



## Forecast Timeline to PEA & Possible Production by December 2021

(Published December 8, 2020)

*(Note: This document contains certain "forward-looking statements" within the meaning of Canadian securities legislation, with respect to the Company's plans and forecasts for its Cerro Caliche Project. Readers are cautioned to review the qualifications at the end of this document regarding such forward-looking statements)*

### December 2020

- RC Drilling Program ~1,440m planned
  - Core Drilling Program ~920m Planned
  - Continue Air Track Drilling ~500m planned
  - **Dec-08, 2020:** News Release - Announce Assay Results, RC Drilling
  - **Dec-10-2020:** Webinar with investors
  - **Dec-15, 2020:** News Release – Announce Assay Results, Core Drilling
  - Review and update internal assessment and analysis of exploration results
  - Internal preparations for Preliminary Economic Assessment (PEA)
  - Internal calculations of capital and operating estimates
  - Negotiate Mining Surface Agreement
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### January 2021

- RC Drilling Program ~2,088m planned
  - Core Drilling Program ~1,240m Planned
  - Air Track Drilling ~800m planned
  - Announce results of Bottle Roll Tests & start of Column Leach Testing
  - 1<sup>st</sup> News Release - Announce Assay Results
  - 2<sup>nd</sup> News Release - Announce Assay Results
  - Confirm layout for HLMO
  - Submit Environmental Permit Application (Mining Permit)
  - Negotiate Water Rights Agreement
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### February 2021

- RC Drilling Program ~2,088m planned
  - Core Drilling Program ~1,120m Planned
  - Air Track Drilling ~720m planned
  - 1<sup>st</sup> News Release - Announce Assay Results
  - Evaluate Project Financing Options for a Heap Leach Mining Operation (HLMO)
  - 2<sup>nd</sup> News Release - Announce Assay Results
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### March 2021

- RC Drilling Program ~2,088m planned
  - Core Drilling Program ~1,240m Planned
  - Air Track Drilling ~800m planned
  - News Release - Announce Assay Results
  - Negotiate Project Financing
  - News Release - Announce Assay Results
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### April 2021

- RC Drilling Program ~2,000m planned
  - Core Drilling Program ~1,200m Planned
  - Air Track Drilling ~1,000m planned
  - Complete Metallurgical Testing
  - Complete updated NI 43-101 Resource Estimate and PEA<sup>i</sup>
  - 1<sup>st</sup> News Release - Announce Assay Results
  - Obtain Environmental Permit & water rights
  - 2<sup>nd</sup> News Release - Announce Assay Results
  - Complete Project Financing to Commence Construction of an HLMO
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### December 2021

- Complete Mine Construction
  - Mine Commissioning
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**CAUTION regarding forward-looking information:**

This forecast timeline of events contains certain "forward-looking statements" within the meaning of Canadian securities laws, with respect to the Company's plans for its Cerro Caliche Project, located in the municipality of Cuicurpe, Sonora, Mexico (the "Project") over the next 12 months, including:

- a forecast timeline for additional exploration drilling and assaying, and the announcements of the associated results;
- evaluation of the Company's 2021 financing requirements and options, and completion of one or more financing transactions;
- completion and publication of an updated mineral resource estimate;
- carrying out complementary analyses, assessments, budgeting and planning to support the preparation of a proposed preliminary economic assessment (PEA) of the Project;
- the negotiation of key agreements necessary to support possible future production at the Project, including agreements providing surface rights and water rights;
- subject to a completion of a favourable PEA establishing the economic viability of production at the Project, preparing and making submissions for the permits and licenses required for mining operations; and
- construction and commissioning of a mine at the Project.

The forward-looking statements in this document are statements reflecting the Company management's forecasts about future planned and aspirational events; they are not statements of historical facts. Although the Company believes that such statements are reasonable based on current circumstances, it can give no assurance that such expectations will prove to be correct. By its nature, early-stage mineral exploration and development projects carry a significant amount of risk, and often are delayed, disrupted or fail altogether, due to poor exploration results and other unanticipated factors. The Company cautions that this forecast timeline of events is based on the beliefs, estimates and opinions of the Company's management on the date that this document was published and they involve a number of risks and uncertainties, including:

- unanticipated geological, technical or other factors may result in planned exploration drilling taking longer than expected to complete or requiring more drilling work than is presently planned to support the Company's plans for the Project;
- unfavourable interim exploration results may impair the Company's options for additional financing or otherwise require the Company to reassess, curtail or abandon its plans for the Project;
- independent of the exploration results achieved, financial market conditions may impair the Company's ability to secure the additional financing required to execute on its plans for the Project;
- the Company may not be successful in securing the necessary surface and water rights for the Project, or the cost and time associated with securing such rights may result in material delays in the Company's plans;
- exploration results and related testing may not be sufficient to support a positive PEA of the Project;
- the Company may encounter political risks or other unanticipated changes in the legal, regulatory and permitting requirements for the Company's exploration and development programs.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Except as required by the securities laws and stock exchange policies applicable to the Company, the Company does not assume any responsibility to update the forecasts contained in this document. Readers are urged to review and monitor the Company's complete public disclosure recorded on SEDAR ([www.sedar.com](http://www.sedar.com)).

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<sup>i</sup> The presently available technical report on the Project has disclosed an inferred resource of 201,000 AuEq. (See: NI 43-101 Technical Report on the Cerro Caliche Property, July 26, 2019, Strickland, D., Sim, R.C. prepared for Sonoro Metals; comprised of an inferred resource of 201,000 AuEq ounces at a grade of 0.55 AuEq (0.495 g/t Au and 4.3 g/t Ag))