

**“Targeting Near Term, High Margin Gold and Silver Production, with Scalable Upside ”**



**CORPORATE PRESENTATION**

November 2022

# Forward Looking Statement



Certain statements made and information contained herein may constitute “forward looking information” and “forward looking statements” within the meaning of applicable Canadian and United States securities legislation, including, among other things, information with respect to this presentation. These statements and information are based on facts currently available to the Company and there is no assurance that actual results will meet management’s expectations.

Forward-looking statements and information may be identified by such terms as “anticipates”, “believes”, “targets”, “estimates”, “plans”, “expects”, “may”, “will”, “could” or “would”. Forward- looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and reserves, the realization of resource and reserve estimates, metal prices, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals, environmental risks, title disputes and other matters. While the Company considers its assumptions to be reasonable as of the date hereof, forward-looking statements and information are not guarantees of future performance and readers should not place undue importance on such statements as actual events and results may differ materially from those described herein. The Company does not undertake to update any forward-looking statements or information except as may be required by applicable securities laws.

Dr Chris Wilson is a qualified person within the context of National Instrument 43-101, and has read and approved the technical aspects of this presentation.

# Experienced Board And Proven Management



## Bryan Slusarchuk

### CEO and Director

Mr. Slusarchuk is the former President of rapidly growing gold producer K92 Mining Inc., a company he co-founded and where he was a member of the Board of Directors and Audit Committee from inception through to cash flow positive mining operations and the declaration of commercial production. K92 has approximately 1,650 employees and contractors and is based in Papua New Guinea. K92 has recently been added for inclusion in the S&P/TSX Composite Index and is also a TSX30 company based on outstanding performance for shareholders. Mr. Slusarchuk has structured, financed, and operated several private and publicly traded mining and exploration companies and has also advised multiple governments and mining industry advocacy groups on formation of mining and investment policy. An early mover in understanding themes related to electrification and the impact of this global transition on metals markets, Slusarchuk is a past TEDX and Carbon War room speaker.

## Chris Wilson PhD, FAusIMM (CP), FSEG

### Chief Geologist and Director

Dr. Wilson is a commercially-driven and innovative exploration geologist with over 35 years of global experience in area selection and prospect generation, target generation, and the design and management of large resource definition drilling and pre-feasibility programs. Chris has worked in over 75 countries, on most commodities and deposit styles.

Proven ability to lead multi-disciplinary and multi-cultural, high talent teams under diverse cultural and physiographic regimes. Qualified Person for JORC and NI 43-10 compliant reporting and valuation. Formerly 10 years with Ivanhoe Mines. As Exploration Manager for Ivanhoe Mines Mongolia he was responsible for an Exploration Portfolio of over 11 million hectares. Recently Chris has been involved in resource versus production reconciliation studies, project valuation and fatal flaw analysis.

# Experienced Board And Proven Management



## John Lewins

### Director

Mr. Lewins is the Chief Executive Officer and Director of K92 Mining Inc and has led the company to become one of the world's highest grade and lowest cost gold producers. K92, under Mr. Lewins leadership, has delivered outstanding returns to shareholders and is fast growing its production profile and resource.

Previous to his role with K92, Mr. Lewins operated extensively at the corporate level in various roles from Executive General Manager to Director and Chief Executive Officer with a number of mining companies, including MIM Holdings, First Dynasty Mines, Platinum Australia and African Thunder Platinum. Mr. Lewins is a current Director of Fosterville South Exploration.

Mr. Lewins is a Mineral Engineer with over 35 years' experience in the mining industry, who has worked in Africa, Australia, Asia, North America and the former Soviet Union. Mr. Lewins has successfully managed the development of a number of open pit and underground gold, precious and base metal mines from feasibility study through to profitable operations.

## Jonathan Richards

### CFO and Director

Mr. Richards has over a decade of resource-focused accounting and finance experience. He has accumulated extensive experience with Toronto Stock Exchange and venture-listed companies, as well as numerous private companies throughout the world. His professional experience has included officer and director positions on the TSX and TSXV; experience in various debt and equity financings; implementation of ERP systems to manage mining operations; managing domestic and international tax planning strategies; and implementation of corporate governance and internal control policies. Mr. Richards is the current CFO of Fosterville South Exploration.

Mr. Richards holds a bachelor's degree in management studies with first-class honours from the University of Waikato, New Zealand, started his career at KPMG in the audit and assurance division, and is a member of the Chartered Professional Accountants of British Columbia as well as Chartered Accountants of Australia and New Zealand.



# Experienced Board And Proven Management



## Charles Hethey, LLB

### Legal Counsel and Director

Mr. Hethey is a securities lawyer in British Columbia and New York with over 10 years' experience. Mr. Hethey represents a number of U.S. and Canadian listed entities on the TSX Venture Exchange, Canadian Securities Exchange and U.S. OTC markets. Mr. Hethey's clients are active in a broad range of industries including an emphasis on mining issuers.

Mr. Hethey has significant experience in U.S. and Canadian corporate finance, mergers and acquisitions and securities compliance matters. Mr. Hethey is a Director of Fosterville South Exploration and former roles include director of New Energy Metals Corp. (TSXV: ENRG), a mineral exploration company with exploration projects in Quebec and Chile, and a director of Skyledger Tech Corp. (CSE: SKYL), a Bitcoin miner.

## Nancy Le Couvée

### Director

Ms. La Couvée is currently Corporate Secretary for K92 Mining Inc. and is a governance professional who brings over 25 years of comprehensive senior level experience with international public and private companies in the resource sector. Ms. La Couvée is strongly attuned to corporate governance and statutory compliance frameworks and has significant mining industry experience with a wide range of corporate and financial transactions. She is a Member of the Institute of Corporate Directors (ICD), Governance Professionals of Canada (GPC) and the Chartered Governance Institute of Canada (CGI).

# High Margin Exploration and Development Projects with Upside Potential



## Esperanza Gold Deposit

An attractive, low technical risk, near-surface bulk gold growth project.

Current high grade oxide gold resource — that is most likely amenable to open pit mining and heap leach gold extraction.

Robust gold exploration targets at depth. Multiple high priority gold exploration targets within concessions surrounding Esperanza.

## Zacatecas Property

Intermediate and low sulphidation silver-gold-base metal vein systems — several never effectively drill tested.

Resource of 2.7 million tonnes at 187 g/t AgEq (171 g/t Ag and 0.17 g/t Au) for 16.4 million ounces AgEq (15 million ounces silver and 15 thousand ounces gold).



# Esperanza Gold Deposit — Key Metrics



## **Near Surface, Open-Pitable, Heap Leach**

Near surface and low technical risk near surface oxide gold-silver deposit — that is most likely amenable to standard bulk open pit mining, and gold and silver, via conventional heap leach.

## **Robust Exploration Potential**

Robust exploration targets at depth including intrusion-related stockwork, breccia and skarn/disseminated gold mineralization. Multiple high priority exploration targets immediately adjoining the Esperanza.

## **Advanced Stage Low Technical Risk**

Almost 70,000 metres of diamond and RC drilling has gently fold tabular zone of mineralization that is well defined by drilling.

## **Proactive Environmental and Social Program**

Baseline environmental work and proactive indigenous community engagement is ongoing in support of the project's Environmental Impact Assessment and Social Standing.

