



VALOR RESOURCES

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**VALOR RESOURCES
LIMITED**

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Ordinary Shares:

1,475,504,358

Options:

86,333,333 (\$0.045 – 04/12/2019)

25,000,000 (\$0.02 – 31/12/2018)

133,333,334 (\$0.004 – 15/12/2018)

High Grade Mineralisation Discovered West of Corona

Valor Resources Limited (“VAL” or the “Company”, ASX: VAL) is very pleased to announce the latest results of surface sampling from outcrops west of the Corona project area, henceforth known as “Corona West”. Very high grades of copper, silver and manganese have been identified at surface, across the Corona West area, approximately 3,500 metres southwest of Berenguela Central, and 2,000 metres west of the original Corona discovery.

Corona West (Corona West) Highlights:

- **Geochemical results from Corona West outcrop have delineated an additional 1,000 metres of high grade mineralisation.**
- **High grade copper identified across Corona West at surface, including;**
 - **10.93% Cu**
 - **9.08% Cu**
 - **7.17% Cu**
 - **5.36% Cu**
 - **5 samples returning over 3% Cu, 7 samples over 2% Cu, 6 samples over 1% Cu and 15 samples over 0.50% Cu.**
- **High grade silver identified across Corona West at surface, including;**
 - **185 ppm Ag**
 - **167 ppm Ag**
 - **131 ppm Ag**

Management Commentary:

Valor Chairman, Mark Sumner said: “We are very excited about the discovery of high grades of copper, silver and manganese at Corona West, as this marks the second discovery we’ve made since acquiring the project in May of 2017. The discovery of high grade mineralisation at Corona West, has reinforced our thesis that the Berenguela Central deposit may be a part of a much larger mineralised system. The total project now comprises Berenguela Central, where we have a substantial JORC resource estimate, Corona, where we have discovered high grades of copper, silver and manganese at surface and now Corona West, where we have identified similar high grade copper, silver and manganese at surface. This further supports the Company’s view that the three project areas comprise one of the most exciting metals project in the Australian market.”

Exploration at Corona West – Overview

The Berenguela Project is located in the Department of Puno, in the altiplano of South Eastern Peru at an elevation of 4200 metres, near the town of Santa Lucia and Lake Titicaca (Figure 1). Berenguela was acquired by Valor Resources in May 2017. Subsequently the Company undertook a comprehensive exploration programme, including 9,100 metres of drilling, surface sampling and metallurgical testwork, resulting in an upgrade to the JORC Mineral Resource Estimate in January 2018, and finalisation of the process flow-sheet in July 2018. This puts the project in a position to advance to the next stage of development and eventually pre-feasibility study.



Figure 1. Location of the Berenguela copper-silver-manganese project

The project now consists of Berenguela Central deposit and two zones of interest, Corona, and Corona West. Geologically, Corona West hosts similar polymetallic carbonate-replacement system identified at Berenguela Central and Corona, and is potentially a satellite deposit. It lies approximately 3,500 metres west of Berenguela Central and approximately 1,000 metres west of Corona (Figure 2).

