
PANORO MINERALS LTD.

**Annual Information Form for the Year Ended
December 31, 2020**

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Item 1: Preliminary Notes

1.1 AIF and Incorporation of Financial Statements and Reports

Information has been incorporated by reference in this Annual Information Form (“AIF”) for Panoro Minerals Ltd. (“Panoro” or the “Company”) from documents filed with the various securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request

without charge from the Corporate Secretary of the Company at Suite 1610 – 700 West Pender Street, Vancouver, British Columbia V6C 1G8; phone: (604) 684-4246, and are also available electronically at www.sedar.com, or on the Company's website www.panoro.com.

The following documents, filed by the Company with the various securities commissions or similar regulatory authorities in the provinces of British Columbia, Alberta and Ontario, are specifically incorporated by reference into, and form an integral part of this AIF are:

- (i) the audited consolidated financial statements for the Company for the period ending December 31, 2020, together with the auditor's report thereon;
- (ii) the Management's Discussion & Analysis for the year ended December 31, 2020;
- (iii) a NI 43-101 report titled "Technical Report on the PEA for the Antilla Copper Project Heap Leach and SX/EW Operation ("2018 Antilla PEA"), prepared by Moose Mountain Technical Services, dated June 11, 2018;
- (iv) a report titled "Preliminary Economic Assessment Technical Report for the Antilla Copper-Molybdenum Project, Perú" ("2016 Antilla PEA") dated June 16, 2016;
- (v) a NI 43-101 Technical Report titled "Updated Preliminary Economic Assessment on the Cotabambas Project", with an effective date of September 22, 2015 ("Updated PEA"), prepared by AMEC and Moose Mountain Technical Services ("Moose Mountain") and the Company;
- (vi) a National Instrument 43-101 ("NI 43-101") Technical Report titled "Preliminary Economic Assessment on the Cotabambas Project", with an effective date of April 9, 2015 ("Initial PEA"); prepared by Amec Foster Wheeler ("AMEC") and Tetra Tech WEI Inc. ("Tetra Tech"), with others;
- (vii) a report prepared by Tetra Tech titled "Technical Report and Resource Estimate of the Cotabambas Copper-Gold Project, Perú", dated October 29, 2013; and amended July 7, 2014 ("Cotabambas Resource Estimate");
- (viii) a report titled "Technical Report and Resource Estimate of the Antilla Copper-Molybdenum Project, Perú", dated December 16, 2013, and amended July 7, 2014 ("Antilla Resource Estimate").

All financial information in this Annual Information Form is prepared in accordance with International Financial Reporting Standards ("IFRS") and reported in Canadian Dollars, unless otherwise specified.

1.2 Forward Looking Statements

This Annual Information Form contains "forward-looking information" which may include, but is not limited to, statements with respect to future financial or operating performance of the Company, its subsidiaries and their respective projects, the future price of minerals, the estimation of mineral resources, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, timing and prospects of obtaining required permits, requirements for additional capital, currency exchange rates, government regulation of mining operations, environmental risks, reclamation and rehabilitation expenses, title disputes or claims, limitations of insurance coverage and regulatory matters. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations of such words and phrases), or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved".

In making the forward-looking statements in this Annual Information Form, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that there are no adverse changes in relevant laws or regulations; that the supply and demand for, deliveries of, and the level and volatility of prices of metals and minerals develop as expected; that the Company receives any regulatory and governmental approvals for its projects on a timely basis; that the Company is able to obtain financing on reasonable terms; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances and that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, those factors discussed or referred to in the section entitled "Risk

Factors” in this Annual Information Form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained or incorporated by reference herein are made as of the date of this Annual Information Form or the date of the document incorporated by reference herein based on the opinions and estimates of management at that time. There can be no assurance that forward-looking 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. The Company does not undertake to update any forward-looking statements, except as required by applicable securities laws.

1.3 Date of Information

All information in this AIF is as of December 31, 2020, with information updated until April 29, 2021, unless otherwise indicated.

1.4 Currency and Exchange Rates

The Canadian dollar is the reporting currency and currency of measurement of the Company. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Item 2: Corporate Structure

2.1 Name and Incorporation

Panoro Minerals Ltd. (“Panoro” or the “Company”) was incorporated pursuant to the laws of British Columbia on September 28, 1994, under the name, Anaconda Minerals Corporation, by Memorandum and Articles filed with the Registrar of Companies for British Columbia. On February 28, 1997, the Company changed its name to Panoro Resources Ltd. The Company was amalgamated in British Columbia on June 6, 2003, under the Company Act of British Columbia (the predecessor of the Business Corporations Act) and changed its name to Panoro Minerals Ltd.

The head office of Panoro is located at Suite 1610, 700 West Pender Street, Vancouver, British Columbia V6C 1G8. The registered and records offices of Panoro are located at Suite 3200, 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7.

The common shares of the Company are listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “PML”, the Junior Board of the Bolsa de Valores de Lima (“PML” - Lima Stock Exchange) and (“PZM” on the Frankfurt Exchange), and on March 2, 2021, the Company started trading on the OTCQB under the symbol “POROF”. The Company is an exchange issuer as that term is defined in the Securities Act (British Columbia). The Company is a reporting issuer as defined under applicable securities legislation in British Columbia, Alberta and Ontario.

2.2 Intercorporate Relationships

The Company is incorporated under the laws of the Province of British Columbia and at April 30, 2021, has eleven wholly owned direct and indirect subsidiaries:

Panoro Holdings Ltd., incorporated pursuant to the laws of the Province of British Columbia, on March 11, 2016, and holds one share of Panoro Apurimac, S.A.;

Panoro Explora, S.A.C. (formerly Minera Panoro Perú, S.A.C.) incorporated pursuant to the laws of Perú on June 9, 1998, is a wholly-owned subsidiary of Panoro Minerals Ltd., with one share held by Panoro Holdings Ltd.

Panoro Pacific Minerals, Inc., incorporated pursuant to the laws of the Philippines on April 18, 2006;

Panoro Apurimac S.A. (formerly Cordillera de las Minas SA), incorporated on August 15, 2002, under the laws of Perú. Panoro Apurimac S.A.’s head and registered office is located at Av. Benavides No. 1579, Oficina 505, Miraflores, Lima, Perú.

Antilla Copper, S.A. was incorporated under the laws of Perú on August 14, 2018

Panoro Gold, S.A. was incorporated under the laws of Perú on August 14, 2018

Apurimac Copper, S.A. was incorporated under the laws of Perú on August 14, 2018

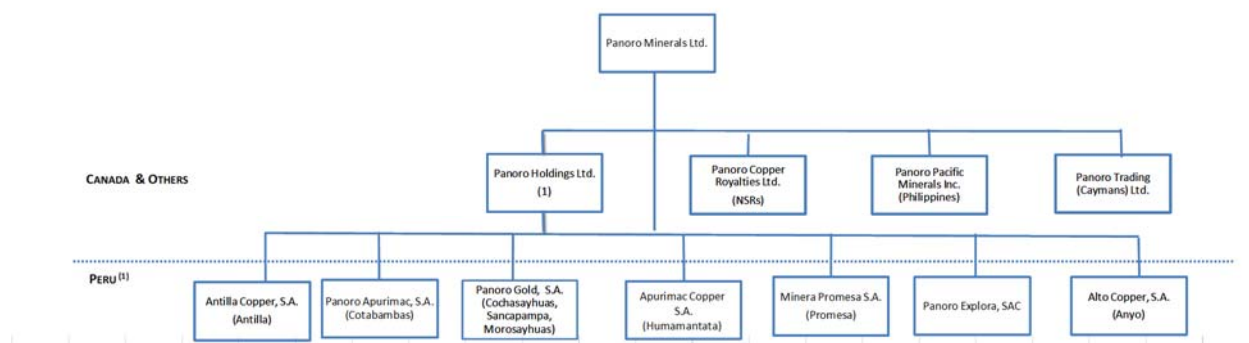
Promesa Copper, S.A. was incorporated under the laws of Perú on August 14, 2018

Alto Copper, S.A. was incorporated under the laws of Perú on August 14, 2018

Panoro Copper Royalties Ltd. was incorporated under the laws of the Canada Corporations Act on July 11, 2018

The following chart sets forth the Company's corporate structure, including all of its subsidiaries, as at the date of this AIF:

Corporate Structure at April 30, 2021



Note:

(1) Single share held by Panoro Holdings Ltd. as required under Peruvian law

On April 30, 2021, details of the shareholdings of the Company's subsidiaries are as follows:

- a) Panoro Apurimac S.A. – On April 30, 2021, Panoro Minerals Ltd. holds 164,417,159 shares, with an additional 1,235,090 shares to be issued for the 2021 capitalization, and Panoro Holdings Ltd. holds 1 share.
- b) Panoro Explora, S.A.C. (formerly Minera Panoro Perú, S.A.C.) - Panoro Holdings Ltd. holds 1 common share and Panoro Minerals Ltd. holds 9,208,054 shares, with an additional 657,308 shares to be issued for the 2021 capitalization, and Panoro Holdings Ltd. holds 1 share.
- c) Panoro Pacific Minerals Inc. - Five of the 10,242,628 outstanding shares are held by individual shareholders while the remaining 10,242,623 outstanding shares are held by Panoro Minerals Ltd.
- d) Panoro Trading (Caymans) Ltd. - Avalon Ltd. holds one common share, in trust, issued February 18, 2016, and Panoro Holdings Ltd. holds 3,628,557 preferred shares.
- e) Apurimac Copper, S.A. – Panoro Minerals Ltd. holds 1,018,421 shares and Panoro Holdings Ltd. holds one common share.
- f) Alto Copper, S.A. – Panoro Minerals Ltd. holds 2,605,336 common shares and Panoro Holdings Ltd. holds one common share.
- g) Antilla Copper, S.A. - Panoro Minerals Ltd. holds 25,968,721 common shares and Panoro Holdings Ltd. holds one common share.
- h) Panoro Gold, S.A. - Panoro Minerals Ltd. holds 2,008,912 common shares and Panoro Holdings Ltd. holds

one common share.

- i) Promesa Copper, S.A. - Panoro Minerals Ltd. holds 2,802,251 common shares and Panoro Holdings Ltd. holds one common share.

The Company's executive head office is located in Vancouver, Canada, while its Perú operations are operated from Lima. The Company also has an exploration camp at the Cotabambas project and warehouses for drill core storage located in Cusco, Perú. With the exception of short-term operational requirements for its Perú operations, funds are primarily maintained and controlled in Vancouver, in both Canadian ("CA") and United States Dollars ("US"). In addition to its staff located in Vancouver and Perú, the Company engages consultants when necessary, to provide geological, metallurgical and other corporate consulting services.

All subsidiaries incorporated are 100% controlled by the Company and the accounts are consolidated in the Company's annual financial statements for the years ended December 31, 2020 and 2019.

Item 3: General Development of the Business

3.1 Information Regarding Perú

Overview

Perú is a democratic republic in South America, bordered by Ecuador, Colombia, Brazil, Bolivia, Chile, and the Pacific Ocean. It is the third-largest country in South America. The land mass encompasses arid coastal plains, tropical forests and mountainous terrain. Perú is the fifth most populous country (over 32 million) in Latin America (after Brazil, Colombia, Argentina and Venezuela). The main spoken language is Spanish, although the population is multi-ethnic.

Current Central Government

Perú is a multi-party democratic republic governed by an elected president and congress. Perú is divided into 25 regions, also referred as "departments", subdivided into 196 provinces which are made up of 1,874 districts. The constitution of Perú, approved by a national referendum in 1993, increased the president's powers and reduced Congress to 130 members from 240 under the previous 1979 constitution. The president is elected for a five-year term and can only seek re-election after standing down at least one full term. A majority vote of over 50 per cent of the votes is needed in the first ballot in elections in Perú, and if a majority vote is not attained, there will be an additional runoff vote. An election on April 11, 2021, had eighteen candidates for President, and a second vote will be held on June 6, 2021, as no candidate received more than 50 per cent of the vote. The second vote will have only the top two candidates on the ballot.

On March 23, 2018, Martin Vizcarra Cornejo was appointed President of Perú and remained president to November 9, 2020. Manuel Merino was appointed as President on November 10, 2020, to November 15, 2020, and then Francisco Sagasti was appointed as President on November 17, 2020, and will remain until the election results are finalized in June 2021.

On April 2, 2018, Francisco Ismodes Mezzano was appointed as the Minister of Energy and Mines, Perú, and was replaced on October 3, 2019, by Juan Carlos Liu Yonsen, and Mr. Liu was replaced on February 14, 2020, by Susana Vilca Achata. She was replaced on July 15, 2020, by Rafael Belaunde Llosa on that date, and remained in the position until August 6, 2020. He was replaced on August 6, 2020, by Luis Inchaustegui Zevallos who remained in that position until November 10, 2020. On November 12, 2020, Mr. Carlos Herrera Descalzi was appointed and remained in that position until November 17, 2020, Mr. Jaime Gálvez Delgado was appointed on November 20, 2020, and remains in that position pending election runoff results, which is scheduled for June 6, 2021.

Economy

Perú is one of the fastest growing economies in Latin America. The services sector is the most important and accounts 60 percent of GDP. The largest segments within services are: wholesale and retail trade; other services; transport and communications; services provided to companies and government services. Manufacturing creates 16 percent of the economy and construction and water, gas and electricity distribution 10 percent. The agriculture and fishing sector fuels 9 percent of the GDP and the mining sector accounts for the remaining 5 percent.

The government of Perú resolved to contain the spread of corona virus COVID-19, which in March 2020 was declared by the World Health Organization to be a global pandemic. This contagious disease outbreak has continued to spread,

with related adverse public health developments, and has adversely affected workforces, economies, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's ability to do business or its ability to raise funds. In May 2020, the Government of Perú announced that mining could resume activity. From the perspective of the Company's exploration activities, it was initially anticipated that exploration work could commence in June 2020 and was slightly delayed to August 2020 and has been continuing at the Humamantata Project since that time. Work commenced after the Company prepared work protocols that were approved by the government before commencing exploration activities.

The central bank has increased monetary stimulus to levels not seen since the 2008-2009 monetary crisis, which should support the economy. The central bank recently lowered the policy rate to 1.25%, from 2.25%. In 2020 the government of Perú has set aside economic stimulus measures of up to 12% of GDP that would be executed in three packages of US\$8.7 billion each. The funds would be used to contain the disease, to provide financing to struggling businesses (through a facility of the central bank), and to reactivate the economy after the health crises ends. This could cause a widening of the government deficit to 4.1% in 2020, up from 1.6% of GDP in 2019.

Between 2015 and 2018, GDP growth ranged between 2.5% and 4.0%, and 2.2% in 2019. In this context, the current account deficit diminished rapidly, from 4.8% of GDP in 2015 to a decrease of 1.7 % in 2020, which compares to a growth of 1.5% percent in 2019.

Growth projections are vulnerable to external shocks such as a decline in commodity prices or changes in international financial conditions. Events that could trigger these effects include trade protectionism, a deceleration of China's growth or increased uncertainty regarding the financial viability of other emerging economies. The economy is also exposed to natural risks, including recurrent weather phenomena such as El Niño, and prolonged or further and continuing outbreaks of the COVID-19 virus. To address these risks, the Peruvian economy has established monetary, exchange-rate and fiscal cushions to mitigate their impact as noted above.

Inflation

In the long-term, the Perú Inflation Rate is projected to trend around 2.4 % in 2021.

Unemployment Rate

In 2020, Perú's unemployment rate is forecasted to be 7.1%, which is an increase from the last reported number of 6.6% in December 2019.

Monetary

Perú's official monetary unit is the Nuevo Sol ("S/."). It currently is not subject to any exchange restrictions and has been freely floating since March 27, 1991. The official exchange rates for closing in Perú as of December 31, 2020, is S/3.62 soles to the US dollar.

Mining and Mineral Exploration

Currently Perú is the world's third largest producer of copper and zinc, and it is also a major producer of gold and silver, among other minerals. Perú has 13% of the world's copper reserves, 4% of its gold, 22% of its silver, 7.6% of zinc, 9% of lead and 6% of tin reserves, according to the most recent data of the Perú's Ministry of Energy and Mines. Currently, 15% of Peruvian territory is designated to mining concessions, with less than 2% of Peruvian territory under mining exploration or production. The Ministry of Energy and Mines has shared some of the projects which are to start development next year: Mina Justa, Corani, y Pampa de Pongo. Toromocho and Quellaveco have also already started. The Ministry estimates the portfolio of mining projects, including expansions, to be \$45.6 billion. Sixty percent of these projects are copper projects, which would increase copper production by 30% (to over 3 million tons) by 2021. In 2019, Copper exports totalled US\$2.09 billion, or 4.5% of the world's copper exports.

Types of taxes in the mining industry include:

Corporate Income Tax

Mining titleholders must comply with their corporate tax obligations, just like any other entity doing business in the country. Perú taxes mining companies with the same taxes applicable to other economic activities. The Peruvian corporate income tax rate is set at 29.5% for 2017 onwards. Mining companies can enter into stabilization agreements allowing for accelerated depreciation at a 2% premium to the corporate tax rate.

The Peruvian mining tax system was revised during 2011 and two new mining taxes came into effect. The two laws

applicable to the Company may be summarized as:

Special Mining Tax ("SMT") - The SMT is applied on operating mining income based on a sliding scale with progressive marginal rates ranging from 2.0% to 8.40%. The tax liability would be determined and payable on a quarterly basis. This tax is calculated based on the operating profit based on the income from the sale of mineral resources.

Mining Royalty Based on Operating Income ("MR") - The MR is applied on a company's operating income, rather than sales, and is payable quarterly (the previous royalty was payable monthly). The amount payable is determined on a sliding scale with marginal rates ranging from 1% to 12% applied to operating margin. As a company's operating margin increases the marginal rate of the royalty increases. If a company has a zero or negative operating margin, a minimum royalty of 1% of revenue is payable. The basis of the royalty (operating income) and the effective royalty rate would be calculated by following the same rules used to determine the tax liability under the SMT.

Mining companies are obliged to pay a workers' participation of 8% on the net profits of the company. The amount paid is allowed as a deduction for corporate tax purposes.

Laws and Regulations

Mining in Perú is primarily regulated by national laws and regulations enacted by the Peruvian Congress and the executive branch of government. The principal legal framework on mining is set forth in the 1992 General Mining Law and its amendments. The mining sector is regulated by its Law and Regulations on Organization and Functions, pursuant to which the Ministry of Energy of Mines ("MEM") was created. It is the principal government entity that, together with its various offices, departments and agencies, is responsible for the mining sector in Perú. The MEM is a member of the executive branch of government, and is responsible for putting in place specific policies and rules governing the matters in its jurisdiction, namely energy, hydrocarbon and mining activities.

The MEM is not the only authority enacting mining-related regulation; there are in fact several government bodies with authority over specific matters that are relevant to the mining industry, as follows:

Environmental and tax:

- the Environmental Evaluation and Supervisory Authority (OEFA);
- the Ministry of the Environment (MINAM);
- the Agency for the Supervision of Investments in Energy and Mining (OSINERGMIN);
- the Ministry of Agriculture (MINAG);
- the National Service of Protected Areas (SERNANP);
- the General Directorate of Coastguards (DICAPI);
- the National Institute for the Development of Andean, Amazonian and Afro-Peruvian (INDEPA); and
- the National Authority of Water (ANA), and the local governments.
- the National Tax Authority (SUNAT); and
- the Ministry of Finance (MEF).

Administrative:

- the Mining and Metallurgical Geological Institute (INGEMMET);
- the Ministry of Transport and Communications (MTC);
- Ministry of Culture (MC);
- National Port Authority (APN);
- DICAPI; General Directorate of Arms, Ammunition and Explosives (DICSCAMEC); and
- the Public Registry (SUNARP).

Labour:

- the Ministry of Labour (MINTRA).
- Safety and Security:
- Organismo Supervisor de la Inversion en Energy and Mines (OSINERGMIN);
- APN;
- MINTRA;
- the National Institute of Civil Defence (INDECI); and
- the General Directorate of Environmental Health (DIGESA).

The MEM is also responsible for decentralizing and transferring some of its responsibilities to the local governments. Local governments may put in place rules regarding mining to be applicable in their respective jurisdiction, so long as such rules and local laws do not conflict with MEM rules or other laws and regulations.

Investment in Perú for Foreign Company Involvement in Mining Projects

Foreign investors in Perú have the same rights and obligations as Peruvian investors. There are generally no restrictions on the involvement of foreign investors in any business activities, including mining. However, the Peruvian Constitution provides that no foreign person may directly or indirectly acquire or otherwise possess, among other things, land or mining properties within 50 kilometers of Perú's national borders without obtaining express, prior governmental authorization in the form of a Supreme Decree.