# Select Gold Deposits Of Mexico and The Guerrero Gold Belt





# High Grade Oxide Gold Mineral Resource Estimate



## Measured and Indicated

**956,000 oz AuEq oz Au @ 0.97 g/t AuEq (30.538 Mt @ 0.93 g/t Au and 8.7 g/t Ag)**

Pit-Constrained Measured and Indicated Mineral Resource Estimate of 30.3 million tonnes at 0.97 g/t AuEq (0.92 g/t gold and 8.6 g/t silver) for 941 thousand ounces AuEq (899 thousand ounces gold and 8.4 million ounces silver)

Out-of-Pit Measured and Indicated Mineral Resource Estimate of 270 thousand tonnes at 1.73 g/t AuEq (1.58 g/t gold and 11.0 g/t silver) for 15 thousand ounces of AuEq (14 thousand ounces of gold and 96 thousand ounces of silver).

## Inferred

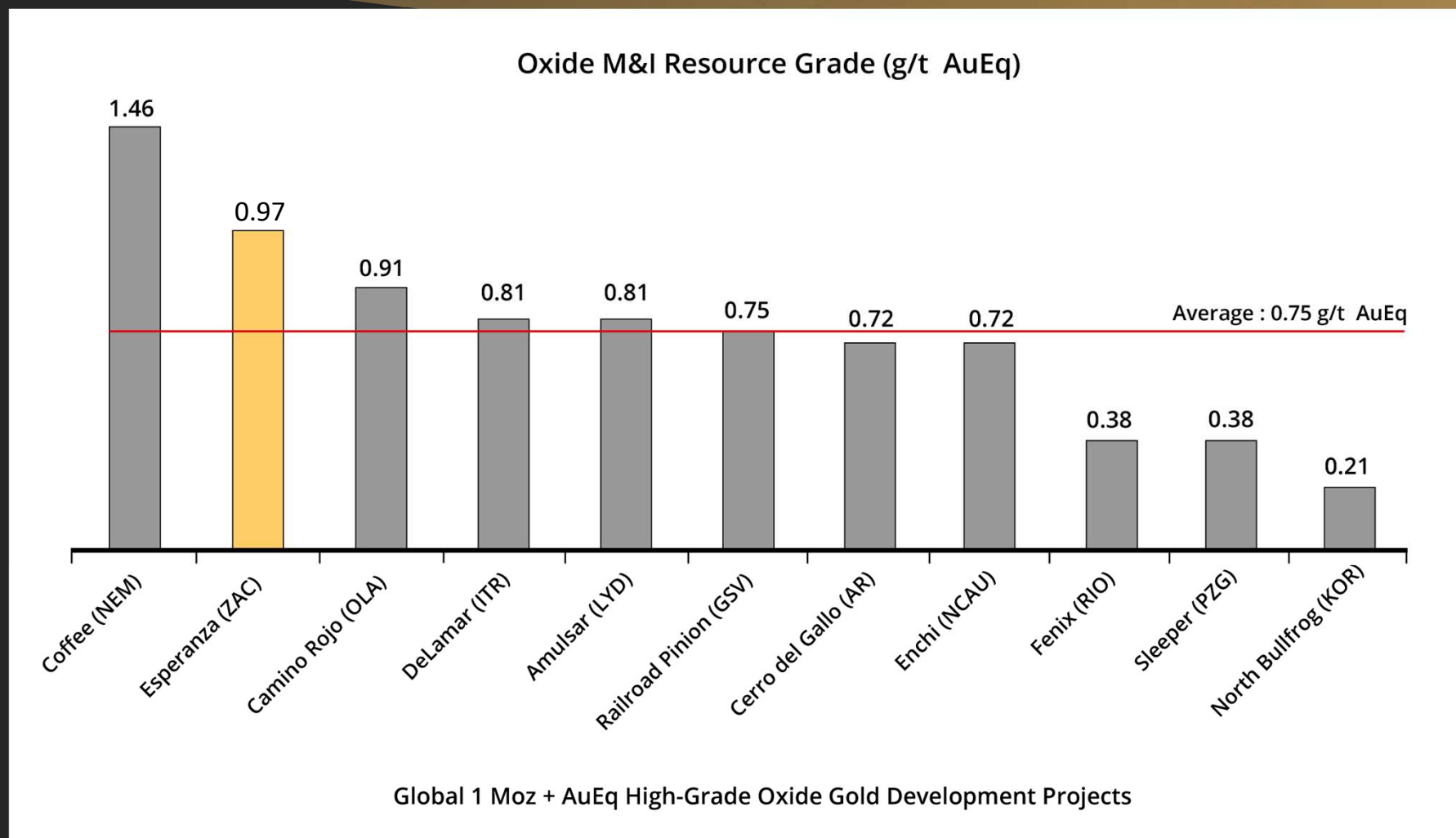
**276,000 oz AuEq oz Au @ 0.98 g/t AuEq (8,737 Mt @ 0.91 g/t Au and 14.5 g/t Ag)**

Pit-Constrained Inferred Mineral Resource Estimate of 8.3 million tonnes at 0.93 g/t AuEq (0.86 g/t gold and 14.7 g/t silver) for 248 thousand ounces AuEq (229 thousand ounces gold and 3.9 million ounces silver)

Out-of-Pit Inferred Mineral Resource Estimate of 479 thousand tonnes at 1.83 g/t AuEq (1.77 g/t gold and 11.8 g/t silver) for 28 thousand ounces of AuEq (27 thousand ounces of gold and 182 thousand ounces of silver).

The full details of the resource estimate are set forth in the news release dated November 16, 2022.

# Global >1 Moz AuEq Oxide Gold Development Projects



Data: Various Online Sources. Esperanza Deposit metrics based on an initial resource (see Page 9).

# Gold Mineralization is Near Surface



## Heap Leach

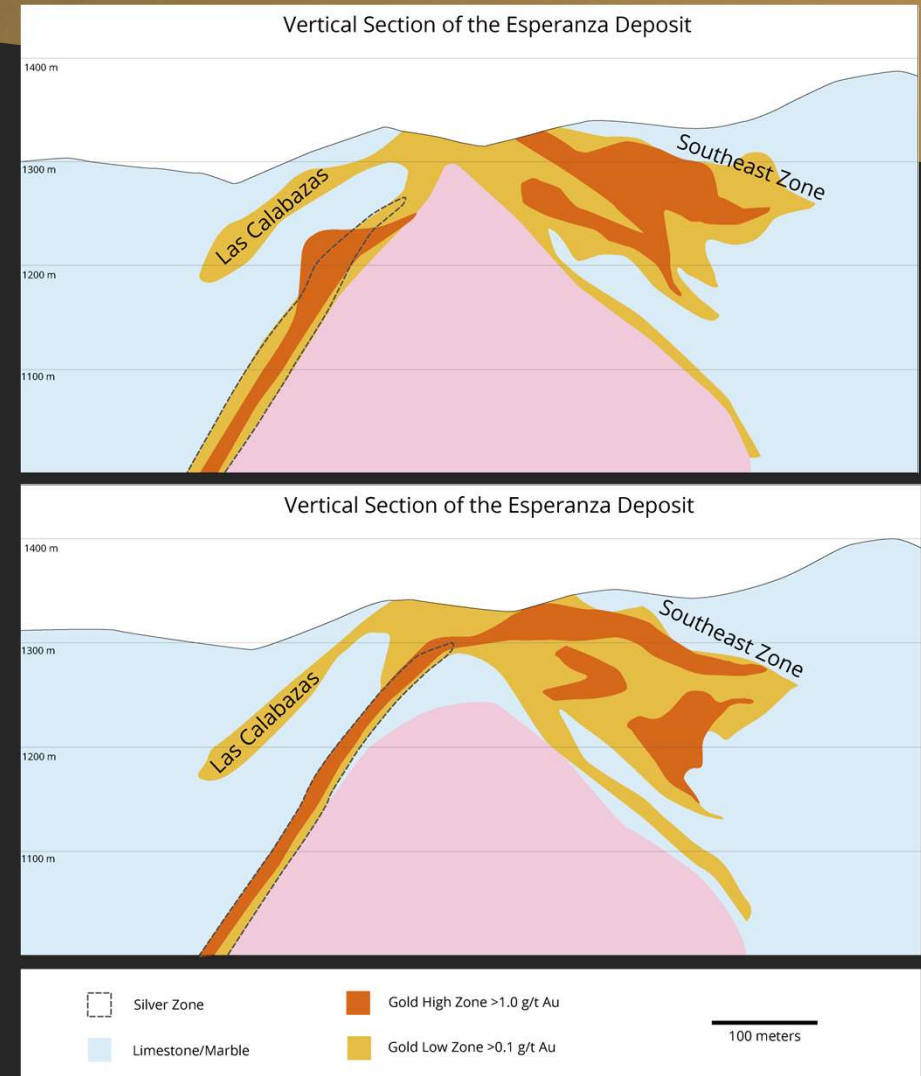
Mineralization has simple morphology that wraps over the top of the feldspar porphyry. It is most likely ammenable to standard open pit mining.