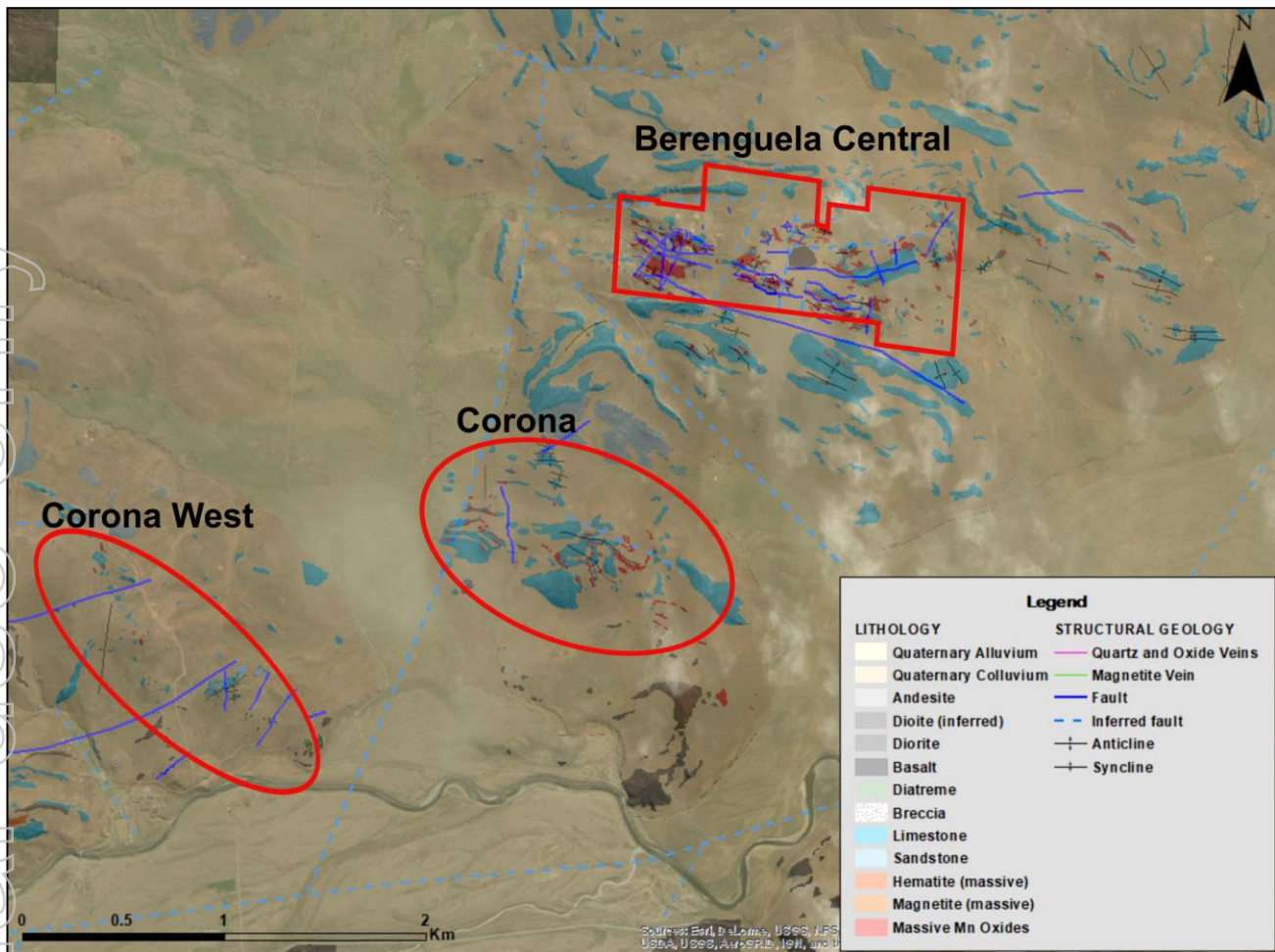


Figure 2. Location of Corona West relative to the central deposit at Berenguela and Corona.

The most recent sampling programme systematically targeted surface outcrop exposed at Corona West. Sample locations were distributed across the sector spaced 50 metres apart. 198 samples were collected and 21 quality control samples (blanks, standards, and duplicates) were added, yielding 219 total samples. All surface samples were obtained as rockchips, using hammer and chisel (Figure 3).



Figure 3. Sampling outcrop within Corona West area

The objective of the surface sampling campaign at Corona West was to explore the western zone of Valor's concessions, in particular, outcrop identified in field reconnaissance during previous Corona sampling exercises. The geochemical results from this round of sampling supports the Berenguela exploration model of continued mineralisation replacing faulted and folded carbonate beds.

Corona West Sampling Results

There were 198 surface samples collected from outcrops in the Corona West area, and 38 of those samples returned assay results greater than 0.50 % Cu (Figure 4 and Table 1). A total of 10 samples returned over 50 ppm Ag, and 14 samples returned over 5% Mn.

The samples have verified the presence of high grade copper, silver and manganese at surface. Such samples appear along a northwest-southeast trend, similar to that of the Berenguela Central deposit. The area covered by mineralisation delineated at surface within the Corona West zone represents an area of approximately 600 m by 800 m based on the area sampled. The eastern portion of the zone is covered by Quaternary alluvium and may mask underlying units of interest. As such, the exact dimensions of the Corona West mineralised area are undetermined.

Corona West Exploration Potential

The findings of this sampling campaign indicate that significant copper-silver-manganese mineralisation is not limited to Berenguela Central and Corona, and that Corona West is potentially a satellite deposit with similar high grade copper-silver-manganese mineralisation at surface.

Statistical analysis finds that the manganese values are moderately correlated with zinc ($R^2= 0.63$) and copper ($R^2= 0.40$), but not silver ($R^2= 0.26$). This further substantiates previous analysis from Berenguela Central and Corona, which supports the hypothesis that copper, zinc and silver were most likely to have been introduced and deposited after the manganese, suggesting that mineralisation at the Berenguela system is the result of two or more mineralisation events.

