



Annual Information Form

April 8, 2020



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TECHNICAL GLOSSARY

The abbreviations set forth below have the following meanings in this AIF, or in documents incorporated by reference in this AIF.

“Ag” means silver; **“Au”** means gold; **“Cu”** means copper;

“CuCN” means cyanide soluble copper;

“CuS”, and **“CuSol”** all mean acid soluble copper;

“CuT” means total copper content;

“diamond drilling” means rotary drilling using diamond bits, used to produce a solid core of rock;

“DCIP” means direct current induced polarization;

“deposit” means a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing mineral reserves, until final legal, technical and economic factors have been resolved;

“development” means the preparation of a deposit for mining;

“DFS” means a Definitive Feasibility Study;

“feasibility study” means a comprehensive study of a deposit in which all geological, engineering, operating, economic and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production;

“g/t” means grams per tonne;

“hectare” or **“ha”** means an area contained by a square of 100 metres;

“indicated mineral resource” means that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed;

“inferred mineral resource” means that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes;

“IP” means induced polarization



“**klb**” means pounds x 1000; “**km**” means one kilometre; “**koz**” means ounces x 1000; “**ktons**” means tonnes x 1000; “**lb**” means one pound;

“**lps**” means litres per second

“**LOM**” means life of mine

“**measured mineral resource**” means that part of a mineral resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity;

“**m**” means one metre;

“**mm**” means one millimetre;

“**mineral deposit**” means an identified in-situ mineral occurrence from which valuable or useful minerals may be recovered. Mineral deposit estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence of mineralization and on the available sampling results;

“**mineralization**” means the concentration of metals and their chemical compounds within a body of rock;

“**mineral reserve**” means the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economics and other relevant factors that demonstrate, at the time of reporting that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined. Mineral reserves are sub-divided in order of increasing confidence into probable mineral reserves and proven mineral reserves;

“**mineral resource**” means a concentration or occurrence of diamonds, natural solid inorganic material, or fossilized organic material including base and precious metals, coal, diamonds or industrial minerals in or on the earth’s crust in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge;

“**Mo**” means molybdenum;

“**Mt**” means millions of tonnes;

“**National Instrument 43-101**” means National Instrument 43-10- Standards of Disclosure for Mineral Projects

“**ore**” means a metal or mineral or a combination of these of sufficient value as to quality and quantity to enable it to be mined at a profit;



“**ounces**” or “**oz**” means one troy ounce;

“**ppm**” means parts per million;

“**pre-feasibility study**” means a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating, economic factors and the evaluation of other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve;

“**probable mineral reserve**” means the economically mineable part of an indicated and, in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified;

“**proven mineral reserve**” means that economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified;

“**Qualified Person**” has the meaning set forth in National Instrument 43-101;

“**RC**” means reverse circulation percussion drilling in which the drill hole is advanced by the hammer action of the drill bit and where the circulation of compressed air used to bring the samples to the surface is reversed to the normal to reduce sample contamination;

“**strike**” means the direction or trend of a geologic structure;

“**TCu**” means total copper content; and

“**tonne**” or “**t**” means 1,000 kilograms



1. PRELIMINARY NOTES

Incorporation by Reference and Date of Information

The following document of Coro Mining Corp. ("**Coro**" or the "**Company**"), which have been filed with the regulatory authorities in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland and Labrador (the "**Jurisdictions**") is specifically incorporated by reference and form a part of this annual information form (the "**AIF**"):

- a) the report entitled, Updated and Expanded Resource Estimate for the Marimaca Copper Project, Antofagasta Province, Region II, Chile, dated January 15, 2020 and prepared by NCL Ingenieria y Construction SA (the "**Marimaca Technical Report**").

All documentation incorporated by reference in and forming a part of this AIF can be found on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at www.sedar.com under the Company's profile.

All information in this AIF is as of December 31, 2019 unless otherwise indicated.

Currency

All sums of money which are referred to herein are expressed in lawful money of the United States of America, unless otherwise specified. References to Canadian dollars are referred to as "**C\$**".

Forward Looking Statements

Certain of the statements made and information contained or incorporated by reference herein is "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts in this document constitute forward-looking information based on current expectations, estimates, forecasts and projections as well as beliefs and assumptions made by the Company's management. Such forward looking statements include but are not limited to those regarding the Company's outlook and guidance on estimated metal production (or production profile), costs and capital expenditures; exploration and Mineral Reserve and Mineral Resource estimates. Words such as "aim", "anticipate", "assumption", "belief", "believe", "estimate", "expected", "exploration", "exposure", "focus", "forecast", "future", "growth", "guidance", "intends", "opportunities", "outlook", "path", "phase", "plan", "possible", "potential", "program", "progress", "project", "risk", "sensitivity", "schedule", "stage", "strategic", "target" or "trend", or variations of or similar such terms, or statements that certain actions, events or results could, may, might or will be taken or occur or be achieved, identify forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information herein are reasonable, these statements by their nature involve risks and uncertainties and are not guarantees of future performance. These estimates, expectations and other forward-looking statements are based on a number of assumptions and are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties inherent in and relating to estimates of future production and operations, cash and all-in sustaining costs; metal and commodity price fluctuations; foreign currency fluctuations; mining operations including but not limited to environmental hazards, industrial accidents, ground control problems



