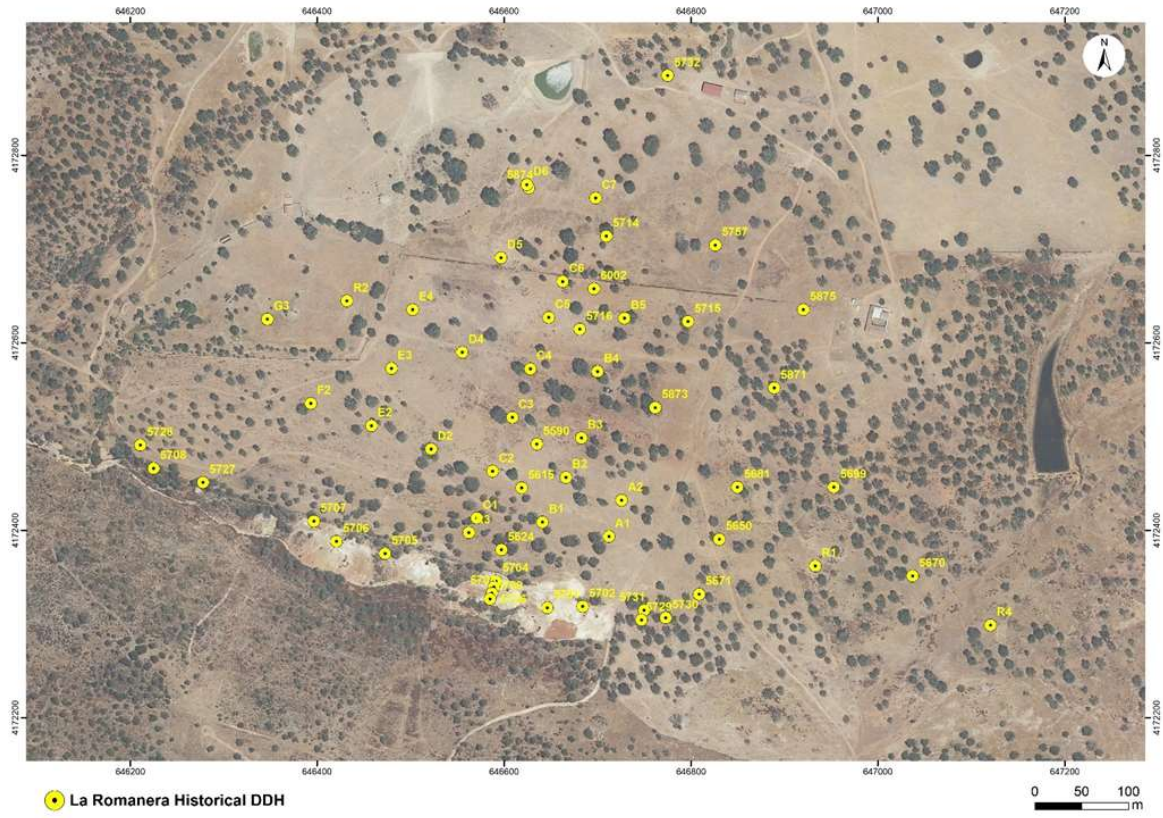
TECHNICAL REPORT
ON THE
IBERIAN BELT WEST PROJECT
EXPLORATION CONCESSION
ANDALUSIA REGION, SPAIN



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Report Prepared For:
Emerita Resources Corp.
Report Effective Date
May 14, 2021

DATE AND SIGNATURE PAGE

The effective date of this report, titled “Iberian Belt West Project Exploration Concession, Andalusian Region, Spain”, is May 14, 2021.

Seville, May 14th, 2021

Santiago Gonzalez-Nistal. P.Geol

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1 Summary

Emerita Resources Corp ("Emerita" or the "Company") (TSXV: EMO) has engaged Santiago Gonzalez-Nistal. P.Geol (the "Author") to prepare a report in compliance with National Instrument 43-101 ("NI 43-101). This document reports the assessment carried out on the mineral exploration potential at its 1530 Ha Iberian Belt West property located within Huelva Province, in the Andalusian Region, Spain (the "Property"). The Author visited the Property on December 2nd and February 3rd, 2021.

The report provides information on the geological merits of the Property.

Emerita intends to carry out the exploration programs recommended in this Technical Report in furtherance of defining the polymetallic mineralization potential at the Property. The Company has been conducting permitting for the exploration program and no other exploration work has been carried out by the company previous to this technical report.

As of the effective date of this report, the property was acquired by Emerita Resources España (Emerita-E), the wholly owned Spanish subsidiary of Emerita. Emerita-E acquired the rights to the Property pursuant to a Public Tender process. The permit which occupies 51 claims equivalent to an area of 1530 Ha, is of Exploration type (*Permiso de Investigación* according to the Spanish Mining Law). The exploration concession was granted to Emerita-E in September, 2020, for a period of 26 months with the option to renew. The exploration period commences when the granting process is completed.

According to the European regulations there are no mining royalties, taxes or administrative liabilities associated to the exploration concession. The corporate rate of income tax in Spain is 25%, and value added tax is 21%.

The Property is geologically located in the Spanish side of the Iberian Pyrite Belt (IPB) in the southwest part of the Iberian Peninsula. The IPB belongs to the South Portuguese Zone, the southernmost of the geological zones in which the Iberian Massif is divided. The IPB is subdivided into 3 domains with the Property being located within the middle unit, the Volcano-sedimentary Complex (VSC). The VSC comprises a succession of sedimentary and volcaniclastic rocks interbedded with coherent igneous rocks and volcanic flows and hosts the volcanogenic massive sulfide mineralization which consists of massive and disseminated sulfides, with the mineralized lenses located at the top of rhyolitic and dacitic horizons.

The Iberian Pyrite Belt is one of the most important volcanogenic massive sulfide districts in the world and has a history of mining that spans more than 5000 years.

The Property is geographically located within the Andalusian Region, in Huelva province. There is excellent access and infrastructure into and on the Property, and though the region has a history of mining, it has seen little in the way of modern exploration. The region of Andalusia is one of the least economically developed areas in Spain. Representatives of Emerita-E have held meetings with local Authorities who have indicated that they are supportive of proposed exploration activities. Additionally, Spain offers a stable political regime and a competitive taxation system that does not charge a royalty on mineral production.

The exploration permit was obtained through a tender process and registered under the name of ¨**La Romanera**¨ (nº 15029) and the Property has been renamed by Emerita-E as **Iberian Belt West** (IBW). The Property hosts three known mineral deposits, from west to east named La Romanera, El Cura and Infanta-Sierrecilla.

Mineralization in the area has been known since Roman times due to the presence of its gossan surface expression and mined to some shallow extent on and off by different companies in the 19th and early 20th centuries. In the 1970s and 1980s major companies (Riotinto Minera SA, Asturiana de Zinc (AZSA), Phelps Dodge) explored the area, which at that time was broken into small mineral properties with different owners. For the first time ever, Emerita has a consolidated Property with the known mineral deposits within one exploration license.

The Company has compiled, reviewed, and interpreted a significant amount of the historical exploration data obtained from public sources, including diamond drilling. Based on that, Company geologists have interpreted that within the limits of the property there is significant geological potential that remains underexplored.

The Company has not carried out any exploration work other than historical data compilation and its technical analysis.

An exploration phase I is recommended for the Property, aimed at completing geological mapping and initial drilling and geophysical survey, to better define the local geology, including structural deformation phases and refine exploration targets. A Phase II program would aim to drill test the targets identified and delineate a potential mineral resource.

2 Introduction

2.1 SCOPE OF WORK

This is a Technical Report on the Iberian Belt West Polymetallic Project (IBW) completed by a Qualified Person to comply with the Standards of Disclosure for Mineral Projects NI 43-101.

Mr Santiago González-Nistal. P.Geol., has prepared this Technical Report (the Report) on the IBW for Emerita Resources España SLU (Emerita-E), which is a subsidiary wholly-owned by Emerita Resource Corp. (Emerita) (TSX-V: EMO). Emerita is a Canadian natural resource company engaged in the acquisition, exploration and development of mineral properties in Europe, with a primary focus in Spain.

Emerita-E owns the mineral rights of the IBW Project. The Spanish Head Office of Emerita-E is located in Seville, Spain. The head office of Emerita Resources Corp. is located in Toronto, Canada.

Emerita-E has compiled the geological setting, mineralization style and occurrences, and exploration history of the property from public available data: the University of Cantabria, Spanish Geological Survey (ITGE), and published studies.

The purpose of this Report is to summarise the findings that followed a desktop assessment on the economic potential of three previously discovered and drilled mineral deposits located on the IBW Property in the SW of Spain within the Iberian Pyrite Belt.This Scope of Work presents details and plans where available, of the historical exploration on the concessions held by Emerita-E.

2.2 QUALIFICATIONS AND EXPERIENCE

The Author is the Qualified Person responsible for the preparation of this Technical Report as defined by NI 43-101. The Author is a professional geologist with over 28 years of experience in exploration and mine geology, including experience obtained within the Iberian Pyrite Belt. He obtained a bachelor's degree of Science (Honours) from the University of Oviedo, Spain. He is a Member of the European Federation of Geologist (EFG) and has the appropriate relevant qualifications, experience and independence as defined by NI 43-101. The Author visited the IBW Property in December 2nd, 2020 and February 3rd, 2021.

2.3 INDEPENDENT CONSULTANTS

Neither the Author nor his relatives or associates have any type of interest in Emerita. The Author's relationship with Emerita is solely one of professional association between client and independent consultant. This Report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report.

2.4 PRINCIPAL SOURCES OF INFORMATION

In addition to the site visit undertaken by the Author to the IBW Property on December 2nd, 2020 and February 3rd, 2021, this report has relied extensively on public information from the ITGE (Spanish Geological Survey) and the technical information found in the archives of the University of Cantabria.

2.5 PREVIOUSLY-FILED TECHNICAL REPORTS

There are no previously filed Technical Reports on the IBW Project nor is there a Technical Report for any historical project that had totally or partially included the mining property.

2.6 ABBREVIATIONS

Units of measurement are metric unless otherwise noted. All costs are expressed in Euros unless otherwise noted. Common and standard abbreviations are used wherever possible. Table 1 shows the list of abbreviations used.

Table 1: List of Abbreviations and Units.

SIMBOL	DESCRIPTION	SIMBOL	DESCRIPTION
%	Percentage	**EM**	Environmental Assessment
°	Degrees	**EPIS**	Individual protection equipment
°C	Degrees centigrade	**Fe**	Iron
A	Ampere	**FM**	Mining Metallurgical federation
a	Year	**g**	Gram
a/m2	Ampere per square meter	**g/L**	Grams per litre
AA	Atomic absorption	**g/st**	Grams per Dry ton
Ag	Silver	**Ge**	Germanium
Art	Article	**gmol**	Gram mole
As	Arsenic	**GS**	Specific gravity
AZSA	Asturiana de Zinc	**H**	Hydrogen
B.O.E.	Official State Bulletin	**Ha**	Hectares

Br	Bromine	**I**	Iodine
C	Carbon	**IGME**	Spanish Mining and Geology Institute
Ca	Calcium	**In**	Indium
CECAp	European Coal and Steel Community	**JV**	Joint Venture
CEE	European Economic Community	**kg**	Kilograms
Cl	Chlorine	**km**	Kilometre
cm	Centimetres	**km2**	Square kilometre
cm2	Square Centimetres	**kst**	Thousands of tonnes of dry base
cm3	Cubic centimetres	**kst/a**	Thousands of tonnes of dry base per year
CoG	Cut off grade	**kst/d**	Thousands of tonnes of dry base per day
CRM	Registry mining contest	**kV**	Kilovolt
Cu	Cooper	**kW**	kilowatt
HP	Horsepower	**kWh**	Kilowatt-hour
EMO	Emerita Resources Corp TSX Symbol	**kWh/st**	Kilowatt-hour per dry ton
dia.	Diameter	**L**	Liters
DIM	Environmental impact statement	**L/seg**	Litres per second
DIS	Internal security arrangements	**lb**	Pound
DSS	Health and safety document	**LoM**	Life of mine
E	East	**LPRL**	Law on prevention and occupational risks
EIA	Estudio Impacto Ambiental	**M**	Meter
m.a.	Million years	**NO**	Northwest
m2	Square meter	**O**	Oxygen
m3	Cubic meters	**Pb**	Lead
m3/st	Cubic meter per dry ton	**PEA**	Preliminary Economic Assessment
mg/L	Miligram/liter	**PGM**	Environmental management plan
Mlb	Million pounds	**PI**	Exploration permit
mm	Milimeter	**ppb**	Parts per billion
mm2	Square millimeter	**ppm**	Parts per million
mm3	Cubic millimeter	**R.D.**	Royal Decree
Mn	Manganese	**RCA**	Real Compañía Asturiana
Mo	Molybdenum	**Re**	Rhenium
Mst	Million dry ton	**S**	South // Sulfur
Mst/a	Million dry ton per year	**Sb**	Antimony
MW	Million watts	**Se**	Selenium
N	North	**SE**	SouthEast
NE	Northeast	**seg**	Second
NI43101	National Instrument 413-101		

3 Reliance on Other Experts

The Author did not carry out a legal review of the mining titles as he is not qualified to provide comments on legal issues associated with the Property. For opinions concerning title, the Author relied upon information

provided by the Company. The Author has reviewed the mineral titles published in the official website of the Andalusian Government, and has relied on the opinion of Ramón Escudero Espín, (signed and dated January 12th 2021) of Trajano XXV, for determining the current validity of the said titles. Trajano XXV is a reputable legal firm based in Spain, with significant experience representing private and public companies in the mining industry.

This disclaimer applies to section 4.4 of this Report, and the reliance on other experts extends only to determining the validity and good-standing of the existing mineral concessions held by the Company.

4 Property Description and Location

4.1 PROPERTY DESCRIPTION

The Iberian Belt West (IBW) Project, previously known as ”La Romanera Project” hosts at least three volcanogenic, polymetallic sulfide mineral deposits, from west to east named “La Romanera”, “El Cura” and “La Infanta”. It has a rectangular shape with an east-west extension of 10.3 km and covers a total of 1530 Ha. in 51 claims (cuadrículas mineras).

4.2 PROPERTY LOCATION

The IBW Project is located in southwestern Spain within the Andalusian Region. Andalusia is one of the seventeen regions of Spain and occupies the south part of the country bordering the neighbouring country Portugal on the west, Extremadura and Murcia Regions on the north, and the Atlantic Ocean and Mediterranean Sea on the south. Figure 1 shows a regional map of Spain. Andalusia occupies the south part.