Stability Agreements - In addition, Perú offers legal stability agreements that can be entered into by private investors with the Peruvian government for 10 or 15-year terms to protect their investments and enjoy a number of benefits. Mining investors with stability agreements will benefit from tax stability (including income, export, labour and certain tax exemptions), free disposition of currency generated by exports, non-discrimination with respect to the exchange rate, accelerated depreciation for certain assets and the option of maintaining accounting in a foreign currency. Also, mining concession title-holders that have projects in the exploration stage may apply to have the right of early recovery of sales tax paid during the exploration phase. The Company applied for and has recovered sales tax paid during the exploration (pre-development) stage on its mineral projects.

Perú has entered into tax treaties with Brazil, Canada, Chile, Korea, Mexico, Portugal and Switzerland regarding double taxation on income tax under the Organization for Economic Co-operation and Development ("OECD") model. In addition, Perú, as a member of the Andean Community, which also includes Bolivia, Columbia, and Ecuador, is subject to a double-taxation standard (based on source income; not on the OECD model).

Perú was amongst the first countries to engage with the OECD through an OECD Country Program ("Program"), which was built around five key areas: economic growth; public governance, anti-corruption and transparency; human capital and productivity; and environment. The Program comprised policy reviews, implementation and capacity building projects, participation in OECD Committees and adherence to selected OECD legal instruments. Perú has made use of the OECD's expertise, practices and legal instruments to support its reform agenda, such as Becoming a Party to the OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions (Anti-Bribery Convention) and the multilateral Convention on Mutual Administrative Assistance in Tax Matters in June 2018, and has also enacted in 29 legislative decrees that implement OECD recommendations and other policy standards in the country.

Mining Concessions

INGEMMET grants title to mining concessions through an administrative process that verifies land has not been previously claimed. It is open to all companies. There are no contract negotiations, but companies can sign voluntary investment contracts in exchange for tax breaks.

There are four types of concession titles:

- mining concessions, which are granted in order to allow exploration and exploitation activities of metallic or non-metallic minerals (type of concessions held by the Company);
- processing concessions, which allow the title-holder to process and purify the minerals;
- general labor concessions, which allow the title-holder to provide ancillary services to mining concession title-holders; and
- mining transport concessions.

In applying for concessions, the applicant is required to provide public notice, by publishing information in local newspapers, indicating the concession being requested and the area in which it is located. In order to maintain title to mining concessions, title-holders have to pay certain annual mining fees and extract minerals or reach certain investment requirements within a certain period of time.

Mining concession titleholders are required to pay certain mining annual fees to maintain their concessions ("vigencias"). The first payment is made when the concession is formally requested, and subsequent payments are due annually thereafter. The mining annual fees are US\$3 per hectare under the general mining regime and US\$1 per hectare if the titleholder is classified as a small mining producer. Payment of fees can be made one year in

arrears, but if the title-holder fails to make the payment for two consecutive years, the respective concession will expire.

There is also an obligation on title-holders to reach an Annual Minimum Production (“AMP”) per hectare prior to the end of the 10th year of ownership, calculated from one year after the date on which the concession was granted. From 2019, holders of mining concessions will be required to pay a penalty equivalent to 2% of the applicable minimum production per year per hectare until the 15th year. If the holder cannot reach the minimum annual production in the last quarter of the 16th year from the grant year of the concession, the holder will be required to pay a penalty equivalent to 5% of the applicable minimum production per year per hectare until the 20th year. If the holder cannot reach the minimum annual production in the first quarter of the 20th year from the grant year of the concession, the holder will be required to pay a penalty equivalent to 10% of the applicable minimum production per year per hectare until the 30th year. Finally, if the holder cannot reach the minimum annual production during this period, the mining concessions will automatically expire. Holders of mining concessions that were granted before 2008 will be obliged to achieve AMP from 2019. The basic fee of US\$3 per hectare remains, with penalties starting after the sixth year.

OSINERGMIN regulates the mining industry. Companies pay the government taxes, royalties and fees at rates fixed by legislation. The Superintendencia Nacional de Administracion Tributaria (SUNAT), the national Tax agency, collects mining royalties and taxes, and places them in the treasury; INGEMNET collects fees.

3.2 Historical Information

Early Deposit Precious Metals Agreement (“PMPA”)

On March 21, 2016, the Company signed a PMPA with Wheaton Precious Metals International Ltd. (“Wheaton Metals”), in respect of the Cotabambas project located in Perú. The principal terms of the PMPA are such that Wheaton Metals will pay the Company upfront cash payments totalling US\$140.0 million for 25% of the payable gold production and 100% of the payable silver production from the Company’s Cotabambas Project in Perú. In addition, Wheaton Metals will make production payments to the Company of the lesser of the market price and US\$450 per payable ounce of gold and US\$5.90 per payable ounce of silver delivered to Wheaton Metals over the life of the Company’s Cotabambas Project.

The PMPA includes provisions to accelerate certain payments, whereby Wheaton Metals will pay an additional payment in an amount equal to the amount of funds raised in any offering of equity securities for the purpose of exploration of the Cotabambas Project during the period January 27, 2016, to March 21, 2018, up to a maximum of US\$3.5 million for all such offerings. To December 31, 2020, the Company received has received an accelerated payment of US\$2.0 million after a successful completion of a private placement in 2016, and scheduled payments for a total of US\$10.75 million to the date of filing of this AIF.

After the third payment was received by the Company from Wheaton Metals in December 2016, it resulted in security agreements being completed between the Company and Wheaton Metals for all advances made after the first US\$2.0 million received by the Company.

The balance of US\$126.0 million, after the first US\$14.0 million is received, should Wheaton Metals elect to proceed with the PMPA, is payable in instalments during construction of the Cotabambas Project.

Wheaton Metals will have the option to terminate the PMPA, either 90 days following delivery of a Feasibility Study or at any time upon giving the Company three months’ notice, other than for repayment of the first two payments totalling US\$2.0 million. Wheaton Metals can elect to receive a portion of the early deposit either as cash or shares upon termination, with the Company having rights to defer cash payments for up to two years. If Wheaton Metals elects to terminate the PMPA, repayment with interest at 8% per annum, will be required, within two years of notice of termination. This includes a repayment of one-third of the net proceeds of any form of financing.

Following a change of control, subject to certain conditions, the Company has a one-time option to repurchase 50% of the precious metals stream with a payout based on the greater of: (i) a minimum fixed return (ii) a return based on appreciation of precious metals prices over the term of the PMPA and (iii) a return based on appreciation of the share price of the Company over the term of the PMPA.

Panoro Acquisitions and Disposals in Perú - History

Acquisition of Cordillera de las Minas S.A., Perú (now Panoro Apurimac, S.A.)

On June 7, 2007, the Company completed the acquisition of 100% of the issued and outstanding shares of Cordillera de Las Minas S.A. (“CDLM”), a Peruvian corporation, from CVRD International S.A. and El Tesoro (SPV Bermuda) Limited, a wholly-owned subsidiary of Antofagasta PLC. On April 7, 2008, the name of CDLM was changed to Panoro Apurimac S.A. (“PA”). The initial property acquisition included the following mineral property interests at a total price of \$16,638,190 – Cotabambas, Antilla, Humamantata, Kusiorcco, Alicia, Promesa, Pistoro Norte, Sancapampa, Cochasayhuas, Checca, Morosayhuas, Pataypampa and Anyo. The Company no longer retains any interest in the Checca, Pataypampa, Alicia and Pistoro Norte and Checca concessions and the projects have been written off.

In fiscal 2018, the Company completed an internal reorganization and the Company’s mineral property interests were transferred to new Peruvian entities. The Cotabambas Project is the remaining project held by PA.

In August 2007, the Company acquired two additional, 300-hectare concessions located internally to its Antilla interest for \$170,436.

Property Dispositions

Disposition of Kusiorcco

In January 2018, the Company transferred a 100% interest in the 12 mining concessions that comprise the Kusiorcco project in southern Perú to a wholly owned subsidiary of Hudbay Minerals Inc. (“Hudbay”). The Kusiorcco project is located near Hudbay’s Constancia mine. In consideration for the transfer of the mining concessions, Panoro has received an upfront cash payment of US\$3.0 million from Hudbay and will receive four additional payments totalling US\$2.0 million upon the completion of certain milestones by Hudbay. Hudbay also granted Panoro a 2.0% NSR on mineral production from the Kusiorcco project.

Panoro used the US\$3 million upfront payment and proceeds from the exercise of the warrants for exploration activities on its Cotabambas project.

Milestone payments to be made by Hudbay to Panoro are to be made as follows:

- US\$500,000 (received in January 2019) on the execution of agreements with local communities and surface titleholders necessary for Hudbay to access and carry out a drill program on the project
- US\$500,000 upon completion of Hudbay’s first drill hole on the project;
- US\$500,000 upon completion of Hudbay’s fifth drill hole on the project; and
- US\$500,000 upon completion of Hudbay’s tenth drill hole on the project.

If all of the above milestones are not achieved within five years of the acquisition, Hudbay will either pay Panoro the remaining milestone payments or return the Kusiorcco mining concessions to Panoro, free and clear of all encumbrances.

Hudbay has the option to buyback half of the NSR (reducing the royalty to a 1.0% NSR) for US\$2.0 million within five years of the acquisition and for US\$5.0 million thereafter.

Joint Venture with Japan Oil, Gas, and Metals National Corporation (“JOGMEC”) on the Humamantata Project

In October 2018, the Company entered into a joint venture agreement with Japan Oil, Gas and Metals National Corporation (“JOGMEC”) on its Humamantata Property (“Humamantata”), located in Perú. JOGMEC will have an option to earn up to 60% indirect beneficial interest with the investment of US\$8.0 Million.

The terms of the option agreement with JOGMEC are as follows:

1. JOGMEC will contribute US\$1.0 Million each year for the first three years to earn a 49% interest in Humamantata. Work was delayed relating to Year 1 of the work program, due to road closures in the area

of the project and recommenced in December 2019. In fiscal 2020, JOGMEC contributed \$1,669,343 (2019 - \$547,957) to the project.

2. JOGMEC has an option to earn a further 11% participating interest in Humamantata; for a total participating interest of 60% by making a further capital contribution to Humamantata of US\$5.0 Million.
3. Investment in Humamantata will be on a pro-rata basis after JOGMEC has fulfilled its funding obligation.
4. If any party's participating interest is diluted to less than ten percent its participating interest shall be converted to a 2.0% NSR interest from the properties. The other party may purchase one-half of such royalty with a cash payment in an amount of US\$2.0 million following the creation of the royalty.
5. A management committee makes all strategic decisions and shall oversee exploration activities.
6. The Company will act as the operator responsible for implementing programs and budgets.

Geology and geophysics were underway until late March 2020, when Perú was placed under martial law due to the COVID-19 virus and exploration work was halted. In May 2020, the Government of Perú announced that mining and exploration could resume activity. The Company has been exploring under approved protocols since August 2020.

Commencing in August, Panoro commenced a geological mapping and geophysics program at Humamantata. Exploration and community relations are continuing at the project, and the Company has up to a nine-hole drilling program planned for 2021.

Cochasayhuas

During the year ended December 31, 2020, the Company entered into an agreement for sale of the Cochasayhuas Gold Project to Mintania S.A.C. ("Mintania") of Perú for a total of US\$2.45 million to be paid in instalments, plus a 5% NSR for 15 years from the commencement of commercial production.

The cash installments will be paid by Mintania to the Company according to the following schedule:

- US\$450,000 in 2020 (received);
- US\$1,000,000 in 2021;
- US\$ 750,000 in 2022; and
- US\$ 250,000 in 2023

Item 4: Description of the Business

The Company is in the business of acquiring resource properties in Perú, exploring those properties for commercially viable mineral reserves of copper and gold and other minerals and developing these properties. These properties are held through the Company's various Peruvian subsidiaries

The Company is continuing to advance its two key projects, Cotabambas and Antilla, and commenced working on the Humamantata Project funded by its joint venture partner, JOGMEC in 2019.

The financial position of the Company for the past three years has been maintained to the date of filing of this AIF by the disposition of the Kusiorcco property to Hudbay in 2018, and the continued receipt of payments from Wheaton Metals under the PMPA. In January 2019, the Company received a milestone payment of US\$500,000 from Hudbay as a milestone payment under the Kusiorcco agreement. In 2020 the Company received its first payment of US\$450,000 from Mintania on the agreement for sale on the Cochasayhuas project.

As noted above the Company also entered into a joint venture agreement with JOGMEC on Humamantata, located in Perú. JOGMEC will have an option to earn up to 60% indirect beneficial interest with the investment of US\$8.0 million, and Panoro is the operator of the joint venture.

During the past three years, the Company:

2018

- Issued 3,374,140 common shares in fiscal 2018 on the exercise of 3,674,140 warrants at \$0.27 to provide \$992,018 to the treasury; and
- Received US\$1.5 million in fiscal 2018 from Wheaton Metals for pursuant to the PMPA, bringing the total advanced from the PMPA to US\$7.0 million.

2019

- Received US\$1.5 million in fiscal 2019 from Wheaton Metals for pursuant to the PMPA, bringing the total advanced from the PMPA to US\$8.5 million.
- US\$500,000 (received in January 2019) on the execution of agreements with local communities and surface titleholders necessary for Hudbay to access and carry out a drill program on the Kusiorcco project
- Received \$547,957 pursuant to the joint venture with Japan Oil, Gas and Metals National Corporation ("JOGMEC") on the Humamantata project.
- The Company had a 100% interest in the El Rosal property consisting of three mineral concessions totaling 1,700 hectares located in the Province of Chiclayo, Department of Lambayeque, Perú until June 2019, when it wrote off its interest in the property for a total of \$4,033,509.

2020

- Received US\$1.5 million in fiscal 2020 from Wheaton Metals for pursuant to the PMPA, bringing the total advanced from the PMPA to US\$10.0 million.
- Received US\$450,000 (received in June 2020) on sale of the Cochasyhuas Project. Further payments are to be received in the years 2021 to 2023 pursuant to the agreement.
- Received \$1,669,343 for exploration activities pursuant to the joint venture with Japan Oil, Gas and Metals National Corporation ("JOGMEC") on the Humamantata project.
- The Company had a 100% interest in the Checca Project, until September 2020, at which time the Company wrote off its interest in the property for a total of \$488,556.

Future Inflows:

The PMPA with Wheaton Metals provides the Company with minimum working capital for the foreseeable future. Annually, the Agreement provides the Company with US\$1.5 million, up to a total of US\$14.0 million.

A further three milestone payments, each of US\$0.5 million, are scheduled to be received from Hudbay as the milestones are met, after drilling of holes one, five and ten on the Kusiorcco property.. In January 2019, the Company received the first US\$0.5 million milestone payment from Hudbay, when the community agreements were entered into to allow Hudbay to commence exploration at the Kusiorcco Property.

Panoro's focus in 2021 is on exploring the Humamantata Project, as operator, on the Company's joint venture with JOGMEC, to bring the joint venture costs up to the year 1 total planned exploration. Panoro will continue with advancing the exploration on the Cotabambas project (\$742,392 in cash expenditures in fiscal 2020). The Company has completed two PEAs, the Initial PEA and the Updated PEA, as described earlier in this AIF.

The cash installments will be paid by Mintania to the Company according to the following schedule:

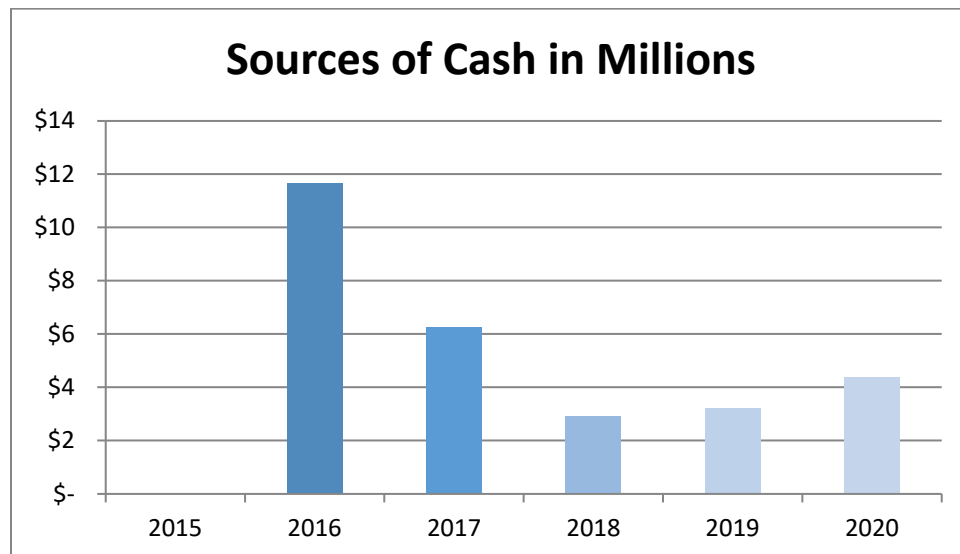
- US\$450,000 in 2020 (received);
- US\$1,000,000 in 2021 in two installments, June and December;
- US\$ 750,000 in 2022; and
- US\$ 250,000 in 2023

Initially, in June 2016, the Company completed a PEA on the Antilla Project ("2016 PEA"), and a PEA in May 2018 ("2018 PEA"), which has resulted in significantly improved project economics. The 2018 PEA has focused on the higher grade, near surface secondary sulphides, which are amenable to processing through heap leaching, solvent extraction, and electrowinning (LIX-SX-EW). As a result, the 2016 PEA capital costs have been reduced by 59%, the C1 cash costs reduced by 18%, the C2 cash costs by 23% and the sustaining capital required for a tailings facility has been eliminated. The base case, after tax NPV (7.5) has increased 36%, the IRR has increased 11% and the payback period has been reduced by 27%. Over 95% of the mineralized material contained in the mine plan is classified as Indicated. The reduced \$250 million initial capital cost in the 2018 PEA could facilitate a broader range of strategic financing and/or development approaches to advancing the Antilla Project through feasibility studies and into development and operation.

Other properties currently held by the Company in Perú include Promesa, Sancapampa, Anyo, and Morosayhuas. The Company has a 4% interest in the Huaquirca joint venture between Minera IRL and Alturas Minerals Corp which includes the Chapi-chapi and Utupara projects in Perú.

All current concessions held by the Company are in good standing. The Company reviews its projects and holdings on a regular basis and the board of directors review the recommendations before any write-downs are recorded.

The chart below summarizes the sources of cash received from various funding sources in the past six years.



Current information concerning the Company’s Cotabambas Project is contained in the NI 43-101 reports listed at the beginning of this AIF, and in news releases issued by the Company throughout the fiscal year and up to the date of this AIF. News releases are also available on the Company’s website: www.panoro.com

This AIF incorporates the results of the Company’s activities on the Cotabambas property up to April 30, 2021. A summary of the technical reports for the Cotabambas project are contained in section 4.2 of this AIF.

Current information concerning the Company’s Antilla Project is contained in section 4.1 of this AIF.

Detailed background information concerning the Company’s other properties is summarized in a March 9, 2007, report prepared by SRK Consulting (Canada) Inc. (“SRK”) and entitled “Independent Technical Report on the Mineral Exploration Property of Cordillera de las Minas S.A. – Andahuaylas-Yauri Belt, Cuzco Region Perú” (the “SRK Report”).

All of the Company’s technical reports can be found at www.sedar.com and on the Company’s website at www.panoro.com.

4.1 Cotabambas Copper/Gold Project

4.1.1 Exploration History

The Cotabambas Project is an exploration-stage property that has been explored intermittently over the last 15 years. The property is located immediately west of the town of Cotabambas, in the District of Cotabambas, Province of Abancay, Department of Apurimac, approximately 135 km west of the City of Cusco in the Peruvian Andes. The Company acquired the Cotabambas Project in 2007 with 9,923 meters of historical drilling by previous owners. The Company resumed exploration at the Cotabambas Project in late 2010 with an initial mapping, sampling, geophysical survey and 5,500-meter drill program. In total, between late 2010 and early 2014, the Company completed 63,178.79 meters of drilling. In 2017, the Company completed an additional 6,632.62 meters of drilling. In 2018, the Company completed 2,173 m of exploration drilling at the Maria Jose and Petra-David areas located within Cluster 1, delineating additional mineralized zones first intersected in the 2017 drill program. In 2019, the

Company drilled 997 m in the Chaupec target. Exploration activity was reduced at Cotabambas in 2019 and 2020 to utilize exploration staff at the Humamantata project. In 2020 exploration was carried out only at Humamantata, as COVID-19 reduced activities. Camp and community relations activities continue at the Cotabambas project.

4.1.2 Resource Statements, Cotabambas

The results of Panoro's drilling, together with the historical drilling by previous owners, were used to complete updated resource estimates, as stages of the drilling campaigns were completed. The initial resource estimate commissioned by Panoro was completed in 2007 as part of the due diligence for the acquisition of the project. In 2012, Panoro commissioned an update to the resource statement to include drilling data completed to that point. The resource estimate was updated with results of additional drilling in 2013. The 2013 Cotabambas Resource Estimate was used in the Initial PEA and the Updated PEA completed and filed in 2015.