and flooding; geology including, but not limited to, unusual or unexpected geological formations and events (including but not limited to rock slides and falls of ground), estimation and modelling of grade, tonnes, metallurgy continuity of mineral deposits, dilution, and Mineral Resources and Mineral Reserves, and actual ore mined or metal recoveries varying from such estimates; mine life and life-of-mine plans and estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; the potential for and effects of labour actions, disputes or shortages, community or other civil protests or demonstrations or other unanticipated difficulties with or interruptions to operations; potential for unexpected costs and expenses including, without limitation, for mine closure and reclamation at current and historical operations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain and maintain necessary governmental approvals and permits; regulatory investigations, enforcement, sanctions or related or other litigation; and other risks and uncertainties, including but not limited to those described in the “Risks Factors” section of the Company’s most recently filed Annual information Form. Also, in addition, forward-looking information is based on various assumption including, without limitation, the expectations and beliefs of management; assumed prices of copper, that the Company can access financing, appropriate equipment and sufficient labour; and that the political environment where the Company operates will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, there can be no assurance that forward-looking information will prove to be accurate, and readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise forward-looking statements or to explain any material difference between such and subsequent actual events, except as require by applicable law.

2. CORPORATE STRUCTURE OF THE COMPANY

Name, Address and Incorporation

The Company was incorporated under the Business Corporations Act (British Columbia) on September 22, 2004 under the name of “Coro Mining Corp.” The Company’s registered and records office is located at Address: 25th Floor, 666 Burrard Street Vancouver, BC V6C 2X8, British Columbia, and its head office is located at Suite 1504, Cerro el Plomo 5420, Las Condes, Santiago, 7560742, Chile.

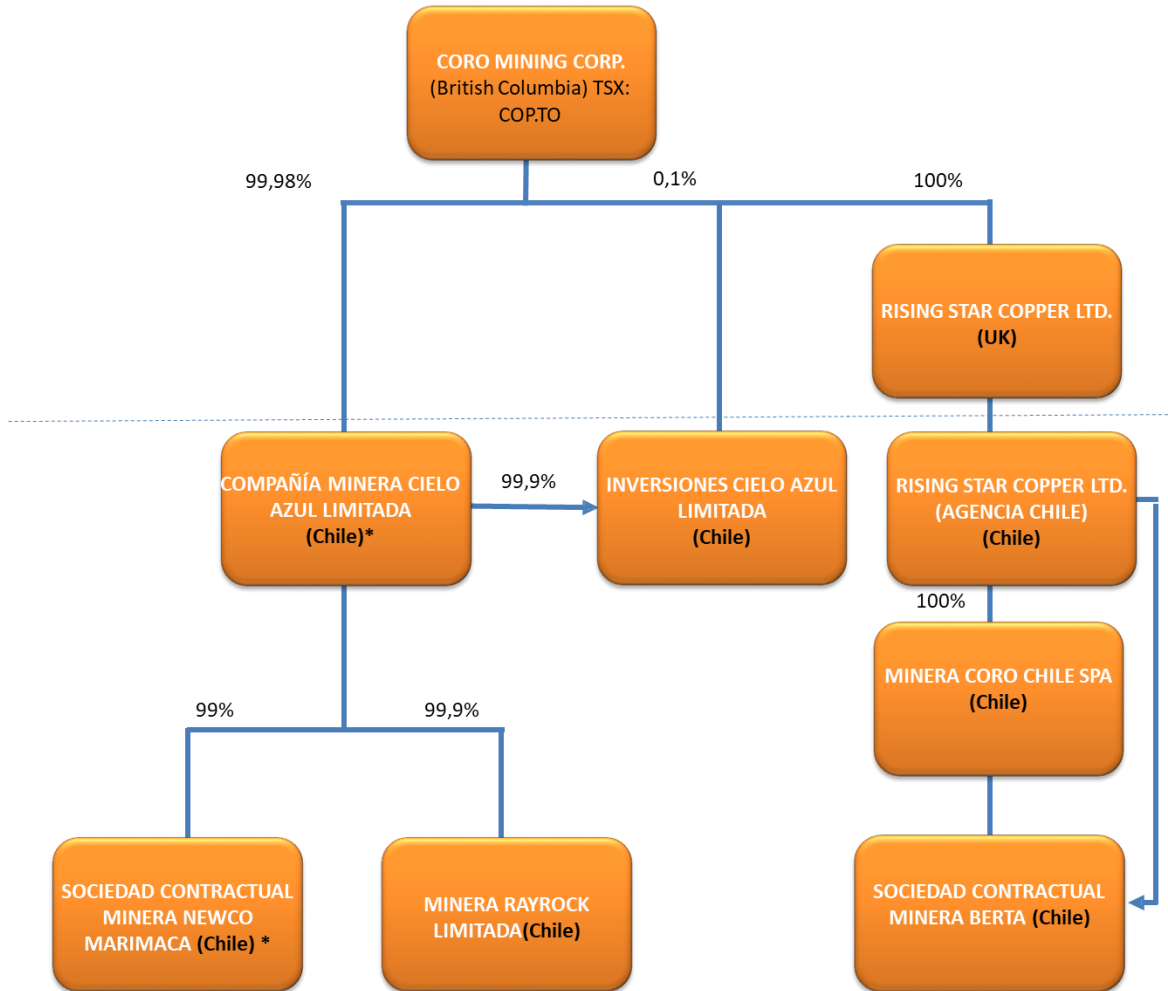
By Notice of Articles dated effective April 6, 2005, the Company increased its authorized share capital to an unlimited number of common shares without par value. On October 25, 2016, the Company simplified its corporate structure by completing vertical short form amalgamations with Sea to Sky Holdings Ltd., 0904213 BC Ltd., Sky Dust Holdings Limited, and Machair Investments Ltd., its four direct and indirect wholly owned British Columbia subsidiaries.