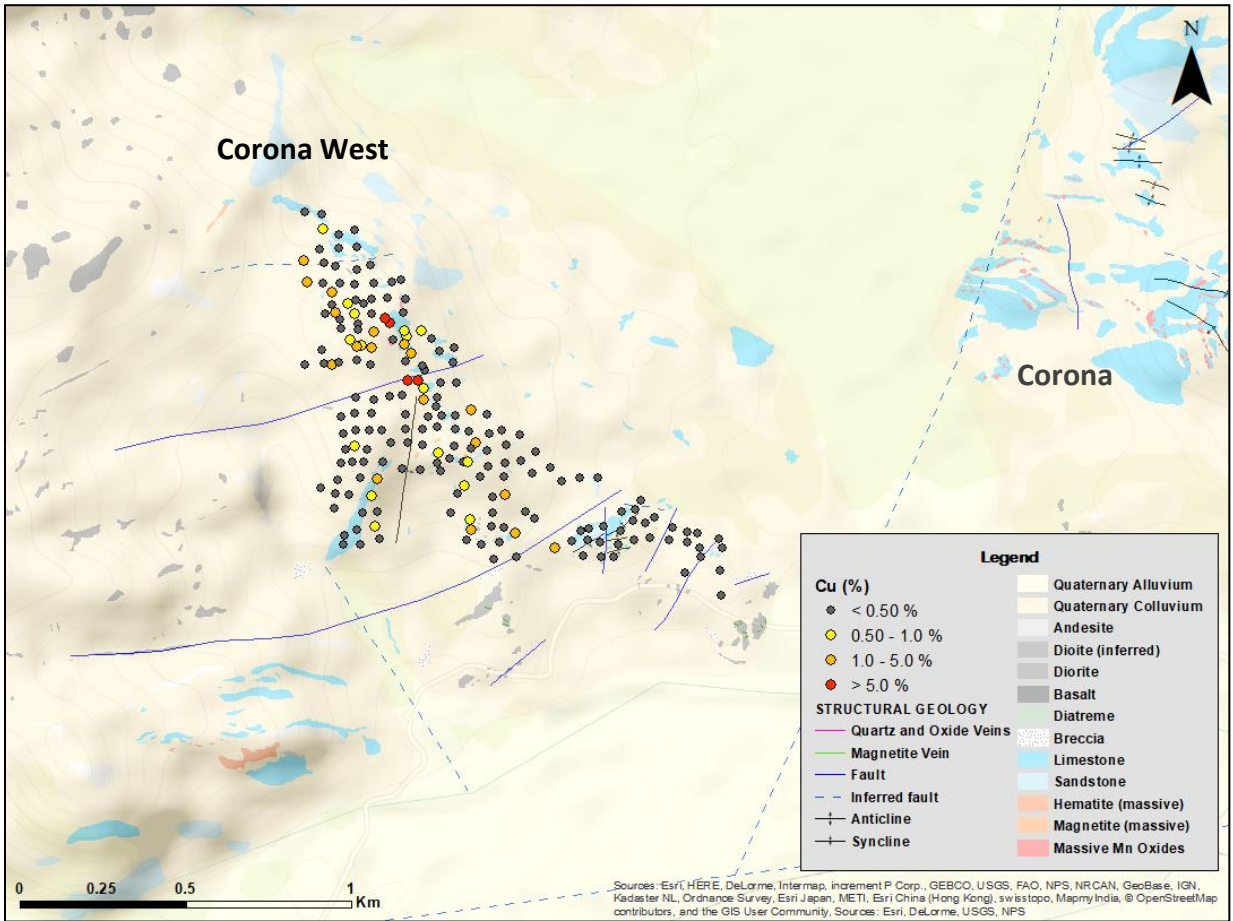


Figure 4. Sample results at Corona West, highlighting assay results of Cu >0.5%

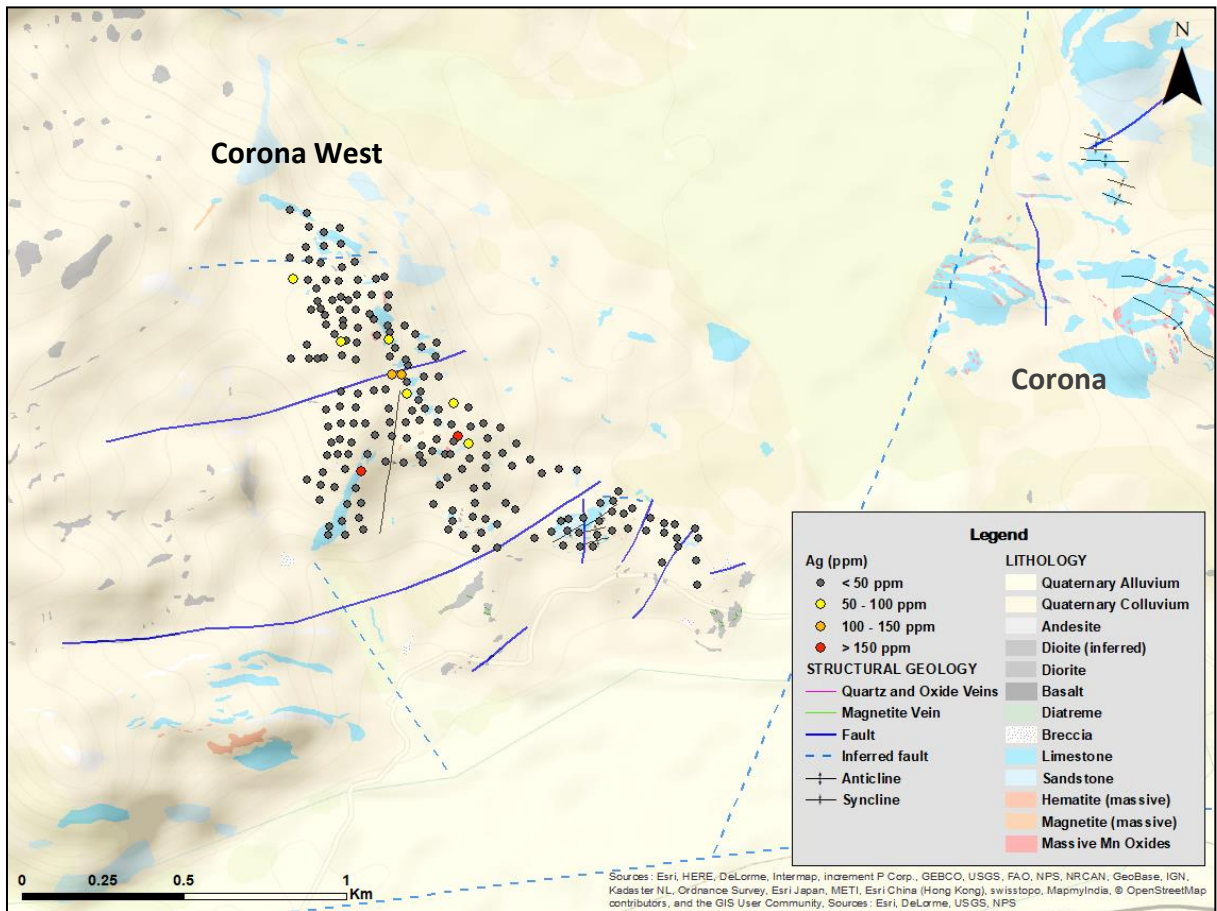


Figure 5. Sample results at Corona West, highlighting assay results of Ag > 50 ppm.

Next Steps

Within the Corona West target area, surface sampling indicates the potential of satellite body of copper-silver-manganese mineralisation. Similarities in mineralogy and geochemistry with Berenguela Central and Corona suggest that it is part of a cluster of such deposits on the property. The Company intends to continue with more detailed geological mapping and target generation within the Corona West area.

For further information, please contact:

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Chairman



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Competent Person Statement

The information in this document that relates to the resource statement is based on information compiled and reviewed by Mr. Marcelo Batelochi. Mr. Batelochi is an independent consultant with MB Geologia Ltda and is a Chartered Member of AusIMM – The Minerals Institute. Mr. Batelochi has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Batelochi consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Mr. Batelochi accepts responsibility for the accuracy of the statements disclosed in this release.