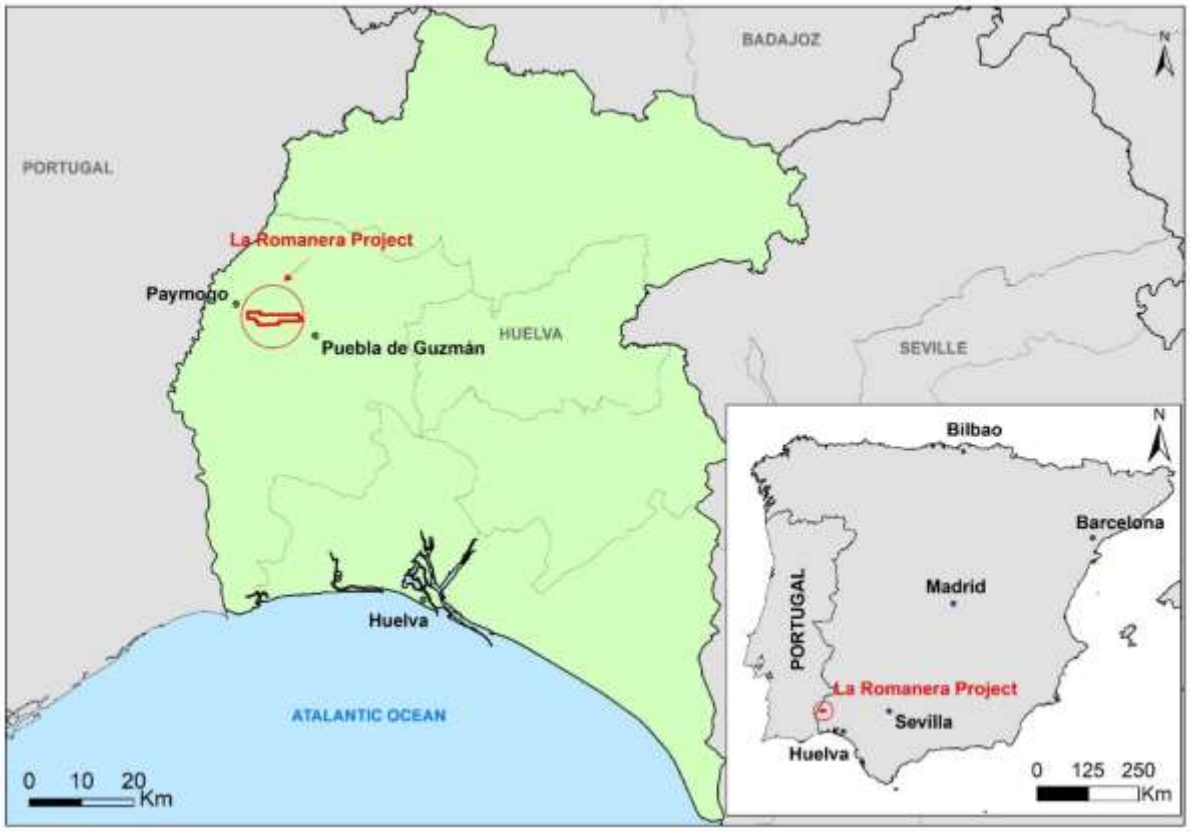
Figure 1. Map of Spain and its 17 Regions.

The political division of Spain establishes three levels of territorial organization (municipalities, provinces and Regions) with the first group constituting the subdivisions of the second, and the second constituting the subdivisions of the last. Andalusia is one of the Regions and is composed of 8 provinces, Huelva, where the project is located, being the western most province.

The project is situated approximately 500 km southwest of Madrid (Spain's capital city) 142 Km west of Seville (the capital city of Andalusia) and 61 km north-west of Huelva city (the capital city of Huelva province) and about 20 km from the Spanish/Portuguese border. Huelva city is also the political and administrative center of the Huelva province, hosting all the provincial administration and agencies, including the Industry-Energy and Mines Bureau of Andalusia, which grants the mineral rights. Huelva City has a commercial port with facilities established for blending and shipping mineral concentrates such as would be produced should an operation be developed at IBW.

Two small towns, La Puebla de Guzman (circa 3500 hab.), and Paymogo (circa 1500 hab.) are within a 10 km radius of the property (Figure 2). Approximately 80% of the Property lies within the Municipality of Puebla de Guzman and the balance is within the Municipality of Paymogo. Mineral tenure and permitting are administered at the provincial level.

Figure 2. Location for IBW Project, formerly known as La Romanera Project. Public source.



4.3 OWNERSHIP

The mineral rights and concessions of the IBW were acquired by Emerita Resources España SLU (Emerita-E) by public tender process. On the September 1st, 2020, Emerita-E was officially notified through a resolution by the Provincial Secretary of the Regional Ministry of Industry in Huelva, that it was the winning bidder of the public tender.

4.4 MINING LAW

The Spanish Mining Law (1973) states that "All mineral deposits and any other geological resources are public property. The exploration of these resources may be conducted directly by the State or may be transferred to private parties through mining rights".

Mining rights are applied to as mining claims (Cuadrículas Mineras, or "CM"). A mining claim can be between 29 and 30 hectares in size.

According to the Mining Law, there are three “mining rights” categories:

Permisos de exploración (PEx). These are equivalent to prospection leases that allow exploration to be carried out as long as the applied technique does not affect or alter the land. It lasts for one year and is renewable for an additional year. The maximum size of the exploration lease is 3,000 CMs.

Permisos de investigación (P.I.). These are equivalent to exploration concessions and are valid for three years, commencing the day they are announced in the regional Gazette. This period may be extended, subject to the exploration results being approved by the Industry-Energy and Mines Bureau of Andalusia. The exploration concessions allow the carrying out of exploration activities, which includes trenching and drilling. Each exploration concession can have a maximum size of 300 CMs. The IBW concession is currently held under this category.

The PI is generally irrevocable but may lapse or terminate under the following two circumstances:

• Failure by a concession holder to pay the annual concession fee; or

• Failure by a concession holder to meet investment requirements at the end of the three year period.

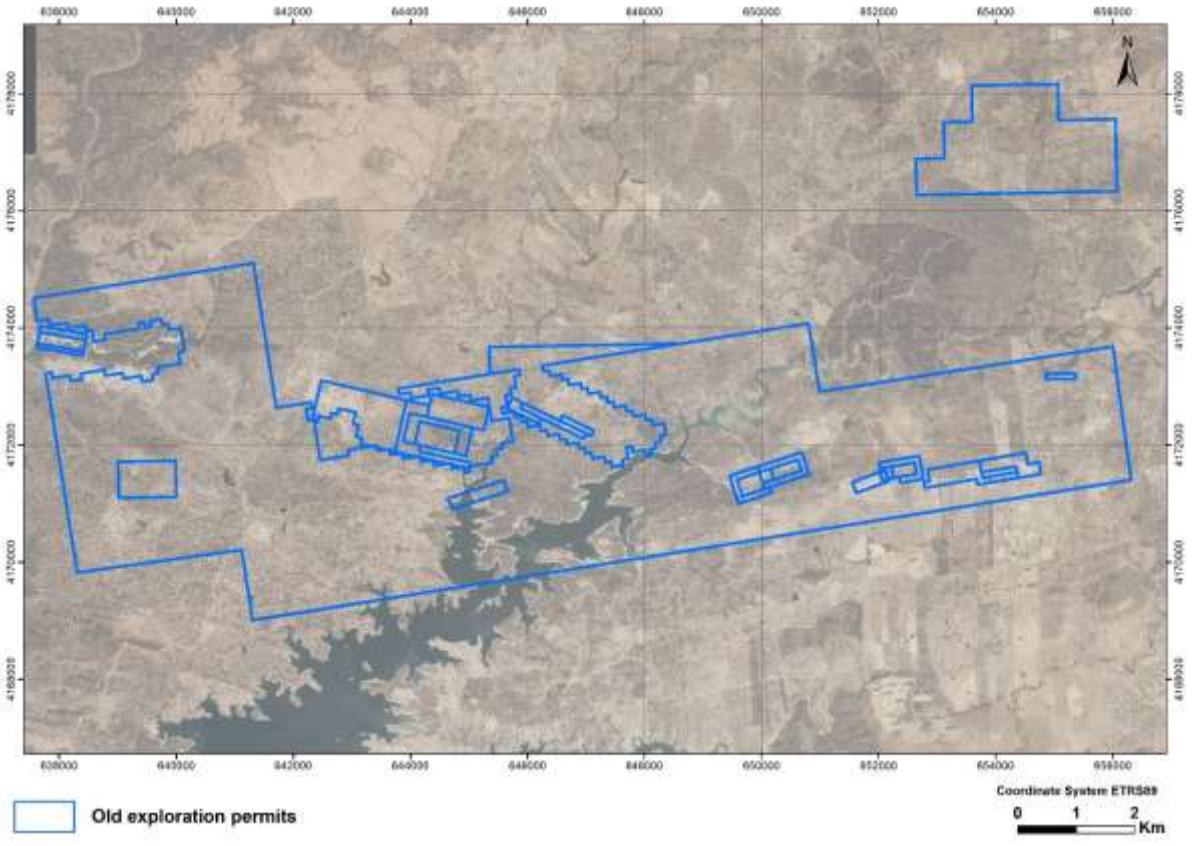
Permisos de Explotación (PEt). These are equivalent to a mining concession. Any exploration concession may be turned into a mining concession. The mining concession allows for the extraction of mineral resources and is granted for a period of 30 years that is renewable for two further 30 year periods. The maximum size for the mining concession is 100 CMs.

4.5 TENURE RIGHTS

On December 5, 2013, the Andalusian Government, through its Director of Industry, Energy and Mines Bureau, released for public bidding all exploration permits that, for different administrative reasons, had lapsed in Andalusia.

After an extensive review of mineral opportunities in Spain, Emerita-E participated in the public tender for lapsed exploration permits in Andalusia, in the Huelva province. This public tender was announced on November 25th, 2013 by the Delegation of Huelva. The tender consisted in several old exploration permits, enclosing mineral deposits and occurrences that were explored in the early 1980s by major companies. Location of former exploration permits are outlined in Figure 3.

Figure 3. Elapsed exploration permits which were part of the public tender.



It was a requirement of the bidding process to demonstrate sufficient financial capability and proven technical expertise in conducting exploration programs. Emerita-E prepared the application, which included an exploration program that was submitted to the Mines Department for its consideration.

The tender was resolved in favor of another bidder on June 25th, 2014. Emerita-E considered its bid was not assessed fairly and appealed the resolution. On September 19, 2017, the High Court of Justice of Andalucía partially upheld the appeal of Emerita-E, ordering a new evaluation in terms that were beneficial to Emerita-E. The Regional Government of Andalusia brought an appeal in cassation before the Supreme Court of Spain. On October 22, 2019 the Supreme Court of Spain confirmed the ruling supporting Emerita-E's Challenge to the IBW Project (La Romanera) Tender Award. On September 1, 2020, Emerita-E was officially notified through a resolution that it was the winning bidder of La Romanera mining rights in Huelva province.

The exploration concessions were granted for a period of 26 months which is renewable afterwards. The exploration concession was subsequently renamed “Iberian Belt West”.Figure 4 shows the IBW location map.

The IBW exploration concession covers 51 claims, totaling approximately 1,530 Ha and is bounded by the following coordinates.

Table 2 The Iberian Belt West Coordinates (ED 50. Zone 29N).

Iberian Belt West Project		
Coordinate System ED50		
Orden	**Longitud (W)**	**Latitud (N)**
1-PP	7° 20' 40''	37° 41' 40''
2	7° 19' 0''	37° 41' 40''
3	7° 19' 0''	37° 41' 20''
4	7° 14' 0''	37° 41' 20''
5	7° 14' 0''	37° 41' 0''
6	7° 13' 40''	37° 41' 0''
7	7° 13' 40''	37° 40' 40''
8	7° 16' 40''	37° 40' 40''
9	7° 16' 40''	37° 40' 20''
10	7° 19' 20''	37° 40' 20''
11	7° 19' 20''	37° 40' 40''
12	7° 19' 40''	37° 40' 40''
13	7° 19' 40''	37° 41' 0''
14	7° 20' 40''	37° 41' 0''

Figure 4. Exploration concession, IBW project.

4.6 ROYALTIES AND RELATED INFORMATION

Mining is considered an important economic sector which is regulated by the Ministry of Industry under a specific mining law and royal decree.

There are no royalties, taxes or administrative liabilities associated to the exploration concession other than the annual concession fees and the exploration commitments.

To keep the exploration concessions in good standing, the Company must comply with annual concession fees (fees are determined by the size of the permit) and fulfil the exploration investment requirements.

The annual concession fees for the IBW are estimated as follows:

- 3,243.03 € for the first claim
- 13.26 € per each of the following claims up to 300 claims.

Spain does not levy mining royalties on minerals produced in the country. The corporate rate of income tax is 25%, and value added tax is set at 21%. There are tax write-offs available for exploration and capital investments in Spain.

Furthermore, there is no "Special Royalties" or any other mining-specific tax applicable to the mining industry in Spain.

4.7 SURFACE RIGHTS

Mineral rights and surface land rights are separate under the Spanish Mining Law. In case of a conflict between the owner of the surface land rights and the owner of the mining rights, the Spanish Mining Law applies a "temporal surface occupation" (*ocupación temporal de territorio*) allowing the mineral rights owner access to the land in order to carry out its exploration work.

The Company has access agreements with local landowners covering the main exploration area. These agreements allow the Company to conduct surface exploration and prospecting, including trenching and soil sampling, as well as building drill pads in exchange for nominal monetary compensation.

4.8 PERMITTING CONSIDERATIONS

Permits required for the commencement of the exploration works by the Company are the permits granted by the Mineral Department in Huelva through a resolution. Previously the Company submitted a Restoration Plan on February 10, 2021. The restoration plan was on public display until March 26, and has to be approved by Mining Departments.

In those areas where there are levels of environmental protection an Environmental Authorisation (AAU-Spanish acronym-) is required.

The AAU (Autorización Ambiental Unificada) requires that the Company prepare and submit an Environmental Impact Assessment (EIA Spanish acronym) which should also include an archeological study and the Urban Compatibility study issued by the municipality councils. The AAU is approved by the Environmental Department which informs favourability to the Mining Department.

From an environmental permitting point of view, the IBW project has three areas (Figure 5):

1. The Infanta: Area free of any environmental protection and therefore it does not require AAU.
2. The El Cura: Area under "*Lugar de interés cultural*" (LIC) which requires AAU.