As of December 31, 2019, 1,608,946,194 common shares were issued and outstanding. The Company’s common shares carry no rights of redemption, retraction, conversion or exchange.

The Company became a reporting issuer in the Jurisdictions on June 13, 2007. The Company’s common shares were listed for trading on the Toronto Stock Exchange (the “TSX”) on July 10, 2007.

References in this AIF to the business of the Company include the business conducted by its wholly owned subsidiaries. The Company has the following direct or indirect subsidiaries, all of which are 100% beneficially owned (except for SCMB) by the Company.

Figure 1: Coro Mining Corporate Structure





3. GENERAL DEVELOPMENT OF THE BUSINESS

Coro is a Canadian based copper company. Coro's vision is to explore and develop new sources of copper to supply an increasing global demand for this essential commodity. Coro is developing the Marimaca Copper Project ("Marimaca" or "the Project") for which the Company released an updated Mineral Resource Estimate ("MRE") on December 2, 2019, containing 420kt of contained copper with an average grade of 0.60% copper within the Measured & Indicated Categories and 224kt of contained copper with an average grade of 0.52% copper within the Inferred Category, representing an increase of nearly 100% from the pit constrained MRE released in April 2018.

Coro has identified several near deposit oxide targets which offer the potential to further extend the Mineral Resource Estimate in addition to larger sulphide exploration targets both at Marimaca and within the broader tenement package, which will be the subject of follow-up exploration work.

Coro is currently undertaking a Preliminary Economic Assessment ("PEA") for Marimaca, which is anticipated to be completed in the first half of 2020. The Company, through its Chilean consultants, GEM, recently completed a detailed trade-off study to understand the key development strategies available for the Project, which has identified an initial, stand alone, development option for Marimaca to be used for the PEA. As a result of its premier location and access to first class infrastructure, simple open-pit mining and oxide processing, Marimaca is expected to benefit from low capital development costs relative to other copper development peers in the region. In addition, due to the favourable geometry of the orebody and relatively simple oxide ore processing through Solvent Extraction-Electrowinning ("SX-EW"), management believes the Project will have highly competitive operating costs, delivering compelling economics in the PEA. The Company's shares are quoted on the Toronto Stock Exchange ("TSX") under the symbol COP.

Three Year History

Marimaca Copper Project, Chile

The Marimaca Copper Project was acquired in August 2014, when the company signed a letter of intent (the "Marimaca LOI") to acquire an interest in the Marimaca copper oxide prospect (the "Marimaca Project"), located close to the city of Mejillones in the Region of Antofagasta northern Chile. Upon execution of the Marimaca LOI, the Marimaca Project had never been drilled. The relevant events related to Marimaca in the last three years were as follows:

The exploration activities started in 2016 and resulted in the release of the first maiden resource estimate for the Marimaca Project on January 12, 2017.

On June 9, 2017, the Company announced that it had signed the Definitive Agreement and had successfully completed the acquisition of Minera Rayrock Ltda. ("Rayrock"), a Chilean subsidiary of a Peruvian mining company. Rayrock was the owner of the Ivan SXEW plant (the "Ivan Plant") located approximately 18 km south of the Marimaca Project as well as 23,748 hectares of mining claims (extending between Marimaca and the Ivan Plant and an additional 14,505 hectares of mining claims located approximately 42 km north east from the Ivan Plant and 30 km east from Marimaca). The Ivan Plant has an installed capacity of approximately 10ktpy (22,046,226 lbs) copper cathode and operated from 1995 until 2012, when it was placed on care and maintenance. It has associated water rights and environmental and operating permits, some of which require updating. Coro completed an initial examination of the



plant and came to the conclusion that it was in good condition and could be expeditiously placed back into production for a reasonable cost.

The acquisition terms under the Rayrock LOI were as follows:

- Payment of \$250,000 (paid) on execution of the Rayrock LOI in return for exclusivity to conduct due diligence for a period of 60 days, extendable to 90 days under certain circumstances
- Closing period of 30 days to negotiate and execute a definitive purchase agreement (the “**Definitive Agreement**”)
- Payment of \$6,250,000 on execution of the Definitive Agreement
- The owner will retain a 2% NSR on all production from the Rayrock mineral properties. Coro may acquire half the NSR for \$2,000,000 at any time and will have a right of first refusal over the NSR.