Table 1. Full Surface Sample Results

SAMPLE ID	EAST_PSAD56	NORTH_PSAD56	AG (PPM)	CU (%)	MN (%)	PB (%)	ZN (%)
11088	328547	8267507	1	0	0.31	0.06	0.05
11089	328599	8267499	2	0.04	0.24	0.01	0.02
11090	328718	8267105	20.5	0.57	0.4	0.01	0.03
11091	328603	8267457	15.6	0.95	8.97	0.05	0.37
11092	328651	8267438	0.8	0.02	0.46	0.01	0.01
11093	328699	8267454	0.3	0	0.05	0	0.01
11094	328805	8267171	37.1	9.08	14.24	0.02	0.22
11095	328594	8267393	3.1	0.06	0.17	0	0.01
11096	328652	8267397	6.3	0.45	8.24	0.01	0.26
11098	328704	8267402	6.1	0.14	3.98	0.01	0.17
11099	328651	8267438	1.4	0.02	0.15	0.02	0.01
11100	328545	8267361	30.3	2.77	0.45	0.01	0.04
11101	328606	8267353	0.2	0.01	0.42	0.01	0.01
11102	328642	8267343	0.9	0.02	5.13	0.02	0.2
11103	328707	8267332	15.4	0.31	11.54	0.02	0.4
11104	328747	8267348	0.3	0.01	0.42	0.02	0.03
11105	328555	8267296	63.2	3.31	4.38	0.03	0.28
11106	328602	8267292	2.8	0.04	3.16	0.01	0.12
11108	328656	8267293	0.6	0.02	0.36	0.01	0.02
11109	328698	8267288	1.7	0.07	0.6	0.01	0.01
11110	328756	8267293	0.2	0	0.49	0.03	0.04
11111	328811	8267294	0.6	0	0.3	0	0.03
11112	328838	8267301	0.3	0	0.02	0.01	0.01
11113	328677	8267229	45.3	0.92	2.73	0.02	0.07
11114	328629	8267265	29.2	1.11	2.35	0.01	0.09
11115	328727	8267231	1.2	0.01	0.8	0.01	0.03
11116	328703	8267240	1.7	0.02	1.4	0.02	0.06
11118	328751	8267245	2.8	0.15	2.17	0.01	0.08
11119	328798	8267247	0.9	0.02	0.92	0.01	0.04
11120	328851	8267245	1.4	0.02	0.78	0	0.02
11121	328710	8267168	0.5	0.01	4.72	0.02	0.1
11122	328611	8267201	2.3	0.07	0.38	0.01	0.02
11123	328642	8267203	16.8	1.06	0.71	0	0.03
11124	328700	8267200	19.7	0.66	1.61	0.01	0.04
11125	328750	8267201	2.2	0.18	1.58	0.01	0.04
11126	328792	8267187	41.7	7.17	0.77	0.04	0.04
11128	328847	8267205	9.3	0.35	7.06	0.01	0.24
11129	328855	8267132	6.9	0.56	13.84	0.01	0.21
11130	328871	8267081	45.3	2.06	7.01	0.02	0.16
11131	328907	8266976	8.7	0.52	1.79	0.01	0.03
11132	328910	8267028	2.8	0.06	0.38	0	0.01
11133	328657	8267154	1.1	0.02	0.13	0.01	0.01
11134	328709	8267151	1.4	0.02	0.96	0.01	0.04
11135	328756	8267145	24.4	1.81	0.67	0.01	0.03
11136	328932	8267125	3.7	0.06	0.5	0.01	0.02
11138	328849	8267150	10.5	0.94	4.02	0	0.05

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SAMPLE ID	EAST_PSAD56	NORTH_PSAD56	AG (PPM)	CU (%)	MN (%)	PB (%)	ZN (%)
11139	328900	8267150	9.7	0.92	4.02	0	0.05
11140	328944	8266920	0.2	0.01	0.75	0.01	0.02
11141	328630	8267048	35.5	2.37	2.53	0.01	0.05
11142	328599	8267091	0.2	0.01	0.46	0.01	0.01
11143	328685	8267123	27.5	0.61	0.87	0.01	0.03
11144	328704	8267100	59.4	1.86	0.8	0.02	0.04
11145	328751	8267099	25.6	1.03	2.48	0.01	0.09
11146	328814	8267121	0.7	0.01	0.23	0.01	0.01
11148	328850	8267107	95.1	2.77	4.69	0.01	0.13
11149	328654	8267182	17.7	0.23	3.76	0.02	0.2
11150	328954	8267086	8.9	0.21	0.07	0	0.01
11151	329000	8267098	3.4	0.02	0.31	0.01	0.01
11152	328550	8267048	0.3	0.01	0.07	0	0.02
11153	328606	8267049	5.9	0.07	0.39	0.01	0.02
11154	328652	8267052	1	0.01	0.15	0	0.01
11155	328706	8267060	0.9	0.01	0.29	0.01	0.01
11156	328748	8267047	0.3	0.01	0.14	0	0.01
11158	328632	8267226	10.9	0.38	1.36	0.01	0.05
11159	328853	8267056	1.6	0.02	3.74	0.01	0.1
11160	328902	8267044	2.6	0.07	0.66	0.01	0.03
11161	329196	8266834	0.3	0.01	0.35	0.01	0.02
11162	328995	8267054	2.8	0.04	0.1	0	0
11163	329026	8266753	5.7	0.48	8.09	0.03	0.38
11164	329288	8266736	0.2	0	0.07	0	0.01
11165	329246	8266785	0.2	0.01	0.27	0.01	0.01
11166	328859	8267000	131	5.36	0.74	0.01	0.02
11168	328891	8267000	108	10.93	7.95	0.01	0.19
11169	328959	8266992	0.8	0.03	0.17	0.01	0.01
11170	329005	8266993	0.4	0.01	0.1	0	0.01
11171	328703	8266947	1.1	0.03	0.15	0.01	0.01
11172	328757	8266942	0.4	0.01	0.11	0.01	0
11173	328806	8266952	0.6	0.02	0.74	0.01	0.02
11174	328841	8266954	0.3	0.01	0.44	0.01	0.02
11175	328908	8266941	52.4	3.35	0.03	0.03	0
11176	328949	8266948	3.1	0.03	0.76	0	0.04
11178	328657	8266890	0.4	0	0.25	0	0.02
11179	328665	8266838	1.2	0.08	0.29	0	0.02
11180	328673	8266790	0.2	0.05	0.49	0.01	0.02
11181	329065	8266810	185	3.24	6.09	0.12	0.61
11182	328700	8266900	0.5	0.02	0.15	0	0.01
11183	328749	8266898	0.6	0.01	0.14	0	0.01
11184	329233	8266718	1	0.02	0.45	0.01	0.02
11185	328851	8266895	0.2	0	0.1	0	0.01
11186	328922	8266889	1.7	0.02	0.22	0.01	0.02
11188	328963	8266893	7.3	0.05	0.83	0.01	0.06
11189	329004	8266892	0.3	0.01	0.33	0	0.01
11190	329050	8266911	57.9	2.58	0.01	0.02	0.01