## Near Surface High Grade

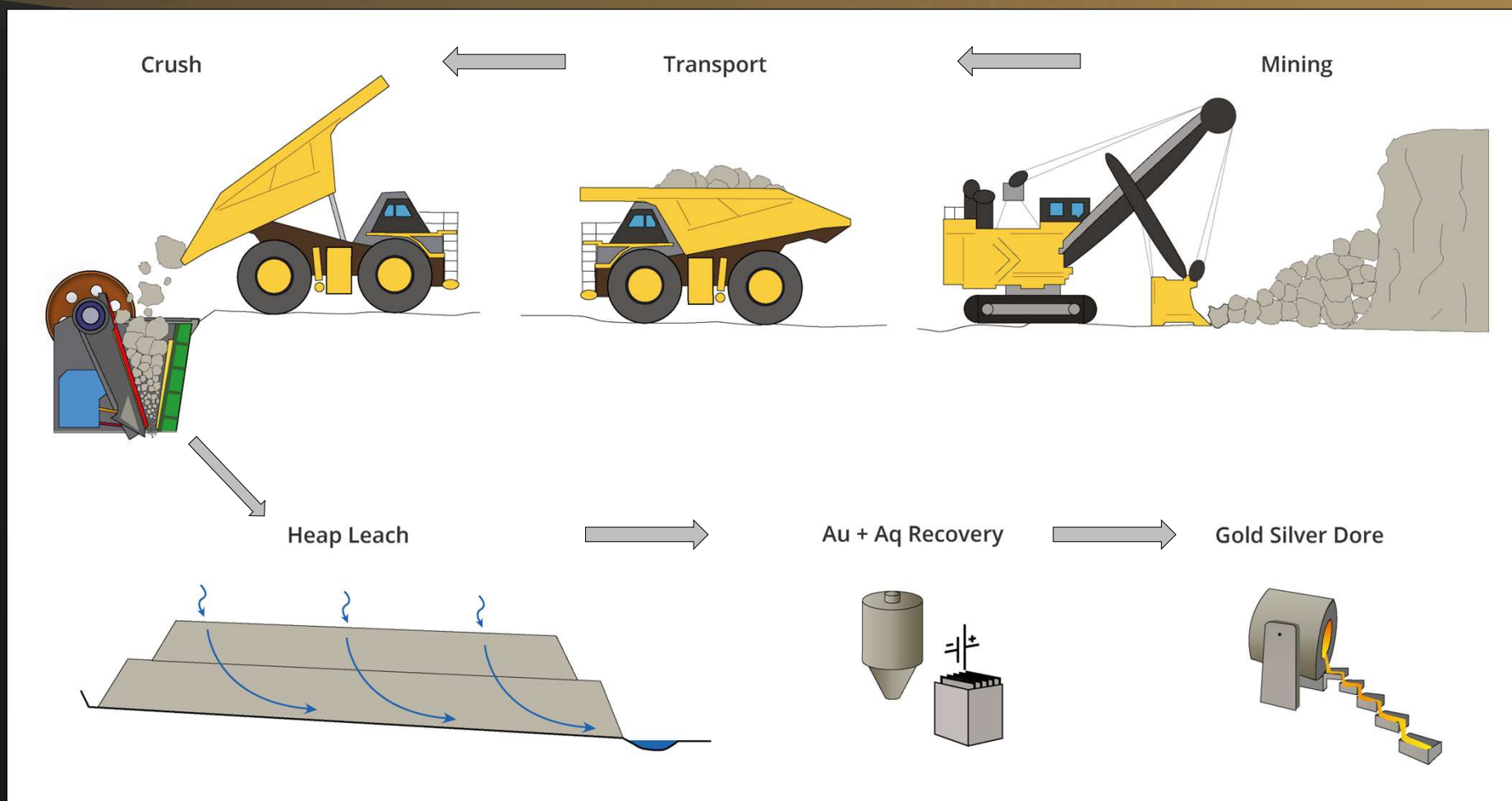
Parts of the high-grade mineralization either crop-out at surface — or are very close to surface. In the event the project progresses to development — this would allow access to high grade mineralization early in the open-pit mining.

## Excellent Strip Ratio

Near surface mineralization and folded tabular morphology indicates low stripe ration — especially in early years.



# Possible Mining and Metallurgical Flowpath



## Proposed Flowpath

Bulk open pit mining and heap leach recovery of gold and silver is a proven flowpath used at many mines worldwide.

## No Grinding – No Tailings

Crushing ore and stacking on leach pads most likely scenario. Avoids high cost of grinding ore, tank leach and tailings ponds.



# Esperanza Deposit Geology and Upside



## Prolific Metallogenic Belt

Located within the Sierra Madre del Sur metallogenic province. Which includes the prolific Guerrero gold belt, host to numerous significant gold-rich skarn deposits.

## Deposit Geology and Mineralization

Esperanza is an oxidized gold-enriched skarn deposit associated with the margins of a feldspar porphyry.