On August 21, 2017, the Company announced that it entered into a binding letter of intent to acquire 100% of the La Atomica claims directly adjacent to the Marimaca Project. The definitive option agreement was executed on November 2, 2017. Under the terms of the option agreement, the Company must pay a total of US\$6,000,000 over 36 months. The vendor of the property will retain a 1.5% NSR payable on the La Atomica claims, of which Coro may acquire 0.5% of the royalty at any time for a \$2,000,000 payment.

On October 17, 2017, the Company announced that it had signed a binding letter of intent to acquire the Naguayan claims totalling 1,075 hectares located northeast and east of the Marimaca Project. The definitive agreement for the Naguayan claims was executed on January 3, 2018 and provides that Coro may acquire the claims for a total purchase price of \$6,500,000 payable over 48 months. The vendor of the property will retain a 1.5% NSR payable on the Naguayan claims, of which Coro may acquire 0.5% of the royalty for a \$2,000,000 payment at any time up to one year after the start of commercial production on the property.

On January 22, 2018 the Company also announced it had entered into a promise to purchase and sell agreement with a local Chilean company to acquire a 379 hectare package of claims (the “SM Claims”) adjoining the Marimaca Project to the north and south. To acquire the SM Claims, Coro paid the vendor an aggregate of \$6,000,000, \$100,000 of which was paid on signing of the agreement. The balance of the consideration was payable on the completion of due diligence and certain other transfers of title. The SM claims would be subject to a 2% NSR in favour of the vendor. On September 6th, 2018, Coro announced that it had completed the acquisition of the Sierra Miranda claims. The acquisition of these claims was a major milestone because the combination of the various Marimaca, Sierra Miranda, La Atómica and Naguayan claims completes the consolidation of the greater Marimaca district. With a comprehensive financing plan announced thereafter, the Company had the land package and financial resources in place to undertake a significant exploration program to expand and determine the full resource potential of the Marimaca district.

On April 12, 2018 an increased resource estimate was announced for Marimaca with the highlights including a 103% increase in contained copper tonnes (CuT) in the measured and indicated categories compared to previous January 2017 resource estimate.

On June 22, 2018 Coro announced that a Definitive Feasibility Study (DFS) had been completed as a condition of its earn in to acquire up to a 51% interest in the Marimaca 1-23 Claim (“the Project”), by confirming the technical and economic viability of developing the Project. On August 27th, 2018 the company announced that it had completed the Chilean legal registrations and was granted the title over



51% of the corporate entity holding the Marimaca 1-23 Claims. This marked the first step in ownership over Marimaca.

On July 5, 2018, the environmental authority (SEA) approved the environmental impact statement, giving a favorable environmental qualification resolution (RCA) for the 2018 DFS open pit mine.

On November 1st, 2018 the company announced the details of another comprehensive Marimaca exploration program. The \$10.6 million program was expected to run for approximately 12 months with the objective of determining the total mineral resource extension at the properties surrounding the area where an initial resource had already been established. In addition, greenfields exploration were undertaken across the wider Marimaca district to determine further mineral resource extension opportunities.

On February 7, 2019 the company also announced that it had entered into an option agreement to acquire a collection of net smelter royalties at the Company's Atahualpa, Tarso, Sorpresa I and II areas (ex Sierra Miranda Claims). The total option value was \$2.2m for all of the 2% royalties over that ground.

On September 10th, 2019 the company announced a transaction whereby Coro would acquire the remaining 49% interest in the Marimaca 1-23 claim it did not currently own. Upon the completion of the Transaction, the Company would have 100% control over the claims comprising the entire Marimaca Project. Pursuant to the Transaction, the Company would acquire the Claim Interests for total cash consideration of (i) US\$12 million (US\$6 million paid on signing of the definitive purchase agreement and two payments of US\$3 million due in 12 and 24 months, respectively), together with (ii) the transfer to the Sellers of certain non-core mineral claims owned by the Company. In addition, the Sellers will receive a 1.5% net smelter return royalty ("NSR") over the Marimaca 1-23 claim, with Coro retaining an option to buy back 1% of the NSR (leaving a 0.5% NSR remaining) for a total of US\$4 million at any time up to 24 months from the commencement of commercial production from the Marimaca 1-23 claims. Coro retains a right of first refusal to acquire this royalty at all times.

Finally, on December 2, 2019 the company announced the Update Measured & Indicated (M+I) and Inferred Mineral Resources at its Marimaca project, representing an increase of almost 100% on the resources compared to the previous July 12th 2018 resource estimate.

Berta Copper Property and Nora Plant, Chile

In February 2019, the company announced that it had agreed to sell the Berta mine to Santiago Metals Proyecto 4 Ltda. ("Santiago Metals"). The total purchase price was \$8.5 million (received). In addition to the Berta mine, some equipment, permits and all the remaining mining concessions adjacent to the Berta mine as well as the retirement obligation was included in the sale. There was no gain or loss recorded on the sale of the Berta mine in 2019 (the Berta mine was written down to estimated net recoverable amount in 2018, with a resultant impairment charge of \$4.2 million) and \$2.4 million was expensed in 2019 associated with care and maintenance activities at the SCMB.

In January 2017, 2,162,500 warrants were exercised (at C\$0.15) and 2,940,000 warrants expired.

