gold and silver that may have been extracted during previous artisanal mining.

Mineral resources in the Inferred category have a lower level of confidence than that applied to mineral resources in the Indicated category, and, although there is sufficient evidence to imply geologic grade and continuity, these characteristics cannot be verified based on the current data. It is reasonably expected that a majority of Inferred mineral resources could be upgraded to Indicated (or Measured) mineral resources with continued exploration.

Table 14.9: Estimate of Inferred Mineral Resources for the Cerro Caliche Project

Category	Tonnes (000)	Average Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
Inferred	11,470	0.545	0.495	4.3	201	183	1,601

Note: The estimates in the above table are limited inside the $1,500/oz Au pit shell. The base case cut-off grade is 0.25 g/t gold equivalent (AuEq). AuEq = Au g/t + (Ag g/t x 0.01133). Mineral resources are not mineral reserves because the economic viability has not been demonstrated.

Figure 14-23: Isometric View of Base Case Mineral Resources

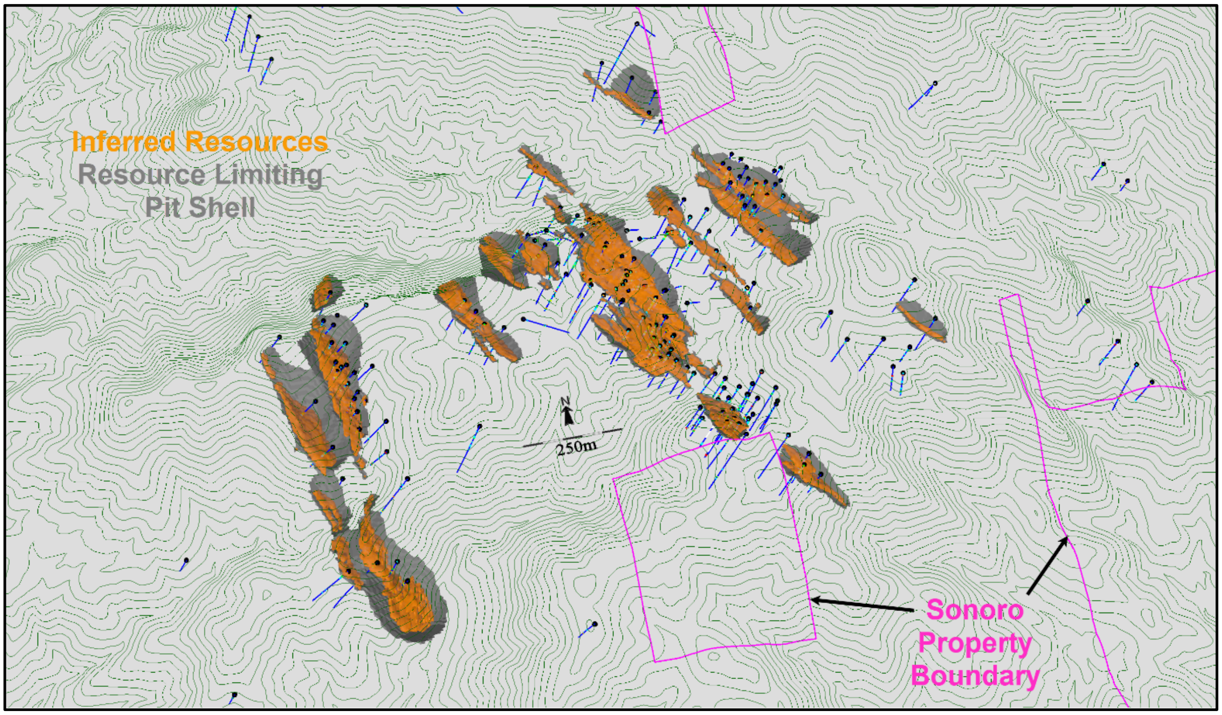
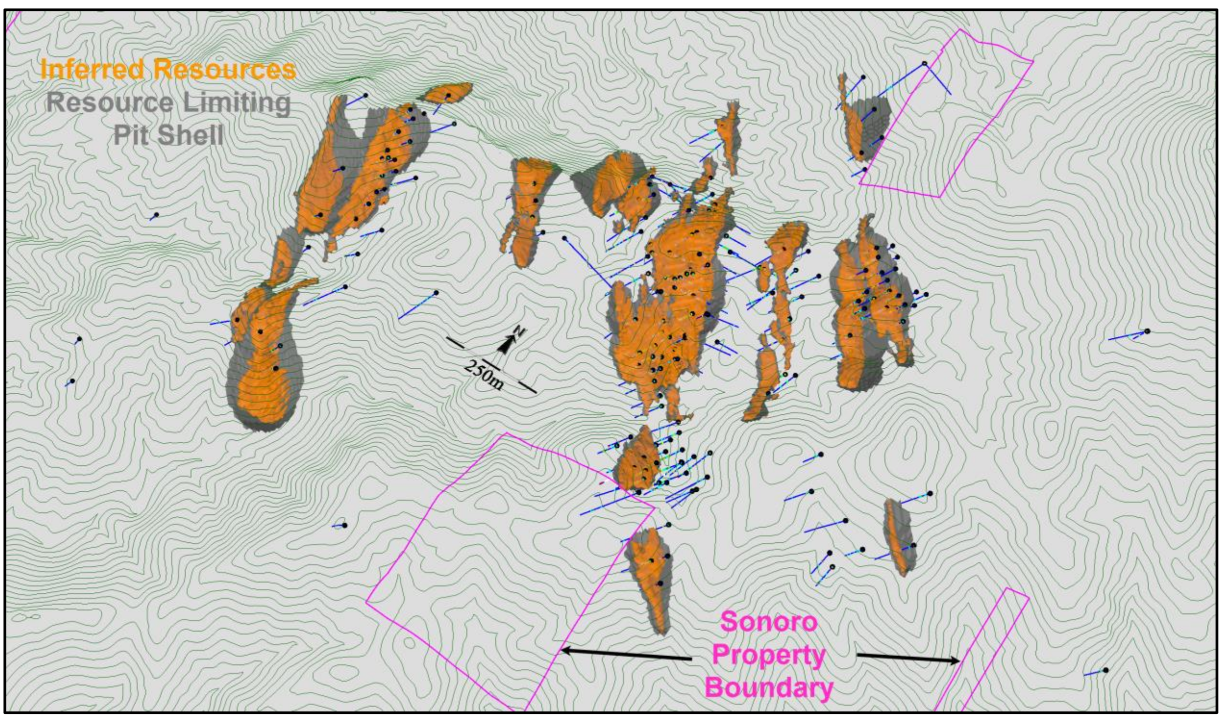