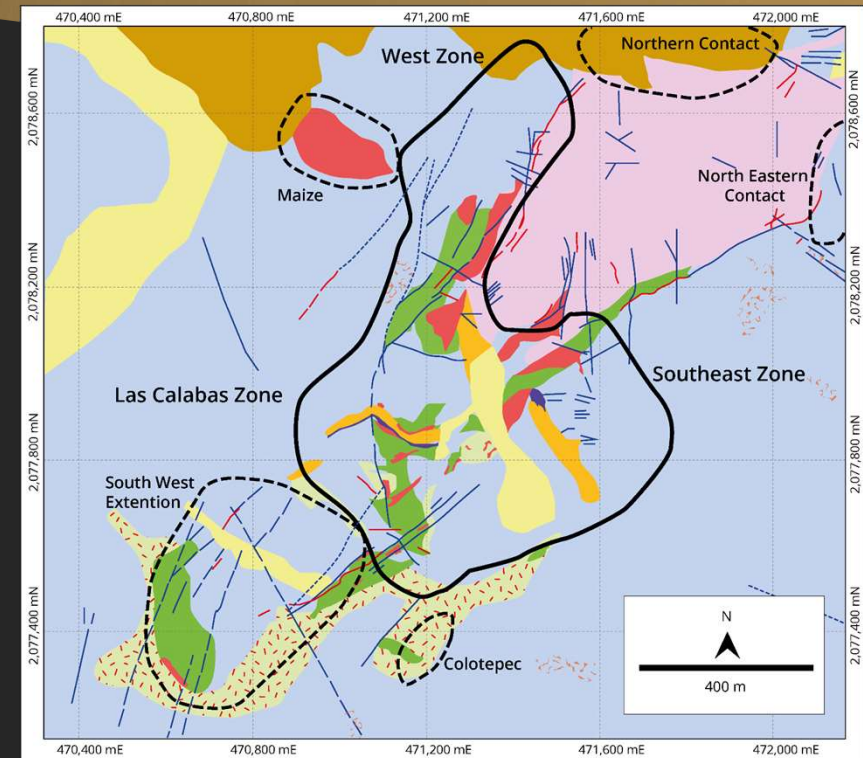
## Historic Dataset

389 angled Diamond and RC holes drilled for 69,734 m – **over US \$25 M** at current “all in” drill and assay costs.

## Deposit Proximal Exploration Upside

High priority exploration targets adjoin the deposit along strike to SW and NE.

- Northern Contact – Historical drill holes intersected 150 g/t Ag over 12 to 15 m in skarn. Largely covered by later volcanics.
- Silicified jasperoid zone. One historical hole intersected 0.18 g/t Au over 82.5 m.
- Southwest Extension, Colotepec and Northeastern Contact all merit exploration.



Limestone	Marble	Marble Iron Oxide Mineralisation
Alluvium	Feldspar Porphyry	Jasperoid Mineralisation
Volcaniclastics	Quartz Porphyry	Fault
Andesite	Skarn (Garnet-Tremolite-chlorite-epidote)	Quartz Iron Oxide Vein
Felsic Dyke	Breccia	Deposit Footprint
		Exploration Target

# Robust Gold Exploration Targets at Depth



## High Grade Deep Mineralization to West

Resource modelling has defined a steeply-dipping, high grade zone to west of Feldspar Porphyry — suggest source of mineralizing fluids at depth.

## Feldspar Porphyry Forms Skarn

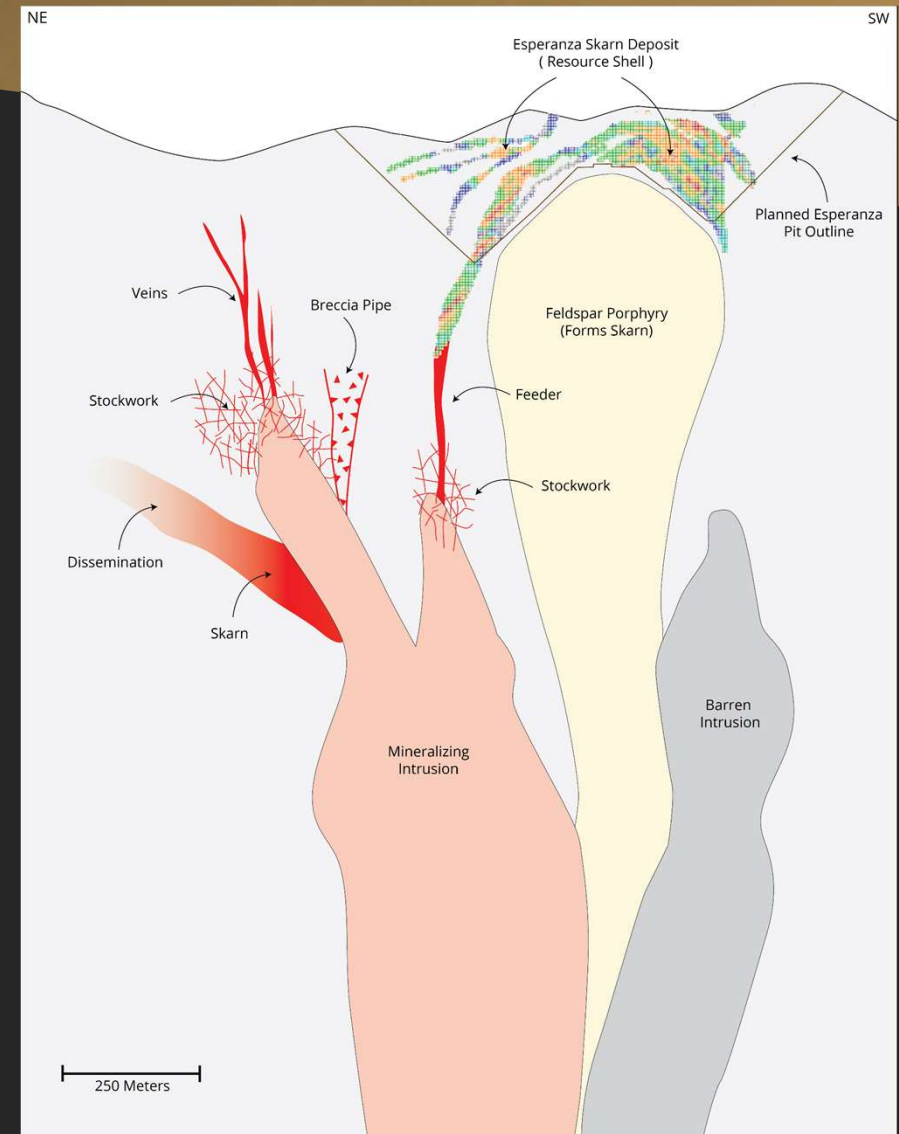
Intrusion of feldspar porphyry resulted in skarn formation — a receptive and fractures host for gold mineralization.

## Mineralizing Intrusion

Western limb mineralization open at depth — indicates deeper source of mineralizing fluids.

## Intrusion-Related Gold System (IRGS) Targets

IRGS targets include stockwork, skarn and disseminated mineralization in limestone hosts, sub-vertical breccial pipes and more distal veins.



# 6 additional Prospects Within 14,337 ha Concessions In Addition to 5 Near Deposit Targets



## Coatetelco

1400 m by 500 m are of jasperoid and brecciated limestone with coincident arsenic-antimony soil anomaly.

## Mercury Mines

Historical mine workings on quartz-cinnabar veins over 300 by 150 m area. Potential for precious metal mines at depth.