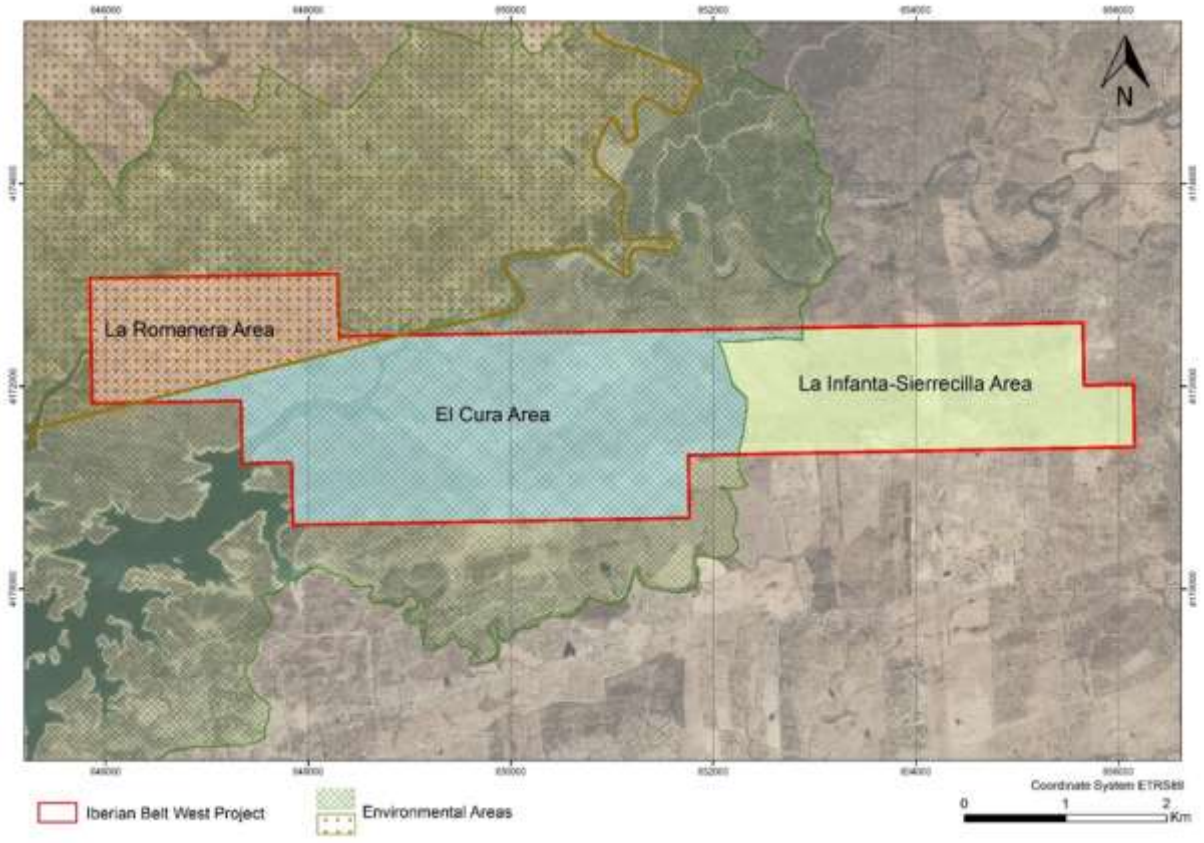
3. The Romanera: Area under "*Lugar de interés cultural*" (LIC) and "Dehesa Paymogo" which requires AAU.

Once the Restoration plan has been authorized by the Mining Department and the AAU has been obtained for environmentally protected areas (2 and 3 above), no other permits are required by the Regional or the Central Governments.

The Malagón river crosses the IBW exploration permits from NE to SW. According to the water law, for any drilling within 100 m from the flood level, a permit must be requested from the Guadiana Hydrographic Confederation (it is the official body in charge of surface water management).

At the time of issuing the permitting resolution the Mining Department may request 10% of the exploration budget of the first year as a bond for remediation purposes.

Figure 5. The three areas according to the different environmental categories. Note the location of the Malagón river, IBW project.



4.9 Existing environmental liabilities

All three deposits, from west to east Romanera, El Cura, and La Infanta, have remnants of historical exploration activities from Roman and pre-Roman times and then from around the middle of the 20th Century and some exploration activities from the 1980s and 1990s. These remnants are characterized by rock dumps around the working areas, which show a reddish-orange colour due to the oxidation of pyrite and other iron sulphides, and some ruins and old trenches (Figure 6). No remedial activity is required with respect to these historical excavations and no other type of environmental liability has been identified in the Property.

An estimation on the rock dumps carried out by surveyors of the company indicate an approximate volume of 200,000m^3 (Romanera) 40,000m^3 (Infanta) and 20,000m^3 (El Cura), totalling about 260,000 m^3 of oxidized rock dumps. In due course, the company will consider the restoration of the rock dumps as part of the proposal for environmental improvement in the area.

Existing environmental liability obligations are not contemplated in the Spanish Mining Law, for exploration permits, such as the permits comprising the IBW project. These fall under the responsibility of the Company in the mining phase when the exploration permits are upgraded to mining leases.

Figure 6. Rock dump, Romanera deposit. Source: Emerita-E.

4.10 OTHER RELEVANT FACTORS

To the extent known to the Author, there are no other significant factors and risks that may affect access, title, or the legal right or ability to perform work on the IBW project that are not discussed in this Report.

5 Accessibility, Local Resources and Infrastructure, Climate, and Physiography

5.1 ACCESSIBILITY

The Property is located in Huelva Province, one of the eight provinces of the Andalusia Region. It can be accessed by road from several major cities in SW Spain. From the city of Seville via the A-49 freeway (152 Km) and from the city of Huelva via the A-495 Regional Road (71 Km).

Seville (population 700,000) is the administrative centre of the Andalucía region which is governed by the Junta de Andalucía, with a regional parliament and president. Seville is connected to the main cities in Spain by domestic flights and high-speed train service, and with the rest of Europe by an international airport.

The Property's closest townships are Puebla de Guzman and Paymogo and it can be accessed by road from those two neighboring towns through the paved provincial road HU-5401. The Property is between the two towns which are separated by 18 km. Puebla is 142 km from Seville with a travelling distance less than two hours. From Puebla to the project is another 8.5 km. Within the Property the access is excellent via all-weather gravel roads (Figure 7).

Figure 7. Access map to IBW project

5.2 LOCAL RESOURCES AND INFRASTRUCTURE

The Project area is traversed by a two-lane paved road (HU5401) and the balance of the area is accessible via gravel roads and tracks. The city of Huelva has a commercial port from which products from mining in the region can be shipped. There is also a University in Huelva with an active geology department.

Two towns, Paymogo and Puebla de Guzman (Puebla), are adjacent to the Project. Puebla is located 8.5Km to the South and Paymogo 9.5 Km to the North. They represent potential sources of labour, accommodation and general services.

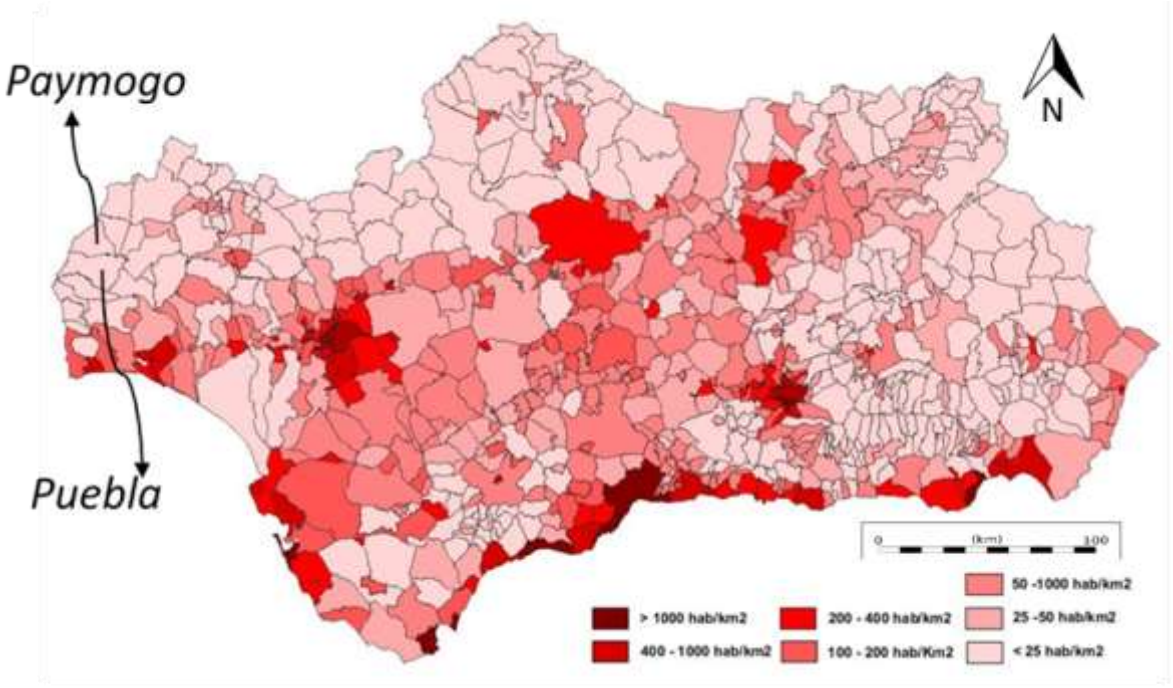
There are many international flights that connect the provincial cities of Seville and Malaga with Madrid and other major cities in Europe and North America. There is a high-speed train service linking the regional towns of Cordoba and Seville, with the capital Madrid.

The entire Andalusian Region is connected by a well-developed transport network, reliable energy and water supply, high-speed communications system and all the services of modern cities such as Huelva, Seville and Cordoba.

The population of Andalusia is approximately 8,4 million people distributed in the larger cities such as Seville, Málaga, Granada, Córdoba and Huelva and dispersed in very small villages scattered around the countryside. The population is highly educated, with access to Andalusian universities or to other universities in Spain. The

region provides all the necessary services and has a cultural heritage dating back to pre-Roman times. The two nearest towns to the project, Puebla de Guzman and Paymogo, have 25 hab/Km^2 or less. This low population rate is due to migration from towns to major cities in the last decades. (Figure 8).

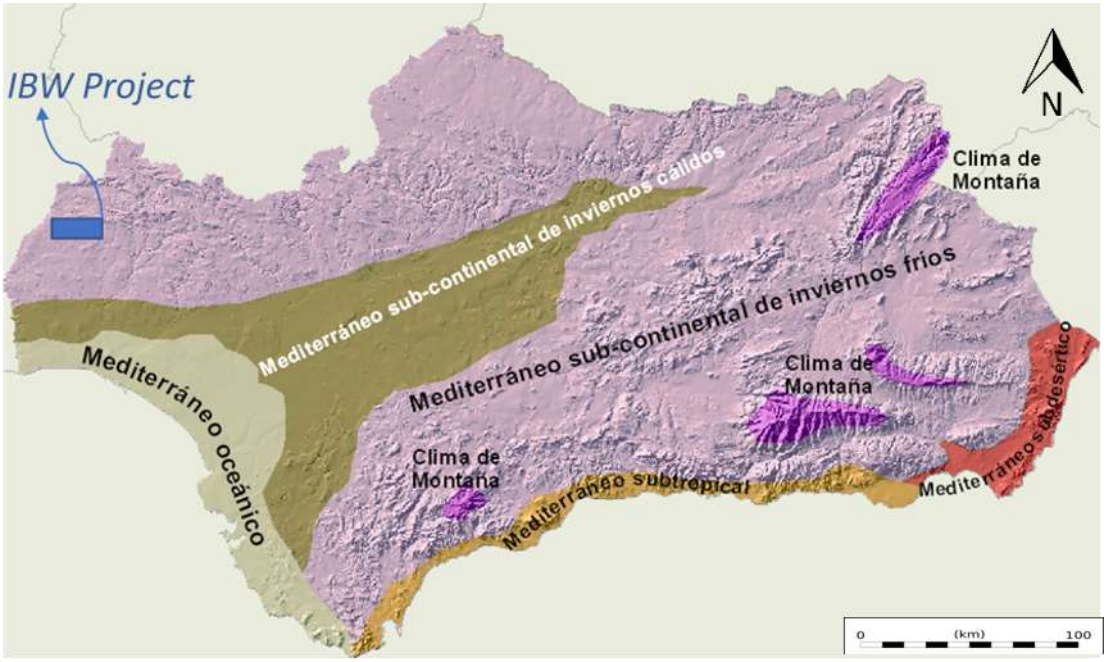
Figure 8. Population map of the Andalusia Region by municipality.



5.3 CLIMATE

Due to the geographical location and varied topography, the climate in Andalusia is diverse, with a Continental Mediterranean climate inland and a Mediterranean climate along the coast. The average annual mean temperature is 16,7ºC, with daily temperature ranging from 4ºC in January to 34ºC in July and August. Average annual precipitation is 865 mm. Operations are possible all year around. Figure 9 shows the different climates in Andalusia Region. A Mediterranean climate with cold winters prevails in the area where the IBW project is located (Figure 9).

Figure 9. Principal Andalusian climate types 2008, Source: JP Ruiz-Castellano.



5.4 PHYSIOGRAPHY

The area where the IBW project is located forms part of the "Andévalo County", which is characterized by an undulating topography with elevations close to 200 m. The natural environment (topography, vegetation, soil) has been greatly modified by human activities in the area over millennia. In the case of the study area, the predominant vegetation is the quercine meadows, specifically the holm oaks. In the western half of the lease, grazing lands that have derived from the transformation of the primeval forest by eliminating a good number of trees and practically all the understory shrubs predominate, the main use being livestock.

In recent years the Andévalo County has seen a significant increase in plots for solar plants for the generation of solar energy.

Figure 10. Panoramic view of Puebla de Guzman and the countryside. IBW Project.