On March 22, 2017, the Company announced that it intended to complete a non-brokered private placement of up to 107,680,000 common shares at a price of C\$0.15 per common share. The first tranche of the private placement, comprised of an aggregate of 75,527,131 common shares completed on April 3 and 4, 2017. The second tranche of the private placement, comprised of 32,152,869 common shares, completed on April 20, 2017. Greenstone participated in both tranches of the private placement and acquired an aggregate of 92,088,333 common shares, bringing its share ownership interest in the Company to 61%.

On June 12, 2017, the Company announced that Luis Tondo had been appointed as the President and CEO and a director of the Company. In connection with Mr. Tondo's appointment, Alan Stephens, the Company's former CEO, transitioned to the role of Executive Director responsible for exploration and opportunity seeking activities.

On September 11, 2017 the Company announced a private placement of up to 56,067,692 common shares at price of C\$0.13 per common share. The private placement was completed in two tranches pursuant to which the Company issued an aggregate of 56,561,973 common shares for gross proceeds of approximately C\$7,350,000. The gross proceeds of the financing were intended to be used for the DFS on the Marimaca Project. Greenstone acquired an aggregate of 51,715,665 common shares issued pursuant to the private placement, increasing its share ownership interest in the Company to 63.7%.

On December 22, 2017, the Company announced that it had entered into a \$3,000,000 credit facility with Greenstone.

The funds advanced by Greenstone had to be repaid within 11 months and bore interest at 12% per annum until March 31, 2018 and 15% thereafter. Greenstone advanced a further \$5,000,000 to the Company pursuant to a second credit facility on February 27, 2018. The funds advanced by Greenstone pursuant to the second credit facility had also to be repaid within 11 months and bore interest at 12% per annum until June 30, 2018 and 15% thereafter. Greenstone received a 3% arrangement fee on both credit facilities.

On February 27, 2018 the Company announced it had entered into a credit agreement with Greenstone Resources for a US\$5,000,000 loan. The loan had an eleven-month term and bore interest at 12% per annum until June 30, 2018, after which the interest would be increased to 15%. Greenstone received a 3% arrangement fee under the credit agreement which. The proceeds of the loan were used for general working capital at Coro and SCMB Berta.

On August 7, 2018, the Company announced a comprehensive C\$46.7 million financing plan, comprising a premium non-brokered private placement and rights offering, conversion of a convertible loan and the repayment of debt. The financing was completed successfully on September 26, 2018.

A private placement to Tembo Capital raised gross proceeds of approximately C\$13.2 million by the issuance of 109,733,334 common shares at C\$0.12, which at the time represented a premium of 26% to the closing price on the day prior to closing. \$5.7 million of the proceeds were used towards a total \$6.0 million payment for the previously announced acquisition of the Sierra Miranda Claims (Atahualpa, Atahualpa East, Sorpresa I and II claims) adjacent to the Marimaca 1-23 Claim and the balance of proceeds are to be used to advance exploration at the Company's Marimaca project and for general corporate purposes.



The Company separately announced the issuance of 21,883,492 common shares to Greenstone for the conversion of its US\$2 million convertible loan (approximately C\$2.6 million) at C\$0.12 per share. The loan was converted by issuing shares on August 09, 2018.

At the same time, the Company announced a prospectus exempt rights offering to holders of record of common shares as of August 22nd, 2018. The offering consisted of rights to subscribe for an aggregate of 671,591,957 common shares of the company at a subscription price of C\$0.05 to raise a total C\$33.6 million. Each 1.1667 right entitled a shareholder to acquire one common share of the Company. Additional subscription privileges were extended to all shareholders and Tembo entered into a stand-by guarantee agreement to acquire any untaken rights.

On September 12, 2018, SCMB entered into a credit agreement with GSII for an eleven-month \$10.0 million secured loan facility to SCM Berta. At the end of fiscal 2018, \$6.0 million was advanced. In Q2 2019, the Company repaid the \$6.0 million with funds received from the sale of its Berta Mine and at the same time, the Company drew an additional \$2.0 million under that loan. The eleven-month Working Capital Loan had an initial annual interest rate of 12% for the first 90-days, followed by a 15% annual interest rate for the remaining period compounded monthly. As of December 31, 2019, the current interest rate for this loan is 17% and the Company owed \$2.0 million in principal, \$0.8 million in accrued interest and \$0.2 million in arrangement fees. On March 3, 2020, the Company signed an extension letter for the Working Capital Loan with GSII which extended the maturity date from August 12, 2019 to August 12, 2020. The Working Capital Loan is a non-recourse loan which is limited to RSC and its subsidiaries.

On September 26, 2018, the Company announced the successful completion of the rights offering. Approximately 98% of all rights were acquired by shareholders, with the balance of untaken rights largely due to shareholders residing in non-eligible jurisdictions and ultimately being acquired under the sub-guarantee by Tembo.

The Company used proceeds from the rights offering to repay its two outstanding loans to Greenstone: Loan 1, entered into in December 2017, for \$3 million and Loan 2, entered into in February 2018, for \$5 million. In addition, a total of approximately \$1 million in fees and interest payments was also paid on the two loans. Following repayment of the loans, Coro has no debt outstanding.

On April 9, 2019, the company announced the appointment of Mr. Leonardo Araya Muñoz as the new CFO of the Company replacing Mr. Armando Véliz.

