



DEFIANCE
S I L V E R C O R P

CORPORATE PRESENTATION

MARCH 2020

TSXV:DEF OTC:DNCVF

FORWARD-LOOKING INFORMATION AND STATEMENTS

This presentation contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as “may”, “will”, “should”, “anticipate”, “plan”, “expect”, “believe”, “estimate”, “intend” and similar terminology and reflect assumptions, estimates, opinions and analysis made by management of Defiance in light of its experience, current conditions, expectations of future development sand other factors which it believes to be reasonable and relevant.

Forward-looking information and statements involve known and unknown risks and uncertainties that may cause Defiance’s actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon. Risks and uncertainties that may cause actual results to vary include but are not limited to the speculative nature of mineral exploration and development, including the uncertainty of reserve and resource estimates; operational and technical difficulties; the availability of suitable financing alternatives; fluctuations in gold and other commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks arising from Defiance’s Mexican activities; fluctuations in foreign exchange rates; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. Defiance disclaims any obligation to update or revise any forward-looking information or statements except as may be required by law.

NI43-101 DISCLOSURE:

George Cavey, P. Geo., a Qualified Person under the meaning of Canadian National Instrument 43-101 is responsible for the technical information in this presentation.

- ✓ FOCUSED ON ADDING OUNCES
- ✓ TRACK RECORD OF DISCOVERIES
 - San Acacio, La Preciosa, Alamos.
- ✓ HIGH-GRADE SILVER
 - The San Acacio project is located on the high-grade Veta Grande vein with silver grades of over 600 g/t.
- ✓ MAXIMIZING VALUE
 - Tepal acquired at the bottom of the market and provides an attractive development asset with upside potential.
- ✓ EXCELLENT LEVERAGE TO SILVER
 - Defiance is a first-mover, returning 6x when silver prices appreciated 20% in 2016.

ONE OF THE INDUSTRY'S BEST BETAS TO SILVER

Defiance Stock Performance versus Spot Silver



Defiance has historically been highly leveraged to the price of silver; in 2016 Defiance returned over 6x peak to trough on a 20% increase in spot silver prices

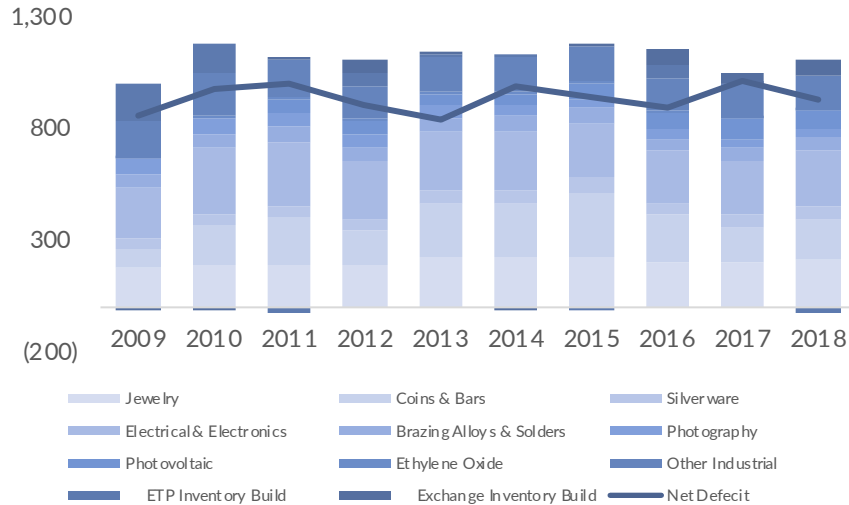
Thirty Year Gold to Silver Ratio



The gold to silver ratio has only been higher twice in the last 100 years (1942 and 1990)

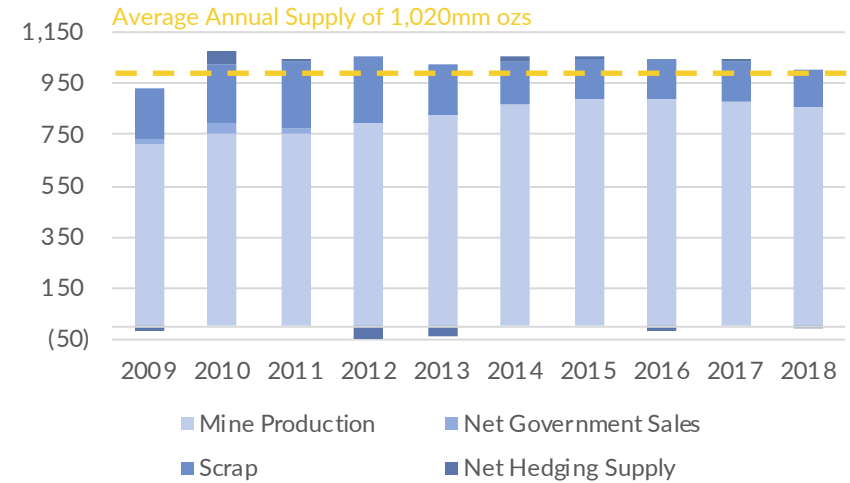
SILVER DYNAMICS

Silver Demand



- Annual silver consumption is around \$1 billion ounces.
- There is currently a \$861.7mm ounce silver deficit.
- Photovoltaic (solar) and electric vehicle demand are expected to further increase total future demand for silver.

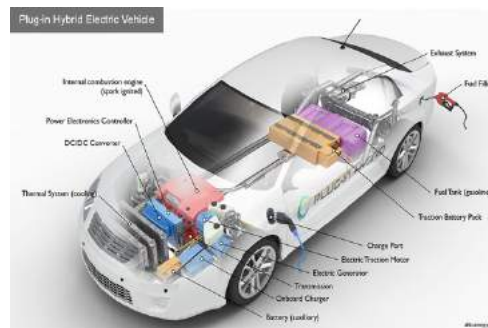
Silver Supply



- Roughly 80% of supply is mined with the balance coming from secondary sources.
- Scrap recycling has dropped nearly 50% since 2011.
- 70% of the global cost curve is ~\$12 per ounce.
- Exploration for new silver deposits has been minimal.

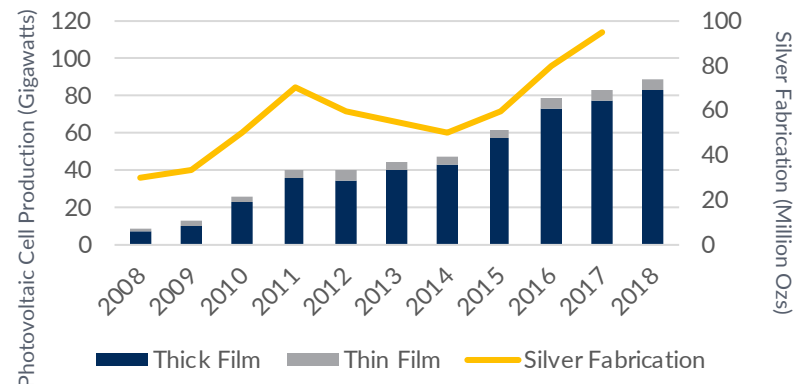
FUTURE SILVER DEMAND GROWTH

- Continued global demand for traditional cars (especially in emerging markets) will drive healthy automotive demand for silver.
- Higher rates of silver consumption in HEV/EV cars will drive fundamental silver demand growth as penetration of these vehicles accelerates.
- Solar recharging stations are becoming an increasingly viable and widely available technology for EV's.
- The U.S. DOE's National Renewable Energy Laboratory (NREL) estimates 8,000 solar carport stations will be needed for minimum urban and rural coverage.

