

MINERAL RESERVE AND MINERAL RESOURCE STATEMENT - JUNE 30, 2019

Proven and Probable Mineral Reserves - June 30, 2019

Gold Mineral Reserves

	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Property									
Relief Canyon Subtotal	13,176	0.83	352	13,994	0.67	301	27,170	0.75	653
Total Gold	13,176	0.83	352	13,994	0.67	301	27,170	0.75	653

Silver Mineral Reserves

	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Property									
Relief Canyon Subtotal	13,176	2.2	924	13,994	0.4	177	27,170	1.3	1,101
Galena - Ag-Pb	145	305	1,419	554	238	4,245	699	252	5,664
Galena - Ag-Cu	129	554	2,305	229	597	4,391	358	582	6,696
Galena Subtotal	274	422	3,725	783	343	8,636	1,057	364	12,361
San Rafael	880	145	4,109	1,318	118	5,014	2,198	129	9,122
El Cajón	-	-	-	831	147	3,939	831	147	3,939
Zone 120	-	-	-	2,047	161	10,610	2,047	161	10,610
Cosalá Subtotal	880	145	4,109	4,195	145	19,562	5,076	145	23,671
Total Silver	14,331	19	8,758	18,972	47	28,375	33,303	35	37,133

Zinc Mineral Reserves

	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
Property									
San Rafael Subtotal	880	3.42	66.3	1,318	3.43	99.8	2,198	3.43	166.1
Total Zinc	880	3.42	66.3	1,318	3.43	99.8	2,198	3.43	166.1

Lead Mineral Reserves

	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
Property									
Galena Subtotal	145	7.41	23.7	554	7.32	89.4	699	7.34	113.1
San Rafael Subtotal	880	1.50	29.1	1,318	1.28	37.2	2,198	1.37	66.4
Total Lead	1,025	2.34	52.8	1,872	3.07	126.6	2,897	2.81	179.5

Copper Mineral Reserves

	Proven			Probable			Proven and Probable		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
Property									
Galena Subtotal	129	0.55	1.6	229	0.51	2.6	358	0.52	4.1
El Cajón	-	-	-	831	0.46	8.4	831	0.46	8.4
Zone 120	-	-	-	2,047	0.40	18.1	2,047	0.40	18.1
Cosalá Subtotal	-	-	-	2,877	0.42	26.5	2,877	0.42	26.5
Total Copper	129	0.55	1.6	3,106	0.42	29.1	3,236	0.43	30.6

Measured and Indicated Mineral Resources - June 30, 2019

Gold Mineral Resources - Exclusive of Mineral Reserves

Property	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Relief Canyon Subtotal	427	0.70	10	1,825	0.63	37	2,252	0.64	47
Total Gold	427	0.70	10	1,825	0.63	37	2,252	0.64	47

Silver Mineral Resources - Exclusive of Mineral Reserves

Property	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Relief Canyon Subtotal	427	2.5	34	1,825	0.9	55	2,252	1.2	90
Galena - Ag-Pb	274	390	3,437	767	378	9,311	1,041	381	12,747
Galena - Ag-Cu	191	581	3,569	580	593	11,058	771	590	14,627
Galena Subtotal	465	468	7,006	1,346	471	20,369	1,812	470	27,375
San Rafael	1,272	116	4,765	1,895	93	5,689	3,167	103	10,453
Nuestra Señora	257	85	700	1,879	89	5,379	2,136	89	6,079
El Cajón	-	-	-	226	150	1,089	226	150	1,089
Zone 120	-	-	-	1,129	126	4,568	1,129	126	4,568
Cosalá Subtotal	1,529	111	5,465	5,129	101	16,725	6,658	104	22,190
San Felipe Subtotal	-	-	-	4,685	61	9,125	4,685	61	9,125
Total Silver	2,421	161	12,505	12,985	111	46,274	15,407	119	58,779