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SAMPLE ID	EAST_PSAD56	NORTH_PSAD56	AG (PPM)	CU (%)	MN (%)	PB (%)	ZN (%)
11191	329098	8266897	0.2	0	0.21	0	0.02
11192	329202	8266757	0.7	0.02	0.36	0	0.02
11193	328703	8266848	0.4	0.03	0.32	0	0.02
11194	328744	8266849	0.2	0.04	0.32	0	0.03
11195	328780	8266849	0.2	0.08	0.62	0.01	0.02
11196	328854	8266853	0.5	0.02	0.85	0	0.04
11198	328903	8266853	0.9	0.02	0.36	0	0.01
11199	328947	8266858	0.8	0.02	0.66	0.01	0.05
11200	329003	8266853	0.2	0	0.08	0	0
11201	329045	8266846	0.2	0	0.08	0	0.01
11202	329104	8266838	1.4	0.02	0.04	0.01	0.03
11203	329142	8266847	2.8	0.03	0.64	0.02	0.04
11204	328699	8266800	39	0.59	1.6	0.01	0.07
11205	328735	8266790	0.2	0.01	0.42	0	0.03
11206	328809	8266812	0.2	0	0.21	0	0.01
11208	328860	8266810	0.5	0.01	0.37	0	0.02
11209	328905	8266804	0.2	0.01	0.07	0	0
11210	328952	8266781	43.6	0.72	0.11	0.01	0.05
11211	328999	8266800	2	0.02	0.56	0.01	0.07
11212	329050	8266793	7.3	0.32	2.31	0.01	0.07
11213	329097	8266786	68.4	0.05	0.27	0	0.04
11214	329155	8266803	3.7	0.15	0.4	0	0.04
11215	328659	8266749	0.4	0.04	0.62	0.01	0.03
11216	328692	8266754	1.5	0.13	2.47	0.01	0.05
11218	328725	8266754	0.2	0.02	0.71	0.01	0.05
11219	328785	8266754	1.8	0.03	2.76	0	0.1
11220	328842	8266731	1	0.01	0.12	0.02	0
11221	328896	8266728	0.9	0.01	0.07	0.01	0
11222	328947	8266751	5.6	0.31	3.86	0	0.15
11223	328986	8266762	0.7	0	0.21	0.01	0.03
11224	329041	8266753	12.3	0.83	1.7	0.05	0.08
11225	329100	8266739	0.2	0.03	0.07	0	0.01
11226	329153	8266751	1.9	0	0.03	0.01	0.01
11228	328646	8266699	0.7	0.06	0.42	0.01	0.02
11229	328717	8266706	0.5	0.07	0.48	0.02	0.03
11230	328767	8266702	167	3.37	0.18	0.02	0.05
11231	328957	8266726	2.1	0.06	0.44	0.02	0.03
11232	329030	8266682	9.9	0.63	1.62	0.04	0.12
11233	329078	8266709	5	0.02	0.06	0.04	0.02
11234	329148	8266710	0.3	0	0.05	0	0
11235	328597	8266675	0.2	0.01	0.15	0	0.01
11236	328640	8266658	0.7	0.02	0.43	0	0.04
11238	328683	8266653	0.3	0.02	0.31	0	0.01
11239	328749	8266650	17.9	0.65	0.71	0.09	0.2
11240	329008	8266659	28.9	0.14	0.39	1.75	0.08
11241	328988	8266600	2	0.03	0.23	0.02	0.02
11242	329115	8266647	0.2	0	0.22	0	0.02