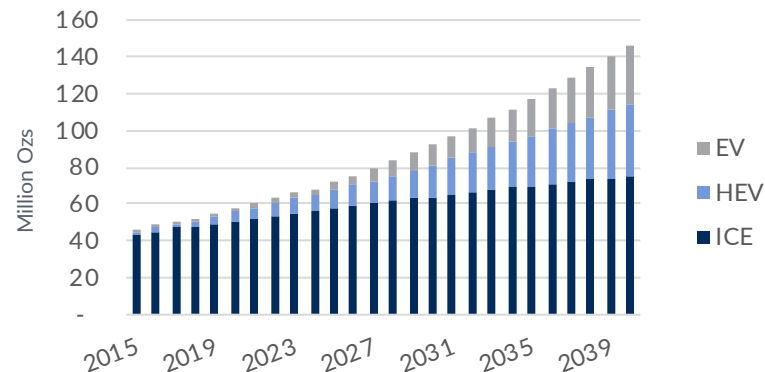


Source: The Silver Institute, GFMS Solarbuzz, Earth Policy Institute, ITRPV, Thomson Reuters

Silver Photovoltaic Fabrication



Silver Demand in Automotive



SOLID PROJECT BASE

WITH PRECIOUS METALS FOCUS

	San Acacio Project	Tepal Project
Location	Zacatecas	Michoacán
Primary Commodity	Silver	Gold-Copper
Deposit Type	Epithermal Vein	Porphyry-Epithermal
Stage	Resource	Pre-Feasibility
NI 43-101 Resource	16.9mm ozs Ag	1.8mm ozs Au 813mm lbs Cu
Infrastructure	Excellent; road, power grid, water, and experienced Mexican labor	Excellent; road, seaport, access with low topographical relief
Ownership	Under Option	100%



TIGHT SHARE STRUCTURE

Share Structure

Shares Issued (Basic)	149,475,565
Options	5,373,836 Price Range: \$0.11-1.13; Average: \$0.37
Warrants	36,382,669 Price Range: \$0.18-1.41
Shares Issued (Fully Diluted)	191,444,048
Market Cap (Basic at \$0.20 per Share as of Feb 24)	\$29.9mm
52 Week Hi-Low	\$0.37-\$0.16
Average Daily Trading Volume	~232,000
MAG Silver Ownership	~3.5%
Institutional Ownership	~35%

Share Price History



INDUSTRY VETERANS WITH PROVEN SUCCESS

Chris Wright, BA Bus. Eco.
CEO, Executive Chairman

President and Director of Windermere Capital, an investment firm and manager of two private investment funds: the Navigator and Breakaway Strategic Resource Funds, both of which are significant shareholders of Defiance.



Darrell Rader, BBA
Director

Founder of Defiance Silver; has raised over \$100 million for mineral exploration and development during his career. Currently the President and CEO of Mexico-focused Minaurum Gold Inc.



Dunham L. Craig, P.Geo
Director

Past Vice President of Exploration and Corporate Development for Wheaton River, and past President and CEO of Valoro.



Paul Smith, MSc
Director

Founding shareholder and past Finance Director of Ocean Partners Holdings Limited, one of the world's largest traders of copper, zinc and lead concentrates.



James Bergin, BBA
Director

President and CIO of Hillhead Capital Inc. with 29 years of experience in capital markets with Credit Suisse, Barclays capital and Toronto Dominion Bank.



Ron Sowerby
Director

Director of Glentel Inc., which was purchased by Bell Inc. for \$594 million in May 2015. Comptroller and CFO of TCG International Inc. (Trans Canada Glass Ltd.)



George Cavey, P.Geo

Technical Advisor & Qualified Person

Former VP Exploration of Orko Silver, discovered 264mm oz La Preciosa deposit sold to Coeur Mining in 2013 for \$380mm. 2004 recipient of the APEGBC C.J. Westermann Award. 2010 Canadian Professional Geoscientist Award, Canada's highest honor for Professional Geoscientist.



Douglas Cavey

Technical Advisor - OreQuest Consultants

Over a decade of experience working on exploration, development, and mining projects for private, junior, and mid-tier mining companies.



Jennifer Roskowski, MSc

Senior Geologist - OreQuest Consultants

Global exploration geologist with a decade of experience working with one of the world's largest copper mining companies on global generative exploration and target definition.



Sherry Roberge, CPA, CA
CFO & Corporate Secretary

Member of the Institute of Chartered Professional Accountants of British Columbia and holds a Bachelor of Commerce degree from Royal Roads University as well as a Master of Professional Accounting from the University of Saskatchewan.



Management is aligned with shareholders in their goal of adding value at Defiance's San Acacio and Tepal Projects.

2017

- ✓ Drill permits secured at San Acacio.
- ✓ Phase I drilling significantly expands high-grade mineralized envelope at San Acacio.

2018

- ✓ Defiance acquires MAG Silver's Zacatecas silver district holdings; MAG becomes strategic shareholder.
- ✓ ValOro, which owns the Tepal polymetallic project, is acquired for 16.7 million in shares ⁽¹⁾.
- ✓ Management extends San Acacio payment to 2020.

