

Table 1.1: Mineral resource statement for the sulphide material Josemaría project, San Juan, Argentina, 7 August 2015

Cut-off (CuEq %)	Quantity	Grade				Contained Metal		
	(million tonnes)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu (billion lbs)	Au (million ozs)	Ag (million ozs)
Indicated Mineral Resources								
0.2	1,066	0.31	0.22	1.0	0.44	7.4	7.4	34.5
Inferred Mineral Resources								
0.2	404	0.24	0.15	0.8	0.33	2.0	2.0	10.8

Table 1.2: Mineral resource statement for the oxide material Josemaría project, San Juan, Argentina, 7 August 2015

Cut-off (Au g/t)	Quantity (million tonnes)	Grade			Contained Metal	
		Au (g/t)	Ag (g/t)	Cu (%)	Au (thousand ozs)	Ag (thousand ozs)
Josemaría Indicated Mineral Resources						
0.2	43	0.32	1.2	0.15	450	1,610
Josemaría Inferred Mineral Resources						
0.2	4	0.32	1.0	0	48	145

Notes to accompany Josemaría mineral resource statement:

1. Mineral resources have an effective date of 7 August 2015. The Qualified Person for the estimate is Mr. Gino Zandonai, RM CMC.
2. Mineral resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Sulphide mineral resources are reported using a copper equivalent (CuEq) cut-off grade. CuEq was calculated using US\$3.00/lb copper, US\$ 1,400/oz gold and US\$23/oz Ag and was based on copper, gold and silver recoveries obtained in metallurgical testwork on four composite samples representing the rhyolite, tonalite, porphyry and supergene zones. Copper recoveries for the rhyolite, tonalite and porphyry zones were calculated as a function of copper grade, ranging from a low of 81% to a high of 97%. Copper recovery in the supergene zone was fixed at 85%. Gold recoveries were fixed between 62% and 73% and silver recoveries were fixed between 53% and 75% depending on the zone.
4. Mineral resources are reported within a conceptual Whittle™ pit that uses the following input parameters: Cu price: US\$3.00/lb, mining cost: US\$2.20/t, process cost (including G&A): US\$7.40/t processed, copper selling cost: US\$0.35/lb and Over-all slope angle of 42°.
5. Mineral resources (sulphide) have a base case estimate using a 0.2% CuEq grade; mineral resources (oxide) are reported using a 0.2 g/t Au cut-off grade.
6. Totals may not sum due to rounding as required by reporting guidelines.

1.11 Mineral Reserve Estimates

The open pit mineral reserves for Josemaría are reported within a pit design based on open pit optimization results. 3-D mine designs were completed using MineSight software.

Mineral reserves were classified using the 2014 CIM Definition standards. Indicated mineral resources were converted to probable mineral reserves by applying the appropriate modifying

factors – those being dilution (5%) and ore loss (1%). There are no measured resources and thus no proven reserves. Cut-off grades (as net smelter return) were applied to both prime mill feed (\$4.95/t) and stockpiled ore (\$5.95/t) to designate mineral reserve from waste.

The open pit mine design process resulted in open pit mining reserves of 1,008 Mt with average grades of 0.29% copper, 0.21 g/t gold, and 0.92 g/t silver, for an overall copper equivalent grade of 0.41% CuEq. The mineral reserve statement, as of 20 November 2018, for the Josemaría project is presented in Table 1.3.

Table 1.3: Mineral reserve statement for the Josemaría project, San Juan, Argentina, 20 November 2018

Category (all domains)	Tonnage	Grade				Contained Metal		
	(Mt)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu	Au	Ag
						(billion lbs)	(million oz)	(million oz)
Proven	-	-	-	-	-	-	-	-
Probable	1,008	0.29	0.21	0.92	0.41	6.5	6.5	28.8
Total	1,008	0.29	0.21	0.92	0.41	6.5	6.5	28.8

Notes to accompany Josemaría mineral reserve statement:

1. Mineral reserves have an effective date of 20 November 2018. The Qualified Person for the estimate is Mr. Robert McCarthy, P.Eng.
2. The mineral reserves were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
3. The mineral reserves were based on a pit design which in turn aligned with an ultimate pit shell selected from a Whittle™ pit optimization exercise. Key inputs for that process are:
 - Metal prices of \$2.95/lb Cu, \$1,225/oz Au; \$19.00/oz Ag
 - Mining cost of \$1.80/t ore and waste at a reference elevation of 4180 m, plus cost adjustments of \$0.016/t/10m bench above reference and \$0.025/t/10 m bench below reference
 - Processing cost of \$3.60/t ore milled
 - General and administration cost of \$0.80/t milled
 - Sustaining capital costs of \$0.55/t
 - Pit slope angles varying from 42° to 46°
 - Process recoveries are based on grade. The average recovery is estimated to be 85% for Cu, 65% for Au and 66% for Ag
 - CuEq was calculated using total payable revenue from all metals in the mine plan, converting to payable copper, and back calculating for grade based on life of mine average copper recoveries and payables
4. Mining dilution is estimated to be 5%.
5. Ore loss is assumed to be 1%.
6. The mineral reserve has an economic cut-off, based on NSR, of \$4.95/t for direct mill feed.
7. There are 711 Mt of waste in the ultimate pit. The strip ratio is 0.71 (waste:ore).
8. All figures are rounded to reflect the relative accuracy of the estimate. Totals may not sum due to rounding as required by reporting guidelines.

1.12 Mine Plan

The study contemplates conventional open pit mining methods using autonomous haul trucks. Mine planning incorporates stockpiling strategies to focus on the early extraction of the highest-grade ore in addition to deferring waste stripping. Including pre-stripping, the open pit will be in operation for 23 years, delivering ore to the mill for 20 years, with a life of mine strip ratio of 0.71:1.