The Cotabambas Resource Estimate includes an inferred resource of 603.5 million tonnes at 0.31% Cu, 0.18 g/t Au, 2.33 g/t Ag and 0.0019% Mo at a cut-off of 0.20 % CuEq; and indicated resource of 117.1 million tonnes at 0.42% Cu, 0.23 g/t Au, 2.74 g/t Ag and 0.0013% Mo at a cut-off of 0.20% CuEq. The Cotabambas Resource Estimate recommended additional infill and exploration drilling together with geotechnical investigations, database management work to lead into a resource model update and as a result, the Initial PEA and Updated PEA were completed and filed in 2015.

4.1.3 Preliminary Economic Assessments, Cotabambas

The highlights of the Initial PEA included:

- Pre-tax NPV(7.5%) is US\$ 981.7 million, IRR is 17.3% and payback is estimated at 3.6 years
- After-tax NPV(7.5%) is US\$ 627.5 million, IRR is 14.4% and payback is estimated at 4.0 years
- Conventional open pit mining and flotation processing at a design throughput of 80,000 tonnes per day with a mine life of 19 years
- Average annual payable copper of 143.4 million pounds
- Average annual payable gold of 88.0 thousand ounces
- Average annual payable silver of 967.2 thousand ounces
- Average direct cash costs (C1) (1) of US\$1.26 per pound of copper, net of by-product credits
- Initial project capital costs of US\$ 1.38 billion, including contingencies
- Good potential for discovery of additional mineralization that may support resource estimation.

(1) C1 net direct cash costs as defined by Brook Hunt – a Wood Mackenzie Co represents the cash cost incurred at each processing stage, from mining through to recoverable metal delivered to market, less net by-product credits (if any).

(2) C2 production cost is the sum of C1 costs and depreciation, depletion and amortization.

The Initial PEA results were based on assumed long term metal prices of \$US 3.25/lb for copper, \$US 1,300/oz for gold and \$US 20.50/oz for silver. The Initial PEA included recommendations for a number of areas to be investigated to further enhance and expand the project's technical and economic parameters. The recommendations included:

- Optimization of the mine plan;
- Addition of copper oxide leach and SX/EW circuit;
- Improve metallurgical recoveries;
- Reduce grinding;
- Addition of gravity circuit;
- Optimize tailings thickening;
- Use of south pit for waste storage; and
- Addition of a Molybdenum circuit.

After the completion of the Initial PEA, the Company completed an internal review of the recommendations and commissioned independent consultants to investigate the highest priority potential modification to the project, an improved mining plan to increase head grades to the mill in the early part of the mine life.

Moose Mountain revised the mine plan included in the Initial PEA in April and AMEC integrated this mine plan

into the Updated PEA in September. Due to the changes in the commodity markets from the time the Initial PEA was initially completed, the commodity prices in the Updated PEA were revised to include \$US 3.00/lb for copper, \$US 1,250/oz for gold and \$US 18.50 for silver.

The results of the Updated PEA were announced via press release on September 22, 2015, and the Updated PEA was filed on SEDAR on November 6, 2015.

The highlights of the Updated PEA included:

- After tax economic metrics of:
 - NPV(7.5%) of \$US 683.9 million, increased from \$US 379.4 million;
 - IRR of 16.7%, increased from 11.8%; and
 - Payback of 3.6 years, decreased from 4.8 years
- Pretax economic metrics of:
 - NPV(7.5%) of \$US 1,052.6 million, increased from \$US 647.9 million;
 - IRR of 20.4%, increased from 14.2%; and
 - Payback of 3.2 years, decreased from 4.4 years
- Decreased average direct cash costs (C1) to \$US1.22 per pound of copper, decreased from \$US1.26, net of by-product credits
- Increased average annual payable metal of:
 - Copper - 155.1 million pounds, increased from 143.3 million pounds;
 - Gold - 95.1 thousand ounces, increased from 88.0 thousand ounces; and
 - Silver - 1,018.4 million ounces, increased from 967.2 thousand ounces.

Project Economics

The table below summarizes updated base case economic metrics for the project as well as their sensitivity to the prices of copper and gold:

Table: Sensitivity of Pre-Tax Project NPV (Million \$US) & IRR (%)

Cu Price (US\$/lb)	Gold Price (\$US/oz)				
	1,100	1,200	1,250	1,300	1,400
2.75	612.4 / 15.5	692.9 / 16.4	733.1 / 16.9	773.3 / 17.3	853.1 / 18.2
3.00	933.1 / 19.1	1,012.7 / 19.9	1,052.6 / 20.4	1,092.3 / 20.8	1,171.5 / 21.6
3.25	1,251.1 / 22.4	1,330.1 / 23.3	1,369.6 / 23.7	1,408.9 / 24.1	1,487.5 / 24.9

Note: base case at Cu=\$US 3.00, Au=\$US 1,250, Ag=US\$18.50 in bold

Table: Sensitivity of After-Tax Project NPV (Million \$US) & IRR (%)

Cu Price (US\$/lb)	Gold Price (\$US/oz)				
	1,100	1,200	1,250	1,300	1,400
2.75	351.7 / 12.6	412.9 / 13.4	443.4 / 13.8	473.8 / 14.2	534.3 / 14.9
3.00	594.5 / 15.6	654.1 / 16.4	683.9 / 16.7	713.7 / 17.1	773.0 / 17.8
3.25	832.8 / 18.4	891.6 / 19.1	921.0 / 19.5	950.3 / 19.8	1,008.8 / 20.5

Note: base case at Cu=\$US 3.00, Au=\$US 1,250, Ag=US\$18.50 in bold

For comparative purposes only, the following table summarizes changes to after tax project economic metrics with the former and now superseded base case commodity prices from the Initial PEA, namely, copper at \$3.25/lb, gold at \$1,300/oz and silver at \$20.50/oz.

Table: Changes to Economics at Constant Commodity Prices

After Tax Economics	Initial PEA	Updated PEA	Change
NPV (Million \$US)	627.5	961.1	+333.6
IRR (%)	14.4	19.9	+5.5
Payback (years)	4.0	3.1	-0.9

Updated PEA Improvements

The improved project economics have been achieved principally with mine planning improvements and optimization of cut-off grade strategy. There has been no change to the resource classification from the Initial PEA nor has there been a change to the proposed processing throughput of 80,000 tonnes per day. The more significant improvements are listed below:

Optimized Mine Plan

- Speedier ramp up of process plant to design capacity
- Processing of higher grade mineralization early in mine life;
- Stockpiling of low grade mineralization for processing near end of mine life; and
- Elimination of low margin mineralization from processing plan, resulting in;
 - Higher head grades in early part of mine life;
 - Higher average life of mine grades;
 - Reduced mineral processing tonnes; and
 - Reduced mine life.

The Updated PEA mine plan has 10% less mill feed tonnes at 7% higher copper grade, 6% higher gold grade and 4% higher silver grade than the April PEA. There are 10% more waste tonnes in the Updated PEA than in the Initial PEA.

Modified Wasterock Storage Plan

- Replacement of crusher, conveyor, tunnel and stacker for wasterock transport with truck haulage along surface roads resulting in reduced risk of operations disruptions from downtime of crusher, conveyor and stacker.

Tailings Management

- Tailings dam construction reduced near end of mine life with reduction in mineral resources included in mine plan, resulting in;
 - Reduced sustaining capital for tailings dam construction.

Capital Costs

The initial capital costs have increased from US\$1.38 billion to US\$1.53 billion principally due to the increased mine fleet size to accommodate the haulage of the low grade mineralization to the stockpile. The impacts on the financial metrics from this increase are offset by the:

- Reduced capital cost due to the elimination of the crusher/tunnel/conveyor/stacker arrangement for waste rock;
- Reduction in sustaining capital costs for the mine and tailings management; and most significantly,
- Increased revenues earlier in the mine plan which has significantly improved payback.

Cotabambas Resource Estimate

The Updated PEA was completed based on the Cotabambas Resource Estimate prepared by Tetra Tech. The estimate utilized all drill and assay results available to June 20, 2013, including 56,813 meters of drilling by Panoro and 9,923 meters of drilling from legacy campaigns. The mineral resource estimate includes hypogene and supergene sulphides and oxide copper and gold mineralization from the Ccalla and to a lesser extent the Azulccacca zones.

Table: Mineral Resources, Tetra Tech, October 2013

Resources Category	Zone	Cut-Off Grade % Cueq	Million Tonnes	Cu (%)	Au (g/t)	Ag (g/t)	Mo (%)
Indicated	Hypogene Sulphide	0.2	84.2	0.37	0.21	2.73	0.0018
	Supergene Sulphide	0.2	8.9	0.73	0.31	3.07	-
	Oxide Copper-Gold	0.2	23.8	0.49	0.24	2.63	-
	Oxide-Gold	N/A	0.2	-	0.66	3.74	-
	Total	0.2	117.1	0.42	0.23	2.74	0.0013
Inferred	Hypogene Sulphide	0.2	521	0.29	0.18	2.41	0.0021
	Supergene Sulphide	0.2	7.4	0.73	0.18	1.93	0.0007
	Oxide Copper-Gold	0.2	75.8	0.41	0.15	1.82	0.0003
	Oxide-Gold	N/A	1.2	-	0.61	3.27	-
	Total	0.2	605.3	0.31	0.17	2.33	0.0019

Mineral Resources have an effective date of June 20, 2013, and were estimated by Qualified Person Robert Morrison, P.Geo. (APGO, 1839). The estimate is based on 56,813 meters of drilling by Panoro and 9,923 meters of drilling from legacy campaigns. Copper equivalent (CuEq) is calculated using the equation: $CuEq = Cu + 0.4422 Au + 0.0065 * Ag$, based on the differentials of long range metal prices net of selling costs and metallurgical recoveries for gold and copper and silver. Mineralization would be mined from open pit and treated using conventional flotation and hydrometallurgical flow sheets. Rounding in accordance with reporting guidelines may result in summation differences. CuEq cut-offs were used to report almost all of the resource. These cut-offs are a function of metal price and recoveries. In the in situ resource, estimated gold, silver and molybdenum are then converted to US dollars and combined. The combined funds are re-converted to copper and added to the in situ copper values. The following metal prices are used: copper - \$US3.20/lb; gold - \$US1,350/troy oz; silver - \$US23.00/troy oz; molybdenum - \$US12.50/lb. The following metal recoveries were applied to the in situ resource: molybdenum - 40%; gold - 64%; silver - 63%. As the resource is reported as in situ, no recovery is applied to copper.

Subsequent to the publication of the Cotabambas Resource Estimate, a reclassification of oxide material for leach amenability, according to an AMEC study, was undertaken by Tetra Tech. Inside the Oxide Copper-Gold Zone, sub-zones of Mixed, Oxides Copper and Oxide Copper-Gold were identified using information from sequential copper assay results and the results were announced in April 2015. The model was regularized and extra fields were calculated to report the resources with new categories for this specific zone, to guide future mining studies such as the current Updated PEA. This recoding of the oxide zone did not constitute a material change to the published Cotabambas Resource Estimate.

The subset of the Cotabambas Resource Estimate contained within the Azulccaca and Ccalla open pits included in the Updated PEA mine plan is shown in the table below.

Table: Subset of Mineral Resources Contained in the Updated PEA Mine Plan

Classification	In-situ Tonnes (Million)	NSR (\$US/tonne)	In-situ (undiluted) grades		
			Cu (%)	Au (g/t)	Ag (g/t)
Indicated	127.3	21.1	0.37	0.21	2.58
Inferred	355.8	17.8	0.30	0.17	2.30

1 The Updated PEA mine plan is preliminary in nature as it includes Inferred Mineral Resources which are considered too speculative to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that any of the resources will be upgraded to Reserves. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

2 The cut-off grade used to calculate the in-pit resources is $NSR >= 6$. NSR is calculated using the following formula $NSR = [Cu (\%) * Cu Recovery (\%) * 22.046 * 2.48] + [Au (g/t) * Au Recovery (\%) * 36] + [Ag (g/t) * Au Recovery (\%) * 0.5]$

Total waste in the Updated PEA mine plan is 604.2 million tonnes for an average LOM strip ratio of 1.25. The Updated PEA mine plan uses a variable cut-off grade strategy to increase the mill feed grade in the earlier parts of the schedule by stockpiling marginal economic material. The stockpiled material is processed towards the end of the mine life. The mine plan supports a mine life of 17 years.

Projected production of payable metals and operating costs are summarized in the tables below.

Table: Summary of Annual Average and Life of Mine Payable Metals

Metal	Initial PEA		Updated PEA		Changes	
	Annual Average	Life of Mine	Annual Average	Life of Mine	Annual Average	Life of Mine
Copper (Mlbs)	143.4	2,725	155.1	2,638	+11.7	- 87
Gold (koz)	88.0	1,671	95.1	1,618	+7.1	- 53
Silver (koz)	967.2	18,377	1,018.4	17,314	+51.2	- 1,063

Table: Cotabambas Operating Costs (\$US per tonne milled)

	Initial PEA	Updated PEA	Changes
Mining Cost	3.33	3.59	+ 0.26
Processing Cost	4.47	4.38	- 0.09
G&A Costs	0.41	0.41	-
Total Operating Cost	8.22	8.38	+ 0.16

C1 and C2 cash costs (as defined by Brook Hunt) per pound of payable copper are listed in the table below.

Table: Cotabambas Average Cash Costs (\$US) per lb Payable Copper

	Initial PEA	Updated PEA	Changes
C1 - Direct Cash Cost	1.26	1.22	- 0.04
C2 - Production Cost	2.02	1.92	- 0.10

Mining and Processing

The Updated PEA contemplates an 80,000-tonne per day plant throughput rate with mill feed coming from two open pits, Ccalla and Azulccaca. Mining will be by conventional truck and shovel removal of mill feed to the processing plant that will be located 0.5 km to the north side of the Ccalla pit limits. Waste rock will be placed in a storage area in Guacelle creek adjacent to the north side of the Ccalla pit. The waste will hauled via surface and in-pit haul. Low-grade mineralization will be stockpiled near the waste rock area for processing towards the end of mine life.

The material will feed one primary gyratory crusher and then fed to a SAG Mill and two ball mills, with classification by hydro cyclones. The flotation circuit will consist of a rougher flotation stage, regrinding, a primary cleaning stage followed by a cleaner-scavenger stage and two stages of re-cleaning using conventional flotation cells.

The flotation tailings will be thickened to 62% solids and pumped to the Tailing Storage Facility by positive displacement pumps. The final flotation concentrate will contain copper, gold and silver, free of deleterious elements. After thickening and filtering, the concentrate will be transported by truck to the Matarani seaport in Arequipa, along existing road networks.

The treatment of oxide copper subzone is not included in either the Initial PEA or the Updated PEA. Metallurgical testing to date has shown that copper recoveries from this material in the flotation circuit are low and insufficient tonnes have been outlined to date to warrant a separate heap leach and SX/EW circuit. However, as mentioned previously, there is some potential to expand the extent of known existing oxide copper mineralization with more drilling, and the addition of such a circuit remains a future opportunity.

Metallurgical studies have estimated recoveries from the mill feed material as shown in the table below.

Table - Summary of Metallurgical Recoveries Estimated in the Initial PEA and Updated PEA

Ore Type	Subzone	Cu Recovery (%)	Au Recovery (%)	Ag Recovery (%)	Mo Recovery (%)
Hypogene Sulphide		87.5	62.0	60.4	-
Supergene Sulphide		87.5	62.0	60.4	-
Oxide Copper-Gold	Oxides Copper	-	-	-	-
	Mixed	60.0	55.0	-	-
	Oxide High-Gold	-	65.0	-	-
Oxide Gold		-	-	-	-

Metallurgical test work in 2014 was carried out at Certimin Laboratories in Lima, Perú in a program designed and supervised by AMEC personnel. Constant metallurgical recoveries were estimated over the life of mine. The current mine plan includes mining of higher grade zones in the early life of mine where higher recoveries may be demonstrated with further test work. No recovery of molybdenum has been included in the current estimate. Metallurgical test work in 2014 demonstrated the potential for molybdenum recovery, however it was not included in the mine plans. The inclusion of molybdenum recovery will be investigated in subsequent studies.

Opportunities for Project Growth and Enhanced Economics

- Copper-Gold Oxide mineralization that will be stockpiled for potential future processing
- Good potential to expand the resource base at the Ccalla and Azulccaca deposits with additional drilling
- The potential for a gravity circuit and on-site production of doré will be investigated with additional metallurgical testing
- Potential to increase recoveries with additional metallurgical testing and to improve discrimination between metallurgical types within the deposit
- Higher grades of molybdenum have been intersected below and lateral to the current PEA pit limits and with continued exploration success, there is potential to add molybdenum as a third byproduct to the operation
- As detailed in a June 23, 2014, news release, eight other mineralized prospects have been identified in the general vicinity of the known deposits and represent excellent upside potential to add to the known Mineral Resources with additional drilling.

Both the Initial PEA and Updated PEA were prepared by AMEC in accordance with the definitions in NI 43-101. All dollar amounts are US currency. A PEA is considered preliminary in nature. It includes Inferred Mineral Resources that are considered too speculative to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the PEAs will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Tetra Tech completed the mineral resource estimate for the Cotabambas project utilizing all drill and assay results available to June 20, 2013, including 56,813 meters of drilling by Panoro and 9,923 meters of drilling from legacy campaigns. The mineral resource estimate includes hypogene and supergene sulphides and oxide copper and gold mineralization from the Ccalla and to a lesser extent the Azulccacca zones.

The Company believes that the results of the Initial PEA and Updated PEA demonstrate that the Cotabambas Project studies should continue into the prefeasibility and feasibility stages with the view to advancing the project towards a development decision. There are a number of enhancements and potential expansions to the project that may be investigated as standalone scoping studies prior to a pre-feasibility study or as a part of the pre-feasibility study. The principal technical areas of mining, processing, infrastructure and concentrate transport and marketing all demonstrate very achievable solutions for the construction of the next key copper project in one of the most active copper development regions of the world. The economics of the project look strong with a number of potential enhancements still to be achieved.

The exploration potential at the Ccalla and Azulccaca deposits looks compelling with another eight targets still to be evaluated. Prior to October 2012, the Cotabambas project contained a small, inferred resource with less than 10,000

m of total drilling exploration completed. Since then and through a very tough period in the exploration business, the project resource has grown significantly with investment into past drilling campaigns and now the PEAs have demonstrated the potential positive economics for the project. The PEAs provide a positive snapshot of the current technical and economic metrics of the project and identifies potential for growth and optimization.

At the Cotabambas Project, exploration work has been carried out in five main campaigns:

1. Antofagasta 1995-2000: Anaconda Perú S.A., a Peruvian subsidiary of Antofagasta Minerals PLC (“Antofagasta”), carried out regional prospecting, geochemistry, geophysics and diamond drilling on the property. Drilling intersected copper-gold mineralization at the Azulccacca, Ccalla and Huaclle areas and totaled 8,538 meters in 24 diamond drill holes.
2. CDLM 2003-2006: Antofagasta and Companhia do Rio Vale Doce (CVRD) formed a joint venture company called Cordillera de las Minas (“CDLM”) to explore Cotabambas and other properties in the district. Additional mapping, geochemistry, geophysics was carried out to define additional drill targets on the property. Ten diamond drill holes totaling 3,252 meters were drilled to test anomalies in the Ccalla, Cayrayoc and Huaclle areas.
3. Panoro 2007-2010: In mid-2010, an agreement was reached allowing Panoro to begin surface mapping and geochemical sampling over the Azulccacca, Ccalla and Huaclle areas. A short drill program was executed to confirm results of drilling by previous operators, drilling two drill holes at Azulccacca for a total of 427.49 meters.
4. Panoro 2011-2012: Following the conclusion of the 2010-2011 drill program, Panoro began the application for a Category II exploration permit allowing them to drill up to 200 drill holes on the property. A drill program was initiated in mid-2011 and is scheduled to conclude by the end of June 2013. By July 10, 2012, Panoro had drilled 42 diamond drill holes totaling 26,698.35 m. From July 11, 2012, to December 31, 2012, Panoro drilled 40 diamond drill holes totaling additional 17,822.60 meters. In this period, Panoro also carried out further mapping, geophysics prospecting, and geochemical sampling in parallel with the diamond drill program.
5. Panoro 2013: following the Category II exploration permit, the drilling was continued from January 1, 2012, to early 2014, completing 35 diamond drill holes totaling 17,494.65 meters. The surface mapping and geophysics survey were extended over the property.
6. Panoro 2017: Panoro drilled 6,632.6 meters, and is continuing the exploration program in 2018 at Cotabambas.
7. Panoro 2018: Panoro Completion of 2,173 m of exploration drilling at the Cotabambas Project exploration targets, Maria Jose and Petra-David located within Cluster 1, delineating additional mineralized zones first intersected in the 2017 drill program;
8. The approval of the expansion of the EIAsd at the Cotabambas Project allows Panoro to expand its exploration drilling program into the highly prospective areas of the Chaupec Skarn zone in Cluster 2;
9. Initiation of Geophysical surveys at the Chaupec Target in Cluster 2 for exploration drillhole targeting; and
10. The completion of land purchase agreement for the Ccochapata Community.