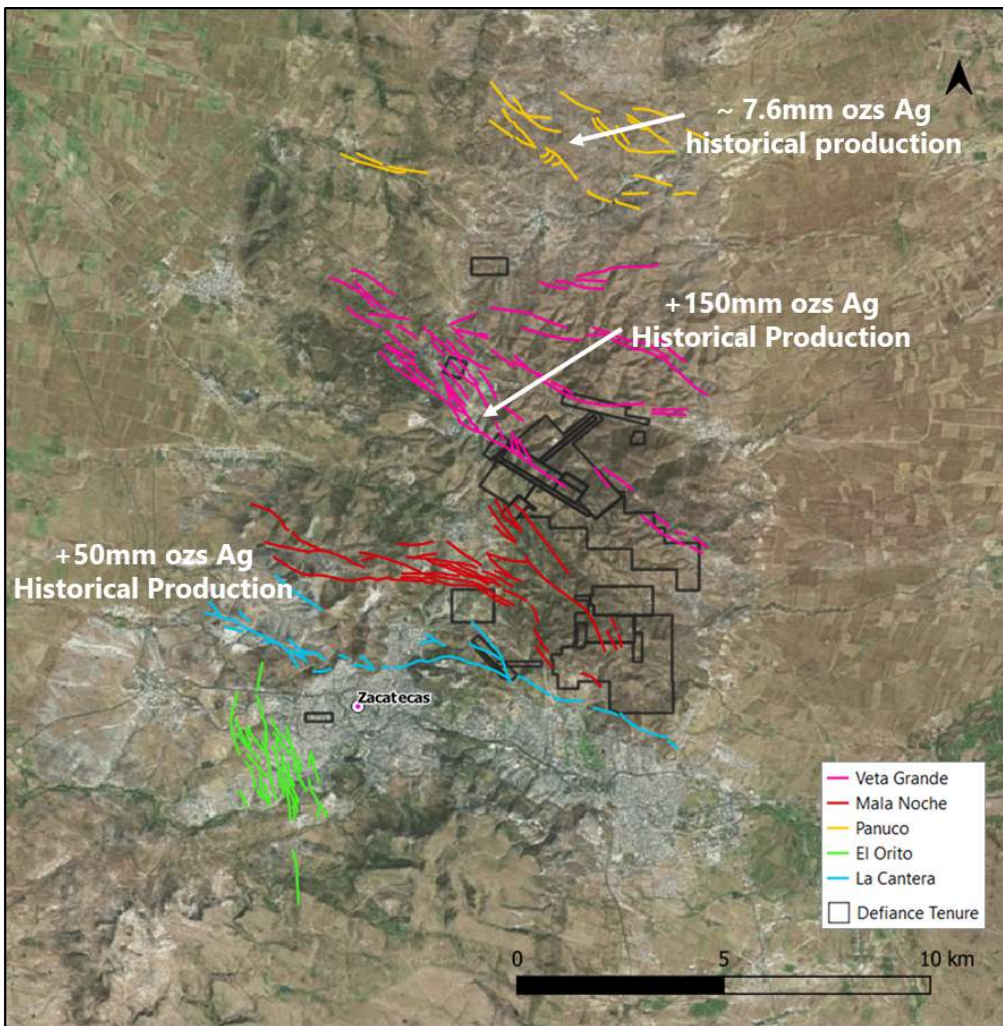
2019

- ✓ Executive team is strengthened with appointment of new Executive Chairman, CFO, Director, and Interim CEO.
- ✓ OreQuest is brought on as Technical Advisor.

(1) Please see Defiance news release dated December 27, 2018 for more details on the Defiance & ValOro merger.

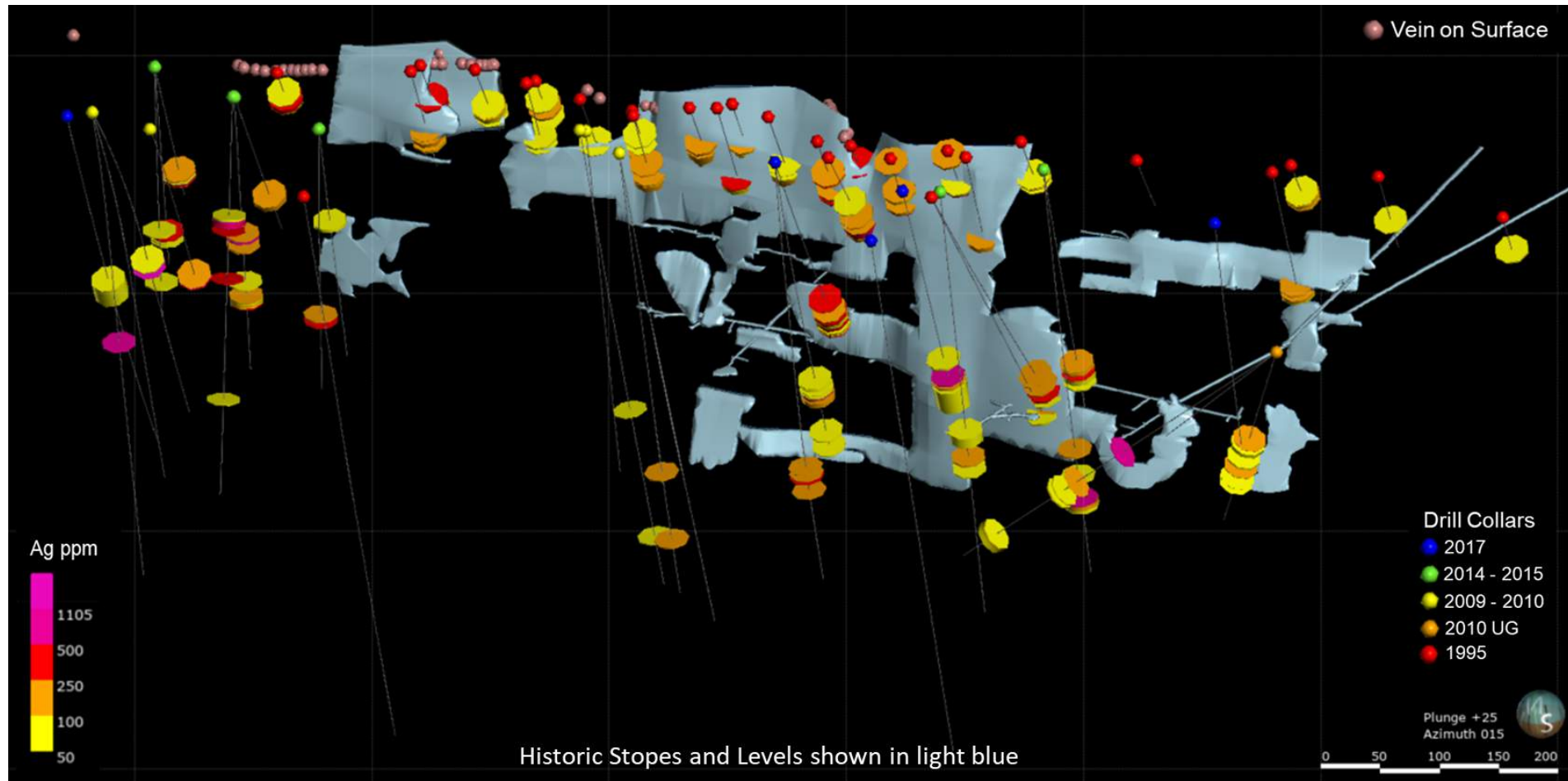
SAN ACACIO PROJECT

WITHIN THE BILLON OZ ZACATECAS SILVER CAMP



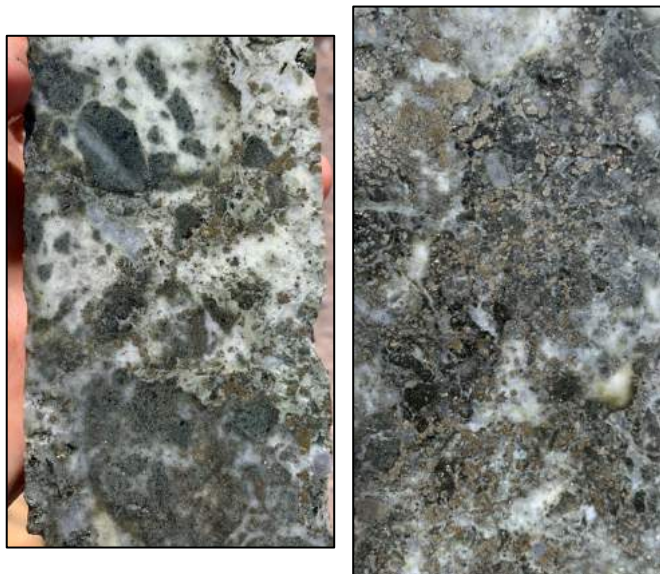
- Hanging wall / Footwall exploration potential is proven in the district, examples include:
 - Fresnillo
 - Capstone
 - Santacruz Silver
- Mineralization outside of the main Veta Grande fault structures is historically untested. Defiance is currently focused on:
 - Gaining a 3D understanding of the mineral system
 - Avoiding vein chasing, which in the past led to unpredictable results
- Using modern, systematic geoscience
 - To establish a better understanding of the Alteration & Pathfinder Element Geochemistry
- Re-Evaluating the deposit from a mineral systems perspective will enable us to better focus future resource expansion and exploration drilling