## Alpuyeca

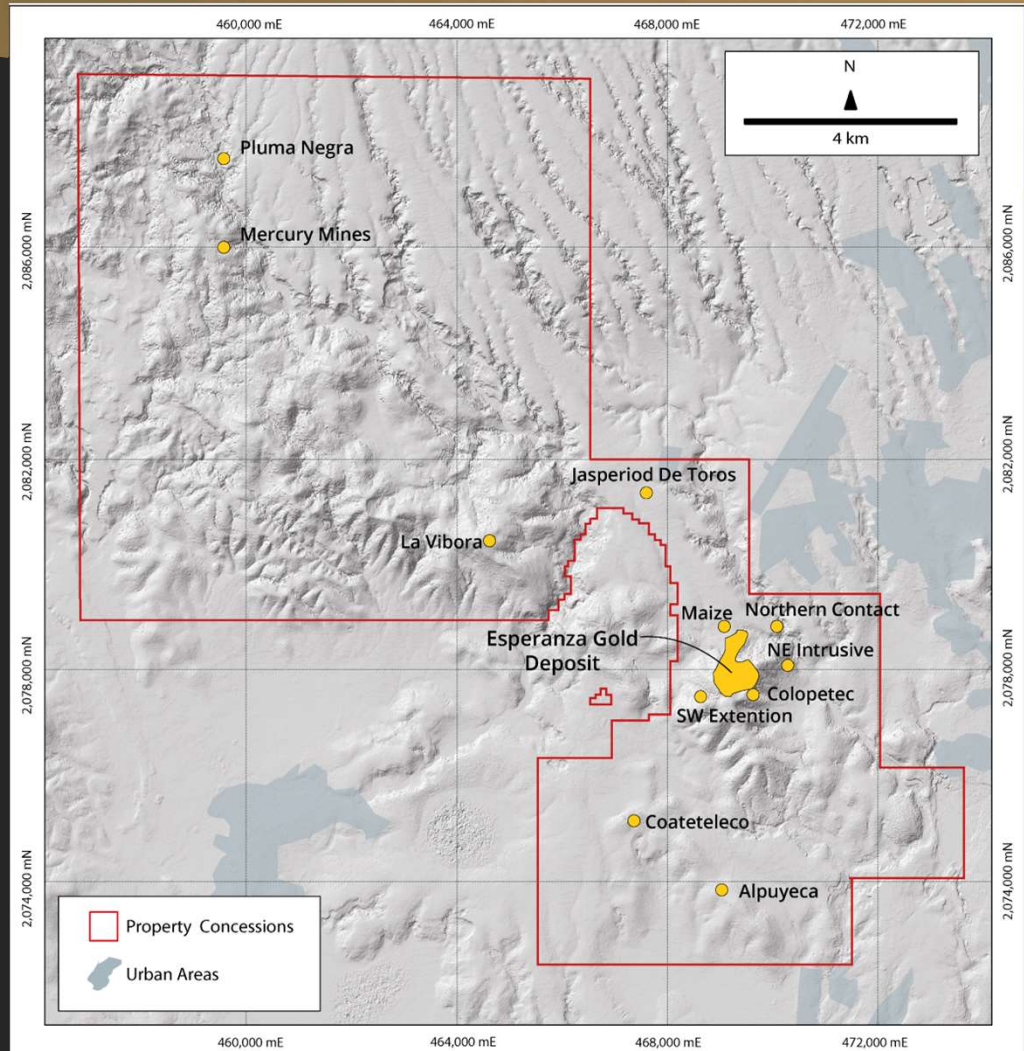
500 m by 600 m zone of jasperoid in weakly altered limestone. Reconnaissance sampling returned anomalous arsenic-antimony-gold and silver rock chips.

## Pluma Negra

Black silicified limestone breccia. Nine rock chip grab samples assayed up to 0.986 g/t Au.

## La Vibora

270 m by 120 m zone of jasperoid veinlets and breccias suggestive of a buried intrusion.





# Proactive Engagement With Local Communities And All Levels of Government



## Local Community Engagement

Since 2018 there has been proactive engagement with local communities and landowners through establishment of a community relations office in Tetlama.

Significant support from local communities for proposed “grass roots” initiatives.

## Municipal, State and Federal Government

Ongoing communication and engagement at all government levels.

## Studies In Support of MIA application

Actively completing environmental and third-party studies in support of the MIA submission (Manifestacion de Impacto Ambiental or Environmental Impact Statement).



View towards proposed site of leach pads. The traditional owners are from the Tetlama Community (upper right) and are actively involved in discussions and community initiatives through the community relation office in Tetlama.



# PFS Study Underway



## Palaris Ltd Engaged to Complete PFS

Palaris have commenced studies towards completion of a PFS in early 2023.

Palaris provides services to mineral exploration and mining companies worldwide, including pre-feasibility, feasibility, and optimisation studies, life-of-mine engineering services, project management services and mine finance advisory services. Palaris have completed over 3000 projects in over 40 countries.

## Bench-scale Metallurgy Underway

SGS Lakefield have commenced Bench-Scale Metallurgy on historical Esperanza Core in support of the PFS.

## Gold and Silver Deportment Studies

Polished Block, Optical Microscopy and EDS Electron Microscope studies underway to better understand gold and silver deportment and implications for optimising recovery.



Company geologists re-sample historical core and RC chips

# Esperanza Gold Project Acquisition Terms



## To Acquire 100% of the Project

US \$5 million cash, US \$10 million shares and US \$6 million silver stream.

## Future milestone/development payments of:

- US \$5 million cash after approval of Environmental Impact Assessment Report
- US \$14 million cash after completion of feasibility study or production decision
- US \$20 million cash after commencement of commercial production

## Exploration and Development Commitment

Zacatecas will incur US \$7.5 million to develop the Esperanza Gold Project over next 3 years.



## Zacatecas Silver Project

- The Zacatecas Silver Project covers 7826 ha (19,338 acres) of concessions hosting multiple, silver-gold-base metal mineralized, epithermal vein systems — and over 10 strike km of largely untested veins.
- Inferred Mineral Resource Estimate at Panuco Deposit of 2.7 million tonnes at 187 g/t AgEq (171 g/t Ag and 0.17 g/t Au) for 16.4 million ounces of AqEq <sup>#</sup> — mineralization open in all directions.
- Drilling defined a new discovery at Panuco North with near surface silver mineralization over a strike of 500 m — with robust exploration potential along strike and at depth — mineralization open in all directions.
- New discovery at El Cristo where drilling has defined silver-zinc-lead mineralization in multiple veins over strike length of at least 2 km — mineralization open in all directions.
- Community access agreements are in place for most areas where drilling is planned. Drill permitting is streamlined and efficient.

<sup>#</sup> The full details of the resource estimate are set forth in the news release dated December 14, 2021.

# Silver Deposits Of The Sierra Madre Epithermal Belt





# Multiple Epithermal Vein Systems — Several Largely Untested by Drilling



## The Panuco Vein System

Initial Inferred Mineral Resource Estimate of 2.7 million tonnes at 187 g/t AgEq (171 g/t Ag and 0.17 g/t Au) for 16.4 million ounces AgEq. Robust exploration upside. #

## The Muleros Vein System

Three silver-gold-base metal mineralized veins over a strike length of at least 3 km.