In summary, from November 1, 2010, to early 2018, Panoro drilled more than 78,000 meters distributed over more than 100 drill holes. The surface mapping and geochemistry identified new targets next to the current mineral resources and in other areas inside the property.

Exploration Potential

The Cotabambas Project has several areas with significant exploration potential. All details of drill holes completed to date are available on the Company’s website.

Breccia Target

The Breccia Target is located adjacent to the northern limit of the proposed North Pit along a northeast to southwest geologic structure. The existing resources of the Ccalla and Azulccaca deposits are also located along a similar and parallel structural control. Before drilling, the target potential was defined by 270 rock samples in surface delineating 15 gold anomalies covering an area of 1,500 meters by 340 meters elongated in N-S direction, hosted in supergene iron oxides. The zone has the potential to contain near surface oxide gold mineralization with low copper grades indicating the potential to add a low cost gold heap leaching operation to the project. As result, in 2017 four drill holes were drilled for a total of 558.10 m. and 299 samples were taken, with 34 control samples (QA / QC).

Petra-David Target Area

The Petra David Target is located 500 m to 800 m to the west-northwest of the western limit of the PEA pit at an elevation of 250 m lower than the pit limit. Approximately 95% of the area is covered by soil and colluvium, but a few rock chip geochemical surveys together with 11.62 lineal kilometres of IP and magnetic geophysics results defined a northeasterly trending, 800 m long corridor of copper-gold mineralization related with some copper oxides in evidence at surface.

Petra Target

Rock chip sampling at this target defined by a total of 56 samples defined copper anomalies at surface, including values, including values between 0.19% Cu to 1.07% Cu, 0.1 to 0.5 g/t Au, and 1.0 g/t to 12.4 g/t Ag.

In summary four holes, CB-171, CB-172, CB-173 and CB-174, were drilled along a SE-NW line across the Petra Target. They totaled 550.70 m, and 204 core samples were taken including 32 control samples for QAQC.

Drill hole CB-172 is located 30m to the west of drill hole CB-171 but oriented in the opposite direction. Drill hole CB-174 is located 90m to the west and oriented to the south where the quartz monzonite was intersected without significant values. An oxide blanket with significant copper grades was intersected by holes CB-171, CB-172, and CB-173 along a North South structural control leaving mineralization open towards the David Target located 500m to the north. The David zone is located to the northeast.

David Target

The David target is located 500m to the north of the Petra target and 800m to the Northwest of the PEA pit, at an elevation 260m lower than the pit limit.

54 rock chip samples were taken defining copper anomalies with values between 0.1% Cu and 0.35% Cu, 0.01 g/t Au and 0.33 g/t Au, and 0.5 g/t Ag and 9 g/t Ag.

Four holes were drilled for a total of 372.5m, 212 core samples were taken including 21 control samples for QA/QC. Drill holes CB-175, CB-176, CB-177 and CB-178, were drilled along a line across the same N-S structural control seen at the Petra target.

Maria Jose Area

The mineralization at the Maria Jose Target area consists of three generations of quartz monzonite dikes, with and without mineralization, crossing into the andesite volcanics packages. A geological mapping was performed taking 328 rock samples and a ground geophysics survey (56.65 km IP and 45.2km Mag). As a result, two areas with copper mineralization were identified, MJ-1 and MJ-2.

The Maria Jose 1 Target is located 1.5 km to the northeast of the proposed North Pit and 600 m to the North of the Maria Jose 2 target. The Maria Jose zone is situated along the same mineralized trend as the Ccalla and Azulccaca deposits. The two separate prospects consist of both oxide and primary copper mineralization associated with quartz monzonite porphyry intruding monzodiorite and andesite. Mineralization is characterized by differing proportions of chrysocolla, cuprite, goethite, hematite, and minor chalcocite and chalcopyrite associated with quartz stockwork veinlets. The mineralized porphyries exhibit potassic and phyllic alteration while the host rocks show differing levels of propylitic alteration, sometimes overprinted by a pyrite-chalcopyrite-quartz stockwork.

Additional mapping, trenching and geophysical surveys in 2016 and 2017 provided drill sites. The MJ-2 was included in the 2017 drill program in 2017.

MJ-1 Target

The MJ-1 copper anomaly at surface was defined with 122 rock chip samples with greater than 500 ppm Cu over an area of 250m by 1,100m elongated in an East-West direction. A 200m x 350m higher grade "core" area within this anomaly is defined by 25 samples containing from 0.20% Cu to 0.44% Cu, 0.01 g/t Au to 0.07 g/t Au, and 0.2 g/t Ag to 3.0 g/t Ag. A second and smaller "core" within the larger prospect area is defined by 8 samples grading from 0.52% Cu to 1.56% Cu, 0.03 g/t Au to 0.47 g/t Au and 1.5 g/t Ag to 7.9 g/t Ag.

At this target, four holes, CB-179, CB-180, CB-181 and CB-182 were drilled. Drillhole CB-181 is located 130m to the southeast of drillhole CB-180 and intersected quartz monzonite porphyry intruding andesite volcanics, including two blankets of oxide copper mineralization underlain by primary copper sulphides. See results in the table below.

Drillhole CB-182 is located 210m to the southwest of drillhole CB-180 and also intersected quartz monzonite porphyry intruding andesite volcanics. The oxide copper mineralization is hosted in both lithologies and is still open at depth. In summary, drillholes CB-180 and CB-181 intersected near surface oxide copper mineralization, and drillhole CB-182 intersected similar mineralization starting from 48.7m below the surface.

As with the oxide blankets intersected at other targets, there may be structural controls on the distribution of higher copper grades that could be targeted with additional drilling.

The most important intersections defined a mineral potential area of 500m by 220m elongated in an East-West direction (similar to the geochemistry copper anomaly), containing copper oxide mineralization with a vertical distance of 90m depth. The hypogene mineralization was intersected only by one drill hole and is potentially open. The copper oxide blanket in MJ-1 still open for additional drilling to the East and West.

MJ-2 Target

The MJ-2 copper anomaly at surface was defined by 206 rock chip samples with greater than 500 ppm Cu over an area of 300m by 900m elongated in an East-West direction and following the small windows of outcroppings. A higher grade "core" area of 130m x 500m in size is defined by 17 samples that assayed from 0.11% Cu to 0.39% Cu, 0.01 to 0.05 Au g/t, and 0.3 to 3.1 g/t Ag.

Following the geochemistry and geophysics survey different targets were drilled with 11 drillholes.

The overall drill holes intersections define three hypogene copper-mineralized bodies running almost parallel in a North-South direction, dipping vertically and slightly to the East. The hypogene mineralization is hosted in the andesite volcanics. On the whole, the three bodies cover a mineral potential area of 550m length by 250m wide and is recognized until 400m at depth. There is potential for additional drilling to the north and south. The copper oxide blanket is expanded in the MJ1 and MJ-2 areas. The highest copper grades are found in MJ-2 but with a thinner blanket than that intersected in MJ1.

In the Maria Jose Area the structural behavior represents the main complexity in exploring the mineral continuity. A first exploration model is in construction and preliminarily suggests MJ-1 and MJ-2 could be part of a single mineralized body, displaced 400m by a long faulting in a North-South direction.

Buenavista-Puente Target

The Buenavista-Puente Target is located 2 km to the Northwest of the proposed North Pit and covers an area of 800 m by 300 m. The target is formed by porphyry and skarn type mineralization having an east-west structural control that may connect with Maria Jose target. In 2017, 53 rock samples were taken and some geophysics were done. The drilling program includes 2,000 m of exploration drilling in this zone. The zone has the potential to add additional higher grade sulphides to the proposed concentrator plant mill feed.

Cateo-Puente Target

The Cateo-Puente Target is located between 600 m and 1,000 m to the northeast of the David Target, and may represent a possible connection with the N°1 copper-gold anomaly of the Buenavista target (see map at the Company's website). At Cateo-Puente a number of outcrops of porphyry and skarn mineralization have been mapped within the access road cuts.

58 rock-chip samples taken on the surface define a core zone of high copper grade, of 400 m x 100 m identified with 16 samples with anomalous values between 0.1% Cu and 1.8% Cu, of 0.01 g/t Au to 0.04 g/t Au, and 0.05 g/t Ag and 7.4 g/t Ag. The geophysical study was carried out with 13.1 km of IP and Mag.

Three drill holes were completed on Cateo-Puente target for a total of 914.57 m, and 198 core samples were taken including 22 control samples for QA/QC.

Drillhole CB-160, intersected a quartz monzonite porphyry with weakly potassic alteration intruding limestones and andesite volcanics. The volcanics exhibit propylitic alteration and host three veins with quartz and pyrite varying from 0.9 m to 13.0 m in width with grades varying from 0.27 g/t Au to 1.06 g/t Au. The limestones host as many as five veins varying in width from 0.4 m to 3.4 m with grades of 0.32% Cu to 0.74% Cu and 0.01 g/t Au to 1.34 g/t Au. The veins exhibit skarn type alteration/mineralization at their margins. Drillholes CB-159 and CB-170 intersected anomalous gold and copper values at a contact between andesite volcanics and a quartz monzonite porphyry with weakly potassic alteration. The results at Cateo-Puente indicate potential for skarn-type mineralization, which is typically somewhat erratic, particularly near its margins.

Ccalla – Azulccacca Deposit Area

The Ccalla zone, which has been the focus of drilling to date and hosts the current mineral resources at Cotabambas, is located in the northeast part of the property where late-phase porphyry mineralization is hosted by earlier diorites and andesite of the middle Eocene to early Oligocene Andahuaylas-Yauri batholith.

The stated Mineral Resources at 0.2% CuEq cut-off is a pit-constrained subset of the mineralization block model. Substantial copper and molybdenum mineralization, including higher grades, extends well below this conceptual pit shell and there is potential to include some or most of it in the project resource with deeper drilling.

The Ccalla and Azulccacca deposits form a 2.1 km northeast-southwest trend. Surface mapping and sampling have shown that this trend extends an additional 3 km to the northeast through the newly outlined Cochapata and Maria Jose mineralized porphyry centres. About 2 km to the west, two additional mineralized porphyries named Guacelle and Buenavista form another northeast-southwest trend, parallel to the Ccalla and Azulccacca trend with the Cochapata porphyry located in the middle of both trends. Detailed surface mapping and systematic rock chip sampling in this 5-km by 3-km area, including 2,365 samples to date, have defined new mineralized exploration targets for follow up surveys and drilling.

Cochapata Zone

The area between the Maria Jose, Ccalla, Buenavista and Guacelle zones is known as Cochapata. It is conspicuous for its red soils and colluvium. In some places, quartz monzonite porphyry with pervasive weathering, advanced argillization, limonite and relicts of hydrothermal quartz veins with breccia texture is found in outcrop, suggesting the possibility of a leached cap over porphyry-style mineralization. Geophysical surveys show a strong magnetic anomaly overlapping a low chargeability zone bordered by a high chargeability halo, similar to the signature at the Ccalla deposit. It is quite possible that the Maria Jose, Cochapata, Ccalla, Azulccacca, Guacelle and Buenavista zones are all part of a single, continuously mineralized system.

Guacelle-Buenavista Trend

A second mineralized trend is situated immediately northwest of the Maria Jose-Ccalla-Azulccacca trend and includes the Buenavista and Guacelle zones (occasionally spelled Huacelle). It is characterized by both oxide and primary copper mineralization associated with potassically altered quartz monzonite porphyry intruding propylitically altered diorite. Mineralization is similar to that in the Ccalla area but may be somewhat more eroded and phyllic alteration is less common. In some places, roof pendants of limestone show prograde and retrograde skarn alteration with iron and copper mineralization.

Six holes have been drilled in the Guacelle area, two of which include numerous intervals of oxide and supergene-enriched copper mineralization ranging from six meters grading 1.32% Cu to 12 meters grading 0.76% Cu. The results of surface chip sampling in the Buena Vista area were more anomalous than those at Guacelle but this zone has not yet been drilled.

The Chaupec Target

Mineralization at Chaupec consists of a polymetallic skarn developed at the contact between Cretaceous diorite and carbonate rocks of the Lower Tertiary Ferrobamba Formation. Work completed to date includes geological mapping at 1:1,000, 810 rock chip samples (1-2 sq metres each) on a 100 m by 100 m grid and geophysical surveys including 71.6 km of Induced Polarization, 63.7 km of Magnetics and 45.1 km of Self Potential.

Of the three main mineralized zones defined at Chaupec, two consist of outcropping garnet skarns that have in part

been retrograded to epidote and chlorite. Porphyry-style mineralization has also been observed in outcrop and there is some evidence that it may continue to the north under the limestone and colluvial cover. The skarn contains variable amounts of chalcopyrite, pyrite, bornite, chalcocite and copper oxides along with massive magnetite in places.

Values of copper and gold in the rock chip samples from these two zones range from 0.21% Cu to 8.15% Cu and 0.005 g/t Au to 2.69 g/t Au. The third prospect consists of outcropping quartz-monzonite porphyry with stockwork quartz veining that is situated at the contact between the diorite and limestone. The rock chip sampling estimated copper and gold values ranging from 0.21% Cu to 1.52% Cu and 0.005 g/t Au to 0.255 g/t Au. In general, the skarn mineralization in Chaupec has the highest grades found yet at the Cotabambas project. Skarn-type mineralization plays an important role in other major deposits in the region, including Las Bambas, Constanica, Antapaccay and Coroccohuayco, where higher grades in the skarn in the first years of mining can contribute to more rapid payback.

The third prospect consists of outcropping quartz-monzonite porphyry with stockwork quartz veining that is situated at the contact between the diorite and limestone. The rock chip sampling program covered an area of 1 km by 1 km, where 18 samples contained copper and gold values ranging from 0.21% Cu to 1.52% Cu and 0.005 g/t Au to 0.255 g/t Au.

The completed geophysical survey at the Chaupec Target covered an area of 500 by 1,000m, and includes:

- 3D Ground Magnetometry including 20 lines of 1km length each, at 25m spacing between lines and continuous readings.
- IP-3D including 10 lines of 1 km length, spacing of 50m between lines and with stations of 25, 50, 75 & 100 meters multi-dipole with penetration to 500m depth.
- Gravity survey, pending completion in January 2019, with 110 points spaced 50 to 100m over the same grid as for the Magnetometry and IP.

The recently completed drilling at the Chaupec Target was composed of five drill holes totalling 997 meters of drilling. The five drill holes were completed at the northern end of the Chaupec target along approximately 1.2 km of strike. The drill results, with high grades of copper, gold, silver including grades of lead and zinc are confirming the potential presence of a new porphyry stock in the vicinity of the drilled area.

Seven other Copper Anomalies have also been delineated in this area of the Chaupec Target and are open to be explored with additional drilling.

SUMMARY

The drilling program completed along 1.2 km of strike of Zone 1, of the Chaupec Target in Cluster 2, is confirming the potential for a new porphyry stock in the vicinity of the drilled area, as previously suggested by the geophysical program.

- Mineralized quartz monzonite porphyry dikes (CB-190) with high copper and silver grades intersected at depth below surface outcrops, suggesting a QMP source stock proximity at depth.
- Diorite host rock (CB-191) is mineralized with high grades of gold and silver, indicating potential for porphyry stock at depth.
- Skarn mineralized bodies (CB-190, 192 193) with high copper and silver grades intersected at depth below surface outcrops, indicating proximity of a porphyry stock.
- Mineralized QMP (CB-193) with high copper, lead, zinc and very high silver grades (polymetallic), indicating the potential lateral proximity to a porphyry stock.

Deleterious elements are very low at the Cotabambas project. Contents in mineral intersections at Chaupec vary from 7 to 96 ppm arsenic, from 5.5 to 52 ppm bismuth, from 3.5 to 12.8 ppm iron, and from 5 to 7.6 ppm antimony.

Recommendations

Exploration recommendations include continuing the detail mapping review, geophysics and drilling exploration to the south of the intersection of Drillhole CB-193, extending the exploration drilling into zones 2 and 3, where the igneous rock increase their exposition. The targets are intersections of copper-silver high grade mineralization in Skarn/porphyry type mineralization.

In general, the skarn mineralization in Chaupec has the highest grades found yet at the Cotabambas project. Skarn-type mineralization plays an important role in other major deposits in the region, including Las Bambas, Constancia, Antapaccay and Coroccohuayco, where higher grades in the skarn in the first years of mining can contribute to more rapid payback.

Two New Targets

Two new targets representing the extension of the Cu, Ag, Au skarn mineralization in Chaupec, have been identified through mapping and sampling campaigns completed in early 2019.

The new target Zone 4 represents the north continuity of Zone 1 in Chaupec, but displaced 900m to the west.

The second new target, Tamburo is located 900 to 2,000m to the east of Zone 1 in Chaupec, where the mapping; currently underway, has found three skarn areas. Tamburo is part of a 9km corridor in east-west direction, containing six Porphyry/Skarn mineralized zones and target areas including the:

- Ccalla east Target;
- Ccalla Deposit;
- Petra/David Target;
- Guacelle Target;
- Tamburo Target; and
- Chaupec Target.

2019 Geophysical Survey at the Cotabambas Project.

The completed program has yielded a number of principal advancements for the planning of the proposed drill program:

1. Identified a large chargeability anomaly underlying porphyry mineralization exposed at surface, indicative of the potential for a new porphyry target at depth;
2. indicating the potential for skarn mineralization at depth where a high gravimetric zone is located in close proximity of the high chargeability anomaly and also in close proximity to the limestone formation exposed at surface corresponding to the outcroppings of skarn mineralization mapped at surface with high grades); and
3. High magnetics response over and to the sides of the zone of high chargeability, indicative skarn mineralization potential at the contact between a potential porphyry and the limestone unit.

The detailed ground geophysics testwork was completed at the Chaupec Target, in Cluster 2 of the Cotabambas Project. The survey covered an area of 0.5 km by 1.0 km and focused on the northern extreme of Zone 1. The area covered by the geophysical program encompassed only a portion of the approximately 3 km long zone of outcropped skarn and porphyry mineralization at the Chaupec Target of Cluster 2. Magnetometry, IP and Gravimetry surveys were completed by Deep Sounding EIRL of Lima, Perú.

The area tested contains surface exposures of Skarn bodies of garnets and pyroxenes intercalated with narrow porphyry dikes of quartz monzonite composition hosting copper minerals such as chalcocite, covellite, chalcopyrite, bornite and copper oxides reporting copper grades of up to 5.0% Cu. This geologic environment covers an area of approximately 400 m by 600 m elongated in northwest direction and remains open to the south.

The highest chargeabilities measured from 8 to 11 mV/V and are located from 120 m to 350 m depth below the skarn/porphyry dikes outcroppings, covering an area of 240 m by 550 m with the same strike of the copper mineralization. Areas of high magnetics (>0.116n.T.) are located next to and around the high chargeability zone. The high resistivity signatures (1800 to 3,000 Ohm/m) overlap the front of limestones with a smooth increase into

the main chargeability zone. Finally the gravimetry found a high density zone (1.2 to 1.9 grms/cm³) in east-west direction crosscutting the high chargeability and magnetics.

The sharp change in strike in the outcropped skarn overlaps the area of high density, high magnetics and high chargeability that may suggest the possible stock porphyry location as the principal source of the copper mineralization, skarns and porphyry dikes exposed in surface.

The main Cu-Au-Ag skarn bodies may be located near the porphyry stock in contact with the limestones. Panoro is planning a first phase drilling program of 2,000 m to 2,400 m to test the areas of surface exposures of skarn and porphyry mineralization and the underlying geophysical anomalies in Chaupec and Guacile targets. We plan commence a drill program in late 2020 if funding and conditions relating to COVID-19 permit.

Property-Scale Exploration Potential

Elsewhere on the property, similar late-phase porphyries intrude clastic and carbonate strata of the Jurassic Yura Group and Cretaceous Ferrobamba Formation and are associated with recently discovered porphyry- and skarn-type mineralization at the Jean Louis, Ccarayoc and Chuyllullo showings. At the Cullusayhua target, sampling of hydrothermal breccia hosted by iron oxide stained quartzite returned anomalous gold and silver values. Other skarn mineralization is being mapped and sampled in the Chaupec and Añarqui areas.

Geological mapping and chip sampling on the property have continued to outline a number of porphyry-style copper-gold mineralized zones outside of the main Ccalla resource. The presence of multiple intrusions and zones of porphyry and skarn mineralization with anomalous copper, gold, silver, molybdenum and other elements suggests the possibility of a cluster of porphyry centres similar to the situation at Las Bambas and other significant porphyry camps.

Structural and geological mapping suggest that these new zones are aligned in two main northeasterly trends. Other than the main Ccalla and nearby Azulccacca zones, most of these targets have not been drilled as yet and all represent prime targets for continued exploration with the potential to significantly increase the property resource base.

In 2020 no exploration was conducted at Cotabambas, as the Company is the project manager for the Humamantata Project with JOGMEC. Any plans for 2020 at Cotabambas were deferred due to COVID-19 and the delays and safety protocols that were required for all staff, and it was determined that it was safer for all employees for the Company to focus on one exploration project.