6 History

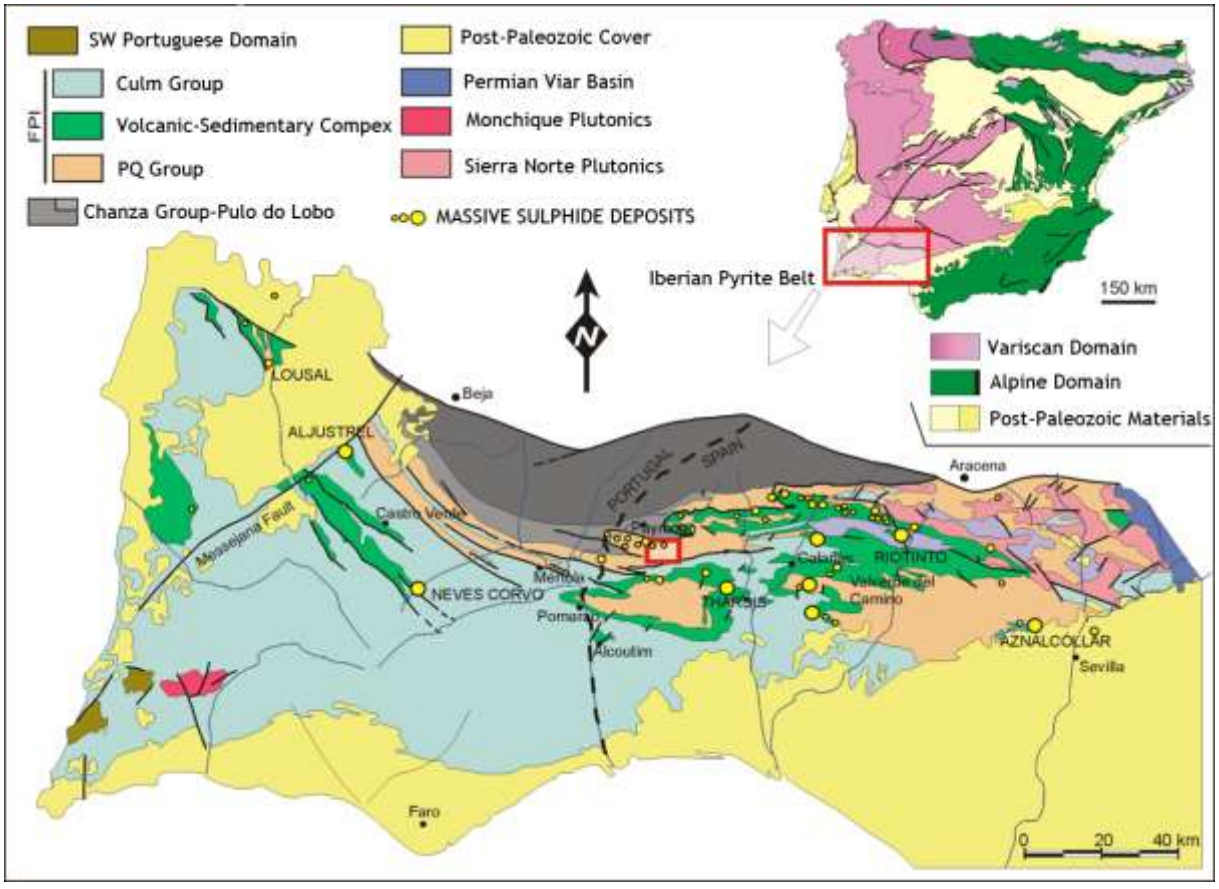
6.1 INTRODUCTION

What is now known as Spain has been producing precious metals since antiquity, with the two main zones being the Iberia Pyrite Belt (IPB) and the Iberian Massif. The IPB is recognised as one of the most important volcanogenic massive sulphide (VMS) districts in the world. Mined for more than 5000 years it was very important in Tartessian and Roman times, contributing to the economic and cultural prosperity to the Ancient empires. As a curiosity, it is believed that Balthasar, one of the three Wise Men and his present in gold came from this part Andalusia. They obtained gold, silver and copper from the “gossan”, the decomposed weathered sulphide material of reddish or rusty color that results from oxidized pyrites liberating particles of precious metals increasing its concentration on those at surface.

After centuries of almost complete inactivity, British, German and other European companies recognized the geological potential of the Iberian Belt and during the 19th and early 20th centuries represented a period of time of intense exploration and mining, rediscovering the deposits exploited for its gossans in the ancient times and finding new ones. These companies were mostly interested in copper and pyrite for production of sulphuric acid, in high demand during that period. The deposits in the current IBW project were known for their high zinc, lead, copper and silver content, but low in pyrite, which made its recovery difficult and of less interest than other deposits richer in pyrite such as Herrerias and Tharsis, in the same area.

During mid late 20th century the Iberian belt lose interest in favor of larger and lower cost discoveries being found in the Americas, Southeast Asia and Australia. Despite these circumstances the exploration continued up to the present day and the mining activities have accelerated again since the turn of the century resulting in several discoveries, some of which are current mines including Las Cruces (Seville), Aguas Teñidas (Huelva) and Río Tinto (Huelva) and various exploration projects are underway such as those in La Zarza, Lomero Poyatos or Masa Valverde. In Portugal, mining continued in Neves Corvo, and Aljustrel has been reopened (Figure 11).

Figure 11. The Iberian Pyrite Belt, main massive sulfide deposits and location for IBW Project (red box in the center). Source Donaire T., Pascual E., Saez R., Toscano M., 2020.



6.2 PRIOR OWNERSHIP

Written records from Roman Historians do not refer to this zone, however the archaeologists have reported exploration and mining activities in the area, like slags, shafts and trenches.

The oldest documented records of ownership found date from 1866-1898 and then 1926-1927 by the French Company Sociedad La Huelvana which explored La Romanera deposit, while Productos Químicos de Huelva SA and INCUSA owned Infanta (1965-1971).

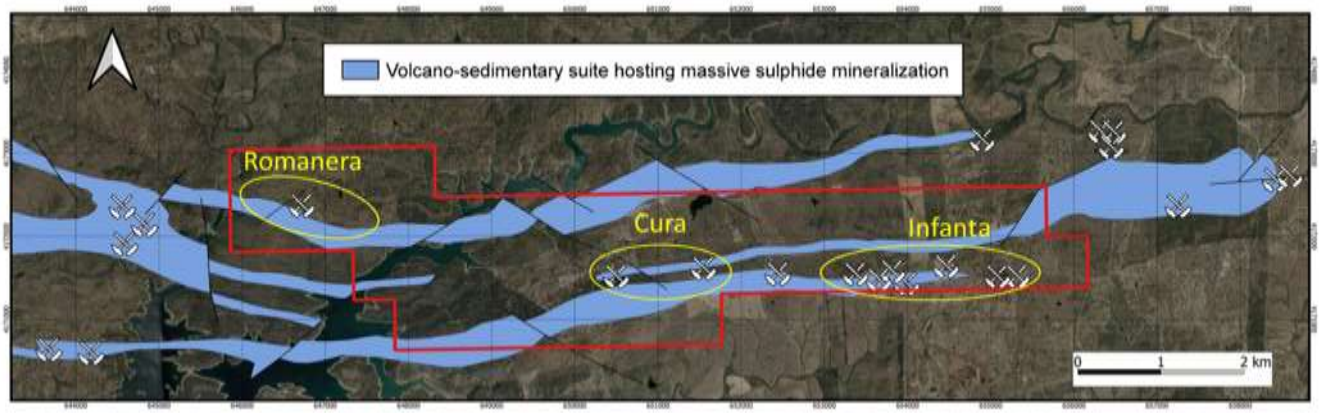
Between 1960-1977 Asturiana de Zinc (AZSA) owned La Romanera and in 1975 also acquired Infanta in JV with Phelps Dodge Española SA. In 1975 Phelps Dodge also explored El Cura deposit. Between 1982 and 1985 Phelps Dodge owned La Romanera and in 1985 El Cura; at La Infanta even completed a feasibility study to ship the ore to "Cueva de la Mora" mine, about 30km to the north. The project was never implemented, and in the late 1990's the exploration licence of Infanta returned to the State as "strategic resources".

Between 1990 and 1995 the Spanish company Rio Tinto Minera S.A. controlled most of the IPB, including La Romanera. In 2003 Matsa, Trafigura's subsidiary in Spain acquired the "Aguas Teñidas" mine and acquired a large land portion in the IPB which included the La Infanta and Romanera prospects. Matsa did not carry out exploration work on the property as it focused on the Aguas Teñidas mining operation. Historically, Romanera has over 20,000 metres of drilling done on the property and provides strong geological potential for growth. Romanera has a historical resource of 34Mt at moderate grades including 11.2Mt at high grades (J. M. Leistel, E. Marcoux, D. Thiéblemont, C. Quesada, A. Sánchez, G. R. Almodóvar, E. Pascual & R. Sáez, 1997).

El Cura deposit, located on the left bank of the River Malagón, and in the middle of the other two deposits had a separate history; it also shows shallow workings from roman times. After a long period of inactivity and according to the mining engineer and writer Gonzalo Tarin (1886) towards the end of the 19th century, some old shafts were explored and a 1.25m wide intersection of sulfide mineralization rich in copper, lead and silver was found. The mining group sold the tenements in 1872 to the Malagón Mines Company, which after producing about 300 tons, abandoned the tenements. Some exploration took place in 1938 and 1943. Phelps Dodge explored the deposit in 1975 and 1985.

Figure 12 shows the location of the known deposits within the IBW project.

Figure 12. Romanera, El Cura and Infanta deposits, IBW Project.



6.3 HISTORICAL EXPLORATION AND RESOURCE ESTIMATES

From the 19th century until the 1980s different companies over different periods have conducted exploration and/or mining works in the area where the IBW project is located. The most relevant exploration was carried out by three companies: Asturiana de Zinc, Phelps Dodge and Rio Tinto. The three companies explored the area at the same time during the 1980s and 1990s, competing also for the mine properties, which was divided in numerous mineral claims. The exploration consisted in geochem sampling, geological mapping at different scales, geophysical surveys and diamond drilling.

Part of the historical technical information and data has been preserved and made available to the public by the University of Cantabria. The National Geological Service (IGME) is another source of technical information pertaining to the area. Another part of the information and probably some of the old core boxes remain in the archives and warehouses of the Rio Tinto's subsidiary company and these are not publicly available.

Emerita-E estimates that it has been able to acquire approximately one third of the historical exploration data. Table 3 and Table 4 summarize the type of data the company has compiled and analyzed so far for Romanera and Infanta. All the data is from the Romanera and Infanta exploration campaigns. The Company does not have any technical data for El Cura deposit.

Company geologists have completed the digital compilation of the historical hard copy data for the Romanera and Infanta deposits. The resulting digitized data base has 1437 core sample results including collar location, drill hole surveys and lithological coding that will be required to develop 3D models.

Table 3. Technical data compiled by Emerita Resources, Romanera Deposit, IBW project.

ROMANERA AREA						
Activity	Details (unit)	Huelvana	AZSA	Phelps Dodge	Riotinto	Total
		1866-1898	1960-1977	1982-1985	1989-1995	
Surveying	Ha		25.9		34.3	*60.2*
Geochemistry	Nº Samples		450			*450*
Geophysics	Km		42			*42*
trenches	Amount	10				*10*
Adits	Amount	2				*2*
Mapping	Ha		18.6		23.65	*42.3*
DDH	Nº DDH		20		32	*52*

Table 4. Technical data compiled by Emerita Resources, Infanta Deposit, IBW project.

INFANTA AREA						
Activity	Details (unit)	Incusa	AZSA	Phelp Dodge	Riotinto	Total
		1974	1960-1977	1982-1985	1989-1995	
Surveying	Ha		7	6.5	9.9	*23.4*
Geochemistry	Nº Samples					*0*
Geophysics	Km		1.73			*1.7*
Shaft	Amount	2				*2*
Adits	Amount	1				*1*
Mapping	Ha		6	8.5	8.6	*23.1*
DDH	Nº DDH		39	9		*48*

Table 5 and Table 6 present the significant intercept results and Figure 13 and Figure 14 the drill hole location in the Romanera and Infanta deposits.

Table 5. Significant intercepts from Historical drilling, Romanera deposit, IBW project

Hole #	From	To	Width	Au_ g/t	Ag_ g/t	Cu_%	Pb_%	Zn_%
5590	180.0	196.0	16.0	1.36	30.3	1.1	0.1	0.2
5590	238.0	264.0	26.0	1.52	32.9	0.5	1.1	2.6
5615	152.0	186.0	34.0	1.61	35.5	0.2	2.0	4.0
5624	46.0	48.0	2.0	0.90	19.0	0.1	0.5	1.6
5624	66.0	78.0	12.0	1.53	59.5	0.2	1.6	3.0
5650	104.0	106.0	2.0	0.60	23.0	0.1	0.9	1.4
5650	132.0	138.0	6.0	1.30	50.7	0.2	1.9	4.6
5670	174.0	178.0	4.0	0.45	34.5	0.2	1.6	4.3
5681	192.0	196.0	4.0	2.20	55.0	0.1	1.2	3.6
5681	276.0	280.0	4.0	1.25	26.0	0.1	0.9	1.1
5699	210.0	212.0	2.0	0.80	23.0	0.1	0.8	3.8
5699	266.0	272.0	6.0	0.67	44.3	0.2	1.5	2.9
5699	280.0	282.0	2.0	0.30	46.0	0.1	1.4	3.1
5701	0.0	2.0	2.0	2.90	17.0	0.1	0.1	0.1
5703	2.0	6.0	4.0	1.60	70.8	0.0	0.6	0.0
5704	22.0	24.0	2.0	0.20	4.0	0.1	6.0	0.0
5709	0.0	2.0	2.0	1.15	75.0	0.0	2.1	0.1
5714	560.0	580.0	20.0	0.87	62.8	0.2	3.0	7.3
5715	468.0	492.0	24.0	1.55	143.0	0.4	2.4	3.6
5716	378.0	380.0	2.0	1.00	30.0	0.4	0.4	0.1
5716	392.0	402.0	10.0	0.86	47.8	0.8	1.0	1.0
5716	408.0	412.0	4.0	1.15	39.0	0.3	0.5	0.7
5716	426.0	430.0	4.0	0.55	49.5	0.1	1.8	2.0
5726	8.0	20.0	12.0	1.38	58.3	0.0	0.9	0.1
5730	10.0	12.0	2.0	1.40	58.0	0.0	0.8	0.0
5757	558.0	582.0	24.0	0.37	27.2	0.4	1.5	6.9
5873	342.0	350.0	8.0	0.75	44.3	0.3	2.1	0.5
5873	352.0	356.0	4.0	1.30	68.0	0.4	0.7	0.3
5873	358.0	380.0	22.0	1.19	71.0	0.3	1.0	1.6
5874	546.0	562.0	16.0	1.61	55.6	0.5	0.7	0.3
A1	82.6	92.6	10.0	n/a	98.4	0.4	1.2	1.2
A1	94.6	98.2	3.6	n/a	107.5	0.2	5.5	9.7
A2	138.5	139.5	1.0	n/a	57.0	0.5	0.4	2.8
A2	140.5	142.5	2.0	n/a	109.8	0.2	3.4	2.6
B2	157.0	174.0	17.0	n/a	67.5	0.3	2.7	5.7
B2	175.0	178.0	3.0	n/a	37.0	0.2	1.4	2.8
B2	179.0	186.0	7.0	n/a	65.6	0.4	1.5	3.8
B3	218.3	220.3	2.0	n/a	97.0	0.3	1.4	1.7
B3	220.8	231.8	11.0	n/a	108.6	1.3	1.9	1.9
B3	233.6	235.6	2.0	n/a	231.0	0.8	3.2	4.0
B3	236.6	240.0	3.4	n/a	34.3	0.1	1.7	2.9
B3	241.0	246.0	5.0	n/a	30.2	0.2	1.1	2.8

Cont.