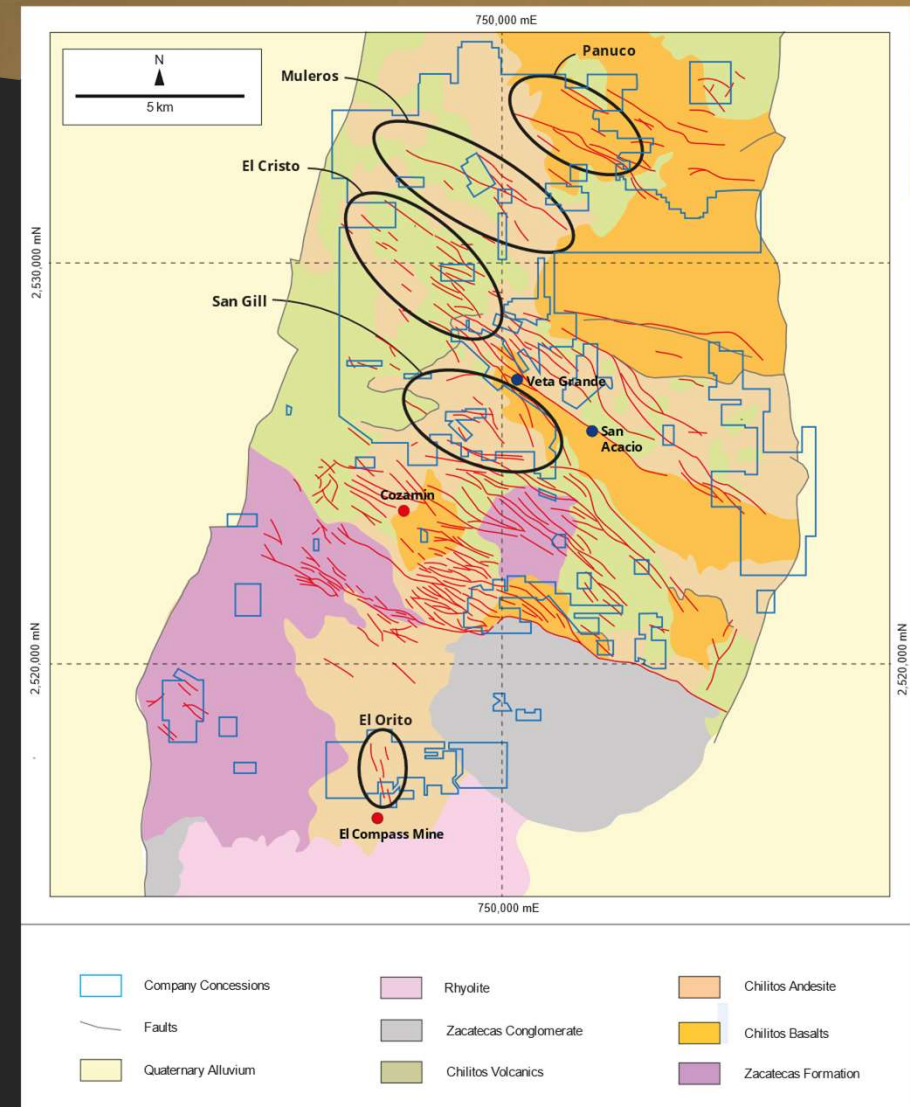
## The El Cristo Vein System

Large number of silver-base metal mineralized veins with dilational zone that is 3 km in strike. Represents the NW strike extension of the Veta Grande vein system with reported historical production of >200 Moz Ag.

## San Manuel-San Gill

San Manuel — numerous relatively unexplored silver-base metal mineralized veins. San Gill — a gold-anomalous 800 m long hematitic breccia that is up to 40 m wide.

# The full details of the resource estimate are set forth in the news release dated December 14, 2021.



# 14,412 m of Drilling Completed — Two New Discoveries



To date 111 angled PQ and HQ diamond holes have been drilled for 14,412 m — 75 holes for 10,005 m at Panuco, 28 holes for 2815 m at El Cristo and 8 holes for 1592 m at San Gill. New discoveries have been made at Panuco North and .



# Panuco Vein System — 16.4 Moz AqEq. Inferred Resource Estimate and Robust Upside



## Panuco Central Vein

- The Inferred Resource Estimate at the Panuco Central Vein remains open at depth and along strike to west.
- The near surface vein mineralization (to 200 m depth) not tested.

## Panuco North Vein (formerly Tres Cruces)

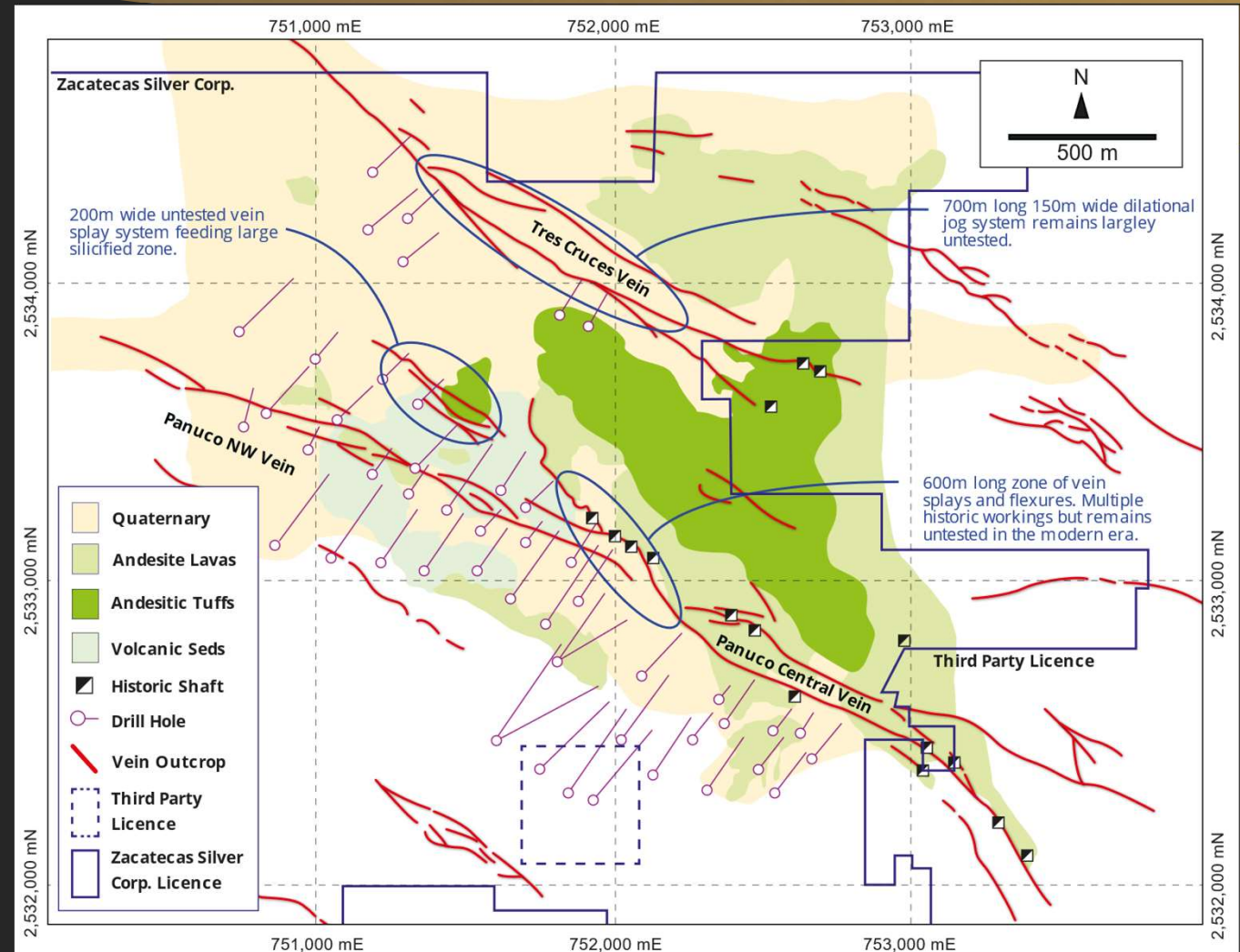
- A near surface discovery with robust depth and along strike potential

## Panuco NW

- Open to the Northwest and untested over 500+ m of strike.

## Panuco — In General

- Untested vein splays, flexures and dilational jogs are robust exploration targets — both near surface and at depth.