SAN ACACIO SILVER DRILL INTERCEPTS SHOWN WITH HISTORICAL WORKINGS



RECENT DRILLING OUTSIDE RESOURCE AREA

- 16.9M oz Ag Resource based on 44 Holes totaling 10,200m of drilling
- 5000m of Drilling Completed Since Resource Calculation
- Significant Intersections outside of resource, Base Metals never tabled into previous resource estimates



Mineralised Fault Breccia
SAD-15-08: 7.25m @ 631 gpt Ag



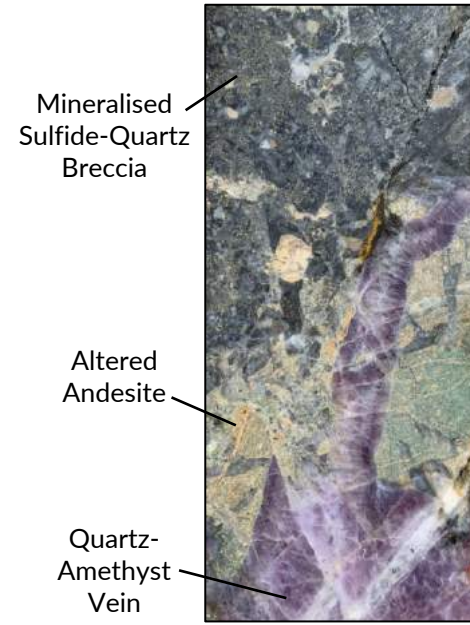
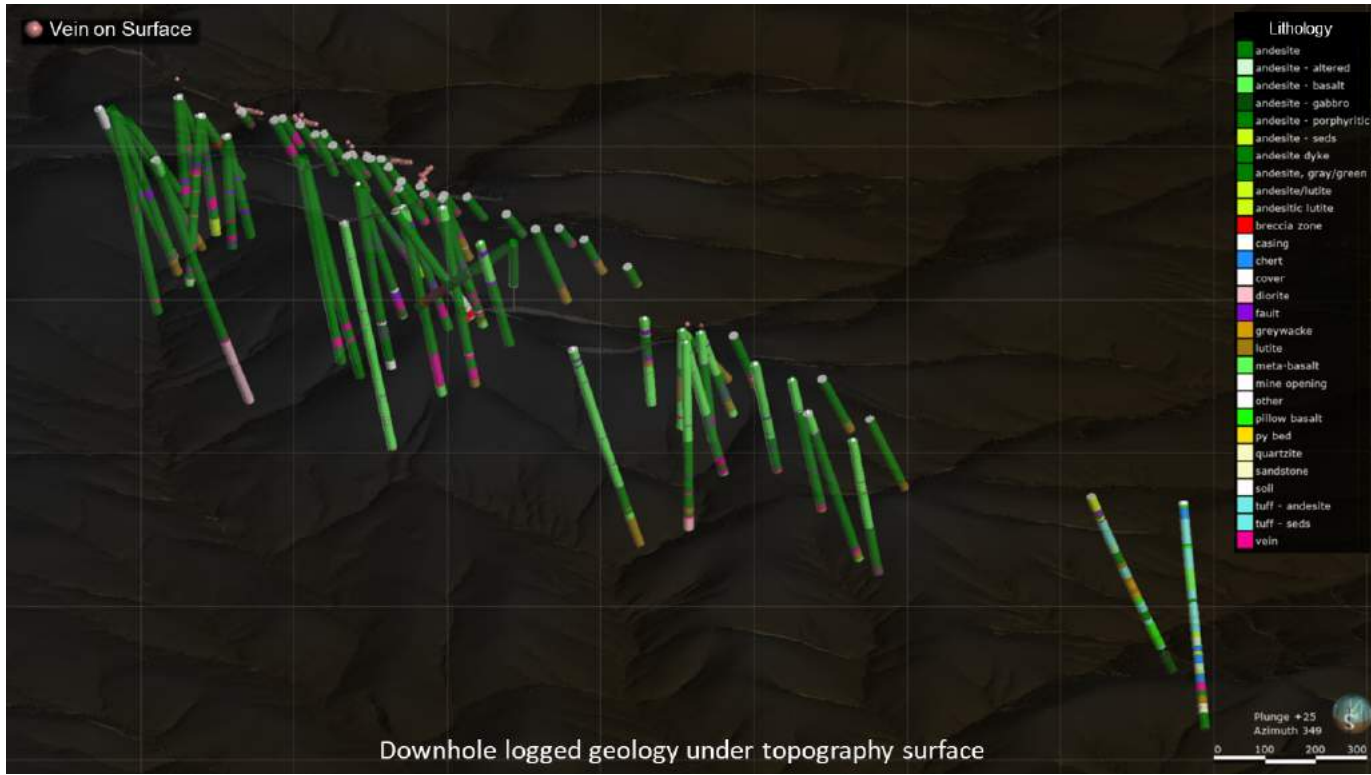
Mineralised Vein Breccia
SAD-14-04: 6.1m @138 gpt Ag
Base Metal Rich Zone

Hole_ID	Length (m)*	Ag g/t	Au g/t	AgEq g/t**
SAD-14-01	8.10	222.12	0.22	268.13
SAD-14-02	3.20	419.09	0.82	499.43
SAD-14-03	8.30	42.89	0.92	278.33
SAD-14-04	6.10	138.35	0.80	340.4
SAD-15-07	1.50	354.14	0.80	570.10
SAD-15-08	7.25	631.46	0.43	675.58
SAD-15-10	2.1	283.31	0.17	337.8
SAD-17-12	27.03	148.2	0.29	202.99
Includes	7.58	212.9	0.05	230.03
Includes	5.00	230.7	0.51	354.97
Includes	6.05	122.1	0.74	222.59
SAD-17-13	10.00	171.2	0.08	204.65
Includes	3.00	372.2	0.10	404.03
Includes	5.00	104.4	0.08	136.15
SAD-17-14	0.60	139.5	0.40	276.74
SAD-17-14	0.88	213.8	0.30	236.21
SAD-17-14	0.30	477.6	0.46	520.27
SAD-17-15	3.18	285.0	0.02	296.30
SAD-17-16	6.18	7.4	0.25	65.88
SAD-17-17	1.01	33.9	0.12	187.85

* True Thickness approximately 70-80% **Reported for comparison only, with no assumptions regarding metal recovery or smelter payments. Prices used are Au: \$1210.50/ounce, Ag: \$16.33/ounce, Cu: \$2.80/pound, Pb: \$0.83/pound and Zn 13