Figure 14-24: Isometric View of Base Case Mineral Resources



14.13 Sensitivity of Mineral Resources

The sensitivity of mineral resources, contained within the $1,500/oz Au pit shell, is demonstrated by listing mineral resources at a series of cut-off thresholds as shown in Tables 14.10.

Table 14.10: Sensitivity of Inferred Mineral Resource to Cut-off Grade

Cut-off AuEq (g/t)	Tonnes (000)	Average Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
0.15	13,511	0.493	0.448	4.0	214	195	1,720
0.2	12,634	0.515	0.469	4.1	209	190	1,674
0.25	**11,470**	**0.545**	**0.495**	**4.3**	**201**	**183**	**1,601**
0.3	10,099	0.581	0.529	4.6	189	172	1,491
0.35	8,622	0.625	0.570	4.9	173	158	1,347
0.4	7,164	0.676	0.618	5.2	156	142	1,189
0.45	5,873	0.732	0.670	5.5	138	126	1,037
0.5	4,771	0.791	0.725	5.8	121	111	891

Items 15 through 22 of Form 43-101F1 do not apply to the Cerro Caliche Project, the subject of this technical report, because it is not an advanced property.

15 MINERAL RESERVE ESTIMATES

16 MINING METHODS

17 RECOVERY METHODS

18 PROJECT INFRASTRUCTURE

19 MARKET STUDIES AND CONTRACTS

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

21 CAPITAL AND OPERATING COSTS

22 ECONOMIC ANALYSIS

23 ADJACENT PROPERTIES

The QPs are unable to verify the information on the adjacent properties, and the information disclosed is not necessarily indicative of mineralization on the Cerro Caliche Project that is the subject of this technical report. No information from any adjacent properties as been used in the estimation of mineral resources at Cerro Caliche.

23.1 Mercedes Mine

After Altman et al., 2018

The Mercedes gold-silver mine is approximately 10 km to the southeast of the Cerro Caliche Project (Figure 23-1). The Mercedes vein was discovered in 1936. Anaconda Copper Company optioned the property in 1937 and spent two years exploring underground. Anaconda sank a 50 m shaft and excavated a series of tunnels and internal raises for sampling and mineral reserve estimation. The mineralization was contained in a crushed vein that had an average width of 1.7 m. Gold-silver mineralization on the Mercedes property is hosted within epithermal, low-sulphidation (adularia-sericite) veins, stockwork, and breccia zones. More than 16.5 km of gold-silver-bearing epithermal low-sulphidation veins have been identified within or marginal to the andesite-filled basins on the Mercedes property.

Mineral reserves and mineral resources have been estimated in 16 known veins on the Mercedes property with production from the Mercedes, Barrancas, and Klondike veins. In 2013, Mercedes produced approximately 125,600 oz of gold and 589,700 oz of silver. Approximately 39,900 oz of gold and 163,000 oz of silver were produced at Mercedes between January 1, 2014 and May 31, 2014 (Altman et al., 2018).

In 2017, Roscoe Postle Associates Inc. was retained by Premier Gold Mines Limited (the current owner) to carry out an audit of the mineral reserves and mineral resources (Table 23.1) on the Mercedes Gold-Silver Mine and to prepare an independent Technical Report. The QPs have not verified or validated the resource estimates for the Mercedes Mine.

Table 23.1: Mineral Resource Estimate for Mercedes Gold-Silver Mine

Classification	Tonnes (000)	Grades Au (g/t)	Ag (g/t)	Contained Metal Au oz (000)	Ag oz (000)
Measured	1,085	5.73	60.7	199.8	2,115
Indicated	2,599	3.73	36.7	311.4	3,063
Total M+I	**3,684**	**4.32**	**43.7**	**511.3**	**5,178**
Inferred	1,630	4.2	34	220	1,780

Classification	Tonnes (000)	Grades Au (g/t)	Ag (g/t)	Contained Metal Au oz (000)	Ag (oz 000)
Proven Underground	241	5.10	26.1	40	202
Probable Underground	2,935	3.88	24.1	366	2,276
Probable Open Pit	114	3.11	21.3	11	78
Subtotal Probable	3,049	3.85	24.0	378	2,354
Proven & Probable	**3,290**	**3.94**	**24.2**	**417**	**2,555**

- CIM (2014) definitions were followed for Mineral Reserves.
- Underground Mineral Reserves are estimated at a cut -off grade of 2.5 g/t Au except Diluvio which is estimated at 2.0 g/t Au.
- Open pit Mineral Reserves are reported at a cut -off grade of 1.5 g/t Au.
- Mineral Reserves are estimated using an average gold price of US$1,200 per ounce and a silver price of $17 per ounce.
- A minimum mining width of 3.5 m was used.
- Bulk density is 2.42 t/m^3 for ore and 2.40 t/m^3 for waste.
- Numbers may not add due to rounding.

23.2 Cerro Prieto Mine

Cerro Prieto mine property is directly west of the Cerro Caliche Project (Figure 23-1). The property owner, Goldgroup Mining Inc., provided an updated Measured, Indicated and Inferred mineral resource estimate for the Cerro Prieto Project in the first half of 2013 (Giroux et al., 2013).