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SAMPLE ID	EAST_PSAD56	NORTH_PSAD56	AG (PPM)	CU (%)	MN (%)	PB (%)	ZN (%)
11243	329153	8266654	11.7	2.19	1.33	0.01	0.04
11244	328636	8266613	0.5	0.01	0.77	0	0.04
11245	328723	8266598	47.9	0.38	5.02	0.4	1.19
11246	328767	8266603	13.4	0.35	4.19	0.22	0.41
11248	329047	8266579	13.7	0.78	0.88	0.02	0.08
11249	329116	8266601	13.1	0.17	0.56	0.01	0.02
11250	329213	8266603	2.1	0.02	0.06	0.01	0.01
11251	329561	8266638	0.2	0	0.22	0	0.03
11252	329185	8266466	3	0.32	0.78	0	0.11
11253	329119	8266460	0.4	0.01	0.22	0.01	0.02
11254	329504	8266602	0.3	0.01	0.19	0	0.01
11255	329545	8266608	12	0.22	0.56	0.02	0.08
11256	329604	8266587	0.4	0.02	0.14	0.01	0.02
11258	329184	8266537	42.9	3.59	0.64	0	0.02
11259	329241	8266584	0.8	0.01	1.26	0	0.07
11260	328667	8266530	1.1	0.13	0.19	0	0.01
11261	328707	8266548	9.6	0.33	7.9	0.01	0.09
11262	328760	8266557	11.4	0.67	9.03	0.03	1.07
11263	329049	8266548	34.3	1.12	2.68	0.04	0.08
11264	329110	8266559	5.1	0.3	1.37	0.01	0.03
11265	329148	8266554	2.5	0.19	1.37	0	0.02
11266	329381	8266545	2.5	0	0.16	0.02	0.01
11268	329406	8266552	1.9	0	0.09	0.02	0
11269	329450	8266557	0.6	0.01	0.22	0	0.01
11270	329501	8266546	0.4	0.03	0.23	0.01	0.03
11271	329539	8266575	0.3	0	0.12	0	0.02
11272	329576	8266570	2	0.17	0.26	0.1	0.06
11273	329658	8266555	1.5	0.19	0.14	0.01	0.06
11274	329701	8266540	1.8	0.01	0.09	0	0.01
11275	329734	8266538	0.2	0.03	0.37	0	0.04
11276	329797	8266522	0.2	0.03	0.98	0	0.04
11278	328664	8266504	0.9	0.04	0.12	0	0
11279	328715	8266504	1.1	0.04	1.25	0	0.02
11280	328773	8266520	2.1	0.04	0.15	0.01	0.01
11281	329036	8266519	0.7	0.03	0.22	0.01	0.01
11282	329082	8266503	19.5	0.19	0.2	0.01	0.01
11283	329137	8266509	2.7	0.49	3.27	0	0.07
11284	329353	8266513	0.3	0.01	0.15	0.01	0
11285	329402	8266518	0.5	0	0.15	0	0.02
11286	329438	8266511	0.6	0.02	0.42	0.01	0.01
11288	329493	8266503	0.4	0.01	0.6	0.02	0.04
11289	329540	8266516	0.5	0.04	0.18	0.01	0.03
11290	329591	8266523	0.5	0	0.36	0	0.09
11291	329646	8266516	0.4	0.07	1.31	0	0.01
11292	329701	8266509	0.2	0.03	0.45	0	0.01
11293	329740	8266495	0.2	0.02	0.7	0	0.05
11294	329807	8266495	0.9	0	0.12	0.01	0.01

SAMPLE ID	EAST_PSAD56	NORTH_PSAD56	AG (PPM)	CU (%)	MN (%)	PB (%)	ZN (%)
11295	329302	8266494	43.9	2.83	1.62	0.02	0.04
11296	329388	8266470	1.9	0.05	0.19	0.02	0.01
11298	329442	8266468	0.2	0.03	0.19	0.01	0.02
11299	329480	8266467	0.5	0.02	0.13	0.01	0.01
11300	329323	8266694	1.1	0.01	0.36	0	0.01
11301	329377	8266706	1.6	0.15	4.5	0.01	0.09
11302	329433	8266704	0.4	0	0.23	0	0.02
11303	329695	8266418	0.5	0	0.81	0.01	0.04
11304	329743	8266468	0.2	0.02	0.57	0.01	0.19
11305	329800	8266424	0.3	0.01	1.54	0.01	0.03
11306	329804	8266349	0.3	0.01	3.8	0.01	0.06

Table 1. Geochemical assay results from surface sampling at Corona West.