SAN ACACIO PROJECT GEOLOGY

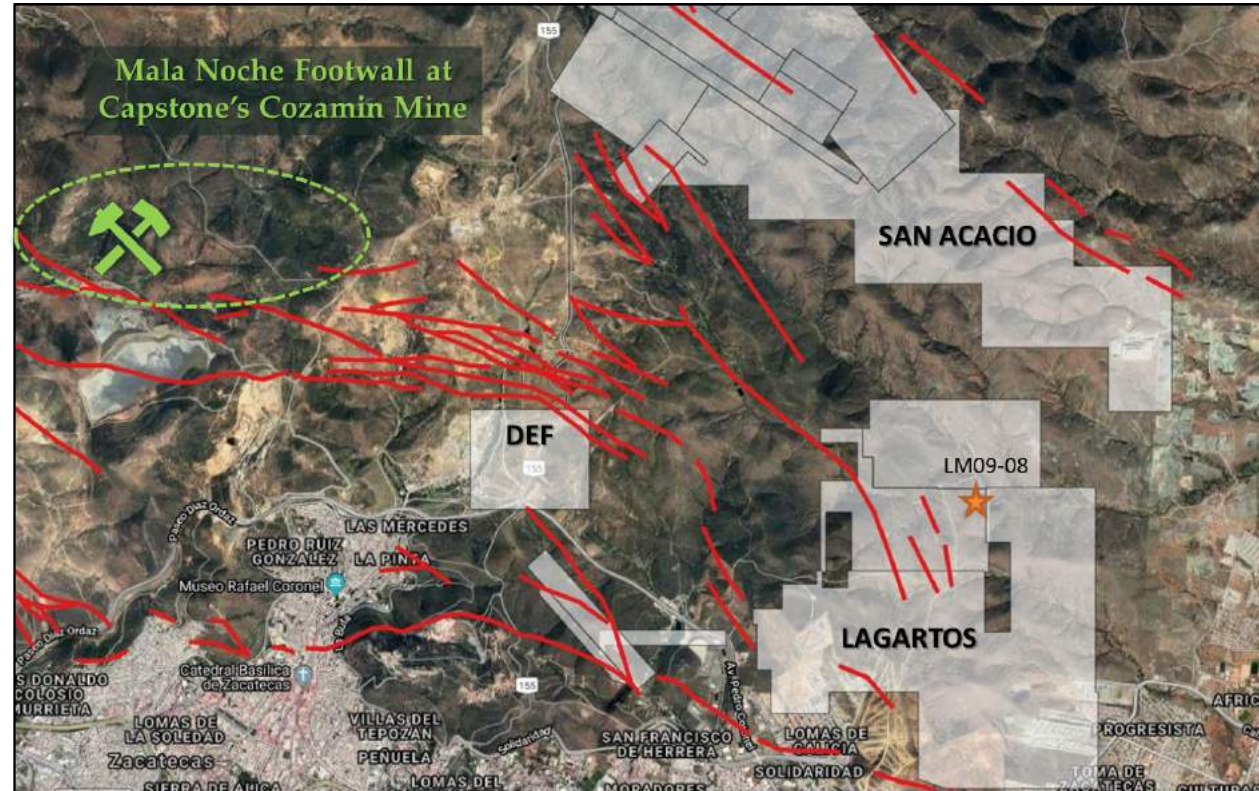
Precious and base metal mineralization hosted in veins, fault breccias, and country rock including andesites and meta-sediments



SAD-14-04
NQ Drill Core

LAGARTOS LAND PACKAGE ON STRIKE WITH COZAMIN

- Lagartos Project will require further drilling to follow up on encouraging gold and silver results.
- Pajarito Hill Veins: Historically, 19 holes have been drilled across a zone approximately 400 metres wide along nearly 1.5 kilometres of strike length to date.
- Drill hole LM09-08, from 132.4m: 1.10m of 0.24 g/t Au, 358 g/t Ag, 0.13 % Pb and 1.09 % Zn*
- Recent success at neighbouring on-strike Cozamin mine greatly enhances the prospectivity of the Zacatecas Camp.



Defiance claim packages on Google Imagery. Zacatecas District veins shown in red.

*True thickness unknown

TEPAL GOLD-COPPER PROJECT

TECHNICALLY & FINANCIALLY DE-RISKED



- 100% ownership
- Current M&I resource: 1.8 mm Oz. Au & 812 mm lbs Cu
- C\$27M spent to-date
- Excellent infrastructure: road accessible with power, water, and port facilities
- Surface rights currently held by private landowners
- 50 megawatts available today (28 MW required for mine)

Significant Exploration Target: Un-tested, recently discovered High Grade Gold Feeder System

TEPAL GOLD-COPPER PROJECT

LOW-COST & LARGE SCALE



2017 PEA highlights (\$USD)

PRE-TAX NPV 5%
\$299M

POST-TAX NPV 5%
\$169M

AT \$1,375 GOLD AND \$2.75 COPPER,
POST-TAX NPV 5% INCREASES TO
\$257M

PRE-TAX IRR
36%

POST-TAX IRR
24%

AT \$1,500 GOLD AND \$3.00 COPPER,
POST-TAX NPV 5% INCREASES TO
\$345M

PAYBACK
1.6 Yrs

PAYBACK
2.3 Yrs

****Highly leveraged to increasing metals prices***

GOLD PRICE
\$1,250

COPPER PRICE
\$2.50

Using base case price assumptions of \$1,250/oz. gold, \$2.50/lb copper and \$18.00/oz. silver, Tepal has an estimated \$169 million after-tax NPV at a 5% discount rate, an attractive 24% after-tax IRR, and an after-tax payback period of 2.3 years. Base case LOM revenue split is 54% gold/43% copper/3% silver. The base case economic evaluation used metals prices that are close to current spot prices and near the median of current medium to long term analyst forecasts. After-tax economics were prepared using the following assumptions: a 2.5% Net Smelter Return (NSR) royalty, 0.5% Mexican royalty based on precious metals revenue, 7.5% Mexican royalty based on EBITDA, 12% annual depreciation rate, accumulated tax loss carry forward of US\$22.4 million, and a 30% Mexican income tax rate. Please see Valoro News Release dated January 29, 2017

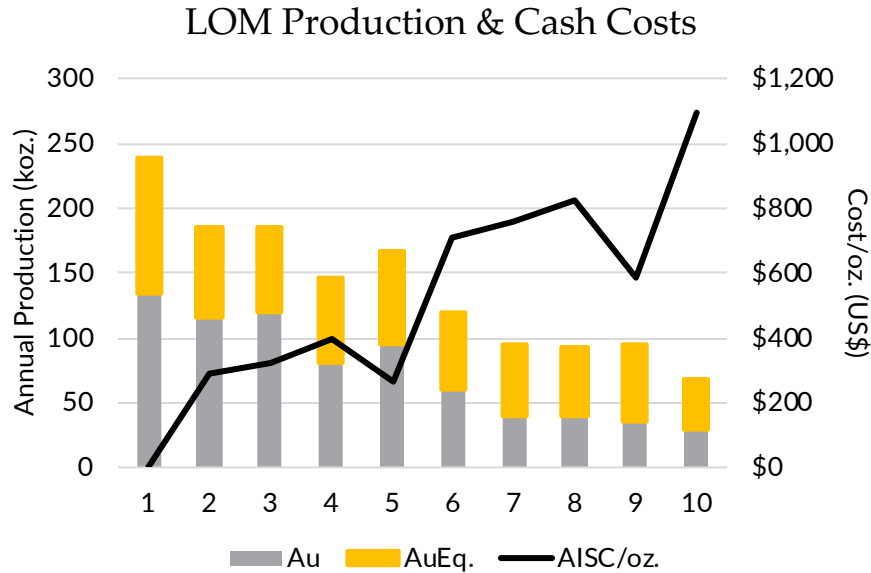
Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017