4.2 Antilla Copper/Molybdenum Project

Property Description and Location

The Antilla Project is located near the small town of the same name in the District of Sabaino, Province of Antabamba, Department of Apurimac, Perú. The centre point of the exploration concession lies at UTM coordinates 8,414,000N, 718,500E between elevations 3300 and 4100 metres above sea level. The Company holds a total of 12 concessions with an area of 7400 hectares.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The area is at present most easily accessible from Cuzco via the 366 km Cuzco-Abancay-Antilla road. In the future, access from either Lima or Cuzco will be improved with construction of a 6-8 km link to the southwest to the road between Antabamba and the paved highway between Lima and Cuzco. The total road distance between the Antilla project and the Lima-Cuzco highway will then be approximately 33 km. The nearest harbour is at Marcona and the nearest smelter is at Ilo.

Physiographically, the area is characterized by steep terrain with deeply incised valleys on the eastern slope of the Western Cordillera of the Andes. Drainage flows to the Atlantic Ocean via the Chalhuanca and the Antabamba rivers. The climate is mild and moderately rainy, characterized by long winters between June and November and abundant summer rains from December to March.

History

In 1999, Southern Perú Copper S.A. ("SPCC") carried out exploration work, including drilling on an optioned property immediately to the east of what was later to become the Antilla project. Anaconda evaluated the same adjoining property in 2000. In 2002, CDLM investigated geochemical anomalies to the west of the SPCC property

and subsequently staked the first 2800 hectares comprising the Antilla project.

In 2003 and 2004, CDLM completed 1:5000 scale geological mapping on the central part of the property consisting of the so-called East and West Blocks and carried out reconnaissance mapping on the remainder of the property and on adjacent third party claims. Systematic rock and soil geochemical sampling was carried out on a 100-m by 50-m line grid approximately over a part of the West Block during which time 734 rock samples and 1,727 soil samples were taken. In addition, 214.2 line km of magnetic survey and 43.6 km of IP survey were completed. Towards the end of this exploration campaign, CLDM drilled 19 holes totaling 4,012 meters.

On April 8, 2010, the Company entered into a joint venture agreement (“JV”) with Chancadora Centauro SAC (“Centauro”) for the development of the Antilla copper molybdenum project in Perú. Under the terms of the agreement, Centauro committed to making cash payments of US\$8 million and spending US\$17 million over a 30-month period. A payment of US\$1.0 million on signing was received by the Company from Centauro.

Centauro received the following from the Company a right to match any offer by a third party on Panoro’s 100% owned Cotabambas project and a US\$1,000,000 (CAD\$1,064,600) credit towards any such offer accepted by Centauro, provided they maintain an interest in Antilla, and equipment at the Antilla project including trucks, tents, computers, and a generator.

On July 17, 2010, the scheduled second cash payment from Centauro due under the Antilla agreement was not received. The Company subsequently provided Centauro with the required notifications relating to the lack of receipt of payment and the fact that this constituted a breach of the agreement. On September 23, 2012, the Court of Arbitration of the Lima Chamber of Commerce issued a final ruling, which stated the Joint Venture between Centauro and Panoro had been legally terminated. Therefore the Antilla concession is owned 100% by Panoro. The Court of Arbitration did not award damages to either party in this dispute.

In January 2013, the Company regained access to the Antilla property, drill core and equipment. Equipment provided to the JV and valued at \$82,663 was entered as a receivable in the financial statements but was not found to be in useable condition upon gaining access to Antilla. As a result, the Company wrote off the equipment receivable to exploration and evaluation assets.

On December 16, 2013, Panoro announced the results of an updated resource estimate prepared by TetraTech’s which included the exploration data from the 2010 drill program.

2016 Antilla PEA Dated June 11, 2016

The Antilla project is a copper-molybdenum porphyry deposit, located 140 km south west of the city of Cusco, in the Apurimac region in Southern Perú. On May 2, 2016, the Company issued a news release announcing the results of a Preliminary Economic Assessment of the Antilla Project and a Technical Report was filed on SEDAR on June 16, 2016.

Highlights of the 2016 Antilla PEA, directly excerpted from the May 2, 2016, news release, include:

- Pre-tax NPV(7.5%) is US\$ 491 million, IRR is 22.1% and payback is estimated at 3.3 years
- After-tax NPV(7.5%) is US\$ 225 million, IRR is 15.1% and payback is estimated at 4.1 years
- Conventional open pit mining and flotation processing
- Design throughput of 40,000 tonnes per day with an operational life of mine of 24 years
- low waste to mill feed ratio of 0.85:1
- Average annual payable copper of 81 million pounds
- Average annual payable molybdenum of 1.9 million pounds
- Average direct cash costs (C1) of US\$1.83 per pound of payable copper, net of byproduct credits
- Initial project capital costs of US\$ 603 million, including contingencies
- Good potential for discovery of additional mineralization adjacent to the current mineral resource area.

The 2016 Antilla PEA was prepared by SRK Consulting (Canada) Inc. (“SRK”) and Moose Mountain Technical Services Ltd. (“MMTS”) in accordance with the definitions in NI 43-101. The 2016 Antilla PEA is based on a Mineral Resource estimate completed by Tetra Tech Inc. (“Tetra Tech”) in December 2013, based on 2,919 metres of drilling from legacy campaigns (2003-5), 9,130 metres of drilling by Panoro (2008), and 2,242 metres of drilling

during a joint venture agreement with Chancadora Centauro SA (CHC) in 2010. The Mineral Resource estimate includes primary and supergene sulphides, as well as oxide copper.

A PEA is considered preliminary in nature. It includes Inferred Mineral Resources that are considered too speculative to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Economics

The table below summarizes base case economic metrics for the project as well as its sensitivity to the price of copper:

Table 1. Summary of 2016 Antilla PEA estimates of NPV, IRR, and Payback

Copper Price (\$/lb)	Before Tax*					After Tax				
	NPV 5% (million USD)	NPV 7.5% (million USD)	NPV 10% (million USD)	IRR (%)	Payback (Years)	NPV 5% (million USD)	NPV 7.5% (million USD)	NPV 10% (million USD)	IRR (%)	Payback (Years)
2.75	389	261	161	16.2	4.0	163	78	11	10.5	4.8
3.00	676	491	350	22.2	3.3	348	225	131	15.1	4.1
3.25	964	721	538	27.7	2.7	529	369	248	19.0	3.6

* Note: base case at Cu=\$US 3.00 in bold, all cases include Mo=\$US 12.00; excludes Perú statutory charges, i.e. profit sharing, regulatory fees, mining royalty, special mining tax, and income tax

Project economics were estimated on the basis of long term metal price forecasts derived from prices periodically published by large banking and financial institutions and included copper at \$3.00/lb, and molybdenum at \$12.00/lb.

Mineral Resources

The 2016 Antilla PEA was based on a Mineral Resource model prepared by Tetra Tech, which is documented in a technical report filed on SEDAR, dated December 16, 2013.

A block model was generated with grade estimation constrained by modeled mineralization wireframes. Mineralization is mined from an open pit and treated using conventional flotation and hydrometallurgical flow sheets. Copper equivalent (CuEq) cut-offs were used to report the mineral resource. Metal prices: copper - US\$3.25/lb and molybdenum – US\$9.00/lb and metallurgical recoveries: copper - 90% and molybdenum – 80% were applied in the equivalency calculation.

During the preparation of the 2016 Antilla PEA, Tetra Tech re-classified the mineral resources and also revised the pit shell used to constrain the mineral resource for reporting, using more current pit optimization parameters. The estimation parameters for the 2015 mineral resource model are identical that of 2013.

The updated Mineral Resource has an effective date of October 19, 2015, and is tabulated in Table 2.

Table 2. Mineral Resource Statement*, Antilla Project, Perú, Tetra Tech Inc., October 19, 2015

Domain	Quantity		Grade	
	'000 tonnes	Cu %	Mo %	CuEq%
Indicated				
Overburden/Cover	5,600	0.25	0.01	0.28
Leach Cap	13,400	0.25	0.01	0.27
Supergene	168,900	0.41	0.01	0.42
Primary Sulphides	103,900	0.24	0.01	0.26
Total Indicated	291,800	0.34	0.01	0.36
Inferred				
Overburden/Cover	500	0.22	0.009	0.24
Leach Cap	13,400	0.21	0.008	0.22
Supergene	25,900	0.34	0.008	0.36
Primary Sulphides	50,700	0.24	0.007	0.25
Total Inferred	90,500	0.26	0.007	0.28

* Reported at a cut-off grade of 0.175 CuEq%; assuming an open pit extraction scenario, a copper of US\$3.25 per pound and a molybdenum price of US\$ 9.00 per pound, and a metallurgical recovery of 90 percent for copper and 80 percent for molybdenum.

The revised reporting methodology for the 2015 Mineral Resource statement has resulted in a positive and significant net redistribution of material from Inferred to Indicated compared to the 2013 mineral resource statement. A detailed analyses of the 2013 to 2015 mineral resource reconciliation will be provided in the technical report being prepared to support the 2016 Antilla PEA. Primary reasons for the change include a revised pit shell used to constrain mineral resource reporting, a drop in reporting cut-off grade from 0.20 CuEq% to 0.175 CuEq% and the unique distribution of grade within the deposit.

Table 3 tabulates the variance between the 2013 and 2015 mineral resource statements, which highlights the net increase in Indicated mineral resources at the expense of Inferred mineral resources. The small decreases in metal grades, due to the lower cut-off grade, are offset by large increases in tonnage; therefore this update reports a net increase in metal over previous estimates.

Table 3. Reconciliation* Table Comparing the December 2013 and October 2015 Mineral Resource Statements

Domain	Quantity	Grade		
	'000 tonnes	Cu %	Mo %	CuEq%
Indicated				
Overburden/Cover	22%	-7%	0%	-7%
Leach Cap	54%	-11%	10%	-10%
Supergene	27%	-9%	-20%	-9%
Primary Sulphides	144%	-20%	-10%	-19%
Total Indicated	55%	-16%	-15%	-15%
Inferred				
Overburden/Cover	101%	-8%	-10%	-8%
Leach Cap	59%	-5%	-20%	-8%
Supergene	-47%	3%	-20%	6%
Primary Sulphides	-42%	-8%	-30%	-7%
Total Inferred	-38%	-6%	-26%	-5%

* Reconciliation: 22% = (2015-2013)/2013

Mining and Processing

The 2016 Antilla PEA incorporates an open pit mining operation using conventional truck and shovel methods. The estimated 24-year life of mine includes 350 million tonnes of mill feed plus 297 million tonnes of waste rock resulting in an average waste:mill feed ratio of 0.85:1. The average life of mine mill feed grade is 0.31% copper and 0.009% molybdenum. The mill throughput is planned at 40,000 tonnes per day through the processing plant that will be located approximately 1 km to the West of the Antilla ultimate pit limit. Approximately half of the wasterock

will be used for construction of the Tailings Storage Facility (“TSF”) with the remaining wasterock placed in storage areas around the pit limit and within the pit.

The sub-set of the Mineral Resources contained within the ultimate pit and included in the mine plan is 291.1 million tonnes averaging 0.322% Cu and 0.0089% Mo classified as Indicated Resources and 59.8 million tonnes averaging 0.249% Cu and 0.0071% Mo classified as Inferred Resources. Inferred Resources are included in the mine plan but are considered too speculative geologically to have economic considerations applied to them that would enable categorization as Mineral Reserves. There is no certainty that Inferred Resources will be upgraded to Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Table 4 summarizes the production parameters:

Table 4. Projected Production Summary

Total Mill Feed Material*	350.4 million tonnes*	
Average Processing Rate	40,000 tonnes per day	
Life of Mine (LOM) Strip Ratio	0.85	
	Copper	Molybdenum
Average Mill Feed Grade	0.31%	0.009%
Average Process Recoveries	84.5%	67.4%
* The cut-off grade used to calculate the mill feed is NSR \geq 6.1 NSR is calculated using the following formula: NSR = [Cu grade (%) * Cu process recovery (%) * 57.76] + [Mo grade (%) * Mo process recovery (%) * 203.93]. The total mill feed tonnes do not include 0.5 Mt of stockpiled material that will not be processed at the end of the mine life since this material forms the base of the stockpile pad.		

The run of mine mineralized material will feed a gyratory crusher ahead of a conventional SAG and ball mill grinding circuit. A bulk copper-molybdenum concentrate will be recovered in rougher and scavenger flotation stages. Following regrinding, molybdenum will be separated from the bulk concentrate in three or more stages of cleaner flotation. Both concentrates will be thickened and filtered while the tailings will be thickened prior to being pumped to the TSF.

For the two main zones (Supergene and Primary Sulphide), the copper concentrate will be 20% to 30% Cu, a clean concentrate free of penalty elements and precious metal content below payable levels. The molybdenum concentrate will be 32% to 40% Mo; future testwork will determine if further processing is required to reduce the copper and zinc levels. Both concentrates will be transported off site via truck with the copper concentrate shipped out of the port of Marcona, in Nazca province.

Metallurgical testwork was completed in 2013 by Certimin Laboratories S.A. in Lima, Perú on individual samples of Supergene and Primary Sulphide mineralised material. No metallurgical testwork has been conducted on the Cover or Leach Cap domains.

Table 5 summarizes the expected recoveries of the four mineralized domains, with the Cover and Leach Cap performance assumed to follow the main domains based on similar copper mineralogy/speciation.

Table 5. Summary of Metallurgical Recoveries Estimated in the PEA

Mineralized Domain	Cu Recovery (%)	Mo Recovery (%)
Cover*	80	65
Leach Cap*	75	65
Supergene	85	70
Primary Sulphide	85	65
* QP estimates - no supporting testwork completed		

Projected production of payable metals is summarized in Table 6.

Table 6. Summary of Annual Average and Life of Mine Payable Metals

	Annual Average	Life of Mine
Copper (Mlbs)	81.0	1,944
Molybdenum (Mlbs)	1.9	44

Tailings

Flotation tailings will be pumped as a low solids content slurry to the TSF and discharged via spigots. The TSF containment dam will be constructed predominantly from wasterock produced from the mining activities and will include a geomembrane liner on the upstream face. Additional zones within the containment dam will be constructed with borrow material. Dam construction will be staged over the life of the mine using the downstream construction method. Reclaimed water from the TSF will be circulated back to the mill. At closure, the tailings surface will be covered with a geosynthetic membrane liner and a growth medium, and the downstream face of the containment dam will be covered with a growth medium.

Capital and Operating Costs

The projected capital and operating costs for Antilla over a 2 year construction period and 24 year operating mine life are summarized in the tables below.

Table 7. Summary of Antilla Initial Capital Cost Estimates (US\$ millions)

Item	Cost (US\$ million)
Mine Equipment	51
Mine Development	55
Process Plant	187
Tailings Storage Facility	18
Infrastructure	85
Subtotal	396
Owners Cost	28
Indirect Costs	82
Subtotal	506
Contingencies	97
Total Initial Capital Cost	603

Power will be supplied via a 50 km long power line connected to the national grid at the Cotaruse substation in the district of Chalhuana to the southwest of the Antilla project. Copper concentrate will be trucked by contractor from the mine site to the port of Marcona, in Nazca province, along existing road networks.

Table 8. Antilla Sustaining Capital and Mine Closure Costs (US\$ millions)

Item	Cost (US\$ million)
Mine Equipment	133
Tailings Storage Facility	181
Infrastructure	10
Total Sustaining Capital Cost	324
Mine Closure	92
Sustaining Capital and Closure Cost	416

Table 9. Antilla On-site Operating Costs (US\$ per tonne milled)

Item	Cost (US\$ million)
Mining Cost	3.57
Processing Cost	4.78
G&A Costs	0.75
Total On-site Operating Cost	9.10

C1 and C2 cash costs (as defined by Brook Hunt) per pound of payable copper are listed in the table below.

Table 10. Antilla Average Cash Costs (US\$) per lb Payable Copper

Item	Cost (US\$ million)
C1 - Direct Cash Cost	1.83
C2 - Production Cost	2.35

Opportunities for Project Growth and Enhanced Economics

- Tetra Tech recommends that further investigation of the Antilla deposit is warranted and necessary. There is potential to add new mineral resources at depth and in the Northeast and Southeast sides of the pit shell. Tetra Tech recommends that additional drilling be carried out to reduce the drill spacing in those zones with copper mineralization, where drill spacing distances are greater than 100 m. Additional drilling will determine, with greater confidence, both the continuity and extents of copper mineralization within and outside of the known deposit.
- Tetra Tech recommends an extension of the current exploration grid to include the West Block, North Block, Middle Block and Chabuco exploration targets. Tetra Tech recommends continued geochemical sampling and geophysical surveys over these areas located next to the current mineral resources.
- Mill feed hardness could be consistently soft through mine life and lower crushing and grinding power requirements or alternately allow the plant to operate at higher capacity
- Potential to use a contractor mining fleet and reduce initial capital costs
- Potential to use larger equipment sizes and reduce mining costs
- Considering the very preliminary metallurgical testwork undertaken on the project to date, there is potential to increase recoveries with additional metallurgical testing and to improve discrimination between metallurgical types within the deposit

Future Work

Further work leading to a Pre-Feasibility Study on Antilla is recommended and will include drilling, mineral resource modeling, metallurgical testwork, engineering and marketing studies, hydrological and geotechnical analysis, as well as various baseline environmental and archeological studies. In addition, exploration work will be recommended over the other targets in the vicinity of the known deposits.

Tailings

Comprehensive tailings and waste rock geochemical testing is required to confirm whether additional control and mitigation measures may be required and whether there may be an opportunity to eliminate the need for a geosynthetic membrane in the closure cover system.

Geotechnical characterization of the tailings storage facility dam foundation and basin are required to confirm the proposed design. Borrow material and waste rock geotechnical characterization studies are also required. There are alternative areas for tailings storage inside and outside the property and a study of analysis of alternatives will be developed.

Environment and Permitting

Existing environmental liabilities associated with the project are restricted to those expected to be associated with an exploration-stage project, and include drill sites and access roads. Additional Environmental Baseline studies should be conducted to collect site data including surface water quality, archeology, aquatic and terrestrial biology, flora, fauna, and additional geochemical characterization of mine waste materials. This information will inform a comprehensive Environmental Impact Study.

In 2017 and early 2018 the Company reviewed the results of the 2016 Antilla PEA to assess the potential to reduce project scale, capital cost and operating costs before advancing with additional studies or exploration.

Technical Reporting

The complete technical report documenting the 2016 Antilla PEA was filed on June 16, 2016, and is available on Panoro's website and on SEDAR. The technical report was authored by the following Qualified Persons:

Qualified Person	Firm	PEA Area	Professional Affiliation (and registration number)
Paul Daigle, PGeo	Tetra Tech Inc.	Geology, resources	APGO (#1592)
Jesse Aarsen, PEng	Moose Mountain Technical Services Ltd.	Mining	APEGBC (#38709) APEGA (#74969)
Adrian Dance, PEng	SRK Consulting (Canada) Inc.	Mineral processing	APEGBC (#37151)
Maritz Rykaart, PEng	SRK Consulting (Canada) Inc.	Tailings, environmental	APEGBC (#28531)
Goran Andric, PEng	SRK Consulting (Canada) Inc.	Infrastructure	PEO (#100103151)
Brian Connolly, PEng	SRK Consulting (Canada) Inc.	Economic analysis	PEO (#90545203)
Luis Vela, CMC	Panoro Minerals Ltd.	Exploration, mineral tenure, permits	CMC (#0173)

In early 2018, the Company commenced work on a new a new PEA, the “2018 Antilla PEA”, which was filed on SEDAR on June 26, 2018. Highlighted below are the changes to the 2016 Antilla PEA and the portions relied upon from the 2016 Antilla PEA.

2018 Antilla PEA

Highlights

- Pre-tax Estimates:
 - NPV (7.5%) of US\$ 519.8 million;
 - IRR of 34.7%; and
 - Payback of 2.6 years.
- After-tax Estimates:
 - NPV (7.5%) of US\$ 305.4 million;
 - IRR of 25.9%; and
 - Payback of 3.0 years.
- Conventional open pit mine focused on supergene copper sulphides;
- Heap Leach and Solvent Extraction Electrowinning (SX/EW) process;
- Design throughput of 20,000 tonnes per day with an operational mine life of 17 years
- Low waste to mill feed ratio of 1.38:1;
- Average annual payable copper of 46.3 million pounds, as Cathodes;
- Average direct cash costs (C1) of US\$1.51 per pound of payable copper;
- Initial Project capital costs of US\$ 250.4 million, including contingencies; and
- Good potential for discovery of additional supergene mineralization adjacent to the current mineral resource area.

Having completed the optimization of the Antilla Project, the Company will be completing a strategic review of the development and financing plans to put the Antilla Project on the road to development.

The 2018 Antilla PEA was prepared by Moose Mountain Technical Services Ltd. (“MMTS”) in accordance with the definitions in Canadian National Instrument 43-101. The 2018 Antilla PEA is based on a Mineral Resource estimate completed by Tetra Tech Inc. (“Tetra Tech”) in December 2013, based on 2,919 metres of drilling from legacy campaigns (2003-5), 9,130 metres of drilling by Panoro (2008), and 2,242 metres of drilling during a joint venture agreement with Chancadora Centauro SA (CHC) in 2010. The Mineral Resource estimate includes primary and supergene sulphides, as well as mixed hypogene and supergene copper mineralization.