Note: Analysis was completed at SGS Laboratories via Inductively Coupled Plasma – Optical Emission Spectroscopy (ICP-OES). As part of the QA/QC control, were inserted control samples:

- 4 standard samples (CDN-HZ-2, CDN-ME-4 y CDN-ME-12).
- 3 blank samples.
- 2 duplicated samples

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The Following Table and Sections are provided to ensure compliance with JORC Code (2012 Edition)

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> In the Corona West target are 198 surface sampling, which 38 @ Cu % > 0.50, 10 @ Ag >=50, The target was sampled off on an irregular grid pattern, spaced 50 metres, based on surface geological mapping, selecting representative rockships of the outcrops. The sampling programme extended along the mineralized trend WNW of known mineralization features, known by the field geologist with more than 3 years working on this region carrying out regional exploration and local geology/drilling of Berenguela Project (3km NE of Corona West). The objective of the rockship program was to delineate the surface abrangency of the anomaly to check geophysics results and decision makings of investing on drilling exploration. The objective of the surface sampling campaign at Corona West was to explore the western zone of Valor's concessions, in particular, outcrops identified in field reconnaissance during previous Corona West sampling exercises. The geochemical results from this round of sampling supports the Berenguela exploration model of continued mineralisation replacing faulted and folded carbonate beds
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> No drilling campaign has been carried out yet
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No drilling campaign has been carried out yet
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically 	<ul style="list-style-type: none"> The outcrops and rockship samples were logged Lithology,

Criteria	JORC Code explanation	Commentary
	<p><i>logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>alteration, veining, mineralisation and weathering.</p>
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • The rockship collected the samples ranges from approximately 0.5 to 2 kilograms. • The samples were tagged with the hole number and depth and then sent to the warehouse and sent to SGS Peru facilities at Arequipa, following the procedure: • RECEPTION - Samples are received and checked with sample form from Berenguela; • DATA ENTRY – SGS following an internal procedure to generated CCONS where customer data is entered, then the “Presheet” worksheet is printed • CODIFIED and WEIGHT - checked SGS id vs client's form and weighed controlled by the barcode reader; • DRYING - at 105 ° C controlled; • PRIMARY CRUSHING - Final product ~¼" (6 mm); • SECONDARY CRUSHING - Final product at -10 # (2mm) at 90% p80; • HOMOGENIZED pre-homogenized and again using riffle splitter; • RIFFLE SPLITTER - Successive reduction size until obtaining approx. 250g and the reject it is stored; • PULVERIZED - Pulverized 250g with final product -140 # at 90% p80. • Assays were processed by SGS – Callao – Peru accredited to ISO Standards that the samples are transported internally from Arequipa to SGS Callao facilities. The analysis are carried out for 2 main Multi Element Analysis procedures: SGS-MN-ME-41 - ICP40B and SGS-MN-ME-41 - AAS41B as shown details reported by SGS
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation,</i> 	<ul style="list-style-type: none"> • The samples were prepared and tagged for shipment to the assay lab and blanks and standards were inserted into the sample stream at a rate shown at below: <ul style="list-style-type: none"> ○ 4 standard samples (CDN-HZ-2, CDN-ME-4 y CDN-ME-12). ○ 3 blank samples.

Criteria	JORC Code explanation	Commentary
	<p><i>etc.</i></p> <ul style="list-style-type: none"> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> ○ 2 duplicated samples.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Just visual with high subjectivity of verification of sampling and assay have been carried out.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Location of Points were extracted from hand GPS Garmin 60's series device positioning. Precision and accuracy 4-10 meters horizontal and 4-20 meters vertical (not considered vertical acquired information), based on bibliography (not carried out any calibration or precision/accuracy study).
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Rock ships along WNW trend, irregular grid, spacing ~50 meters
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Rock ships along WNW trend,
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • The sample rejects are stored in a warehouse in Santa Lucia, but they should be discarded in the future after drilling campaign results.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audit has been carried out yet