The Cerro Prieto mine is an epithermal quartz-vein zone with gold occurring in Paleocene Oligocene rhyolitic volcanic flows capping Cretaceous sedimentary sequence. Mineralization continues downward into the Cretaceous sedimentary rocks which are weakly metamorphosed and foliated. The mineralization becomes more zinc-rich with depth in a disseminated form surrounding the main vein. This is somewhat analogous to some of the gold mines in the Carlin camp in Nevada with disseminated zinc surrounding gold-mineralized structures; however, the quartz vein also shows with increasing depth, decreasing gold grade to uneconomic levels.

Mineral resource estimate highlights are reported as follows:

- Measured mineral resources in veins composed of 1.18 million tonnes grading 1.56 g/t Au, 30.28 g/t Ag, 0.15% lead and 0.33% zinc for a total of approximately 59,000 oz of gold;
- Indicated mineral resources in veins composed of 4.92 million tonnes grading 1.03 g/t Au, 22.12 g/t Ag, 0.32% lead and 0.80% zinc for a total of approximately 163,000 oz of gold;

- Inferred mineral resources in veins composed of 5 million tonnes grading 0.75 g/t Au, 20.62 g/t Ag, 0.49% lead and 1.28% zinc for a total of approximately 121,000 oz of gold;
- Cerro Prieto remains open to the south of the existing mineral resource along the 7.5 km extension of the mineralized shear zone.

The Goldgroup Mining Inc. website reports (January 7, 2019) that Cerro Prieto commenced small-scale trial mining and leaching in December 2013. During the three- and nine-months ending September 30, 2014, Cerro Prieto produced 1,076 and 4,174 ounces of gold, respectively, and is working to ramp-up mining operations to commercial production rates. The QPs have not verified or validated the resource estimates for the Cerro Prieto mine.

23.3 Santa Gertrudis Mine

The Santa Gertrudis historical mine owned by Agnico Eagle is located approximately 20 km northeast of the Cerro Caliche Project. The Santa Gertrudis mine was the site of an historical heap leach operation that produced approximately 565,000 oz of gold at a grade of 2.1 g/t Au from 1991 to 1994.