# Panuco Inferred Resource Estimate



## Inferred Mineral Resource Estimate

2.7 million tonnes at 187 g/t AgEq (171 g/t Ag and 0.17 g/t Au) for 16.4 million ounces AgEq comprised of:

- **Panuco Central Vein**  
2.1 Mt at 171 g/t AgEq (156 g/t Ag silver and 0.116 g/t Au) for 11.3 Moz AgEq.
- **Panuco NorthWest Vein**  
0.7 Mt at 235 g/t AgEq (216 g/t Ag and 0.21 g/t Au) for 5.1 Moz AuEq

### Notes:

Silver equivalent Mineral Resources for the Panuco Deposit were calculated using the following metal prices: Ag at US \$21/oz and Au at US\$1,625/oz; 6) Metallurgical recoveries have been estimated to be 82% silver and 95% gold. 7) The Inferred Mineral Resource Estimate uses a cut-off of 100 g/t AgEq based on US\$/tonne costs of \$35/mining, \$15 processing and \$5 G and A. 8)  $AgEq = Ag\ g/t + (Au\ g/t \times 90)$





# Panuco North — New Near Surface Discovery

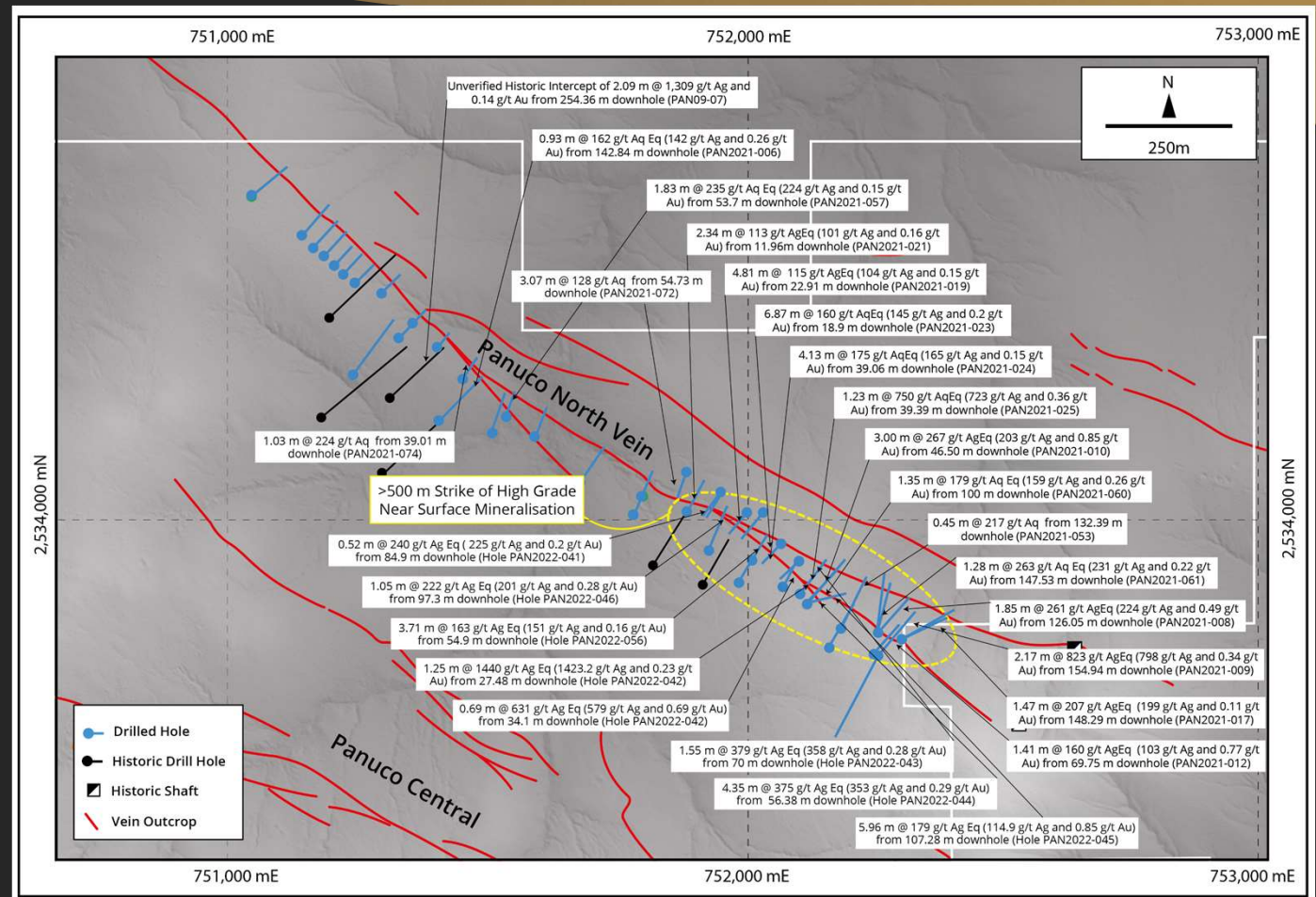


## Panuco Central Vein

- The Inferred Resource Estimate at the Panuco Central Vein remains open at depth and along strike to west.
- The near surface (to 200 m depth) not effectively tested.

## Panuco North (New Discovery)

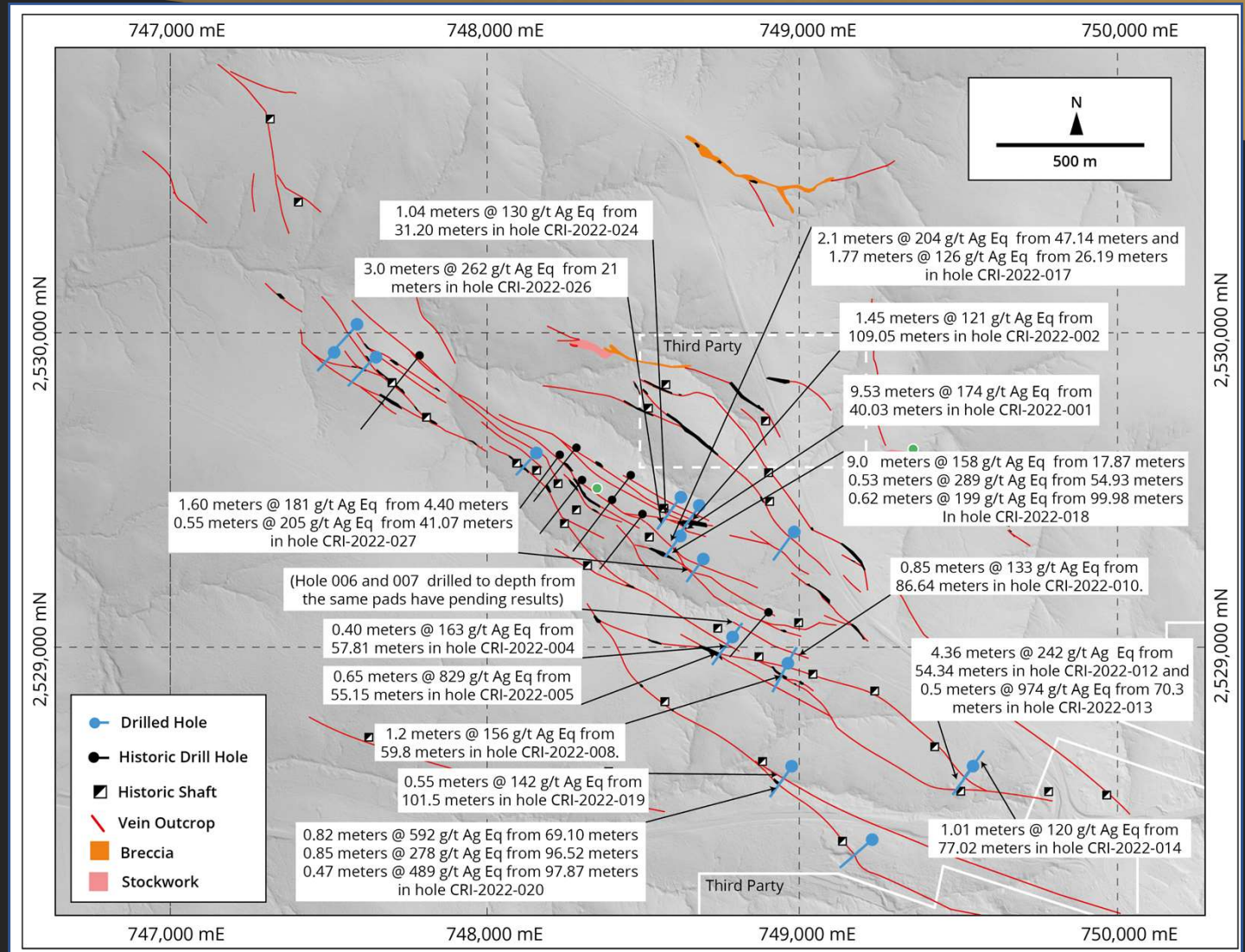
- High Silver Equivalent Grades over downhole widths of up to 6.87 m.
- Drilling has only targeted near surface mineralization.
- Mineralization defined over strike length of almost 1.2 kilometers.
- Mineralization is open along strike and at depth.