The 2018 Antilla PEA is considered preliminary in nature. The mine plan of the 2018 Antilla PEA includes 113.3 million tonnes of Indicated Mineral Resources and 5.4 million tonnes of Inferred Mineral Resources. Inferred

Mineral Resources are considered too speculative to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the 2018 Antilla PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The redesign of the Antilla Project has resulted in significantly improved project economics. The mine plan has focused on the higher grade, near surface secondary sulphides, which are amenable to processing through heap leaching, solvent extraction, and electrowinning (LIX-SX-EW). As a result, the initial capital costs have been reduced by 59%, the C1 cash costs reduced by 18%, the C2 cash costs by 23% and the sustaining capital required for a tailings facility has been eliminated. The base case, after tax NPV_(7.5) has increased 36%, the IRR has increased 11% and the payback period has been reduced by 27%. Over 95% of the mineralized material contained in the mine plan is classified as Indicated. The improved Antilla Project is now near the lower quartile of new copper projects in terms of both cash costs and capital intensity. The much reduced \$250 million initial capital cost will facilitate a broader range of strategic financing and/or development approaches to advancing the Antilla Project through feasibility studies and into development and operation. We are very pleased to have achieved the objective of optimizing the Antilla Project and look forward to advancing our strategic plan. We continue focussing on our Flagship Cotabambas Project where our investment programs for 2018 and 2019 are focussing on enhancing the project economics and growth profile through exploration success.”

Economics

The table below summarizes base case economic metrics for the project as well as its sensitivity to the price of copper:

Table 1. Summary of 2018 Antilla PEA estimates of NPV, IRR, and Payback

Copper Price (\$/lb)	Before Tax*					After Tax				
	NPV 5% (million USD)	NPV 7.5% (million USD)	NPV 10% (million USD)	IRR (%)	Payback (Years)	NPV 5% (million USD)	NPV 7.5% (million USD)	NPV 10% (million USD)	IRR (%)	Payback (Years)
2.75	487	383	301	28.8	2.9	232	169	118	18.7	3.6
3.05	648	520	419	34.7	2.6	394	305	236	25.9	3.0
3.25	755	611	497	38.4	2.5	501	397	314	30.3	2.7

* Excluding Perú statutory charges, i.e. profit sharing, regulatory fees, mining royalty, special mining tax, and income tax

** The economic results are based on the heap leach tonnages in the selected ultimate pit. The heap leach tonnages include Inferred Resources. The reader is cautioned that Inferred Resources are considered too speculative geologically to have the economic considerations applied to them that would enable categorization as Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Note: base case at Cu=\$US 3.05 long term price in bold,

Project economics were estimated on the basis of long-term copper price of US\$3.05/lb. The long-term forecasts were derived from prices periodically published by large banking and financial institutions and were applied to years 4 to 17 of the mine life. Shorter term copper price estimates were used for Years 1 to 3 of the mine life reflecting higher price forecasts in the shorter term. For the base case, Years 1 to 3 of the mine life used estimated copper prices of \$3.20, \$3.15 and \$3.10, respectively. Molybdenum is not included in the proposed process recovery and not included in the project economics.

Mineral Resources

The 2018 Antilla PEA was based on a Mineral Resource model prepared by Tetra Tech, which is documented in a technical report filed on SEDAR, dated December 16, 2013, and which are summarized in the 2016 Antilla PEA.

Mineral Resources were estimated by Qualified Person Paul Daigle, P.Ge. (APGO #1592). A block model was generated with grade estimation constrained by modeled mineralization wireframes. Mineralization is mined from an open pit and treated using a conventional hydrometallurgical flow sheet. Copper equivalent (CuEq) cut-offs were used to report the mineral resource. Metal prices: copper - US\$3.25/lb and molybdenum – US\$9.00/lb and metallurgical recoveries: copper - 90% and molybdenum – 80% were applied in the equivalency calculation.

The Mineral Resource has an effective date October 19, 2015 and is tabulated in Table 2.

Table 2. Mineral Resource Statement*, Antilla Project, Perú, Tetra Tech Inc., October 19, 2015

Domain	Quantity '000 tonnes	Grade		
		Cu %	Mo %	CuEq%
Indicated				
Overburden/Cover	5,600	0.25	0.01	0.28
Leach Cap	13,400	0.25	0.01	0.27
Supergene	168,900	0.41	0.01	0.42
Primary Sulphides	103,900	0.24	0.01	0.26
Total Indicated	291,800	0.34	0.01	0.36
Inferred				
Overburden/Cover	500	0.22	0.009	0.24
Leach Cap	13,400	0.21	0.008	0.22
Supergene	25,900	0.34	0.008	0.36
Primary Sulphides	50,700	0.24	0.007	0.25
Total Inferred	90,500	0.26	0.007	0.28

* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Reported at a cut-off grade of 0.175 CuEq%; assuming an open pit extraction scenario, a copper of US\$3.25 per pound and a molybdenum price of US\$ 9.00 per pound, and a metallurgical recovery of 90 percent for copper and 80 percent for molybdenum.

Mining and Processing

The 2018 Antilla PEA incorporates an open pit mining operation using conventional truck and shovel methods delivering mineralized material to the heap leach pad. Mining will be done using contractors. The estimated 17-year life of mine includes 118.7 million tonnes of mineralized leach pad feed plus 163.4 million tonnes of waste rock resulting in an average waste:process feed ratio of 1.38:1. The average life of mine leach pad head grade is 0.43% copper. The leach material placement is planned at an average rate of 20,000 tonnes per day. The waste rock will be placed in a storage area to the west of the pit, in between the pit and the leach pad.

Of the 118.7 million tonnes of leach material mined from the open pit, 117.1 million tonnes is classified as supergene enriched material with the balance of the 1.6 million tonnes being classified as overburden, leach cap or primary sulphides.

The sub-set of the Mineral Resources contained within the ultimate pit and included in the mine plan is 113.3 million tonnes averaging 0.45% Cu classified as Indicated Resources, and 5.4 million tonnes averaging 0.26% Cu classified as Inferred Resources. The reader is cautioned that the Inferred Resources included in the mine plan are considered too speculative geologically to have economic considerations applied to them that would enable categorization as Mineral Reserves. There is no certainty that Inferred Resources will be upgraded to Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Table 3 summarizes the production parameters:

Table 3. Projected Production Summary

Total Mill Feed Material*	118.7 million tonnes**
Average Placement Rate	20,000 tonnes per day
Life of Mine (LOM) Strip Ratio	1.37
Copper	
Average Mill Feed Grade	0.43%
Average Leaching Recoveries	71.9%

* The leach material in the mine plan includes Inferred Resources. The reader is cautioned that Inferred Resources are considered too speculative geologically to have economic considerations applied to them that would enable categorization as Mineral Reserves. There is no certainty that Inferred Resources will be upgraded to Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

** The cut-off grade used to calculate the leach material is $NSR \geq \$8.10$. NSR is calculated using the following formula:

$$NSR = [Cu \text{ grade (\%)} * Cu \text{ leach recovery (\%)} * 57.76].$$

Haul trucks will deliver the run of mine, mineralized material to a two-stage crushing plant. The product from the primary crusher will feed a secondary crushing station whose product will then be stored in a crushed ore stockpile. The crushed material will be loaded to trucks and delivered to the synthetic lined valley-fill heap leach facility for irrigation with sulfuric acid and ferric solutions. The pregnant leach solution (PLS) will be recovered from the heap leach operation and piped to a conventional solvent extraction and electrowinning (SX-EW) plant to produce grade-A copper cathodes. The copper-stripped solution generated in the SX plant (raffinate) will be conditioned with sulfuric acid and fresh water and then recycled to the heap leaching operation to irrigate more mineralized material.

Preliminary metallurgical characterisation testwork was completed on samples of mineralogical materials from the Antilla project in 2017. An extended testwork program was initiated at Aminpro Laboratories in March 2018 under the direction of Tetra Tech Mining and Minerals. Aminpro Laboratories are fully certified under both ISO 9001 and 1400. The testwork program comprises quantitative mineralogical analysis, sulphuric acid and ferric sulphate bottle roll predictor tests and column leach tests aimed at characterising the copper leaching characteristics of supergene mineralogical materials. Results from the predictor tests indicate secondary copper minerals are available for extraction with close to theoretical copper extractions being achieved. The column tests remain under leach and are estimated to be completed by September 2018. The results from the column leach program will be incorporated in subsequent technical studies. No test work has been conducted on the Cover, Cap and Primary Sulphide domains as these constitute only minor portions of the deposit.

Table 4 summarizes the expected recoveries of the four mineralized domains, with the Cover and Leach Cap performance assumed to follow the main domains based on similar copper mineralogy/speciation.

Table 4. Summary of Metallurgical Recoveries Estimated in the 2018 Antilla PEA

Mineralized Domain	Cu Recovery (%)
Cover*	31.1
Leach Cap*	38.0
Supergene	72.5
Primary Sulphide*	21.2

* QP estimates - no supporting testwork completed

Projected production of payable metals is summarized in Table 5.

Table 5. Summary of Annual Average and Life of Mine Payable Metals

	Annual Average	Life of Mine
Copper (Mlbs)	46.3	787.5

Capital and Operating Costs

The projected capital and operating costs for Antilla over a 1 ½ year construction period and 17 year operating mine life are summarized in the tables below.

Table 6. Summary of Antilla Initial Capital Cost Estimates (US\$ millions)

Item	Cost (US\$ million)
Mine Equipment	1.3
Mine Development	41.1
Crushing, SX, and EW plants	94.7
Infrastructure	42.4
Subtotal	179.5
Owners Cost	7.8
Indirect Costs	13.7
Subtotal	201.0
Contingencies	49.4
Total Initial Capital Cost	250.4

Power will be supplied via a 10 km long power line connected to the existing national grid connecting the Las Bambas mine to the Cotaruse substation in the district of Chalhuanca. This power line passes by the south part of Antilla property.

Grade-A copper cathodes produced by Antilla Project will be trucked by a contractor from the mine site to the port of Marcona, in Nazca province, along existing road networks.

Table 7. Antilla On-site Operating Costs (US\$ per tonne milled)

Item	Cost (US\$ per tonne)
Mining Cost	1.63
Processing Cost (including crushing)	3.85
Leach Material Haulage Cost (average)	0.81
G&A Costs	0.75
Total On-site Operating Cost	7.04

C1 and C2 cash costs, as defined by Brook Hunt, per pound of payable copper are listed in the table below.

Table 8. Antilla Average Cash Costs (US\$) per lb Payable Copper

Item	Cost (US\$ million)
C1 - Direct Cash Cost	1.51
C2 - Production Cost	1.82

Opportunities for Project Growth and Enhanced Economics

- Tetra Tech recommends that further investigation of the Antilla deposit is warranted and necessary. There is potential to add new mineral resources at depth and in the Northeast and Southeast sides of the pit shell. Tetra Tech recommends that additional drilling be carried out to reduce the drill spacing in those zones with copper mineralization, where drill spacing is greater than 100 m. Additional drilling will determine, with greater confidence, both the continuity and extents of copper mineralization within and outside of the known deposit.
- Tetra Tech recommends an extension of the current exploration grid to include the West Block, North Block, Middle Block and Chabuca exploration targets. Tetra Tech recommends continued geochemical sampling and geophysical surveys over these areas located next to the current mineral resources.

- Considering the preliminary metallurgical testwork undertaken on the project to date, there is potential to increase recoveries with additional metallurgical testing

Future Work

Further work leading to a Pre-Feasibility or Feasibility Study is recommended and will include drilling, mineral resource modeling, metallurgical testwork, engineering, and marketing studies, hydrological and geotechnical analysis, as well as various baseline environmental and archeological studies. In addition, exploration work will be recommended over the other targets in the vicinity of the known deposits.

Environment & Permitting

Existing environmental liabilities associated with the project are restricted to those expected to be associated with an exploration-stage project, and include drill sites and access roads. Additional Environmental Baseline studies should be conducted to collect site data including surface water quality, archeology, aquatic and terrestrial biology, flora, fauna, and additional geochemical characterization of mine waste materials. This information will inform a comprehensive Environmental Impact Study.

Technical Reporting

The complete technical report documenting the 2018 Antilla PEA was filed in June 2018 and is available on Panoro's website and on SEDAR. The technical report was authored by the following Qualified Persons:

Qualified Person	Firm	PEA Area	Professional Affiliation (and registration number)
Jesse Aarsen, PEng	TetraTech Inc. Moose Mountain Technical Services Ltd.	Geology, Resources Mining, Infrastructure	APEGBC (#38709)
Luquman Shaheen, PEng Andrew Carter	Panoro Minerals Ltd Tetra Tech Inc.	Marketing, Copper Pricing Mineral Processing and Metallurgical Testing	APEGBC (#21675) EURING (#2920GB) CENG (#378467) MIMMM (#46421) SAIMM (#19580) SME (#4112502)
Daniel Sepulveda	Moose Mountain Technical Services Ltd.	Recovery Methods, Processing Capex and Opex	SME #4206787RM
Luis Vela, CMC	Panoro Minerals Ltd.	Exploration, mineral tenure, permits	CMC (#0173)

Column leach testing

After the 2018 Antilla PEA was filed in June 2018, column leach testing of the supergene secondary sulphides at the 100% owned Antilla Project.

The column leach testing indicates that copper extractions of up to 77% are potentially achievable from the secondary sulphides. The 2018 Antilla PEA results announced in May 2018 included an estimated 72.5% copper recovery over a 200 day span from the secondary sulphides. The 2018 Antilla PEA mine plan included 117 million tonnes of secondary sulphides or 98% of the feed to the heap leach pad. The column testwork was initiated early in 2018 while the 2018 Antilla PEA was underway but final results were not available until July 2018. The recoveries estimated for the 2018 Antilla PEA were derived from bottle roll and mineralogic testwork available at the time of the completion of the PEA. Based on the foregoing 75% Cu extraction in 200 days is an appropriate figure to use for PEA level studies.

The column leach tests indicate the potential for recoveries higher than estimated by the bottle roll tests included in the 2018 Antilla PEA estimate. Additional testing is planned in future as part of feasibility studies for the Antilla Project. The Company is currently reviewing strategic alternatives to advance the Antilla Project into feasibility studies, permitting and development.

The Antilla Project process included in the 2018 Antilla PEA is based on leaching secondary sulphides. This led to a column leach program, together with associated mineralogical and bottle roll leach testwork, being implemented

during March 2018 at Aminpro Laboratories, an ISO 9001 and 14001 Laboratory based in Lima, Perú. All works were designed and supervised by Andrew Carter, General Manager of Mining and Minerals of Tetra Tech Inc., UK Office.

Exploration Potential

Current mineral resources at Antilla are located in the eastern part of the property where copper and molybdenum mineralization are associated with quartz-monzonite porphyries of the middle Eocene to early Oligocene Andahuaylas-Yauri batholith which have intruded quartzites and arenites of the Cretaceous Soraya formation. In the western part of the property, similar late phase porphyries intrude arenites, shales and limestones of the Jurassic Piste formation. The potential to increase the resource at the Antilla project includes a number of possibilities, as follows:

Local-Scale - Drilling to date indicates that supergene mineralization extends both north and south of the current resource as well as, in places, to depth. Additional drilling could add to the resource in these areas.

District-Scale - Systematic geochemical sampling and geological mapping suggest that the current limits of the mineral resource are located in the center of an east-west structural trend some 2.5 km wide and 5 km long. The trend is characterized by significant anomalous copper, molybdenum and gold, and includes outcropping quartz monzonite porphyry exhibiting copper mineralization and potassic alteration as well as an apparent leached cap zone developed in the arenites of the Soraya formation. The zones including geochemistry anomalies located around the current resources are named: Chabuca, North block, the Intermedium block, West block I and West block II.

The extensive copper anomaly in Chabuca has an area of 1.3 km by 1.5 km, located to the east of the current resource and the Intermedium block is located next to the west side of the conceptual pit over an area of 1.0 km by 2.0 km. In both zones, anomalous copper and molybdenum are associated with outcropping copper-mineralized and potassically altered quartz monzonite porphyry that remains unexplored. The North block is located over the hill from the pit and the copper and molybdenum anomalies are hosted by the same arenite package containing the supergene copper mineralization comprising the known mineral resource. The West block I and West block II are located from 2 km to 4 km to the west of the current resource and copper, molybdenum and gold anomalies have been defined outside of the areas already drilled. Detailed mapping and geophysics will be needed to refine targets for drilling.

Property-Scale - In the western extreme of the property, a new exploration target named Piste was recently discovered. It consists of outcropping porphyry and skarn-type mineralization hosted by limestones, arenites and shales. A program of rock chip sampling and detailed geological mapping is in progress.

A second extensive copper anomaly occurs in the 1.3 km by 1.5 km Chabuca zone located to the east of the current resource. Here, anomalous copper and molybdenum are associated with outcropping copper-mineralized and potassically altered quartz monzonite porphyry. The possibility of underlying hypogene porphyry copper mineralization in both the East and West Blocks largely remains to be tested. Additional systematic geochemical sampling is currently in progress in the north and western parts of the property.

4.3 Kusiorcco Copper Project

The Kusiorcco project is located near Hudbay's Constancia project (Indicated resources of 256 million tonnes at 0.50% copper; Inferred resources of 156 million tonnes at 0.33% copper) and the historical Katanga Mine formerly operated by Mitsui Mining and Smelting. It consists of strong, coincident 1-km by 2-km induced polarization and resistivity anomalies overlying a 300m by 500m alteration zone characterized by an intensive stockwork of quartz veins with the weathered out voids filled by iron oxides after sulphides. Panoro management believes this to be a leached outcrop of part of an altered porphyry system. The leached outcrop also suggests the possibility of a supergene enriched zone at depth. The potential of this system to host a significant porphyry copper deposit is further supported by the presence of a number of copper skarn occurrences located at the periphery of the Kusiorcco intrusive stockwork which are currently being exploited on a small scale by local artisanal miners.

On December 28, 2017, the Company transferred a 100% interest in the 12 mining concessions that comprise the Kusiorcco project in southern Perú to a wholly owned subsidiary of Hudbay. Payments are forthcoming under the agreement with Hudbay.

4.4 Cochasayhuas Project

The 1,836-hectare (formerly 5,836 hectares, as four non-core concessions will be left to lapse) Cochasayhuas property is located about 20 kilometers west of Xstrata Copper's Las Bambas project. It includes the historic San Fernando mine which was in continuous operation from 1912 to 1952 and is reported to have produced 401,000 ounces of gold and 480,000 ounces of silver (SRK, 2007). Although more than one vein system is known on the property, historical production was derived from only one shoot within the so-called Cochasayhuas vein.

During the year ended December 31, 2020, the Company entered into an agreement for sale of the Cochasayhuas Gold Project to Mintania S.A.C. ("Mintania") of Perú for a total of US\$2.45 million to be paid in instalments, plus a 5% Net Smelter Return royalty (NSR) for 15 years from the commencement of commercial production. Payments are forthcoming in the years 2021 to 2023 under the agreement with Mintania.

4.5 Promesa Project

The Promesa property comprises of three concessions covering 3,000 kms located at an elevation between 3,800m to 4,400m above sea level. It is approximately 360 kms by road from Cusco on paved highway along the Lima-Nazca highway where it turns off to the property for a further 7.2 km of rugged road. The topography in the area is generally gentle with deep valleys.

A summary of the geology taken from the SRK 2007 report describes it as follows:

"At Promesa, a composite, north-oriented, hornblende and quartz-eye bearing porphyry stock of granodiorite composition intrudes a dominantly clastic sequence of quartz-arenite and pelite of the Early Cretaceous Soraya Formation. Hydrothermal alteration is dominated by biotite and K-feldspar bearing potassic assemblages that affect the intrusive units and certain pelitic horizons of the country rock, whereas quartz-sericitic alteration is locally present in transgressive veins of D-type and more commonly occupies a peripheral position in quartz-arenite country rock. Copper mineralization accompanies moderate to weak quartz-stockworks with chalcopyrite primarily hosted by the composite porphyry stock near its contact with the host sedimentary sequence. Minor supergene chalcocite is present at the redox front in quartz-sericite altered country rock."

The work that has been done on the property consisted of geological mapping, 908 grid soil samples and 706 of rock samples. Ground geophysical surveys consisted of 95.3 line-km of magnetometer and 8.2 line-km of Induced polarization surveys that were done on May 2003. The following year, four drill holes totaling 1,540m were drilled on the property.

4.6 Humamantata Project

In October 2018, the Company entered into a joint venture agreement with JOGMEC on its Humamantata Project, located in Perú. JOGMEC will have an option to earn up to 60% indirect beneficial interest with the investment of US\$8.0 Million. Further details can be found in the history section near the beginning of this AIF.