On September 23, 2019, The Company completed a non-brokered private placement for a total of 145,863,926 common shares of the Company at a price of C\$0.115 per share, for total proceeds of C\$16.8 million (\$12.6 million). Issuance costs were C\$109,146 (\$82,714). From the total shares issued, 113,382,205 shares were subscribed by Coro's major shareholder Greenstone Resources L.P. and its associated entities GSII and Greenstone Co-Investment No.1 (Coro) L.P. The remaining 32,481,721 shares were subscribed by Coro's second largest shareholder Ndovu Capital XIV B.V ("Tembo Capital").



Description of the Business

Corporate Structure

Coro is a Canadian based company incorporated with its registered office in British Columbia. The Company is quoted on the TSX under the symbol "COP". The Company's assets are located in Chile and its headquarters are located in Santiago, the capital of Chile.

During 2018 the Company completed a corporate restructuring in line with its strategy to focus on the Marimaca project. This has included bolstering its presence in Santiago and closing its corporate office in Vancouver.

Competitive Conditions

The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of whom may have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter increasing competition from other mining companies in efforts to hire experienced mining professionals. Competition for exploration resources at all levels has, in the past, been very intense, particularly affecting the availability of manpower, drill rigs and helicopters. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Environmental Considerations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances related to mining industry operations, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving, which means stricter standards and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Employees

As at December 31, 2019, the Company had a total of 21 full and part-time employees or consultants and also utilized the services of several professionals on a part-time contract or consulting basis. This compares to 41 at the end of December 2018, the difference attributed to the placing of the SCM Berta operation on care and maintenance.



Foreign Operations

The Company's properties are currently located in Chile and, as such, a substantial portion of the Company's business is exposed to various degrees of political, economic and other risks and uncertainties. The Company's operations and investments may be affected by regional political and economic developments, including expropriation, nationalization, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by laws and policies of Canada affecting foreign trade, investment and taxation.

Risk Factors

The Company faces a number of challenges in the development of its properties. The following is a description of the principal risk factors affecting the Company:

Operational Risks

The Company's operations are subject to all of the risks normally incident to the exploration for and the development and operation of mineral properties. The Company has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and ensure safe, reliable and efficient operations in all phases of its operations. The Company maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. The Company may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities.

The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants are competent and that they have carried out their work in accordance with internationally recognized industry standards. However, if the work conducted by those consultants is ultimately found to be incorrect or inadequate in any material respect, then the Company may experience delays or increased costs in developing its properties.

Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The commercial viability of a mineral deposit



once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of the Company. There can be no assurance that the Company's mineral exploration activities will be successful. In the event that such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern".

Estimates of Mineral Resources

The mineral resource estimates contained in this AIF are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. The estimates of mineral resources described in this AIF should not be interpreted as assurances of mine life or of the profitability of future operations.

Additional Funding and Dilution

If the Company's exploration programs are successful, then additional funds will be required to complete the development of its properties. The only sources of future funds presently available to the Company are the sale of assets, additional equity capital or the entering into of joint venture arrangements or other strategic alliances. In addition, the status of Chile, where the Company operates, may make it more difficult for the Company to obtain financing for its projects. Issuances of additional securities could result in a dilution of the equity interests of any person who may become a holder of the Company's securities. There is no assurance that the Company will be successful in raising sufficient funds to meet its obligation or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, then the Company may have to forfeit its interest in the properties or prospects earned or assumed under such contracts. In addition, if the Company does not raise the funds to complete the currently proposed exploration programs, then the viability of the Company could be jeopardized.

Foreign Political Risk

The Company's material property is located in Chile and, as such, a substantial portion of the Company's business is exposed to various degrees of political and economic risk and uncertainties. The Company's operations and investments may be affected by local political and economic developments, including expropriation, nationalization, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by-laws and policies of Canada affecting foreign trade, investment and taxation.

Permits

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. Obtaining permits can be a complex, and time-consuming process. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits

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and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that the Company will have the resources or expertise to meet its obligations under such licenses and permits.

As of December 31, 2019 Rayrock and Nora Plant are in a state of care and maintenance. Nora Plant has obtained its Environmental Qualification Resolution (RCA) renewal on March 31, 2020, pending now the actualization of its closure plan. For Rayrock, a new Environmental Impact Declaration (DIA) has been recently submitted aiming also to renew Rayrock environmental permits. A closure plan will also have to be prepared for the Rayrock assets after the DIA is approved.

As of March 12, 2020, a Prospecting Environmental Impact Declaration (DIA) has been submitted for allowing the company to conduct an infill drilling campaign in the Marimaca project.

Government Regulation

The mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances and other matters. Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the exploration, development and operating activities of the Company are generally carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

In addition, SCM Berta managed to complete collective agreement with its union on September 27, 2018, which is valid for three years.

Property Interests

The Company has the right to earn an interest in certain of its properties, each of which are subject to the terms of an option agreement. To earn its interest in the optioned properties, the Company is required to make certain cash option payments and complete earn in requirements. If the Company fails to make the agreed cash option payments and earn in requirements, then the Company may lose its right to such properties and forfeit any funds expended to such time.