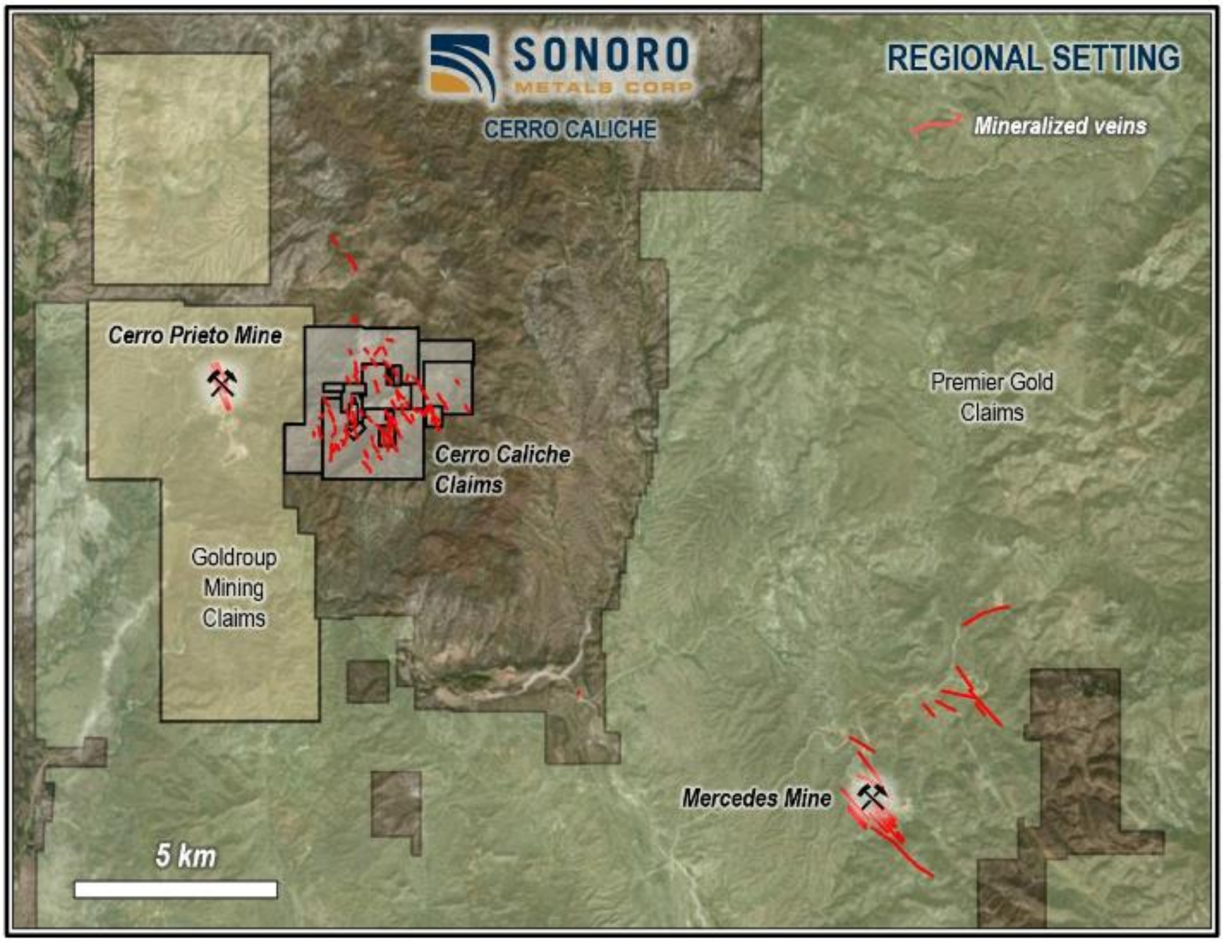
The Agnico Eagle website reports:

- In Q3-2018, 13,120 m were drilled in 89 holes, mainly in the Becerros, Toro, Escondida, Viviana and Trinidad zones. The Q3 drilling almost completes the 2018 program to validate and confirm the most recent historical mineral resource estimates. Drilling is now focused on mineral resource expansion and exploring new target areas.
- The 2018 exploration program at the project consists of 28,000 m at a budget of $7.2 million.

The Agnico Eagle website also reports that Santa Gertrudis covers a potential strike length of 25 km of the favourable Cretaceous-age intra-caldera sedimentary belt. The mineralized deposits form trends that are hosted mainly by units within the sedimentary Morita, Mural and Cintura formations. There is a distance of 18 km between the northernmost and southernmost mineralized deposits.

Agnico Eagle reports there appears to be three types of gold-silver mineralization (oxide, transitional and sulphide) at Santa Gertrudis. There is strata-bound replacement mineralization in calcareous siltstone or on the margins of limestone. In addition, northeast-striking fractures that crosscut the stratigraphy appear to be important mineralization conduits. Eight favourable geological trends with a potential strike length of 18 km have been identified on the property with limited drilling between deposits.

Figure 23-1: Select Adjacent Properties



Source: Oscar Gonzalez 2019 Sonoro Metals Corp.

24 OTHER RELEVANT DATA AND INFORMATION

Item 24 is not applicable.

25 INTERPRETATION AND CONCLUSIONS

Based on the evaluation of the data available from the Cerro Caliche Project, the authors of this Technical Report have drawn the following conclusions:

- The Cerro Caliche deposit exhibits features that are typical of low-sulphidation epithermal style deposits. Mineralized zones are often structurally controlled and extend for strike lengths of up to 1 km and to depths approaching 200 m below surface.
- Many of the mineralized zones remain “open” along strike and at depth. Numerous other mineralized zones have been identified by surface mapping and surface geochemical rock sampling.
- Exploration activities conducted by Sonoro and the previous operators of the property followed industry standards, and the resulting database is considered to be reliable to support estimates of mineral resources.
- Drilling to date has outlined an Inferred mineral resource (at a 0.25 g/t gold equivalent cut-off grade) of 11.5M tonnes at an average grade of 0.495 g/t gold and 4.3 g/t silver. It is assumed that the mineral resource is amenable to open pit extraction methods.
- Preliminary metallurgical test work has only recently been initiated by Sonoro. The majority of the rocks that host the mineral resources at Cerro Caliche are highly oxidized and it is likely that the deposit is amenable to low-cost heap leach extraction methods. There are several proximal deposits that have similar geologic characteristics that are currently extracting gold and silver through heap leach extraction.
- The QPs are not aware of any known factors related to metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which could materially affect the mineral resource estimates.

26 RECOMMENDATIONS

Based on the review of the data provided, the authors recommend the following:

- Conduct a Phase Three drilling program that includes:
    - A 500 m infill drilling program comprising large-diameter (PQ) core drilling. This will provide valuable structural and mineralization information. The estimate budget is US$65,000.
    - A 6,500 m reverse-circulation drilling program to increase the confidence of the known mineral resource and identify potential expansion of known mineralization. The estimated budget is US$345,000.
- Conduct a detailed metallurgical analysis of the known mineralized area (including column leach tests, grinding test, etc.).
- Review the existing data to integrate the geology, alteration, observations, and known structure into a 3D model. This will help target areas for potential expansion.
- Continue to explore for extensions of existing mineralized zones.
- Drill a series of diamond drill holes in each mineralized zone to gain additional information related to geologic and metallurgical characteristics.
- Conduct a suite of cyanide soluble gold assays on a select suite of samples to better understand the nature and distribution of soluble gold.
- Attempt to locate the older drilling data generated by Cambior.

Table 26.1 details the proposed budget for the recommended program.

Table 26.1: Proposed Program Budget

Service		Cost	No. of Units	Days	Total	
Contract Geologists and Assistants	per day	$ 230.00	4	100	$ 92,000	
Travel, Expenses	per day	$ 50.00	4	100	$ 20,000	
Vehicle Rental	per day	$ 90.00	4	98	$ 35,280	
500 m PQ Core Drilling	per metre	$ 130.00	500		$ 65,000	
6,500 m RC Drilling	per metre	$ 53.00	6500		$ 344,500	
Assays	per sample	$ 40.00	5000		$ 200,000	
Heavy Equipment Rental	per hour	$ 165.00	350		$ 57,750	
Other Equipment Rental	per day	$ 50.00	200		$ 10,000	
Metallurgical/Technical Studies/Reporting					$ 230,000	
Supplies Drilling					$ 17,000	
Surface Access Payments					$ 48,000	
Legal Opinion					$ 25,000	
		Sub-Total			**$ 1,144,530**	
	Mexico Value-Added Tax (VAT) @ 16%				$ 183,125	
Management Fees	10%				$ 132,765	
Contingency 15%					$ 171,680	
		Total			$ 1,632,100	USD

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28 DATE AND SIGNATURE PAGE

CERTIFICATE OF QUALIFIED PERSON

I, Derrick Strickland, do hereby certify as follows:

1. I am a consulting geologist at 595 Howe Street, Vancouver, B.C.
2. This certificate applies to the technical report entitled “NI 43-101 Technical Report on the Cerro Caliche Gold Project, Sonora, Cucurpe Mining District of Sonoro State, Northwestern Mexico at 110º 37’ 07”, Longitude and 30º 24’ 55” Latitude” with an effective date of July 26, 2019.
3. I am a graduate of Concordia University of Montreal, Quebec, with a B.Sc. in Geology, 1993. I am a Practicing Member in good standing of the Association of Professional Engineers and Geoscientist, British Columbia, license number 278779, since 2003. I have been practicing my profession continuously since 1993 and have been working in mineral exploration since 1986 in gold, precious, base metal, and coal mineral exploration, throughout Canada, United States, China, Mongolia, South America, South East Asia, Ireland, West Africa, Papua New Guinea, and Pakistan.
4. I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional organization (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.
5. I visited the Cerro Caliche Project property on two separate occasions. First on December 11, 2018, with John M. Darch (Chairman & Director) Kenneth MacLeod (President; CEO; Director), Melvin Herdrick (VP, Exploration) and Jorge Diaz (Operations Manager, Mexico) and the second occasion on July 10, 2019 with Melvin Herdrick. I visited the Cerro Caliche Project on December 11, 2018 with 45 drill holes completed. In December 2018, Sonoro was intending to have a non-resource NI43-101 generated. In the early part of 2019, Sonoro management decided to wait unit all of the 96 RC holes totaling 10,328 m were completed to generate a maiden resource. As a result, I completed a second visit on July 10, 2019 to verify the remaining 51 RC drill holes.
6. I am responsible for the entire report (except section 14 and section 12.2.6) entitled “*NI 43-101 Technical Report on the Cerro Caliche Gold Project, Cucurpe Mining District of Sonora State, Northwestern Mexico at 110º 37’ 07”, Longitude and 30º 24’ 55” Latitude*”.
7. I am independent of Sonoro Metals Corp and all the Vendors of Cerro Caliche Project, in applying the tests in section 1.5 of National Instrument 43-101. For greater clarity, I do not hold, nor do I expect to receive, any securities of any other interest in any corporate entity, private or public, with interests in the Cerro Caliche Project. The Cerro Caliche Project that is the subject of this report, nor do I have any business relationship with any such entity apart from a professional consulting relationship with Company and Cerro Caliche Project.
8. I have no prior involvement with the property that is the subject of the Technical Report.
9. I have read National Instrument 43-101, Form 43-101F1, and this technical report and this report has been prepared in compliance with the Instrument.
10. As of the effective date of this technical report I am not aware of any information or omission of such information that would make this Technical Report misleading. This Technical Report contains all the scientific and technical information that is required to be disclosed to make the technical report not misleading.

The NI 43-101 Technical Report on the Cerro Caliche Project, Sonora, Mexico at 110º 37’ 07”, Longitude and 30º 24’ 55” Latitude technical report with effective date July 26, 2019 is signed

“Original Signed and Sealed”
Dated this 26th day of July, 2019.

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Derrick Strickland, P.Geo

CERTIFICATE OF QUALIFIED PERSON
Robert Sim, P.Geo, SIM Geological Inc.

I, Robert Sim, P.Geo, do hereby certify that:

1. I am an independent consultant of SIM Geological Inc. and have an address at 508–1950 Robson Street, Vancouver, British Columbia, Canada V6G 1E8.
2. I graduated from Lakehead University with an Honours Bachelor of Science (Geology) in 1984.
3. I am a member, in good standing, of the Association of Professional Engineers and Geoscientists of British Columbia, License Number 24076.
4. I have practiced my profession continuously for 35 years and have been involved in mineral exploration, mine site geology and operations, mineral resource and mineral reserve estimations and feasibility studies on numerous underground and open pit base metal and gold deposits in Canada, the United States, Central and South America, Europe, Asia, Africa and Australia.
5. 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 purposes of NI 43-101.
6. I am responsible for the preparation of Section 14 and Section 12.2.6. of the technical report titled *NI 43-101 Technical Report on the Cerro Caliche Gold Project Cucurpe Mining District of Sonora State Northwestern Mexico at 110º 37' 07", Longitude and 30º 24' 55" Latitude*, dated July 26, 2019, with an effective date of July 26, 2019 (the "Technical Report").
7. I have not visited the Cerro Caliche Project property.
8. I am independent of Sonoro Metal Corp. and the Cerro Caliche Project applying all of the tests in Section 1.5 of NI 43-101.
9. I have not had any prior involvement with the Cerro Caliche Project property.
10. I have read NI 43-101, Form 43-101F1 and the Technical Report and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. 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.

"Original Signed and Sealed"
Dated this 26th day of July, 2019.

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Robert Sim, P.Geo