Hole #	From	To	Width	Au_ g/t	Ag_ g/t	Cu_%	Pb_%	Zn_%
B3	249.0	251.0	2.0	n/a	30.0	0.1	0.8	3.2
B3	252.0	254.1	2.1	n/a	29.1	0.2	1.2	5.0
C1	90.2	90.4	0.2	n/a	115.0	0.2	0.3	1.0
C1	90.8	102.1	11.3	n/a	198.9	0.3	3.8	5.8
C2	152.4	155.4	3.0	n/a	135.3	0.4	1.3	1.2
C2	156.4	171.7	15.3	n/a	81.6	0.3	3.4	6.9
C2	182.0	186.0	4.0	n/a	58.5	0.3	1.9	4.3
C2	189.0	190.0	1.0	n/a	14.0	0.3	1.4	2.3
C3	192.0	198.9	6.9	n/a	84.6	0.4	1.9	3.7
C3	224.0	240.9	16.9	n/a	153.8	0.4	3.0	5.2
C4	244.6	245.6	1.0	n/a	53.0	1.0	3.0	1.4
C4	246.6	260.8	14.2	n/a	67.7	0.3	2.6	5.4
C4	282.3	307.2	24.9	n/a	86.9	0.5	3.0	6.5
C5	299.9	301.5	1.6	n/a	8.1	6.9	0.0	0.2
C5	318.0	322.3	4.3	n/a	19.0	0.5	2.1	2.9
C5	349.5	352.0	2.5	n/a	40.4	2.9	0.7	0.9
C5	355.0	361.0	6.0	n/a	22.8	1.4	1.2	2.2
C6	354.5	355.8	1.3	n/a	180.0	0.5	3.9	6.6
C6	359.3	366.7	7.4	n/a	244.0	0.6	5.0	3.7
C6	371.7	374.4	2.7	n/a	309.3	0.7	5.3	1.1
C6	375.8	378.0	2.2	n/a	341.2	0.7	5.6	0.3
C6	383.2	384.7	1.5	n/a	100.0	0.3	2.4	6.7
C6	391.5	393.5	2.0	n/a	15.5	0.7	0.3	2.8
C6	397.5	398.5	1.0	n/a	78.0	1.8	0.1	0.6
C6	399.5	400.5	1.0	n/a	30.0	0.5	0.6	2.2
C7	492.0	493.0	1.0	n/a	102.0	0.3	0.7	0.4
C7	495.0	499.0	4.0	n/a	57.8	0.3	2.5	1.3
C7	502.9	505.6	2.7	n/a	86.4	0.3	1.6	3.5
D4	266.0	267.1	1.1	n/a	107.0	0.2	2.6	7.8
D4	267.6	270.5	2.9	n/a	134.0	0.3	0.8	3.3
D4	299.7	300.6	0.9	n/a	432.0	0.6	8.7	6.0
D5	353.3	355.6	2.3	n/a	57.0	0.6	1.1	0.9
D5	356.7	357.3	0.6	n/a	86.0	0.4	1.6	2.2
D5	361.9	363.8	1.9	n/a	183.0	0.3	2.8	6.3
D5	382.5	385.7	3.2	n/a	51.0	0.5	2.9	6.4
E3	234.3	238.9	4.6	n/a	188.3	0.3	2.9	7.3
E3	239.7	241.7	2.0	n/a	89.0	0.3	1.6	1.5
E3	242.7	243.7	1.0	n/a	48.0	0.4	0.4	1.6
E3	244.7	245.1	0.4	n/a	50.0	0.4	1.2	1.7
F2	136.7	137.0	0.3	n/a	73.0	0.3	1.3	2.8
G3	222.4	222.7	0.3	n/a	148.0	0.2	6.2	7.5

(*) n/a, Not Assayed

Figure 13. Historical Exploration drill holes, Romanera area, IBW project. Source: Emerita-E.

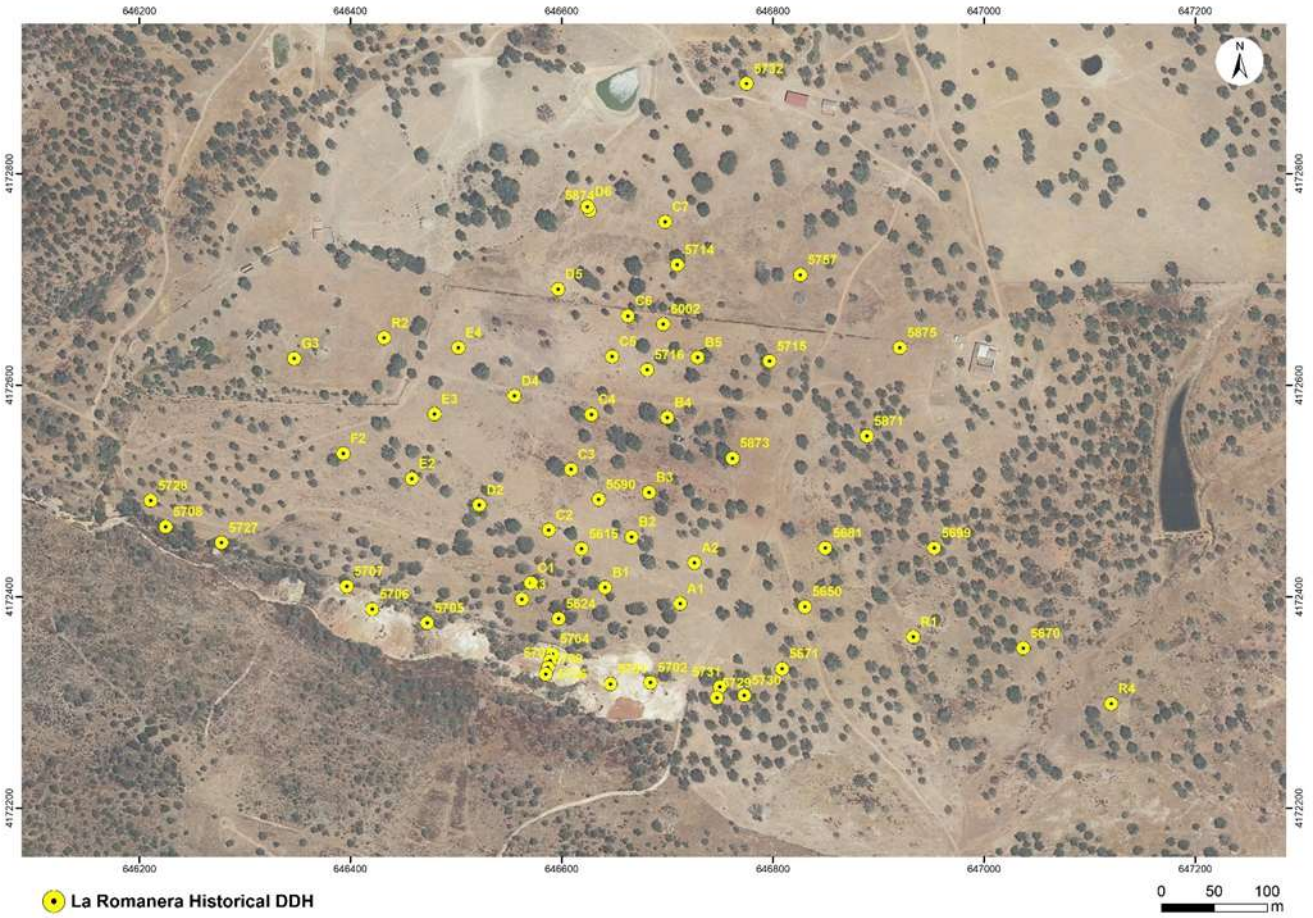
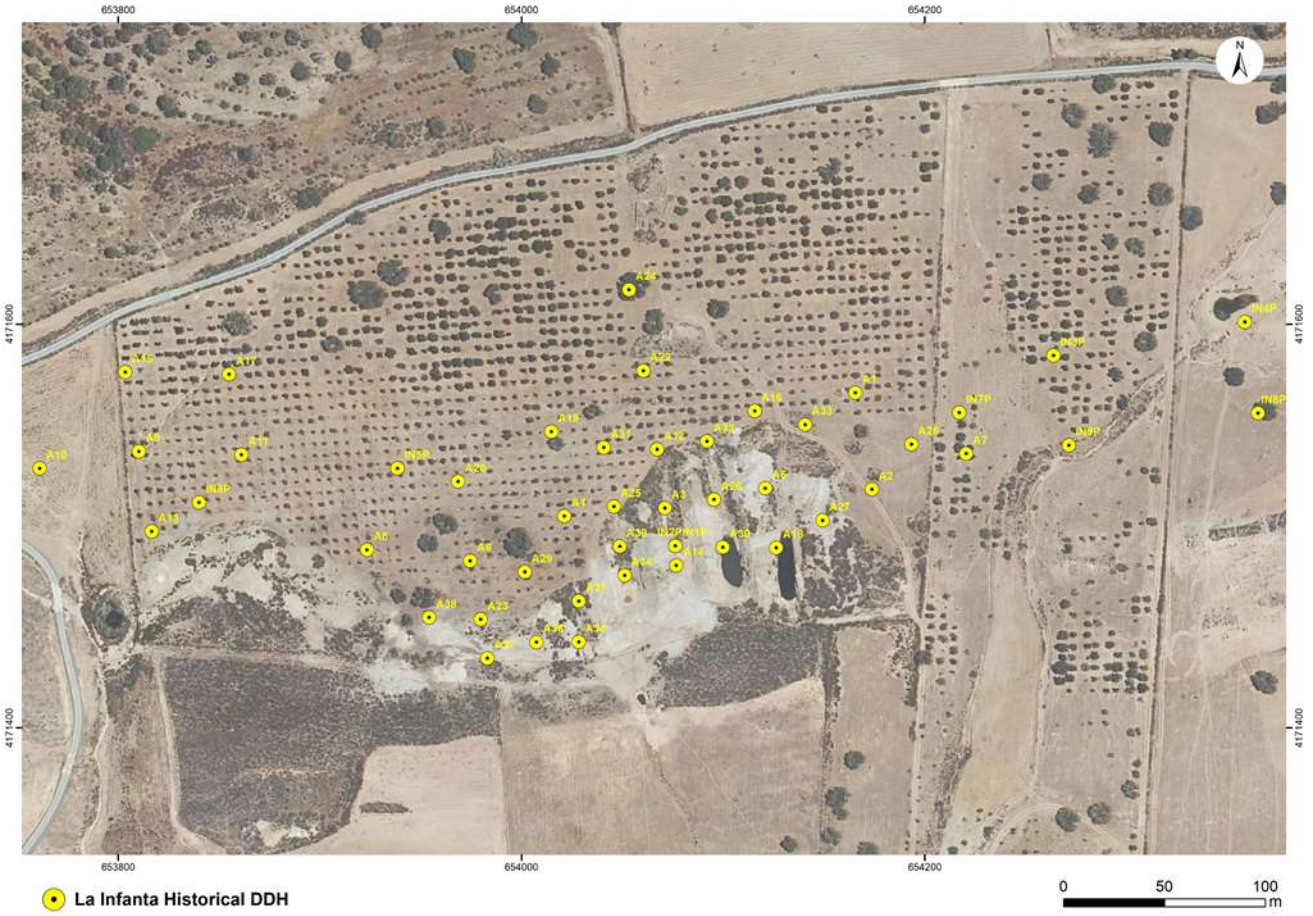


Table 6. Significant intercepts from Historical drilling, Infanta deposit, IBW project.

Hole #	From	To	Width	Au_g/t	Ag_g/t	Cu_%	Pb_%	Zn_%
IN1P	53.60	55.90	2.30	0.3	148.1	2.6	12.8	24.5
IN2P	35.15	37.10	1.95	0.4	128.3	1.6	5.3	9.8
IN2P	43.05	43.90	0.85	1.1	319.9	3.5	11.1	23.9
IN2P	49.50	55.80	6.30	0.5	176.4	3.1	11.1	20.7
IN5P	117.40	130.90	13.50	1.0	202.3	1.1	6.1	12.3
IN6P	93.20	93.80	0.60	0.7	410.0	3.3	18.2	37.3
A3	47.64	53.46	5.82	0.3	140.4	1.7	6.5	12.2
A3	54.46	66.16	11.70	0.3	62.1	1.0	4.3	7.6
A4	80.20	93.83	13.63	0.3	57.8	0.8	2.3	4.4
A9	75.81	98.91	23.10	0.0	80.6	0.7	2.7	5.0
A10	86.00	87.16	1.16	0.0	75.0	0.9	2.1	7.3
A11	55.90	62.60	6.70	0.0	327.3	2.1	7.5	17.3
A12	78.00	86.14	8.14	0.0	85.6	3.0	8.7	14.5
A13	37.21	37.78	0.57	0.5	50.0	1.1	5.7	13.8
A14	21.45	25.29	3.84	0.3	45.8	0.8	2.1	4.3
A16	77.35	80.60	3.25	0.1	80.3	1.0	4.0	7.4
A16	96.99	101.59	4.60	0.1	13.7	0.1	3.4	9.1
A17	68.84	69.90	1.06	0.4	160.8	1.3	4.3	11.7
A17	101.80	103.96	2.16	0.3	221.0	2.5	10.3	17.6
A18	18.92	25.30	6.38	0.2	69.2	0.9	2.7	4.6
A19	88.23	91.29	3.06	0.2	150.9	1.6	7.4	14.5
A20	89.30	94.00	4.70	0.3	50.4	0.5	1.8	3.4
A21	33.69	36.75	3.06	0.0	155.0	1.4	6.3	12.5
A22	105.92	109.15	3.23	0.0	148.8	3.7	12.5	24.0
A23	26.90	41.40	14.50	0.0	7.8	0,18	4.3	8.4
A24	89.65	91.65	2.00	0.0	94.0	1.1	6.3	10.3
A24	101.20	110.60	9.40	0.0	41.7	0.6	2.9	5.5
A25	70.52	74.00	3.48	0.4	157.4	2.7	8.0	16.7
A27	27.25	32.67	5.42	0.2	79.4	0.9	2.5	6.7
A28	31.30	34.00	2.70	1.0	140.6	3.0	10.6	16.4
A29	61.65	62.40	0.75	1.0	220.0	2.9	14.8	33.6
A30	30.65	31.70	1.05	0.7	230.0	2.9	6.1	15.6
A31	81.20	86.50	5.30	0.9	240.0	3.8	13.1	25.3
A32	72.37	76.00	3.63	0.4	214.0	3.8	18.2	31.2
A33	76.39	79.80	3.41	0.3	153.6	1.4	5.2	18.9
A38	24.60	24.66	0.06	0.6	270.0	2.5	18.5	29.7
A39	34.97	40.60	5.63	0.8	102.6	1.4	5.0	12.5

Figure 14. Historical Exploration drill holes, Infanta area, IBW project. Source: Emerita-E.