The exploration program is to include:

- Geologic mapping over the entire property with detailed mapping over targets identified to date; which has been completed.
- A geochemistry survey with the collection of approximately 1,200 rock samples over specific targets (completed);
- Two-dimensional geophysics, (completed) including:
 - 80 km Induced Polarization survey over the entire property; and
 - 40 km of Magnetometric survey.
- Three-dimensional geophysics, including:
 - 60 km of Induced Polarization survey over entire property;
 - 80 km of Magnetometric survey; and
 - 400 point Gravity survey over 3 identified targets.

- Exploration drilling to commence in June 2021, including
 - 2,400 m of diamond drilling over three identified targets
 - each exploration drill hole of approximately 300 m depth
 - 2-3 drillholes in each of the 3 identified targets.

The proposed work program is to be fully funded by JOGMEC pursuant to the Joint Venture agreement announced in October 2018.

4.7 Other Projects

The Company's other properties, including Sancapampa, Anyo, and Morosayhuas have not received any significant work since the date of the 2007 SRK report and the reader is directed to that report for a more detailed description of each. The annual vigencias are paid each year in lieu of a work program.

The Company wrote off its interest in the Checca property in the year ended December 31, 2020, for a total write-off of \$488,556.

Acquisition and Disposition of Mindoro

In 2004 the Company entered into an agreement with Mindoro Resources Ltd. ("Mindoro") to earn a 40% interest in six mineral properties located in Surigao Province, Mindanao, Republic of the Philippines. The Company would earn its interest by incurring \$2,000,000 in exploration costs. The Company earned their 40% interest in the Surigao Joint Venture on October 20, 2006, at which point the Company had invested a total of \$2,396,003 in cash and shares.

At the beginning of 2007 the Company decided that it would focus its exploration projects exclusively on Perú, and entered into negotiations with Mindoro to sell its 40% interest in the Surigao Joint Venture to Mindoro. A Purchase and Sale Agreement was signed on March 14, 2007.

Pursuant to the Purchase and Sale Agreement, April 16, 2007, Mindoro paid the Company \$750,000 cash and issued 500,000 Mindoro common shares valued at \$0.75 per share. Mindoro made a second payment of \$500,000 cash and issued an additional 500,000 Mindoro common shares on April 8, 2008.

At the time of disposition, the likelihood of the nickel laterite prospect going into production was unknown, and the final two payments were not recorded as a receivable. The nickel laterite prospect had some production, but the ability of Mindoro to make the payments is uncertain and is not probable at this time, and therefore, the Company will record any proceeds from Mindoro in operations only when received.

In accordance with the Mindoro Agreement, the two payments are to be made as follows:

- \$500,000 on the fifteenth business day following the loading on board a ship or other conveyance for transport to a purchaser of an aggregate one million wet metric tonnes of nickel laterite, which became due on August 28, 2015, and was not paid by Mindoro to the Company; and
- \$500,000 on the first anniversary of the loading on board a ship or other conveyance for transport to a purchaser or treatment facility of an aggregate one million wet metric tons of nickel laterite, or August 28, 2016, and was not paid by Mindoro to the Company.

Mindoro has not filed its annual financial statements since 2016. This receivable is not recorded in the records of the Company, and the likelihood of any receipt of funds is very low.

Item 5: Risk Factors

The risk factors for the Company are the same risk factors that all exploration stage companies operating globally have in common. This AIF lists the major risks and uncertainties that may have a material adverse effect on the Company's securities. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also impair the Company's business operations. If the Company is unable to prevent events that have a negative effect from occurring, then its business, results of operations and financial condition and the market price of its securities could be materially and adversely affected. These risk factors should be carefully considered by investors when evaluating an investment in the Company.

5.1 Risks Inherent to the Exploration Industry

The business of exploration for minerals involves a high degree of risk which even a combination of experience, hard work, knowledge and careful evaluation may not be able to overcome. Few properties are developed into producing mines. Unprofitable efforts result not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. There is no assurance that the Company's future exploration and development activities will result in any discoveries of commercial bodies of ore. The marketability of minerals discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of mining facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on invested capital. In addition to those risk factors discussed elsewhere in this AIF, the Company is subject to the following risk factors.

5.2 Financing Risks

The Company has no history of revenues from its operating activities and currently does not have sufficient funds on hand to carry out the completion of all proposed activities. With limited resources and no source of operating cash flow the Company will require additional funding, whether through the issuance of securities or debt, to remain a going concern, satisfy contractual obligations, and to continue the development of the Company's properties even if the Company's exploration program is successful. The Company sets exploration priorities each year based on its estimated sources of funds.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and evaluation of its projects, the delay or indefinite postponement of construction, development or production on any or all such mineral property interests, or even loss of mineral property interests, the failure to meet contractual obligations as they become due, and impair its ability to remain a going concern or bankruptcy.

5.3 Exploration and Mining Risks

Title to Mineral Properties - In those jurisdictions where the Company has mineral property interests, the Company undertakes searches of mining records and obtains title opinions from reputable counsel in accordance with mining industry practices to confirm satisfactory title to properties in which it holds or intends to acquire an interest but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims, prior unregistered agreements or transfers, and title may be affected by undetected defects or native land claims. The ownership and validity of mining claims are often uncertain and may be contested. The Company is not aware of any challenges to the location or area of its mineral claims, as they are registered with Ingemmet in Perú. There is, however, no guarantee that title to the Company's properties will not be challenged or impugned in the future as the properties may be subject to prior unregistered agreements or transfers.

In Perú there is an obligation on title-holders to reach an Annual Minimum Production ("AMP") per hectare prior to the end of the 10th year of ownership, calculated from one year after the date on which the concession was granted. If the title-holder fails to comply with the AMP requirement, an annual penalty must be paid per hectare, starting at the 6th year there is an additional fee of US\$6 per hectare, until after 12 years, the additional fee increases to US\$20 per hectare. If AMP is not reached by the 15th year from 2008, the respective concessions will expire under the current law commencing in 2019 to 2038, with increases in the annual penalties based on minimum production after the 15th year, and are calculated on the basis of estimated Tax Reference Units (UIT) and increase each year.

Mineral Resource Estimates - The Company's properties are in the exploration stage and are without a known body of commercial ore. The mineral resources contained in this AIF are estimated quantities of measured, indicated and inferred mineral resources from Preliminary Economic Assessments prepared by external parties, using drill and other data collected by the Company through drilling, mapping, sampling, assaying and other geological assumptions. There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of

any mineral resource or mineral reserve estimate is a function of, among other things, the quantity and quality of available data, the assumptions made and judgments used in engineering and geological interpretation. Mineral resource and mineral reserve estimates are also uncertain because they are based on limited sampling and not the entire ore body.

No assurance can be given that any level of recovery or ore reserves will be realized or that any identified mineral deposit, even if it is established to contain an estimated resource, will every qualify as a commercial mineable ore body, which can be legally and economically exploited. Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

5.4 Permitting Risks

In general, existing and possible future environmental legislation, regulations and actions could give rise to additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Regulatory requirements and environmental standards are subject to constant evaluation and may be significantly increased, which could materially affect the business of the Company or its ability to develop its properties. Before exploration can commence on any of its mineral properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals will be obtained, or if they are obtained, if they will be granted on a timely basis. The cost of compliance with changes in governmental regulations has the potential to delay exploration, reduce the profitability of operations or preclude entirely the economic development of a property.

As exploration permits are subject to the discretion of government authorities, there can be no assurance that the Company will be successful in maintaining such permits for the Cotabambas Project, or the Antilla Project, which are the Company's most advanced stage properties. There can be no assurance that all permits which the Company may require for future exploration activities or any construction of mining facilities or conduct of mining operations will be obtainable on reasonable terms or at all, or that the terms of such permits or applicable laws and regulations will not have an adverse effect on any exploration or mining project which the Company might undertake.

Surface Rights - Obtaining title to mining concessions does not ensure permission to use surface lands. Permits for surface land use must be obtained from the individual landowners via agreements entered into between the concession title-holder and the landowner before the Company can commence the exploration and evaluation work in order to advance the projects. In the event that the owner is a local community, such communities are recognized by the Peruvian government as legal entities, so the agreement must be approved by a minimum vote of the assembly of the members of the community, as further provided in specific legislation on the matter.

The Company will require additional community agreements with local communities in order to secure the surface rights to its projects. Although past local community agreements have been successfully negotiated and completed to the satisfaction of all parties, there is no assurance that a local community agreement can be negotiated by the Company, or that the terms of an agreement will be favorable to the Company. There is also no assurance any community will honor their side of the agreement before expiry without demanding additional concessions. The timing for negotiating and completing such agreements is unpredictable. The process of obtaining such agreements may also be affected by the two-year election cycle for the councils of the local communities. While the Company believes it can successfully negotiate agreements in the future, failure to obtain a community agreement could delay or postpone indefinitely exploration and evaluation activities.

Environmental Matters - All of the Company's exploration, development and any production activities will be subject to regulation under one or more environmental laws and regulations, which can make operations expensive or prohibit them altogether. Many of the regulations require the Company to obtain permits for its activities. The Company may be subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products that could occur as a result of its mineral exploration, development and production.

All phases of the Company's operations are subject to environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for the Company and its officers, directors and employees. There is no assurance that future changes

in environmental regulations, if any, will not adversely affect the Company's business, conditions or operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at this time.

5.5 Risks Associated with Trading on a Stock Exchange

Volatility of Share Price and Trading Volume - The market price of the Company's securities has experienced wide fluctuation which may not necessarily be related to the operating performance, underlying asset values or prospects of the Company. Factors such as announcements of mineral discoveries or discouraging exploration results, changes in financial results, and other factors could have a significant effect on share price. The market price of a publicly traded stock, especially a resource issuer like Panoro, is affected by many variables in addition to those directly related to exploration or development successes or failures. Such factors include the general condition of markets for resource stocks, the general strength of the economy, the availability and attractiveness of alternative investments, and the breadth of the public markets for the stock. The effect of these and other factors on the market price of the Company's common shares suggests continued volatility. Therefore, investors could suffer significant losses if the Company's shares are depressed or relatively low trading volumes could reduce the liquidity of an equity investment. There can be no assurance that even though the Company reaches project milestones in development of its projects and publicly releases good news will result in an increase in the price of its securities.

Concentration of Shareholdings – Concentrations of shares held with a small number of investors could impact the ability of the Company to perform corporate actions. As the shares are widely held, a shareholder with a significant amount of shares could be able to influence the outcome of matters submitted to the Panoro shareholders for approval, which could include the election and removal of directors, amendments to Panoro's incorporation documents and business combinations. Panoro's interests and those of a shareholder may at times conflict, and these conflicts might be resolved against Panoro's interests.

Sales of a large number of the common shares on the open markets, or the potential for such sales, could decrease the trading price of the common shares. If any significant shareholder decides to liquidate all or a significant portion of its position, it could adversely affect the price of the common shares.

5.6 Global Financial Conditions

Market Conditions - Many industries, including the mining industry are impacted by variance in market conditions. Some of the key impacts for financial market uncertainty include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility. During 2020, copper prices started to increase, finishing 2020 at a price of \$4.15 per pound, an increase which has continued into 2021, shrugging off economic concerns, whereas prices of precious metals in 2020 were more volatile but still going up, with gold starting the year at about US\$1510/ounce which approximated its year low and finishing the year at over US\$1898/ounce. The price of silver was more volatile, starting the year at about US\$17.90 and finishing the year at about US\$26.36 ounce.

Interest Rates and Volatility - Volatility is against a background of Central Banks lowering interest rates but with little room to lower them further. Countries around the world have accumulated massive debts even during good times and further stimulus from deficit spending seems far less effective than in the past. Consumers have accumulated a lot of debt because of low interest rates and the likelihood that more consumer spending can bail everything out appears low. The brutal fighting in Syria and the massive refugee exodus towards Europe along with civic unrest in many countries have shaken confidence in the ability of governments and international bodies to deal with crises.

Against this background, we now have the turmoil resulting from the progression of the COVID-19 Coronavirus pandemic crisis. It is impossible to say how far this may go, but the effects a year later are still being felt. World trade is sharply down, oil prices have collapsed, but are slowly recovering, and stock indexes have been increasing after plunging early in 2020.

Because of difficult financial and health conditions around the world, mining exploration has become more difficult and resource development (including Panoro's) has been held up by for various reasons, including regional opposition to increased road traffic (in the case of the road closures near the Las Bambas Mine in Perú). This affected the commencement of the permitting process for exploration of the Humamantata Project, and the effects of COVID-19 throughout Perú has resulted in delays, including various shutdowns of government offices for lengthy periods.

Demand for Metals - The demand and need for metals will continue to grow. The reserves of known deposits are being depleted and the need for replacement will grow. There are fewer advanced projects in the pipeline, and management anticipates that their value will come to be recognized by both investors and the jurisdictions where they occur. Both the scarcity of funding for new discoveries and the difficulty in developing new resources are likely to limit the supply of metals to a growing and developing global population. The Company believes that in the long term, metal prices will be constructive for both exploration and development activities.

There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any mineral occurrences discovered. The price of commodities has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the USD relative to the CAD), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Metal Prices Volatility - Changes in the market price of copper, gold and other metals, which are volatile and have fluctuated widely, affect the operations of the Company. The long-term viability of the Company depends, in large part, upon the market price of metals, primarily copper, but potentially gold and other metals and minerals. The market price of copper is volatile and is affected by numerous factors beyond the control of the Company, including supply and demand. The effect of these factors cannot be accurately predicted.

COVID-19 – In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. As a result, we have experienced operational, travel, labour and supply chain disruptions as well as delays to community engagement and permitting activities. This contagious disease outbreak, which has continued to spread, with new variants, has adversely affected workforces, country economies and financial markets globally. Vaccines have been developed, and vaccinations are being distributed, but it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effect on the Company's operations or ability to raise funds.

5.7 Risks of Operating in Perú

Potential Political, Social and Economic Instability in Perú - The Company's mineral property assets are all located in Perú, South America. Although the Company believes that the current conditions in Perú are stable and conducive to conducting business, the Company's current and future mineral exploration and mining activities could be impacted by adverse political, social or economic developments. The adverse developments may include widespread civil unrest and rebellion, the imposition of unfavorable government regulations on foreign investment, production and extraction, prices, exports, income taxes, expropriation of property, environmental compliance and worker safety. Additional regulations may apply to Panoro and may adversely affect its ability to operate and its results of operations.

Political or social unrest in Perú or instability could adversely our ability to conduct exploration. Such adverse effects could result from positions or actions that may be taken by the national government or at the regional, community or local levels be government or non-government organizations, including demanding payments, protests, roadblocks or other activities. Social conflicts in Perú have significantly increased over the past several years. Local opponents to mining activities have occasionally become violent. Labour in Perú is customarily unionized and labour union activities can be severely disruptive. Roadblocks by community members, the unemployed and labour unions are not uncommon. Where good relationships exist with local communities and employees, there is no certainty that such relationships will continue. The risk of social, labor and civil unrest may adversely affect Panoro.

Bureaucracy and Corruption – Inefficient government bureaucracy is a problematic factor for doing business in Perú which can lead to delays in obtaining materials and government permits. Commercial regulations can be sometimes inconsistent, and the lack of transparency may increase start-up and overall operational costs. The difficulties that companies experience when trying to deal with Perú's extensive bureaucracy has led some companies to make use of facilitation payments or to contract local agents whom they hope can expedite business transactions. The government procurement processes and the judicial sectors are susceptible to corruption. Anti-corruption and bribery in Canada is enforced principally under two federal statutes:

- Foreign bribery under Canadian law is governed by the Corruption of Foreign Public Officials Act (“CFPOA”) which makes it an offence to: i) directly or indirectly give, offer or agree to give or offer any form of advantage or benefit to a foreign public official to obtain an advantage in the course of business; or ii) engage in certain accounting practices where those practices are employed for the purpose of bribing a foreign public official or concealing a bribe.
- Domestic bribery and corruption is governed under the Criminal Code which prohibits various forms of corruption including bribery of various officials, frauds on the government, breach of trust by a public officer and secret commissions, as well as various corrupt accounting and record-keeping practices.

Both the CFPOA and the Criminal Code are addressed as police matters and investigated and enforced by the RCMP. Both individuals and companies can be held liable under Canada’s anti-corruption laws and may be subject to significant fines and maximum jail terms ranging between five to 14 years. Companies will be held liable where the act was committed with the knowledge of a “senior officer”, as defined under the Criminal Code. Recent case law has established this includes individuals responsible for managing an important aspect of an organization’s activities, including middle management. Canada is a party to several international anti-corruption conventions obligating it to maintain and enforce appropriate anti-corruption legislation.

Extractive Sector Transparency Measures Act (“ESTMA”) in Canada

ESTMA was enacted on December 16, 2014, and brought into force on June 1, 2015. The Act delivers on Canada’s international commitments to contribute to global efforts to increase transparency and deter corruption in the extractive sector by requiring extractive entities active in Canada to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad. Extractive businesses subject to the Act must report annually on certain payments to all levels of government in Canada and abroad for financial years beginning after June 1, 2015. Payments reportable under the Act must be made in relation to the commercial development of oil, gas or minerals and total at least \$100,000 in one of seven payment categories:

- Taxes (other than consumption and personal income);
- Royalties;
- Fees (including rental fees, entry fees and regulatory charges as well as fees or other consideration for licences, permits or concessions);
- Bonuses (including signature, discovery and production bonuses);
- Dividends (other than dividends paid as ordinary shareholders);
- Production entitlements; and
- Infrastructure improvement payments.

The Company filed its ESTMA reports for the 2016 to 2020 fiscal years and it is available on the Company’s website. The 2020 ESTMA report will be filed in May 2021 and will be available on the Company’s website.

5.8 Other

Foreign currency risk - The Company maintains its financial statements in Canadian dollars. Financings are in CAD and exploration expenditures are typically in USD and Peruvian Nuevo Sol. As a result, the Company is subject to foreign exchange risks relating to the relative value of the CAD as compared to the USD and the Peruvian Nuevo Sol. An increase in the USD would result in an increase in the real value of the Company’s exploration expenditures and adversely impact the Company’s financial performance as it did in fiscal 2015, with the increase in the USD as compared to the CAD. The exchange rate has varied substantially over time, and has varied approximately 11% throughout fiscal 2020, and has decreased in relation to the USD since December 31, 2020. This may be due to effects of COVID-19 on the world’s economy. Fluctuations in exchange rates may give rise to foreign currency exposure, either favorable or unfavorable, which will impact financial results. The USD to CAD exchange rate at December 31, 2019, was 1.2988, as compared to 1.2732 at December 31, 2020. The Nuevo Sol rate to the Canadian dollar was 0.3919 at December 31, 2019, compared to 0.3516 at December 31, 2020. The Company does not engage in currency hedging to offset any risk of exchange rate fluctuation.

Qualified Personnel - Recruiting and retaining qualified personnel in the future is critical to the Company’s success. As the Company explores and develops its Cotabambas Project and other properties, the need for skilled labour will

increase. The number of persons skilled in the exploration and development of mining properties is limited and competition for this workforce is intense. The development of the Cotabambas Project and other initiatives of the Company may be significantly delayed or otherwise adversely affected if the Company cannot recruit and retain qualified personnel as and when required. The success of the Company and its ability to continue to carry on operations is dependent upon its ability to attract and retain the services of certain key personnel. The loss of their services to the Company may have a material adverse effect on the Company. The Company will be dependent on the continued services of its senior management team, and its ability to retain other key personnel. The loss of such key personnel could have a material adverse effect on the Company. There can be no assurance that any of the Company's employees will remain with the Company or that, in the future, the employees will not organize competitive businesses or accept employment with companies competitive with the Company. The Company has been able to hire and retain qualified personnel.

Insurance - Hazards such as unusual or unexpected geological formations and other conditions are involved in mineral exploration and development. The Company may become subject to liability for pollution or hazards against which it cannot insure. The payment of such liabilities could result in an increase in operating expenses which could, in turn, have a material adverse effect on the Company's financial position and its results of operations. Although the Company maintains liability insurance in an amount that the Company considers adequate, the nature of these risks is such that the liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant liabilities and costs that could materially increase operating expenses.

Competition - The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for the exploration in the future.

Conflicts of Interest - There are potential conflicts of interest to which all of the directors, officers, insiders and promoters of the Company may be subject in connection with the operations of the Company. All of the directors, officers, insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the Company. Accordingly, situations may arise where all of the directors, officers, insiders and promoters will be in direct competition with the Company. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors of the Company, any director in a conflict situation will be required to disclose his or her interest and abstain from voting in connection with the matter giving rise to the conflict. In determining whether or not the Company will participate in any project or opportunity, its directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the relevant time. The Company has a process to identify and declare any conflicts. Conflicts, if any, will be subject to the procedures and remedies as provided under the Business Corporations Act of British Columbia.

Item 6: Dividend Record and policy

The Company has not paid dividends since incorporation and it has no plans to pay dividends in the immediate future, as the Company is in the exploration and development stage and has no source of income at this time. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time. All of the common shares of the Company are entitled to an equal share in any dividends declared and paid. To the knowledge of the Company, there are no restrictions that would prevent the Company from paying dividends.