Acquisition of Additional Mineral Properties

If the Company loses or abandons its interest in one or more of its properties, then there is no assurance that it will be able to acquire other mineral properties of merit, whether by way of option or otherwise, should the Company wish to acquire any additional properties.



Environmental Regulation

The Company's activities are subject to foreign environmental laws and regulations, which may adversely affect its future operations. These laws and regulations control the exploration and development of mineral properties and their effects on the environment, including air and water quality, mine reclamation, waste handling and disposal, the protection of different species of plant and animal life, and the preservation of lands. Additionally, mining projects in their stage of environmental assessment may be required to carry out indigenous consultations with the communities of native peoples that are located in the areas where the mining activity takes place. There has also been a significant change in the management of environmental closures of mining projects. The legislation today requires the constitution of important guarantees in favor of the state in order to ensure compliance with the closure plans. These laws and regulations will require the Company to acquire permits and other authorizations for certain activities. There can be no assurance that the Company will be able to acquire such necessary permits or authorizations on a timely basis, if at all.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. The Company may be liable for environmental contamination and natural resource damages relating to the properties that it currently owns or operates or at which environmental contamination occurred while or before it owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Management

The success of the Company will be largely dependent upon the performance of its officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Company is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

Conflicts of Interest

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the Business Corporations Act (British Columbia), directors who have a material interest in any person who is a party to a material

contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. Certain of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.



Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned. The Company can never be completely certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex. The Company does not carry title insurance on its properties. A successful claim that the Company or its option partner does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

Repatriation of Earnings

There is no assurance that any countries in which the Company carries on business or may carry on business in the future will not impose restrictions on the repatriation of earnings to foreign entities.

Infrastructure

Development and exploration activities depend on adequate infrastructure, including reliable roads and water and power sources. In particular, the Company's activities in Atacama and Antofagasta Regions of Chile will depend on adequate water supply. The Company's inability to secure adequate water and power resources, as well as other events outside of its control, such as unusual weather, sabotage, government or other interference in the maintenance or provision of such infrastructure, could adversely affect the Company's operations and financial condition.

Influence of Third-Party Stakeholders

The Company's interest in its properties and the exploration equipment and roads or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires,

flooding, earthquakes and other environmental occurrences may occur. It is not always possible to fully insure against such risks and the Company may decide not take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Commodity Prices

The viability and profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, forward sales by producers, production, industrial demand, speculative activities and stability of exchange

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rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of copper or gold. The prices of these commodities are affected by numerous factors beyond the Company's control.

Expected Continued Operating Losses

Other than fiscal 2010, whereby the Company realized mark to market gains for trading securities held, the Company has no history of operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has experienced losses from operation for each of the previous three years of operation. The Company expects to incur costs at its SCM Berta operations due to it being on care and maintenance and at Marimaca due to exploration activities. Consequently, the company expects to incur losses as there is no income from these operations.

No History of Dividends

The Company has never paid a dividend on its common shares and does not expect to do so in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Company's board of directors and will depend upon the capital requirements of the Company, results of operations and such other factors as the Company's board of directors considers relevant. Accordingly, it is likely that investors will not receive any return on their investment in the common shares other than possible capital gains.

Foreign Currency Risk

A substantial portion of the Company's expenses are now and are expected to continue to be incurred in foreign currencies. The Company's business will be subject to risks typical of an international business including, but not limited to, differing tax structures, regulations and restrictions and general foreign exchange rate volatility. Fluctuations in the exchange rate between the Canadian dollar and such other currencies may have a material effect on the Company's business, financial condition and results of operations and could result in downward price pressure for our products in or losses from currency exchange rate fluctuations. The Company does not actively hedge against foreign currency fluctuations.

4. Mineral Properties

In Chile, the Company owns a 100% interest in SCM Berta, 100% of Minera Rayrock Limitada (MRR) mining properties and has a 100% interest in the SCM Newco Marimaca who owns the 1-23 Property. The Company also currently holds options to acquire certain claims adjacent and close to the Marimaca 1-23 concession and owns the Celeste Sur and Llancahue projects.

For the purposes of this AIF, the Company has two material mineral properties, the Marimaca Project, which includes the Marimaca 1-23 property as well as other adjacent or close to it, and the SCM Berta Property.



Information Regarding the Marimaca Project

To satisfy the reporting requirements of Form 51-102F2 with respect to the Coro's unique material project Marimaca, the Company has incorporated on January 15, 2020, the most recent technical report called: Updated and Expanded Resource Estimate for the Marimaca Copper Project, Antofagasta Province, Region II, Chile. This updated resource expands the original resources from Marimaca 1-23, from which the DFS study was incorporated in 2017, and defines a new much larger project whose resources were established in the referred report, and their summary is hereby partially reproduced. The following information in this section is summarized or extracted from the mentioned Technical Report, which was prepared by QP, Luis Oviedo H. who leads a team from NCL Engineering, and Coro's exploration technical staff, in accordance with the requirements of National Instrument 43-101. Portions of the following information are based on assumptions, qualifications and procedures which are set out only in the full Technical Report, which is incorporated by reference into this AIF. For a complete description of the assumptions, qualifications and procedures associated with the following information, reference should be made to the full text of the referred Updated and Expanded Resource Estimate Technical Report, which is available for review on the SEDAR website at www.sedar.com.