TEPAL GOLD-COPPER PROJECT

LOW-COST & LARGE SCALE



2017 PEA highlights (\$USD)



- (1) Using US\$1,250/oz. Au price, US\$2.50/lb. Cu price and US\$18.00/oz. Ag price
- (2) Cash cost includes all mining, milling & refining, transport, mine-level G&A, and royalty costs; net of byproduct credits

LOM
10 Years

INITIAL CAPITAL COST
\$214M

PRODUCTION AVERAGES LOM 10 YEARS

Au: 79,000 oz

Cu: 32Mlbs

LOM 10 YEARS PER OZ AU COST
Avg cash cost \$313/oz
AISC \$396/oz

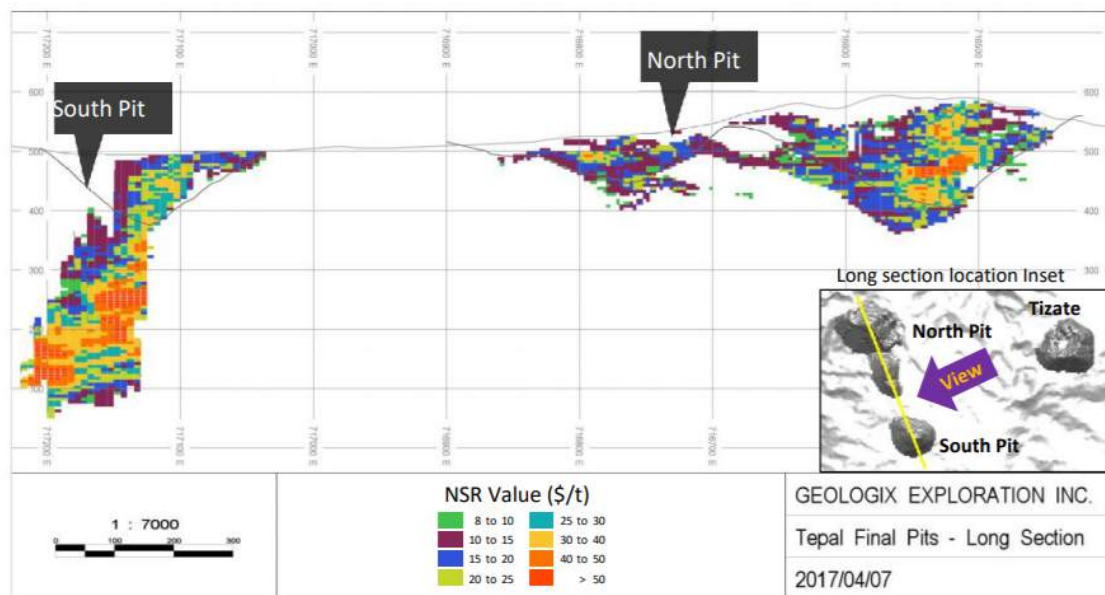
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Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017

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FOCUS ON INCREASING HEAD GRADE

Hole No.	Zone	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)
TEP-11-026	South	309.2	498	188.8	0.4	1.04	2.7
	including	317.2	422	104.8	0.44	1.45	1.3
TEP-11-043	South	152	294.55	142.55	0.35	0.91	1.3
	including	162	274	112	0.38	1.04	1.2



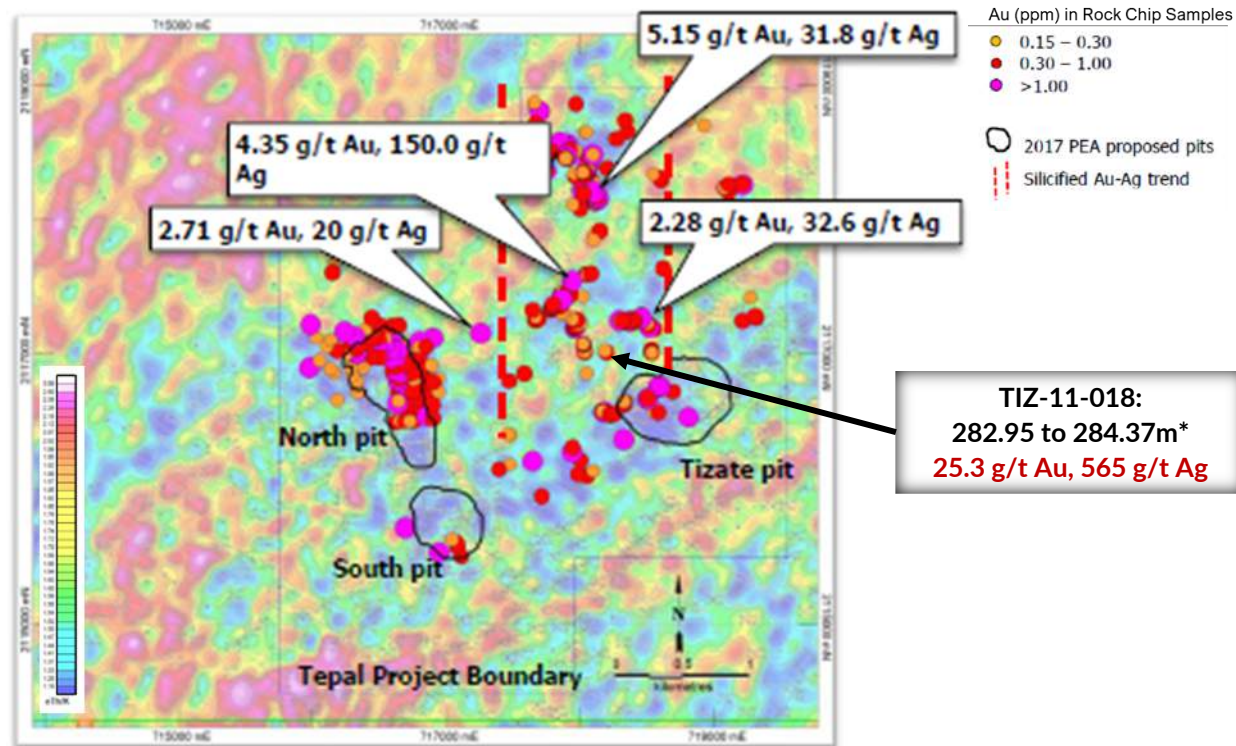
- Re-interpreted Geologic Model indicates Structural Grade Controls.
- Current exploration focused on high-grade Au mineralization found
 - At depth in South Pit
 - Along Strike of North Pit
 - Regionally at Tizate target
- Drill hole TIZ-11-018 demonstrates potential for additional high-grade Au-Ag in structurally controlled epithermal zones
 - TIZ-11-018: 282.95 to 284.37m*
25.3 g/t Au, 565 g/t Ag

Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017



SIGNIFICANT EXPLORATION UPSIDE AT TEPAL

- Significant potential to increase Au and Ag head grade through targeted exploration and resource drilling
- Past exploration focused on bulk porphyry-style mineralisation
- Recent work indicates the presence Au-Ag epithermal feeder zones that remain largely untested
- Additional exploration and drill targets exist both within and outside current pit shell