Item 7: Description of Share Capital

7.1 General Description of Share Capital

The authorized share capital of the Company consists of unlimited common shares without par value. The Company has only one kind and class of shares and there are no unusual rights or restrictions attached to that class. As of April 30, 2021, the Company had a total of 264,375,058 common shares issued and outstanding. All of the issued common shares of the Company are fully paid and not subject to any future call or assessment.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the board of directors.

All of the common shares of the Company rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and the entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

Item 8: Market for Securities

8.1 Trading Price and Volume

The Company is a reporting issuer in British Columbia, Alberta and Ontario, and its common shares are listed on the TSX Venture Exchange (“PML”), the Frankfurt Exchange (“PZM”) and on the Junior Board of the Bolsa de Valores de Lima (“PML”). Trading on the TSX Venture exchange is in Canadian Dollars; on the Frankfurt Exchange in Euros; and on the Bolsa de Valores in United States Dollars. The price ranges and volume traded of the Company’s common shares for the three exchanges on a monthly basis for the recently fiscal years are:

PANORO MINERALS LTD. – Trading volume in 2018									
	TSX-V			Lima			Frankfurt		
	Hi	Low	Vol.	Hi	Low	Vol.	Hi	Low	Vol.
January	C\$0.44	C\$0.35	5,315,775	US\$0.34	US\$0.29	5,639,254	€0.29	€\$0.22	159,460
February	0.3850	0.3300	1,563,361	0.30	0.27	2,175,962	0.24	0.20	15,230
March	0.3500	0.3050	1,571,655	0.27	0.24	2,915,157	0.22	0.18	14,730
April	0.3900	0.3000	1,293,265	0.28	0.23	4,327,078	0.21	0.18	108,700
May	0.3700	0.2800	908,569	0.28	0.23	1,922,650	0.22	0.19	59,800
June	0.3500	0.2600	727,700	0.27	0.20	584,806	0.23	0.16	23,250
July	0.3100	0.2200	1,265,900	0.22	0.19	1,475,651	0.20	0.15	69,900
August	0.2650	0.2100	1,090,300	0.20	0.16	1,507,546	0.18	0.12	26,700
September	0.2800	0.1250	2,856,371	0.23	0.14	2,350,600	0.18	0.09	207,560
October	0.3100	0.2200	5,740,860	0.24	0.17	7,691,420	0.18	0.13	7,500
November	0.2500	0.2000	939,320	0.19	0.15	1,601,914	0.15	0.09	70,000
December	0.2400	0.2000	402,760	0.20	0.16	637,952	0.14	0.12	10,830
Total Volume for 2018			23,675,836			32,829,990			773,660

PANORO MINERALS LTD. – Trading volume in 2019									
	TSX-V			Lima			Frankfurt		
	Hi C\$	Low C\$	Vol.	Hi \$US	Low \$US	Vol.	Hi €	Low€	Vol.
January	C\$0.22	C\$0.21	1,122,000	\$0.19	\$0.15	2,017,291	€0.15	€0.125	3,900
February	0.21	0.20	283,710	0.17	0.15	2,143,560	0.159	0.125	5,000
March	0.21	0.206	285,910	0.17	0.15	1,468,057	0.138	0.125	0
April	0.20	0.194	558,700	0.16	0.14	906,346	0.133	0.125	13,000
May	0.18	0.174	195,120	0.15	0.12	783,075	0.12	0.0882	1,600
June	0.16	0.15	313,600	0.13	0.12	897,134	0.0981	0.0782	4,700
July	0.15	0.15	186,945	0.12	0.11	425,626	0.096	0.086	20,000
August	0.13	0.13	142,685	0.12	0.09	788,823	0.096	0.0764	0
September	0.12	0.11	268,354	0.10	0.08	1,270,273	0.075	0.075	0
October	0.11	0.10	555,300	0.10	0.09	428,392	0.0778	0.0532	29,500
November	0.10	0.10	2,648,000	0.08	0.08	747,638	0.065	0.0498	9,000
December	0.09	0.09	15,205,756	0.08	0.06	5,777,640	0.0536	0.0296	35,000
Total Volume for 2019			21,766,080			17,653,855			121,700

PANORO MINERALS LTD - Trading Volume in 2020									
	TSX-V			BVL Lima			BORSE Frankfurt		
Month	Hi C\$	Low C\$	Vol.	Hi US\$	Low US\$	Vol.	Hi €	Low €	Vol.
January	0.10	0.08	1,482,563	0.07	0.06	2,869,154	0.05	0.04	-
February	0.13	0.08	1,734,978	0.09	0.06	3,326,785	0.07	0.04	260
March	0.10	0.07	1,107,000	0.08	0.04	969,537	0.05	0.02	-
April	0.09	0.07	586,100	0.06	0.05	616,064	0.05	0.03	4,400
May	0.10	0.08	690,000	0.07	0.06	867,133	0.07	0.04	20,300
June	0.12	0.08	966,500	0.09	0.06	1,651,926	0.07	0.05	-
July	0.17	0.12	2,470,632	0.12	0.08	3,120,864	0.12	0.06	18,161
August	0.17	0.12	961,651	0.12	0.10	1,337,355	0.09	0.07	-
September	0.15	0.11	1,376,915	0.11	0.09	1,368,780	0.08	0.06	310
October	0.13	0.09	1,140,751	0.09	0.09	610,580	0.07	0.05	-
November	0.13	0.09	678,787	0.10	0.08	1,534,212	0.10	0.05	40,400
December	0.20	0.09	2,558,113	0.11	0.09	1,555,447	0.07	0.06	-
Total Volume for 2020			15,753,990			19,827,837			83,381

Item 9: Directors and Officers,

9.1 Name and Occupation

The following is a list of the current directors and officers of the Company, their municipalities of residence, their current positions with the Company, and their principal occupations during the past five years.

Name, Municipality of Residence	Principal Occupation for the Past Five Years	Position with the Corporation	Director or Officer Since
William J. Boden ⁽¹⁾ British Columbia Canada	Chartered Professional Accountant, Chartered Accountant; Businessman	Director	Director since June 1998 Chairman, February 2010 to June 2019 Interim CFO November 2015 to May 2016
Ronald Hall British Columbia Canada	Retired Engineer	Director	Director, December 2016
Christiaan F. Staargaard ⁽¹⁾ British Columbia Canada	Professional Geoscientist; Businessman; President and CEO, InZinc Mining Ltd., from 2002 to 2016	Director	Director, February 2005
Luquman A. Shaheen British Columbia Canada	Professional Engineer. President and Chief Executive Officer of the Company since April 16, 2008.	President, Chief Executive Officer, Director	President, CEO and Director since April 2008
Christian G. Pilon Lima, Perú	Consulting Geophysicist, President of Geoinstruments SAC since 2005, President of Procaltest SAC since 2009, President of Grupo Bernacelli SAC and Geoinstruments International SAC since 2010, and Partner in Estudio Pilon Galvez SAC since 2012.	Senior Vice President, South America and Director	Director, June 1998
Anthony Laub ⁽¹⁾ Lima, Perú.	Lawyer Partner in Laub & Quijandría	Director	Director, July 2014
Augusto Baertl M Lima, Perú	Mining Engineer Executive Chairman, Gestora, 2003 to date Executive Chairman, Agricola Chapi, 1997 to date	Director and Chairman of the Board of Directors	Director, May 2017
Shannon Ross British Columbia Canada	Chartered Professional Accountant, Chartered Accountant; Contract Accountant, Panoro Minerals Ltd. 2014 to 2016	Chief Financial Officer	CFO since May 2016

(1) Member of the Company's Audit Committee.

Mr. Lorne Torhjelms was a director of the Company until his resignation effective January 31, 2021.

The directors of the Company are elected by the shareholders at each annual general meeting and typically hold office until the next annual general meeting at which time they may be re-elected or replaced. The articles of the Company permit the directors to appoint directors to fill any casual vacancies that may occur on the board. The articles also permit the directors to add additional directors to the board between successive annual general meetings so long as the number appointed does not exceed more than one-third of the number of directors appointed at the last annual general meeting. Individuals appointed as directors to fill casual vacancies on the board or added as additional directors hold office like any other director until the next annual general meeting at which time they may be re-elected or replaced.

9.2 Shareholdings of Directors and Officers

To the best of the Company's knowledge, as at the date of this AIF, directors and officers, as a group, beneficially owned, directly or indirectly, or exercised control over 25,027,761 common shares (not including common shares issuable upon the exercise of stock options) of the Company, representing 9.5% of the outstanding common shares.

9.3 Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the Company's knowledge no director, officer, insider or promoter of the Company or a shareholder anticipated to hold a sufficient number of securities of the Company to affect materially the control of the Company is, or within 10 years before the date of this AIF, has been a director, officer, insider or promoter of any other person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the Company's knowledge, no proposed director, officer, insider, or promoter of the Company nor a shareholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such person has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the Company's knowledge no director or proposed director, officer, insider, or promoter or a shareholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such person has, within the ten years prior to the date of the AIF, as applicable become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

9.4 Audit Committee Information

Multilateral Instrument 52-110 ("MI 52-110") requires the Company to disclose annually in its Annual Information Form certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The Audit Committee is responsible for Company's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Company's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Company's external auditors. The Audit Committee also assists the board of directors in fulfilling its responsibilities in reviewing the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Audit Committee maintains effective working relationships with the board of directors, management, and the external auditors and monitors the independence of those auditors. The Audit committee is also responsible for reviewing the Company's financial strategies, its financing plans and its use of the equity and debt markets.

The full text of the charter of the Company's Audit Committee is attached hereto as Schedule "A".

Composition of the Audit Committee

The Audit Committee of Panoro is comprised of the following members of the board of directors of the Company:

William J. Boden, CPA, CA, Chairman of the Audit Committee

Mr. Boden is a Chartered Professional Accountant, Chartered Accountant and has over 35 years' experience as a manager of risk capital investments. He was founder and President of CW Funds group of companies until 2008. Within that group, Mr. Boden structured and raised investment capital totaling \$130 million, primarily from overseas investors. Mr. Boden was a founder and director of private companies: First Coal Corporation (serving as President, 2005 to 2007 and Chairman, 2007 to 2009), Landex Petroleum Ltd., and Highrock Energy Ltd. All three were profitably sold for proceeds aggregating \$650 million. He was a senior officer with the Ventures West Management group from 1979 to 2005, and prior to that, Mr. Boden was a Manager with Coopers & Lybrand, an international accounting firm. He was also Secretary-Treasurer of Whitehorse Copper Mines Ltd. and Treasurer of Bethlehem Copper Corp., both producing mining companies listed on the Toronto Stock Exchange.

Anthony Laub Benavides, LL.M.

Mr. Laub is a partner in Laub & Quijandría, a Peruvian firm providing legal, regulatory, advisory, and economic and financial consulting services to the energy and mining industries. He holds a law degree from Perú and a LL.M. in Energy Law and Policy from the University of Dundee, United Kingdom. From 1997 to 2005, Mr. Laub held various positions in the Ministry of Energy and Mines, including Director General of Legal Counsel and Secretary General of the Ministry.

Augusto Baertl, LL.M.

Mr. Baertl is an experienced mining executive with over 50 years of experience in the Peruvian and International Mining sectors. Mr. Baertl's career began with the San Cristobal Mining unit of the Cerro de Pasco Corporation followed by Compañía Minera Milpo where he rose to the role of President & CEO. Mr. Baertl was also President & CEO of Compañía Minera Antamina where he led the \$2.25 billion development of one of the world's largest copper/zinc mines from exploration to start-up. Mr. Baertl is a past member of the Board of Directors of many mining companies including Milpo, Atacocha, Huaron, Chungar, Corporacion Minera Castrovirreyna, Norsemont Mining and Chinalco International in addition to serving on the boards of banking, engineering, construction and contract mining companies in Perú. Mr. Baertl is a former Chairman of the SNMPE, IIMP, PetroPerú, the Canada Perú Chamber of Commerce and the Perú Chapter of the Latin American Business Council. Mr. Baertl has recently been appointed as Chairman of the Board of Directors of Graña y Montero, a New York Stock Exchange listed and Perú's largest Engineering and Infrastructure company. He is also currently a member of the Board of Directors of Alturas Minerals, Fima and Stevia One and is active with a number of Non-Governmental Organizations in Perú such as Horizonte Corporativo and Cedro.

All of the members of the audit committee are "financially literate" as defined in MI 52-110. All of the directors of the audit committee are considered to be independent for the full year ending December 31, 2019.

Audit Fees

The following table provides detail in respect of audit, audit related, tax and other fees paid by the Company to the external auditors for professional services:

	Audit-Related			
	Audit Fees	Fees	Tax Fees	All Other Fees
Year ended December 31, 2018	\$ 91,365	\$ Nil	\$ Nil	\$ Nil
Year ended December 31, 2019	\$ 83,000	\$ Nil	\$ Nil	\$ Nil
Year ended December 31, 2020	\$ 90,720	\$ Nil	\$ Nil	\$ Nil

Audit related fees includes fees billed for assurance and related services that are reasonable related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".

Item 10: Transfer Agents and Registrars

The registrar and transfer agent of the common shares of the Company is Computershare Company, 3rd floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

Item 11: Interests of Experts

The auditors of the Company are KPMG LLP, Chartered Accountants, 777 Dunsmuir Street, Vancouver, BC, V7Y 1K3. The Auditors' Report for the Company's annual audited financial statements for the year ended December 31, 2016, issued by KPMG LLP, Chartered Accountants was filed under National Instrument 51-102.

Stewart Twigg, P.Eng., William Colquhoun, Pr Eng, FSAIMM, and Vikram Khera, P.Eng., of Amec Foster Wheeler, and Jesse Aarsen, P.Eng., of Moose Mountain Technical Services are each "qualified persons," as defined by NI 43-101, and have prepared the NI 43-101 Technical Report on Updated Preliminary Economic Assessment on the Cotabambas Report dated September 22, 2015. To the knowledge of the Company, none of Messrs. Twigg, Colquhoun, Khera, and Aarsen are shareholders of Panoro.

Stewart Twigg, P.Eng., Sergio Munoz, CMC., William Colquhoun, Pr Eng., FSAIMM, Vikram Khera, P.Eng., and Stella Searston, RM SME of Amec Foster Wheeler; Dr. Robert Morrison, P.Geo., formerly with Tetra Tech, Joe Hirst, EurGeol, C.Geol, and Paul Daigle, P.Geo., of Tetra Tech are each qualified persons as defined by NI 43-101, and have prepared the NI 43-101 Technical Report on Preliminary Economic Assessment on the Cotabambas Report dated April 9, 2015. To the knowledge of the Company, none of Messrs. Twigg, Munoz, Colquhoun, Khera, Hirst, and Daigle, Dr. Morrison and Ms Searston are shareholders of Panoro.

Paul Daigle, P.Geo. and Jianhui (John) Huang, PhD, P.Eng. of Tetra Tech WEI Inc. are each "qualified persons" as defined by NI 43-101 and have prepared the 2013 Antilla Report. To the knowledge of the Company, neither of Messrs. Daigle and Huang are shareholders of Panoro.

All of the following are qualified persons as defined by NI 43-101 and are responsible for various portions of the 2016 Antilla PEA.

Qualified Person	Firm	PEA Area	Professional Affiliation (and registration number)
Paul Daigle, PGeo	Tetra Tech Inc.	Geology, resources	APGO (#1592)
Jesse Aarsen, PEng	Moose Mountain Technical Services Ltd.	Mining	APEGBC (#38709) APEGA (#74969)
Adrian Dance, PEng	SRK Consulting (Canada) Inc.	Mineral processing	APEGBC (#37151)
Maritz Rykaart, PEng	SRK Consulting (Canada) Inc.	Tailings, environmental	APEGBC (#28531)
Goran Andric, PEng	SRK Consulting (Canada) Inc.	Infrastructure	PEO (#100103151)
Brian Connolly, PEng	SRK Consulting (Canada) Inc.	Economic analysis	PEO (#90545203)
Luis Vela, CMC	Panoro Minerals Ltd.	Exploration, mineral tenure, permits	CMC (#0173)

In addition, Luis Vela, VP Exploration, is a "Qualified Person" as defined in NI 43-101, is also responsible for the preparation of technical information in the Company's news releases and other disclosure documents since October 2012. As at the date of the AIF, Mr. Vela holds 1,700,000 options to purchase common shares of the Company.

The 2018 Antilla PEA was authored by the following Qualified Persons:

Qualified Person	Firm	PEA Area	Professional Affiliation (and registration number)
Jesse Aarsen, PEng	TetraTech Inc. Moose Mountain Technical Services Ltd.	Geology, Resources Mining, Infrastructure	APEGBC (#38709)
Luquman Shaheen, PEng Andrew Carter	Panoro Minerals Ltd Tetra Tech Inc.	Marketing, Copper Pricing Mineral Processing and Metallurgical Testing	APEGBC (#21675) EURING (#2920GB) CENG (#378467) MIMMM (#46421) SAIMM (#19580) SME (#4112502)
Daniel Sepulveda	Moose Mountain Technical Services Ltd.	Recovery Methods, Processing Capex and Opex	SME #4206787RM
Luis Vela, CMC	Panoro Minerals Ltd.	Exploration, mineral tenure, permits	CMC (#0173)

Item 12: Additional Information

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional information is also provided in the Company's comparative financial statements for its most recently completed financial year and MD&A for its most recently completed financial year.

Additional information relating to the Company may be found on SEDAR at www.sedar.com and on the Company's website www.panoro.com.

SCHEDULE "A" - AUDIT COMMITTEE CHARTER PANORO MINERALS LTD.

The purpose of the Audit Committee of the Board of Directors (the "Board") of Panoro Minerals Ltd (the "Company") is to assist the Board in fulfilling its responsibility for overseeing the quality and integrity of the accounting, auditing, and reporting practices of the Company, and such other duties as directed by the Board. The Audit Committee's role includes a particular focus on the qualitative aspects of the financial reporting to shareholders, on the Company's processes to manage business and financial risk, and on compliance with significant applicable legal, ethical, and regulatory requirements.

1. Members of the Audit Committee

The number of members of the Committee will be at least three, none of whom are officers or employees of the Company or any of its affiliates or subsidiaries and all of whom are, in the view of the Board, free of any relationship that would interfere with the exercise of independent judgement. Qualification for committee membership shall, in addition, comply with applicable securities regulatory requirements including:

Each member of the audit committee must be financially literate, that is having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

At least one member must have accounting or related financial management expertise to analyze and interpret a full set of financial statements, including the related notes.

2. Communication and Reporting

The Audit Committee is expected to maintain free and open communications with the external auditors and the

Companies management. This communication shall include meetings, at least annually, with the external auditors. The Committee shall meet at least quarterly with management to discuss the accounts, records and financial position of the Company. The Audit Committee chairperson shall report on Audit Committee activities to the Board.

3. Authority

The Audit Committee has the authority to investigate any matter brought to its attention, with full power to retain outside counsel or other advisors and experts for this purpose and shall be empowered to set and approve the compensation for any such advisors employed in this way. In performing its functions and duties the members of the Committee may inspect all the books and records of the Company.

4. Responsibilities

The Audit Committee shall:

- recommend annually to the Board the independent auditors to be appointed by the shareholders of the Company and the compensation of the independent auditors;
- review with the independent auditors the annual audit plan including, but not limited to, the scope of the work to be carried out by the independent auditors, any significant problems that the auditors are able to foresee, the impact on the financial statements and the Company of any new or proposed changes in accounting principles;
- review the annual financial statements, including notes, with the independent auditors and recommend them to the Board for approval prior to release to the public or filing with securities regulatory authorities;
- review all Management Discussion and Analysis and earnings press releases before the Company publicly discloses this information;
- report immediately to the Board any instances of fraud or misappropriation of assets that come to the attention of the Committee;
- receive from the independent auditors a formal written statement delineating all relationships between the auditors and the Company, consistent with applicable accounting standards, and actively engage in a dialogue with the auditors with respect to any disclosed relationships or services that may have an impact on their objectivity and independence;
- take, or recommend that the full Board take, appropriate action to oversee the independence of the auditors;
- as to management of the Company generally: (i) ensure that an adequate internal control structure and procedures for financial reporting are established and maintained; (ii) periodically assess the effectiveness of such structures and procedures, as well as secure appropriate reports or attestations from the independent auditors in respect thereof; and (iii) review budgets and periodically assess actual spending compared with budgeted amounts;
- be directly responsible for overseeing the work of the independent auditors, including the resolution of disagreements between management and the independent auditors regarding financial reporting;
- pre-approve all non-audit services to be provided to the Company or its subsidiaries by the independent auditors;
- establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- undertake and perform such other duties as may be required of the Committee by applicable law or regulation.

- The Committee is responsible for the duties set forth in this charter but is not responsible for the preparation of the financial statements. Management has the responsibility for preparing the financial statements. Management is also responsible for establishing, documenting, maintaining, and reviewing systems of internal control and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

Dated: April 22, 2008