Zinc Mineral Resources - Exclusive of Mineral Reserves

Property	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
San Rafael	1,272	2.59	72.5	1,895	2.33	97.2	3,167	2.43	169.7
Nuestra Señora	257	1.76	10.0	1,879	1.74	71.9	2,136	1.74	81.9
Cosalá Subtotal	1,529	2.45	82.5	3,774	2.03	169.1	5,303	2.15	251.6
San Felipe Subtotal	-	-	-	4,685	5.43	559.7	4,685	5.43	559.7
Total Zinc	1,529	2.45	82.5	8,459	3.91	728.8	9,988	3.68	811.3

Lead Mineral Resources - Exclusive of Mineral Reserves

Property	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
Galena Subtotal	274	7.68	46.4	767	7.28	123.1	1,041	7.39	169.5
San Rafael	1,272	1.08	30.4	1,895	1.03	43.1	3,167	1.05	73.5
Nuestra Señora	257	0.84	4.8	1,879	0.82	33.9	2,136	0.82	38.7
Cosalá Subtotal	1,529	1.04	35.2	3,774	0.93	77.0	5,303	0.96	112.2
San Felipe Subtotal	-	-	-	4,685	2.48	255.9	4,685	2.48	255.9
Total Lead	1,803	2.05	81.6	9,226	2.24	456.0	11,029	2.21	537.6

Copper Mineral Resources - Exclusive of Mineral Reserves

Property	Measured			Indicated			Measured and Indicated		
	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)	Tonnes (kt)	Grade (%)	Pounds (Mlbs)
Galena Subtotal	191	0.69	2.9	580	0.61	7.8	771	0.63	10.7
Nuestra Señora	257	0.16	0.9	1,879	0.20	8.2	2,136	0.19	9.2
El Cajón	-	-	-	226	0.46	2.3	226	0.46	2.3
Zone 120	-	-	-	1,129	0.32	8.0	1,129	0.32	8.0
Cosalá Subtotal	257	0.16	0.9	3,234	0.26	18.5	3,491	0.25	19.4
Total Copper	448	0.39	3.9	3,814	0.31	26.3	4,262	0.32	30.1

Inferred Mineral Resources - June 30,2019

Gold Mineral Resources

Property	Inferred		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Relief Canyon Subtotal	3,095	0.27	27
Total Gold	3,095	0.27	27

Silver Mineral Resources

Property	Inferred		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Relief Canyon Subtotal	3,095	0.03	3
Galena - Ag-Pb	2,295	413	30,455
Galena - Ag-Cu	403	663	8,592
Galena Subtotal	2,698	450	39,047
San Rafael	323	158	1,645
Nuestra Señora	2,009	101	6,539
El Cajón	164	117	618
Zone 120	214	125	864
Cosalá Subtotal	2,711	111	9,666
San Felipe Subtotal	2,008	48	3,110
Total Silver	10,512	153	51,826

Zinc Mineral Resources

Property	Inferred		
	Tonnes (kt)	Grade (%)	Pounds (MLbs)
San Rafael	323	0.40	2.8
Nuestra Señora	2,009	1.90	84.3
Cosalá Subtotal	2,333	1.69	87.1
San Felipe Subtotal	2,008	3.57	157.8
Total Zinc	4,341	2.56	245.0

Lead Mineral Resources

Property	Inferred		
	Tonnes (kt)	Grade (%)	Pounds (MLbs)
Galena Subtotal	2,295	8.86	448.5
San Rafael	323	2.72	19.4
Nuestra Señora	2,009	0.83	37.0
Cosalá Subtotal	2,333	1.10	56.3
San Felipe Subtotal	2,008	1.43	63.2
Total Lead	6,635	3.88	568.0

Copper Mineral Resources

Property	Inferred		
	Tonnes (kt)	Grade (%)	Pounds (MLbs)
Galena Subtotal	403	0.86	7.6
Nuestra Señora	2,009	0.26	11.3
El Cajón	164	0.20	0.7
Zone 120	214	0.32	1.5
Cosalá Subtotal	2,387	0.26	13.6
Total Copper	2,791	0.34	21.2

Notes for Mineral Reserve and Mineral Resource Estimates:

1. *CIM (2014) Definitions and Standards were followed for Mineral Reserve and Mineral Resource Estimates.*
2. *Mineral Reserves are estimated at a net smelter return ("NSR") cut-off value of US\$50/tonne at San Rafael, \$40/tonne at El Cajón, \$40/tonne at Zone 120 and \$198/tonne at Galena. Mineral Reserves are estimated at a 0.17g/tonne gold cut-off grade constrained by an open pit design based on a \$1,300 gold pseudoflow pit shell at Relief Canyon. The NSR cut-off is calculated using recent operating results for recoveries, off-site concentrate costs, and on-site operating costs.*
3. *Mineral Resources are estimated at a NSR cut-off value of US\$34/tonne at San Rafael, \$40/tonne at Zone 120, \$40/tonne at El Cajón and US\$198/tonne at Galena. Mineral Resources*
4. *Mineral Reserves are estimated using metal prices of US\$1,300/oz Au, \$16.00/oz Ag, \$2.50/lb Cu, \$0.90/lb Pb and \$0.90/lb Zn.*
5. *Mineral Resources are estimated using metal prices of US\$1,500/oz Au, \$18.00/oz Ag, \$3.00/lb Cu, \$1.05/lb Pb and \$1.05/lb Zn.*
6. *Mineral Resources at all properties are reported exclusive of Mineral Reserves and as such these Mineral Resources do not have demonstrated economic viability.*
7. *A minimum mining width of 4.5 feet was used for estimating Galena Reserves, with a minimum additional dilution of 0.5 feet from both the hangingwall and footwall. A mining recovery of 95% was used to reflect the selective nature of the mining methods used at the operation.*
8. *A mining recovery of 80% and 5% dilution factor at zero grade were used for estimating Mineral Reserves at San Rafael to reflect the mining methods (post-pillar cut and fill and overhand cut and fill) used at the operation.*
9. *A minimum mining width of 4 meters and a 15% dilution factor, at zero grade, with varied mining recoveries between 80% to 95% depending on the width of the ore zone to reflect the proposed mining methods (post-pillar cut and fill and overhand cut and fill), were used for estimating Mineral Reserves at El Cajón and Zone 120.*
10. *Numbers may not add or multiply accurately due to rounding.*
11. *The Mineral Reserve and Mineral Resource estimates at Relief Canyon, San Rafael, Nuestra Señora, El Cajón, Zone 120, San Felipe and Galena are as at June 30, 2019.*
12. *The San Rafael, El Cajón, Zone 120 and Nuestra Señora Mineral Resource estimates were prepared internally by Niel de Bruin, P.Geo., a Qualified Person for the purpose of NI 43-101. The San Rafael Mineral Reserve estimate was prepared by company personnel under the supervision of Shawn Wilson, P.Eng., a Qualified Person for the purpose of NI 43-101. The El Cajón and Zone 120 Mineral Reserve estimate was prepared internally by Shawn Wilson, P.Eng., a Qualified Person for the purpose of NI 43-101.*
13. *The Galena Complex Mineral Resource estimate was prepared using a combination of block modelling and the accumulation method. The Mineral Resource estimate was prepared by Company personnel under the supervision of Niel de Bruin, P.Geo., a Qualified Person for the purpose of NI 43-101. The Mineral Reserve estimate was prepared internally by Shawn Wilson, P.Eng., a Qualified Person for the purpose of NI 43-101.*
14. *The Relief Canyon Mineral Resource estimate was prepared internally by Niel de Bruin, P.Geo., a Qualified Person for the purpose of NI 43-101. The Mineral Reserve estimate was prepared by Company personnel under the supervision of Shawn Wilson, P.Eng., a Qualified Person for the purpose of NI 43-101.*
15. *The San Felipe Mineral Resource estimate was prepared by Paul Tietz, C.P.G., an independent consultant and Qualified Person for the purpose of NI 43-101.*
16. *The Company is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that would materially affect the Mineral Reserve and Mineral Resource estimates.*