No mineral resource estimates have been publicly released for the deposits within the property area except in certain academic publications. Some historical mineral resource estimations reports completed by the companies that explored the Property have been found within the documents that have been compiled from the University of Cantabria.

In the La Romanera deposit, During the 1960s, Asturiana de Zinc reported resources of 7.4 Mt from over 10,000 metres of DDH. In the same area, Rio Tinto Minera in the 1990s reported to contain 34 Mt of ore grading 0.42% copper, 2.20% lead, 2.3% zinc 44.4g/t silver and 0.8 g/t gold within which there is a higher grade resource of 11.21 Mt grading 0.40% copper, 2.47% lead, 5.50% zinc, 64.0 g/t silver and 1.0 g/t gold (Garcia-Cortes ed., 2011).

In the La Infanta deposit, AZSA estimated resources of 1 Mt at high grades based on a drill campaign over 5,000m (Leistel, 1998). At El Cura there is an estimate of 1Mt @ 1.85%Cu, 2.0% Pb, 4% Zn (Geode conclusions).

A Qualified Person, as defined in National Instrument 43-101, has not done sufficient work on behalf of Emerita-E to classify the historical estimates reported above as current mineral resources or mineral reserves and Emerita-E is not treating the historical estimate as current mineral resources or mineral reserves. The historical estimates should not be relied upon.

6.3.1 Production History

The Romanera deposit has produced minerals since Roman times, primarily from surface gossan material. In 1833 the deposit was bought by a small English company but there was low activity until 1907 when about 100 tonnes were extracted from a pit with 1.5% Cu. At that time the lenses were identified for a continuous length of 400 m at 50 m of depth and a thickness of 2 to 6 meters. In 1866, the French mining company La Huelvana mined 46 tonnes from trenches along the mineralized lenses.

In El Cura deposit an adit from the 19th century of less than 100 meters, presumably to intercept the mineralized lenses, is known to be buried. There is also a 60m deep shaft, that intercepts two mineralized lenses 900 m apart, at 47 m depth. Another shaft, to the west also intercepted a lens. In 1946, the explorer Pinedo Vara found a pile of ore with the following grades 5.7 % Cu, 14.0 % Pb, 24.0 % Zn, 2.0 % Sb, and 580 g/t Ag. According to the same source, the deposit was not considered economic at the time despite the high metal content, due to metallurgical problems for copper and lead smelters of the day.

The Infanta deposit produced 400 tonnes between 1890 and 1895. A shaft of 40 meters deep connected to two parallel mining levels 15 m apart of 10 to 15 meters long. No other production is known from La Infanta deposit.

7 Geological Setting and Mineralization

7.1 GEOLOGIC SETTING

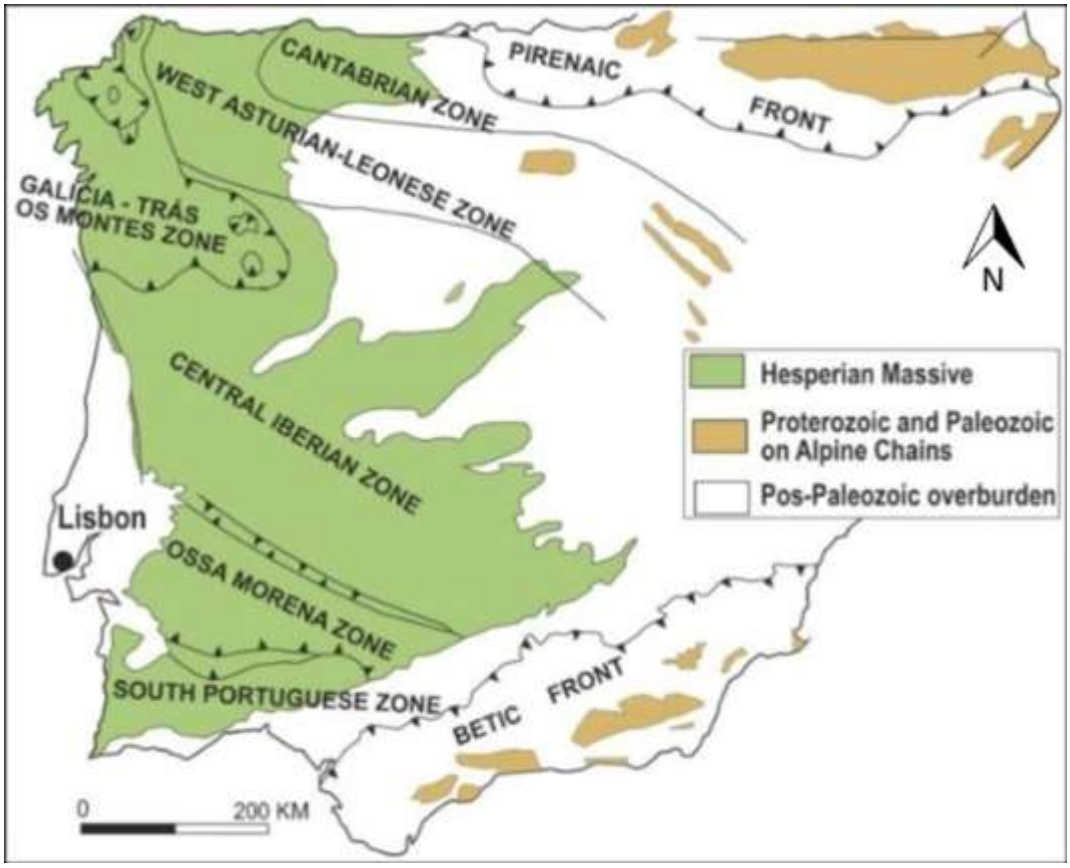
The Iberian Peninsula (comprising Spain and Portugal) contains rocks ranging in age from the upper Neo-Proterozoic (635-542 Ma) to the Quaternary. The Iberian Peninsula was formed during two temporally separated orogens: the Variscan Orogen, during the Paleozoic, and the Alpine Orogen during the Cretaceous to the Present.

Therefore, Spain can be subdivided into two broad geological terrains (Figure 15):

1. The Iberian Massif also known as the Hesperian Massif, a Variscan terrain composed of Paleozoic crystalline rocks (granite, schist and gneiss) with subsidiary metasediments and carbonate rocks occupying the North and the West portion of the Iberian Peninsula and forming typically acidic soils. This is divided into six domains being the South Portuguese Zone (SPZ) the southernmost sector. It consists of Upper Paleozoic (Devonian to Permian) sedimentary sequences with intercalations of felsic and basic volcanic rocks.

2. The Alpine domain, a younger, limestone and metasedimentary-rich terrain deposited in Mesozoic basins, folded and uplifted during the Alpine orogen and covering the East and the South of the Iberian Peninsula. It is composed of two ranges (the Pyrenees to the North and the Betic to the South and South-East) and Mesozoic to Cenozoic basins covering the basement rocks made of Variscan rocks of the Iberian Massif.

Figure 15.Geological map of the Iberian Peninsula showing the major components of the Iberian Geology. Public source.



The property is located within the South Portuguese Zone (SPZ) which is the southernmost part of the Iberian Massif. Five geological domains can be distinguished at the SPZ (Figure 16). These are, from North to South:

(1) Pulo do Lobo domain,

(2) Iberian Pyrite Belt (the most extensive and where the property is located),

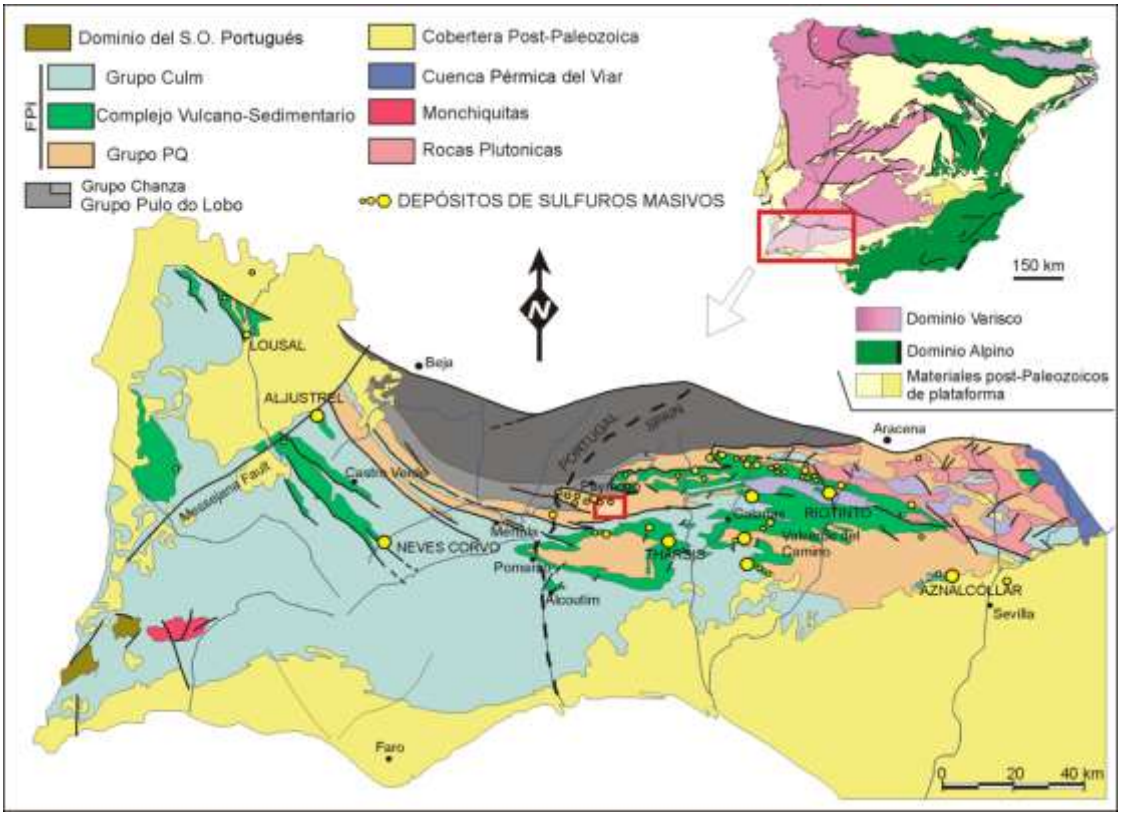
(3) Southwest Portuguese domain,

(4) Monchique and Sierra Norte de Sevilla batholiths and

(5) Viar Permian basin.

The Iberian Pyrite Belt is located in the SW of the Iberian Peninsula comprising part of Portugal and of the provinces of Huelva and Seville in Spain. It is globally one of the most renowned volcanogenic massive sulphide districts. It is approximately 250 km long and 25 to 70 km wide (7800 Km^2 approximately) and has an overall thickness between 1000 and 5000 m. (Donaire et al, 2020). Historically more than 80 deposits have been mined, some of them becoming world-class deposits like Rio Tinto, Neves Corvo, Tharsis or Aznalcollar (Almodovar et al., 2019).

Figure 16. Geologic map of the South Portuguese Zone including the location of the most important massive sulfide deposits within the Iberian Pyrite Belt. Source: Almodovar G.R., Yesares L., Saez R., Toscano M., Gonzalez F., Pons J. M., 2019.



The stratigraphic sequence of the Iberian Pyrite Belt is relatively simple. It begins with a basal unit (Phyllite-Quartzite Group or PQ Group) with more than 2000 meters of slate and sandstone with siliciclastic shelf facies

and of Late Devonian age. The PQ Group is overlain by the Volcano-Sedimentary Complex (**CVS**, Late Devonian-Early Carboniferous), reaching a thickness of 1300 meters and deposited in an intracontinental basin during the oblique collision of the South Portuguese Zone against the Iberian Massif (Gondwana). The volcanism of the Pyrite Belt shows compositions from basalt to rhyolite. The more felsic compositions dominate, as domes and sills associated with volcanoclastic deposits with similar composition, as well as slate and chemical sediments. The Culm Group diachronically lays on the CVS and consists of a synorogenic flysch with an Early Carboniferous age. The whole series is affected by very low degree metamorphism and a fold and thrust tectonic ("epidermic belt") within the context of Variscan Orogeny (Silva et al., 1990; Quesada, 1996).

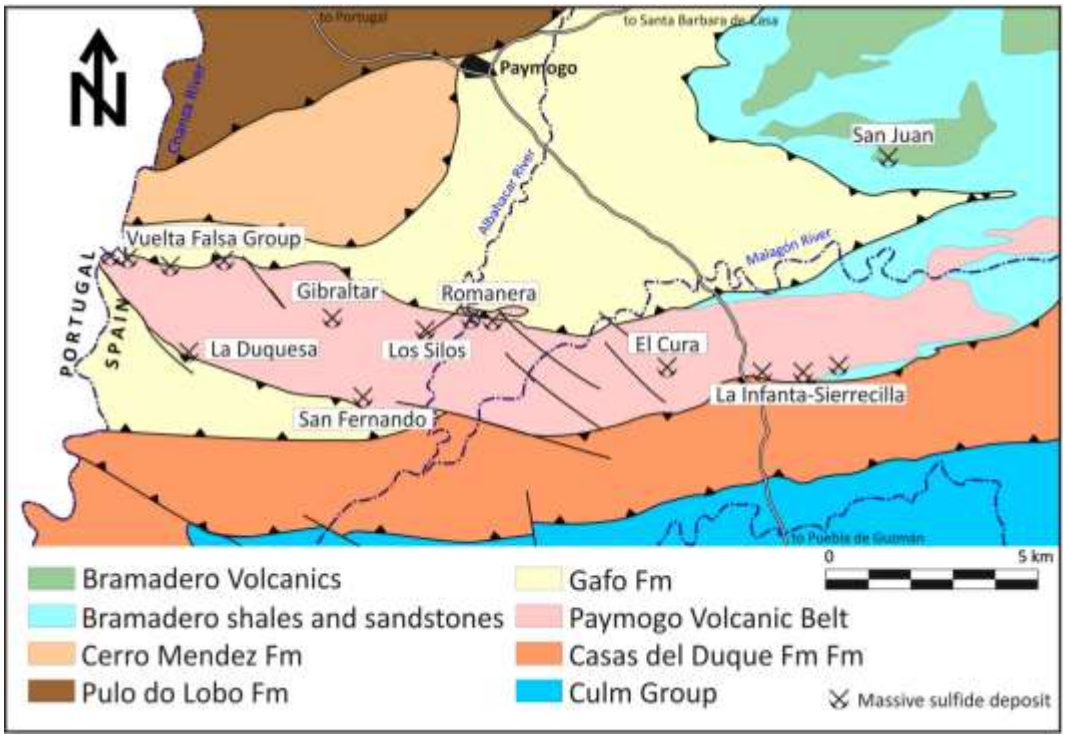
7.2 PROPERTY GEOLOGY

The Property is located within the Volcanic-Sedimentary Complex of the IPB (Figure 17). The VSC comprises a succession of sedimentary and volcaniclastic rocks interbedded with coherent igneous rocks. Although lithostratigraphical sequences of the VSC consist of several felsic and mafic volcanic events, these sequences may differ from one area to another due to the occurrence of several palaeogeographic domains related to tectonic compartmentalization.