# El Cristo—Multiple Near Surface Intercepts

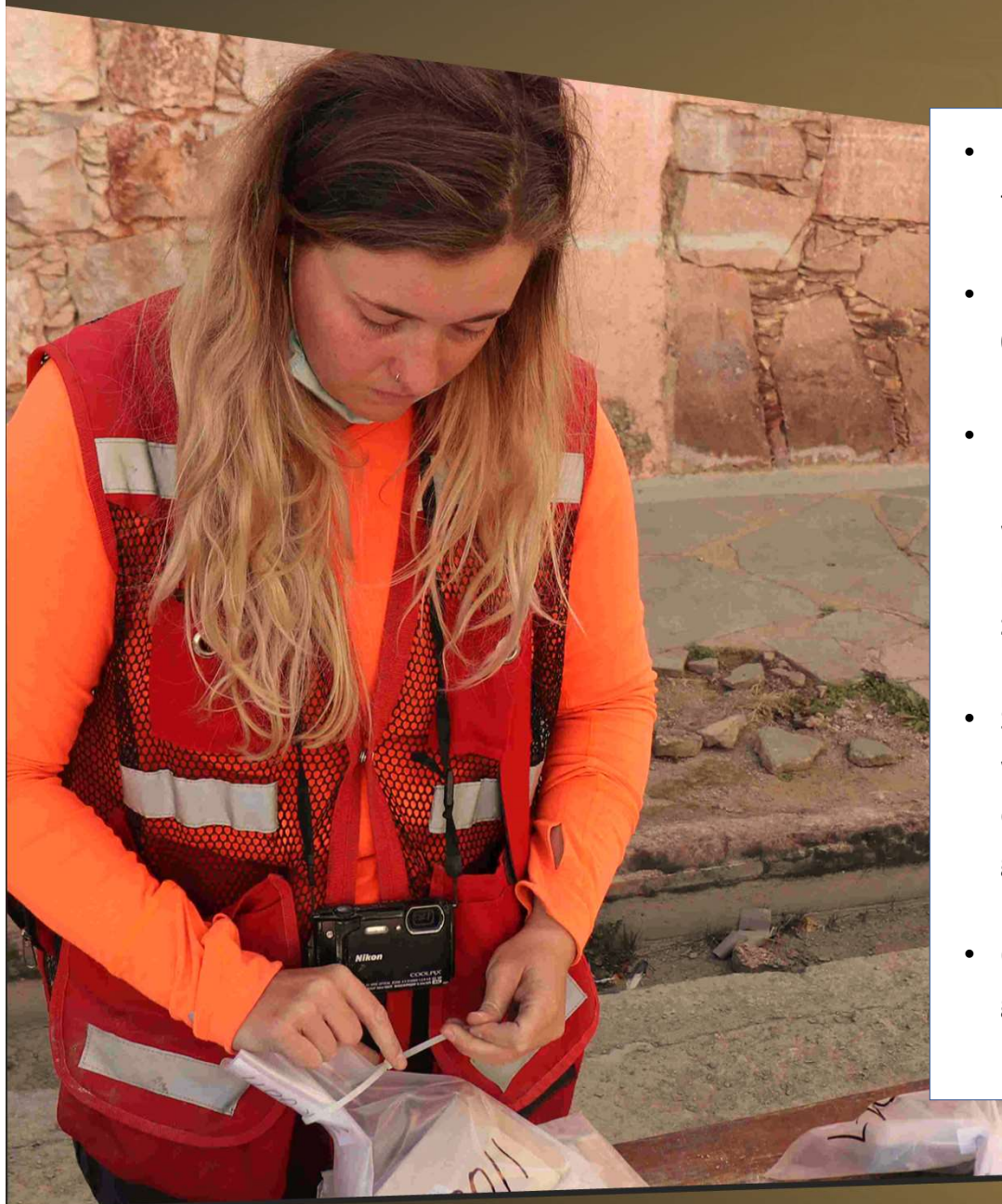


- Robust Silver Equivalent Grades over downhole widths of up to 9 m.
- Drilling has targeted near surface mineralization in multiple veins.
- Mineralization defined over strike length of almost 1.5 kilometers.
- Mineralization is open along strike and at depth in all veins.





# Panuco Bench-Scale Metallurgy Complete



- 100 kg bulk sample of historical drill core submitted to SGS Canada for bench-scale.
- Bulk sample head grade of 0.25 g/t Au, 169 g/t Ag, 0.41% Zn and 0.14% Pb broadly consistent with grade of inferred resource.
- Bulk flotation flow-path produced a gold, silver, lead and zinc rougher concentrate (15 minutes of floatation and 23% mass pull) with 697 g/t silver, 0.97 g/t gold, 1.67% zinc and 0.58% lead - **recovering 96.2 % of the silver, 93.6% of the gold, 96.5% of the zinc and 92.1 % of the lead.**
- Sequential flotation flow-path produced a lead-silver concentrate with 2420 g/t Ag, 2.55% lead and 1.19% Zn that recovered 71.9% of the silver and 87.5% of the lead — and a zinc-silver concentrate grading 2.19% Zn and 190 g/t Ag that recovered 82% of zinc.
- Open circuit cleaner tests produced a lead-silver concentrate graded 37,869 g/t Ag, 50.7% lead, 12.80 g/t Au, 3.93% Zn that recovered 45.2% of the silver and 64.6% of the lead.

# Share Structure



Common shares:	82,601,489
Incentive options:	5,817,500 (exercise price \$0.50 to \$1.20)
Warrants:	9,613,161 (exercise price \$1.10 to \$1.50)
Cash:	Approx. \$3.5 million

*The largest shareholders in the company include Alamos Gold, Eric Sprott and management.*