Tepal Rock Chip Geochemistry on Radiometrics



STRUCTURAL CONTROLS ON GOLD GRADE



Dilational Jogs

TEP-11-20: 197.0m depth

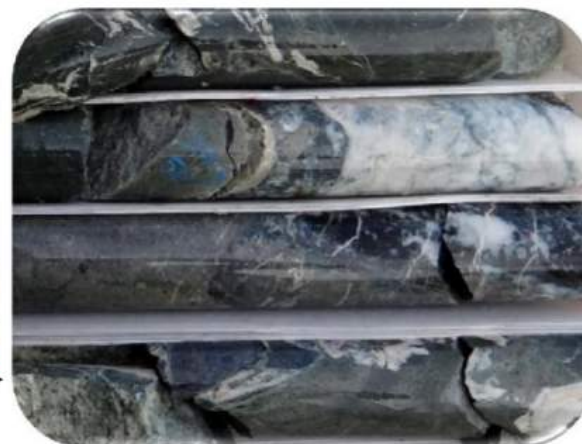
0.582 g/t Au, 0.39% Cu



Quartz Vein in Fault Breccia

TEP-11-128: 394.5m

4.10 g/t Au, 0.109% Cu



Stockwork in Andesite Breccia

TEP-11-26: 387.0m

1.835 g/t Au, 0.523% Cu



Breccia dikes

TEP-11-26: 402.1m

1.445 g/t Au, 0.475% Cu



- ✓ UNEARTHING ADDITIONAL VALUE FROM EXISTING DATA SETS
 - Cataloging and reinterpreting all historical data across the San Acacio and Tepal projects

- ✓ SAN ACACIO: IMPROVING DRILL TARGETING THROUGH MINERAL SYSTEM UNDERSTANDING
 - Defining geologic and ore controls of the Veta Grande mineral system will enable enhanced and novel drill targets, including blind and off-set zones for both resource expansion and exploration drilling.
 - Ongoing Field Exploration Program includes:
 - Property-scale Geological Mapping and Surface Geochemistry
 - Relogging and additional analyses of existing drill core
 - Constructing 3D geologic and ore-control models
 - Targeting May 2020 Drill Program

- ✓ TEPAL: TARGETING STRUCTURALLY CONTROLLED HIGH-GRADE AU/AG ZONES
 - Untested high-grade targets identified by high-tenor Au/Ag drill results combined with geologic, geochemical and geophysical anomalies present near-term exploration drill targets.

WHY INVEST IN DEFIANCE

Robust Resource Base and Significant Exploration Potential

San Acacio Silver Project:

- Initial Inferred mineral resource estimate of **16.9 Million (M) oz. Silver⁽¹⁾**
- Significant exploration potential at depth, along strike and newly identified structural targets

Tepal Gold-Copper Project:

- 2017 Preliminary Economic Assessment ("PEA") estimating **After-tax NPV (5%) of \$169mm and 24% IRR with a 2.3-year payback⁽²⁾**
- Exploration targets at depth could enhance project size and economics.

Proven Mine Finders

Demonstrated capabilities to acquire, finance, develop and operate mines
A proven track record of exploration successes leading to M&A

Leverage to Silver

First mover; one of the industry's best betas to silver prices

Tight Share Structure, Clean Balance Sheet

35% held by Institutions, 5% by Management, 3.5% MAG Silver

(1) Please see Defiance news release dated January 15, 2015 and Appendix for 43-101 Inferred Mineral Resource Estimate

(2) Please see ValOro news release dated January 19, 2017 and Appendix for PEA Assumptions



DEFIANCE

S I L V E R C O R P

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APPENDIX

SAN ACACIO PROJECT

43-101 COMPLIANT INFERRED MINERAL RESOURCE ESTIMATE

43-101 Inferred Mineral Resource Estimate

Vein	Tonnes > Cut-off (tonnes)	Grade>Cut-off			Contained Metal		
		Ag (g/t)	Au (g/t)	AgEq (g/t)	Ag (ozs)	Au (ozs)	AgEq (ozs)
VETA G	2,150,000	192.43	0.19	204.66	13,302,000	10,000	14,147,000
VETA C	739,000	153.28	0.08	158.66	3,642,000	1,900	3,770,000
TOTAL	2,889,000	182.42	0.16	192.89	16,944,000	11,900	17,917,000

The San Acacio Deposit has a 43-101 Inferred Mineral Resource Estimate available on www.sedar.com or www.defiancesilver.com. Using a silver equivalent ("AgEq")* cut-off grade of 100 grams tonne ("g/t"). Using a gold price of \$1270/ oz Au and silver price of \$19.60 the silver equivalent value would be silver content plus 65 times the gold content. (Note: total contained AgEq values may not add exactly because of rounding). Metallurgical recoveries are not taken into account.

Base Metals not included in initial inferred resource.

SAN ACACIO PROJECT

"POST-RESOURCE" DRILL RESULTS SUMMARY

Hole #	From (m)	To (m)	Length (m)*	Ag (g/t)	Au (g/t)	Cu %	Pb %	Zn %	AgEq (g/t)**
SAD14-01	134.00	142.10	8.10	222.12	0.22	0.01	0.20	0.53	268.13
SAD14-02	168.50	171.70	3.20	419.09	0.82	0.02	0.14	0.30	499.43
SAD14-03	05.00	213.30	8.30	42.89	0.92	0.04	1.87	2.44	278.33
SAD14-04	147.00	153.10	6.10	138.35	0.80	0.19	1.27	1.90	340.4
SAD15-07	136.40	140.00	3.60	211.49	0.14	0.01	0.11	0.20	234.17
SAD15-08	106.05	113.30	7.25	631.46	0.43	0.01	0.09	0.22	675.58
SAD15-10	331.5	333.6	2.1	283.31	0.17	0.01	0.38	0.70	337.8
SAD15-12	226.2	253.65	27.03	148.21	0.29	0.02	0.13	0.67	202.99
SAD15-13	261.00	271.00	10.00	171.22	0.08	0.01	0.27	0.42	204.65
SAD15-13	261.00	271.00	10.00	171.22	0.08	0.01	0.27	0.42	204.65
SAD15-15	209.82	213.00	3.18	285.04	0.02	0.01	0.05	0.17	296.30

*Please see Defiance [press release](#) of 25 Oct 2017 for further details and 2017 intercepts.

*True Widths are approximately 70% to 80% of each intersection **Reported for comparison only, with no assumptions regarding metal recovery or smelter payments. Prices used are Au: \$1210.50/ounce, Ag: \$16.33/ounce, Cu; \$2.80/pound, Pb; \$0.83/pound and Zn \$0.95/pound in US\$. 1 Gram = 0.03215074657 Troy ounce

TEPAL GOLD-COPPER PROJECT

43-101 COMPLIANT MINERAL RESOURCE ESTIMATE

Tepal Total Project Resource Estimate ¹ – March 2012						
Resource Classification	Tonnes	Au Grade (g/t)	Cu Grade (%)	Ag Grade (g/t)	Contained Au (oz)	Contained Cu (lbs)
Measured	34,100,000	0.48	0.25	0.95	528,000	185,000,000
Indicated	153,700,000	0.26	0.19	1.67	1,276,000	628,000,000
Measured & Indicated	187,800,000	0.30	0.20	1.54	1,804,000	813,000,000
Inferred	35,700,000	0.16	0.15	1.68	182,000	120,000,000

Mineral Resource (Mine Diluted) Included in PEA Mine Plan ¹²						
Resource Classification	Tonnes	Au Grade (g/t)	Cu Grade (%)	Ag Grade (g/t)	Contained Au (oz)	Contained Cu (lbs)
Measured	26,800,000	0.51	0.25	0.95	438,000	150,000,000
Indicated	61,700,000	0.28	0.20	1.58	550,000	269,000,000
Measured & Indicated	88,500,000	0.35	0.21	1.39	988,000	419,000,000
Inferred	2,000,000	0.19	0.18	2.73	12,000	8,000,000

1. The resource states in the table conforms to CIM guidelines for reasonable potential for economic extraction and is not to be confused as reserves. Resource numbers above are rounded to the nearest 100,000 tonnes, 1,000 oz Au and 1,000,000 lbs Cu.
2. The mineral resource stated in the table conforms to CIM guidelines for reasonable potential for economic extraction and is not to be considered mineral reserves.
3. NSR cut-off for sulphide material is \$8.19/tonne milled and for oxide material is \$10.13/tonne milled.

Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017

TEPAL GOLD-COPPER PROJECT

LEACH & CYNADIZATION RECOVERY ESTIMATES

Flotation Concentrate & Tails Cyanidation Recovery Estimates			
	Flotation	Tails Cyanidation	Combined Recovery
Tepal Recovery			
Copper	88.2%		88.2%
Gold	62.4%	16.5%	78.9%
Silver	27.4%	15.5%	40.2%
Tizate Recovery			
Copper	85.9%		85.9%
Gold	55.0%	16.0%	74.0%
Silver	59.6%	18.5%	78.1%

Oxide Leach Recovery Estimates	
Tepal Recovery	
Gold	83.2%
Silver	63.3%
Tizate Recovery	
Gold	75.3%
Silver	55.9%

1. Au = gold, Cu = copper, Ag = silver, Mo = molybdenum, g/t = grams per tonne, % = percent, oz. = ounces, lbs. = pounds. Resource numbers above are rounded to nearest 100,000 tonnes, 1,000 oz Au, 1,000,000 lbs Cu and 1,000 oz. AuEq ² AuEq = gold equivalent and is calculated using gold and copper only using \$1000 Au, \$2.75 Cu metal prices (AuEq = (lbs. Cu*\$2.75/\$1000) + Au oz.). All dollar values stated are \$USD

2. The mineral resource stated in the table conforms to CIM guidelines for reasonable potential for economic extraction and is not to be considered mineral reserves.

Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017

TEPAL GOLD-COPPER PROJECT

2017 PEA ASSUMPTIONS & HIGHLIGHTS

2017 PEA Assumptions	
Pre-Production Capital Costs	\$214.2
Sustaining Capital Costs	\$86.7
Mine Life	9.8 years
Total Material Mined	142.9 Mt
Strip Ratio	0.6 : 1
Average Plant Throughput (Sulphide + Oxide)	9.6 Mtpa
Average Au Sulphide Head Grade	0.33 g/t
Average Cu Sulphide Head Grade	0.21%
Average Au Oxide Head Grade	0.45 g/t
LOM Average Au Sulphide Recovery (combined Flotation & CIL)	77%
LOM Average Cu Sulphide Recovery	87%
LOM Average Au Oxide Recovery	81%

(1) Cash cost includes all mining, milling & refining, transport, mine-level G&A, and royalty costs

2017 PEA Financial Highlights			
% Δ in Base Case Metals Prices	-10%	0%	10%
Gold Price (US\$/oz)	\$1,125	\$1,250	\$1,375
Copper Price (US\$/lb)	\$2.25	\$2.50	\$2.75
Silver Price (US\$/oz)	\$16.20	\$18.00	\$19.80
All-In Sustaining Costs (net of byproducts)			
Gold (US\$/oz)	\$497	\$396	\$296
Copper (US\$/oz)	\$0.69	\$0.38	\$0.07
Pre-Tax			
NPV(5%) (US\$ millions)	\$165.6	\$299.4	\$433.3
IRR (%)	25%	36%	46%
Payback Period (years)	2.2	1.6	1.3
After-Tax:			
NPV(5%) (US\$ millions)	\$77.5	\$169.4	\$257.2
IRR (%)	15%	24%	31%
Payback Period (years)	3.0	2.3	1.9

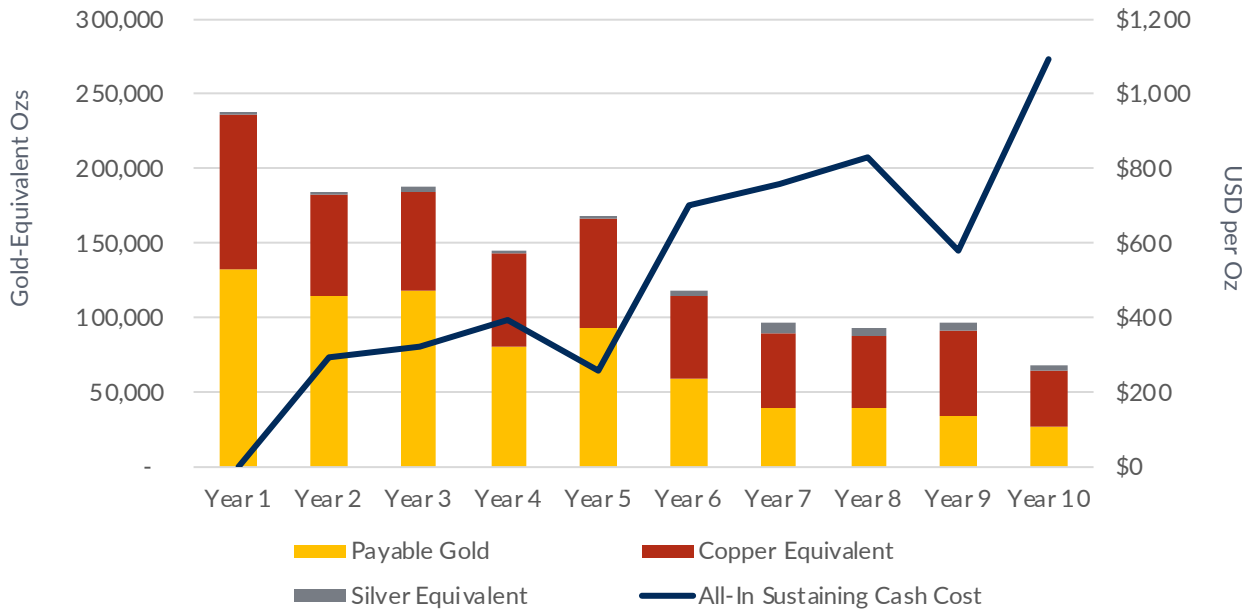
Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017

TEPAL GOLD-COPPER PROJECT

2017 PEA PRODUCTION & COST PROFILE



Production by Year & Cost Profile



(1) Using US\$1,250/oz. Au price, US\$2.50/lb. Cu price and US\$18.00/oz. Ag price
(2) Cash cost includes all mining, milling & refining, transport, mine-level G&A, and royalty costs; net of byproduct credits

Source: NI-43-101 Technical Report Preliminary Economic Assessment on the Tepal Project, Michoacan, Mexico, JDS Energy & Mining Inc; January 2017