Felsic igneous rocks of the VSC range from dacite to high-silica rhyolite whereas mafic rocks are tholeiitic to alkaline basalts.

The Paymogo Volcano-Sedimentary Alignment (PVSA) is considered to be representative of the northern segment of the IPB. Volcanic sequences in the PVSA contain very scarce mafic rocks. In contrast, felsic rocks are abundant and have been classified in two groups: (i) the Paymogo rhyolitic sequence, hosting most of the VHMS deposits and (ii) a dacitic sequence. The Property is located within the PVSA.

Figure 17. Geology map showing the geological setting of the property area. Public source.



7.2.1 Stratigraphy

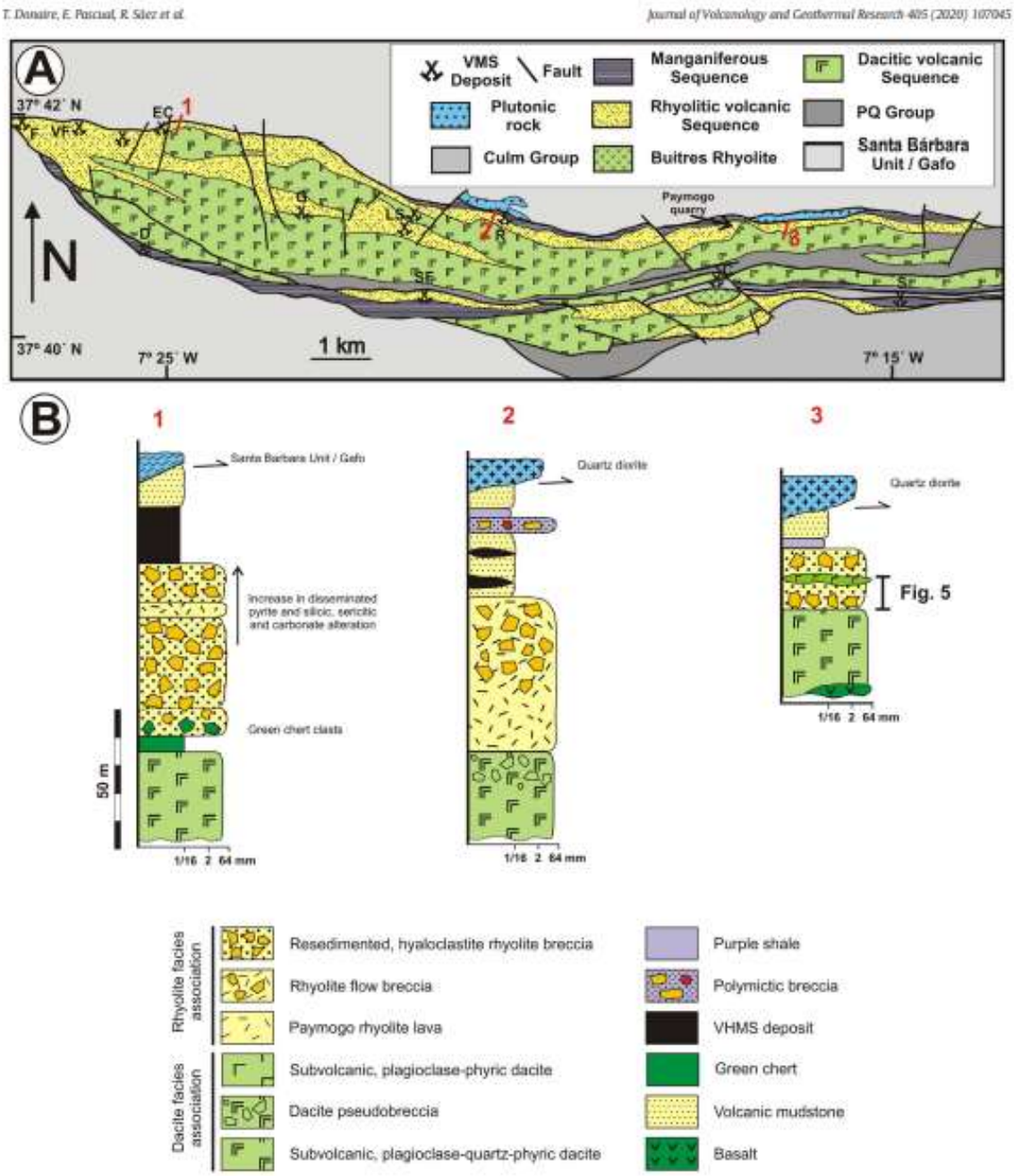
The stratigraphic column of the Paymogo Volcanic Belt consists of a thick series of volcanic and sedimentary horizons, with Romanera and Infanta being on the same horizon with the massive sulfides at the top of a brecciated volcanoclastic felsic rocks, and the massive sulfides of El Cura at the bottom of the same horizon (Figure 18).

The lowermost rocks consist of a sequence of at least 60 meters of fine-grained pale green, gray and red sericitic tuffs which are overlain by around 100 meters of pale gray, dacitic, crystal-lithic tuffs which form the footwall of the mineralization.

The hanging wall consists of a 20-30 meters thick sequence of green, red and gray crystal-lithic tuffs and fine sericitic tuffs with occasional lenses of manganiferous jasper.

Above these hanging wall rocks there is an unknown thickness of black to gray slates with thin interbedded graywackes. It is not known if these sediments are intervolcanic sediments or are part of the Carboniferous Culm formation.

Figure 18. Geological map of the Paymogo Volcano-Sedimentary Alignment. Massive sulphide deposits, C (El Cura), D (La Duquesa), EC (El Carmen), G (Gibraltar), GT (Trimpanchos Group), LS (Los Silos), S (Infanta), SF (San Fernando) and VF (Vuelta Falsa). B) Representative stratigraphic columns of the Paymogo volcano-sedimentary Alignment. Source: Donaire T., Pascual E., Saez R., Toscano M., 2020



7.2.2 Structural Geology

The volcano-sedimentary sequence strikes between N110°-130°E with constant dip to the North-East. It has been affected by small, open folds with amplitudes of 10-30m, that crenulated the bedding at the meter-scale.

Three stages of faulting can be recognized. The earliest of these is a series of thrust faults which can only be positively identified in the surface trenches.

These early thrust faults are cut by a series of E-W trending faults with near vertical dips. These are especially strongly developed along the northern limit of the Infanta concession. The displacement on many of the faults is small, usually less than 10m, but on the major faults the movement is as much as 50-60 m.

The last period of faulting is a set of vertical faults striking about N30°E and cutting the earlier faults.

7.3 MINERALIZATION

The mineralized lenses are located at the top of the rhyolitic and dacitic horizons of the second felsic volcanic episode. Associated to the massive sulfide horizons there are fine grained (both detrital and chemical) sediments that show important amounts of disseminated sulfides. The Romanera, El Cura and Infanta deposits are associated with the rhyolites.

The mineralization of the Romanera deposit consist mainly of massive pyrite with recrystallized arsenopyrite in some parts; other sulfides (sphalerite, chalcopyrite, tetrahedrite and covellite) (Figure 19) appear mostly as veining infills. Galena tends to appear as interstitial grains in between pyrite cubes. The deposit extends from surface to approximately 350 meters deep based on historical drilling. The mineralization remains open at depth for further expansion beyond the limits of the existing drilling.

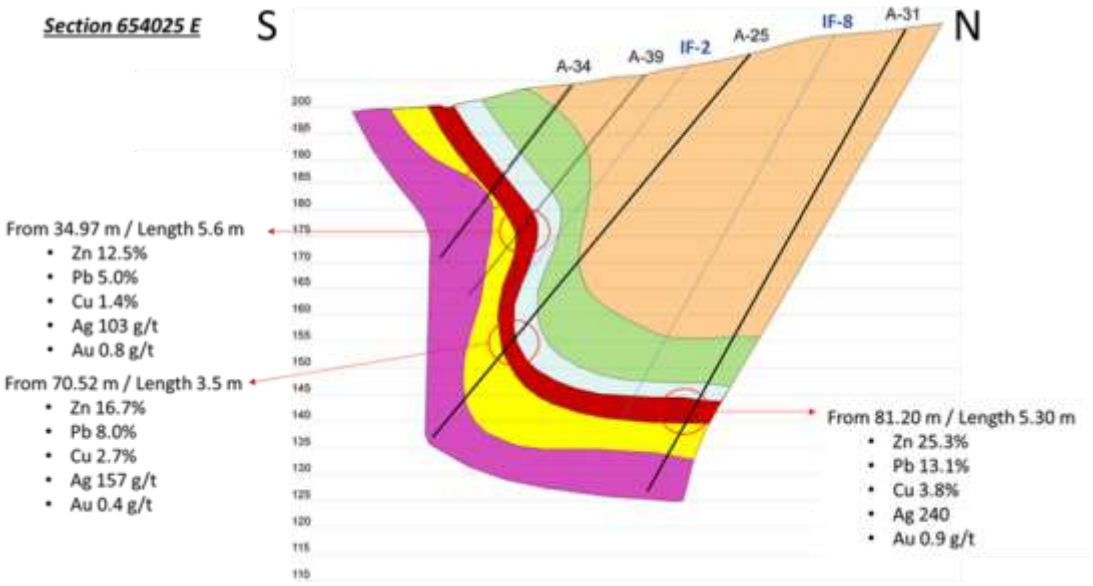
Figure 19. Suboutcrop boulder, rich in sulphide minerals, Romanera area, IBW project.

The mineralization of the Infanta area consists of high-grade, massive sulfides with associated lower grade disseminated and brecciated ore (the low-grade term is very relative because when the description was done 6.0-10% base metal was considered low grade in the context of this zone). The massive sulfide mineralization is high-grade and averages near 50% combined base metals. The massive sulfides are fine-grained sphalerite, galena, chalcopyrite and tetrahedrite with only minor amounts of pyrite (Figure 20). The mineralization is fine-grained with 10-15% of the grains measuring less than 40 microns.

Figure 20. Rock boulder rich in sulphide minerals, Infanta area, IBW project.

The massive sulfide lens has a strike length of over 800 m and averages about 1.5m in thickness and the total mineralized horizon averages about 4 meters. The total down dip extension of the mineralization is not known but extends down dip towards the north. Figure 21 shows a section across the Infanta Deposit.

Figure 21. Section 654025E across La Infanta deposit.



The Company has little information about the Cura deposit, other than it is stratiform based on mapping, and that it was mined in the past. Disseminated mineralization towards the south suggests that the remains of the deposit may be of a similar character to Infanta.

Figure 22. Rock boulder rich in sulphide minerals, El Cura area, IBW project.

8 Mineral Deposit Type

The mineral deposits within the IPB Project, are considered to be examples of Volcanogenic Massive Sulfide ("VMS") deposits in keeping with the geological setting and the other mineralized deposits within the Iberian Pyrite belt.

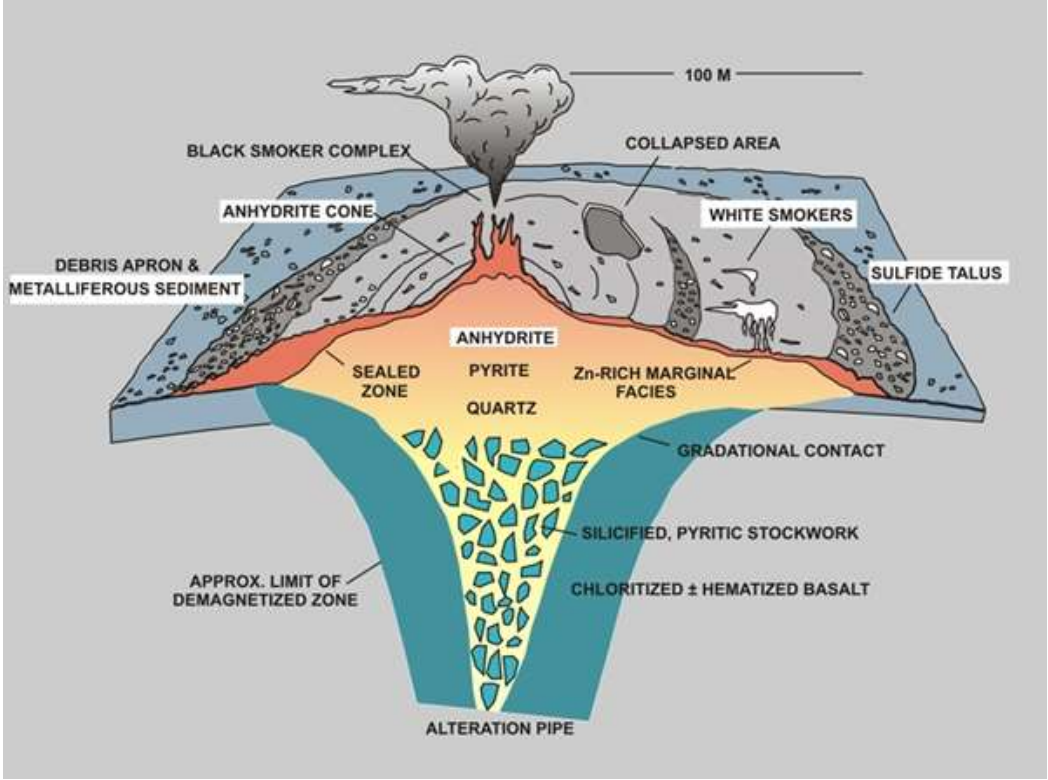
8.1 GEOLOGICAL SETTING OF VMS DEPOSITS

VMS are base metal-rich mineral deposits, which can also contain lesser amounts of precious metals. Their ores can be major sources of zinc, copper, and lead, with gold and silver as by-products.

VMS deposits are found worldwide, and often form clusters, or camps. Several major VMS camps are known in Canada. These high-grade deposits are often in the range of 5 to 20 Mt but can be considerably larger. Some of the largest VMS deposits in Canada include the Flin Flon mine (62 Mt), the Kidd Creek mine (+100 Mt) and the Bathurst No. 12 mine (+100 Mt).

VMS deposits consist of massive or semi-massive accumulations of sulfide minerals which form as lens-like or tabular bodies parallel to stratigraphy or bedding. VMS deposits form on, or below, the ocean floor and are typically associated with volcanic and/or sedimentary rocks. Characteristics of well-preserved VMS deposits include the presence of concordant lenses of massive and semi-massive sulfides which have been exhaled into the ocean as metal-rich brines from black and white smokers, or chimneys. These sulfide zones can overlie discordant (typically copper +/- gold rich) stockworks and/or alteration zones which form below the seafloor (Figure 23)

Figure 23. VMS deposit Type. Source: Tornos, 2005.



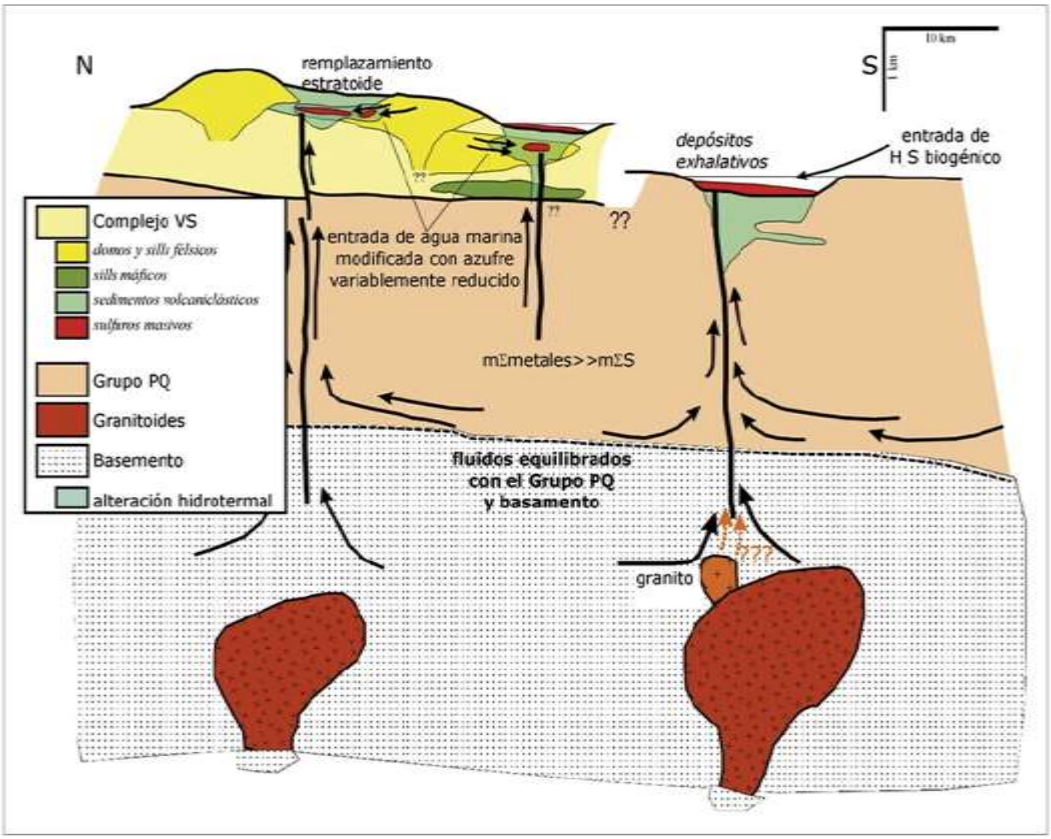
8.2 VOLCANOGENIC MASSIVE SULPHIDE (IBERIAN TYPE)

The Iberian Pyrite Belt (IPB) has been one of the major mining districts in Europe since prehistoric times (Pinedo Vara, 1963). It is an area of significant metallogenic interest since it represents the largest concentration of metallic sulfide deposits on Earth (Sáez et al., 1999). With more than 2000 Mt of massive sulfide mineralization, the IPB comprises an exceptional number of supergiant deposits, including the biggest in this class: Riotinto (>500 Mt) in Spain and Neves Corvo (≥300 Mt) in Portugal.

Geodynamic interpretations of the IPB suggest that during the Late Devonian–Mississippian it was affected by a period of regional extension with the breakdown and compartmentation of a Late Devonian basin and the beginning of the volcanic activity (Yesares et al, 2015; Moreno et al, 1996). This paleogeographic environment favored the generation of hydrothermal systems, and the formation of the massive sulfide deposits (Figure 24, (Sáez et al, 1996). According to (Barriga (1983) and (Barriga and Fyfe (1988) mineralizing fluids derived from seawater that were equilibrated with underlying volcanic, volcanoclastic, and sedimentary rocks. These fluids were expelled on the seafloor where massive sulfide formed below a sealing chert layer that promoted ore precipitation but inhibited oxidation and dispersion. (Sáez et al. (1999) and Almodóvar et al. (1998) proposed

that this metal source was related to large volumes of both sea- and connate-water trapped in the underlaying volcanoclastic and sedimentary pile. Thus, (Sáez et al. (1999) proposed a hybrid model (called Iberian Type), between both sedimentary exhalative (SEDEX) and VMS deposits applies to the IPB, with subseafloor formation of sulfide deposits.

Figure 24. Generic model for the Iberian Belt massive sulphide deposits. Source: Tornos, 2005.



8.3 APPLICABILITY OF THE VMS (IBERIAN TYPE) MODEL TO IBW PROJECT

The geological and mineralogical characteristics of the IBW deposits are considered to be volcanogenic massive sulphide (Iberian type) based on the following characteristics.

- The IBW deposits constitutes a cluster of massive sulphide deposits associated to felsic volcanism.
- Deposits are formed in an extensional environment. accompanied by intense volcanic activity.
- Hydrothermal events are genetically related to the formation of massive sulfide deposits, with a typical alteration pattern seen in the IBW deposits.
- The deposits are formed at the bottom of the sea. Metasediments are recognized in the IBW area as part of the geological context.

- A chert layer is recognized in Infanta. This layer acts as a sealing unit concentrating the sulphide mineralization.
- The IBW deposits form lenses, tabular bodies parallel to stratigraphy which is typical of the VMS deposits.
- Highly rich in sulphide minerals as galena, sphalerite, pyrite, arsenopyrite, of fine grain is a characteristic observed in the IBW deposits.

In the opinion of the QP, the deposits in the IBW project area are considered to be examples of volcanogenic massive sulphide (Iberian type). The QP believes that a volcanogenic massive sulphide (Iberian type) model is appropriate as an exploration model for the IBW area and to inform the geological interpretation and the geological modelling for the mineral resource estimation.

9 Exploration

No exploration has been conducted on the Property since the 1990s. Work completed by Emerita-E and its consultants to date has been focused on completing the data compilations and topo survey of the area. The company is currently building a 3D geological model based on the historical drill results.

10 Drilling

No drilling has been carried out yet by the Company on the Property.

11 Sample Preparation, Analysis and Security

The historical data cannot be validated as the sampling at the time did not follow QAQC procedures and therefore this type of data does not exist. The core is not available. The core samples were assayed by the in-house labs of the different companies. No certificates for these have been found in the analyzed historical information.

In the opinion of the Author, the analytical data obtained by the different companies that operated in the area in the past will need to be verified in order for it to be incorporated into any type of estimation. The more recent work by major companies such as Phelps Dodge and Rio Tinto will have value. Clearly this data can serve as a valuable guide for future exploration programs.

12 Data Verification

The Author visited the Property for on December 2020 2nd and on February 3rd, 2021, reviewing the local geology and the data compilation analyzed by the Company.

A total of 9 samples were collected by the Author from the three areas of interest, Romanera, El Cura and La Infanta, and delivered to ALS´s sampling preparation facility in Seville.

Samples collected by the Author were analysed using the ICP-Ore (ICP-AES) and gold by Au-AA23 fire-assay method with AA finish, on a 30-gram nominal sample. Table 7 shows the Author´s samples result for the economic interest values.

The results show significant values in Au, Ag, Zn and Pb. and moderate anomalies in Cu. The S and Fe content are also high, which correlates with a typical suite of VMS deposit type. (Table 7).

Table 7. Assay results for the check sampling.

ALS Code	Sample type	Area	X (WGS-84)	Y (WGS-84)	Au ppm	Ag ppm	As %	Cu %	Fe %	Pb %	S %	Sb %	Zn %	Sn %
B403052	Chip	Infanta	654,092	4,171,461	0.12	42	0.0	0.0	1.1	0.2	0.3	0.1	0.0	0.0
B403056	Pile	Infanta	654,082	4,171,476	0.136	29	0.0	0.6	1.5	1.3	0.2	0.1	0.1	0.0
B403057	Suboutcrop	Infanta	654,094	4,171,493	0.925	518	0.3	4.3	2.0	6.4	10.4	2.2	12.2	0.0
B403066	Float	El Cura	650,421	4,171,585	1.025	25	0.2	0.2	32.5	0.1	37.0	0.0	0.0	0.0
B403069	Pile	El Cura	350,466	4,171,605	1.735	22	0.2	0.1	26.9	0.6	17.1	0.0	0.4	0.0
B403076	Suboutcrop	El Cura	650,435	4,171,598	1.63	26	0.3	0.1	33.1	0.2	37.2	0.0	0.0	0.0
B403133	Chip	La Romanera	646,508	4,172,356	0.117	3	0.2	0.1	24.9	0.1	0.9	0.0	0.1	<0.01
B403118	Suboutcrop	La Romanera	646,411	4,172,361	4.33	203	0.7	0.3	25.8	10.3	34.7	0.1	9.7	0.1
B403119	Pile	La Romanera	646,412	4,172,362	5.24	253	2.2	0.7	33.0	5.5	41.8	0.5	8.9	0.3

13 Mineral Processing and metallurgical testing

This section is not applicable.

14 Mineral Resources estimates

This section is not applicable.

15 Mineral Reserve Estimates

This section is not applicable.

16 Mining methods

This section is not applicable.

17 Recovery methods

This section is not applicable.

18 Property Infrastructure

This section is not applicable.

19 Market Studies and contracts

This section is not applicable.

20 Environmental studies, permitting and social or community impact

The IBW exploration permit occupies three different zones from an environmental point of view. these are:

1. La infanta zone, is located east of the exploration permit and in the municipality of Puebla de Guzman. It does not have any level of environmental protection and therefore does not require any additional environmental study to start exploration activities.
2. El Cura zone, is located in the center of the exploration permit and in the municipality of Puebla de Guzman. It presents a medium level of environmental protection. This environmental protection is known as Andevalo Occidental "LIC" (i.e. place of communal interest) and requires a unified environmental authorization (AAU) that can be obtained from the environment department of the Huelva province.
3. La Romanera zone, is located west of the exploration permit and in the municipality of Paymogo. It presents higher level of environmental protection "LIC" (i.e. place of communal interest). This environmental protection is known as Dehesa de Paymogo. Besides that it has a classification of special physical environment. It requires a unified environmental authorization (AAU) and can be obtained from the environment department of the Huelva province.

The company has submitted to the Environmental authorities the exploration program and environmental studies in order to obtain the unified environmental authorization (AAU) in those areas that is required.

In Spain there is no a "social license" as such. However, it is a normal and recommended practice that companies socialize projects in pursuit of coexistence with the community.

21 Capital and operating costs

This section is not applicable.

22 Economic analysis

This section is not applicable.

23 Adjacent properties

This section is not applicable.

24 Other relevant data and information

This section is not applicable.

25 Interpretation and conclusions

Emerita-E has collected, compiled and interpreted the available historical exploration and mining data related to the Iberian Belt West. Several points support the interest in the area, among others but not the only ones, is that the deposit is located within a prolific geologically favourable horizon (the volcano-sedimentary unit) within a world-famous giant VMS district (the Iberian Pyrite Belt). Old exploration and mining data indicates that previous companies found economically viable mineralisation and the fact that the exploration activities concentrated only in the top 100m coupled with the geological knowledge of other deposits in the area, suggests that the expectation of finding more ore at depth and along strike is reasonable. Existing operations in the area benefit greatly from the fact that current metallurgical techniques allow for the extraction of lower mineral grades and at higher recovery rates than historically was achieved in the region.

The Author considers that there is enough geological evidence in the IBW project to support the expenditure to conduct systematic exploration activities at this site.

26 Recommendations

The Author considers that the data acquired and reviewed, while not conforming to a QA/QC protocol standard, provides sufficient evidence to support further exploration.

The recommendation is to conduct exploration activities (those permitted by the type of lease according to the Spanish Mining Law) that will include, but not necessarily be restricted to field mapping, target definition, drill location selection, drilling, sampling and geological interpretation. An airborne magnetic and EM survey would be beneficial for guiding the program.

Geophysical techniques should include time-domain electromagnetic survey to define the extent of the massive sulphides associated with conductivity responses and aeromagnetic data that shows magnetic responses over mineralisation.

The field mapping should combine a follow up of the geophysical results together with the data from past exploration and mining activities in order to confirm, not only the extent of the mineralisation, but also the reliability of the data reported by past owners.

The target definition will be based on the interpretation of the geophysics, field mapping and primarily historical data.

Drilling should be done by diamond coring in order to better describe the geology, stratigraphy and structure of the deposits. Special attention should be given to core orientation (including routine down-hole surveys for deeper drill holes). The logging and interpretation of the core should be done at the time of drilling, in order to modify, if necessary, the drill program.

Recommended Exploration program for the IBW project (Year 2 will be contingent on the results of the Phase 1 program) (Table 8. Recommended Exploration Program for the IBW Project.Table 8).

Table 8. Recommended Exploration Program for the IBW Project.

Item	Year 1 (CAD)	Year 2 (CAD)
Geological Mapping	49,200	30,750
Geophysics	123,000	92,250
Drilling (10000 m)	615,000	615,000
Assays	73,800	73,800
Special Studies	36,900	36,900
Administration	86,100	86,100
Contingency	24,600	98,400
Total	1,008,600	1,033,200

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Signature

The effective date of this report is May 14th, 2021.

“Santiago González Nistal”

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Santiago González. Nistal, P.Geo.

May 14th, 2021