Location

The Marimaca Project is the Company's principal asset. It is located in Chile's Antofagasta Province, Region II, approximately 45 km north of the city of Antofagasta, 25 km to the east of the port of Mejillones and approximately 1,250 km north of Santiago (Figure 1). The Cerro Moreno International Airport is located about 44 km south of the Project. The center of the deposit's WGS-84 UTM coordinates correspond roughly to 374,800 E and 7,434,900 N.

Antofagasta and Mejillones are relevant shipping ports, especially Mejillones, which is a port for larger cargo. In addition, there are five thermoelectric plants and the most important sulfuric acid terminal in the north of the country. The International Airport port of Antofagasta is 40 km and approximately 50 minutes from the project.

Coro Mining Corp. is an exploration, development & mining company and its 100% owned Chilean subsidiary Minera Cielo Azul Ltda (MCAL) acquired and has the right to acquire 100% of several claims protecting the whole footprint and surrounding areas of de Marimaca Copper Project, covering more than 30,000 hectares.

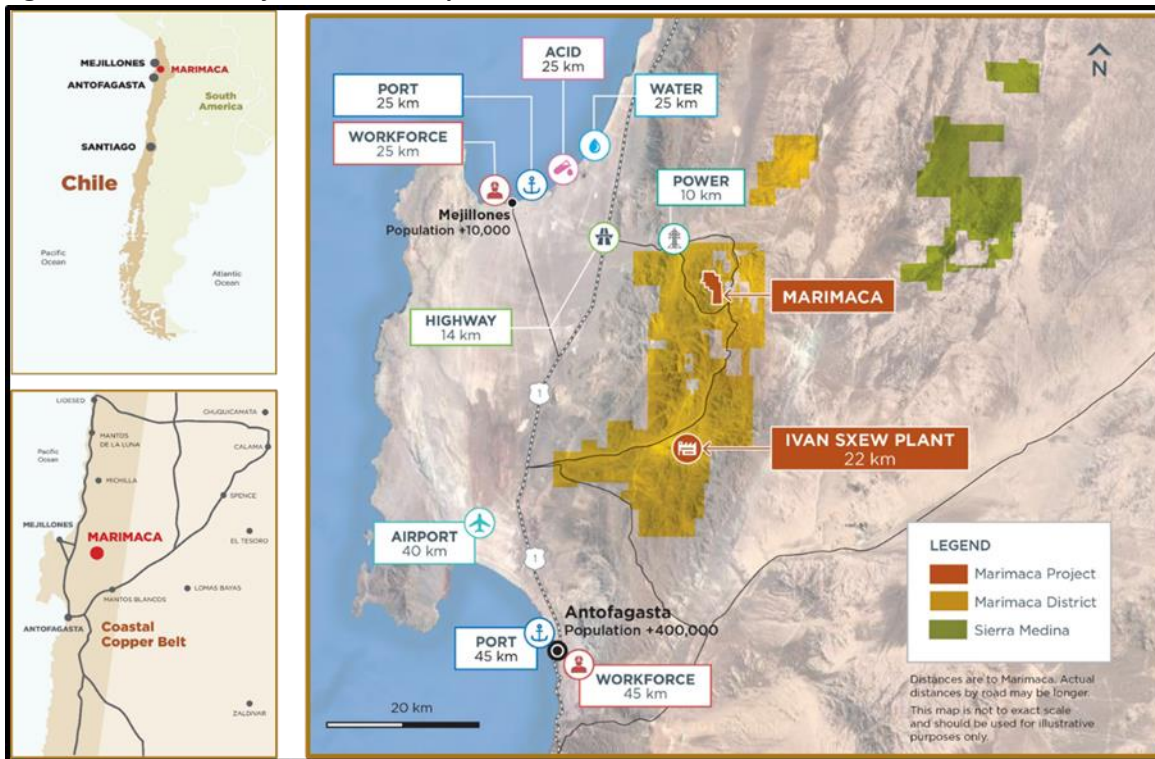
From August 2018 to September 2019, and subsequent to the acquisition of mining property packages, MCAL has undertaken an exploration and delineation drilling campaign oriented to the discovery and delineation of the extensions of the Marimaca 1-23 copper mineralization towards the west and north. A total of 52,516 meters of RC and 4,918 m of diamond drilling (DDH) were completed. Also, more than 800 m of accessible underground workings were sampled and mapped. A geologic database including detailed outcrop mapping and sampling was also added.

To date the total drilling database, consists of 91,210 m of total drilling, 82,234 m of RC and 8,976 m of DDH. Previous data drilling was detailed technical reports submitted in February 2017 (NCL, 2017), and May 2018 (NCL, 2018).

During 2018 - 2019, a substantial amount of detailed geological information, both surface and existing underground workings data, metallurgical, environmental and geotechnical studies were added to the project's database.

The Marimaca Project mining property comprises 60 individual claims totaling approximately 5,840 hectares in area. The claims are free of mortgages, encumbrances, prohibitions, injunctions, and litigation. However, Net Smelter Return royalties affect the claims containing the active and future mining activities

Figure 1: Marimaca Project Location Map



History

The area was known since the end of the 19th century as “Mineral de Naguayán”. Project site and district exploration programs have been active since the Marimaca deposit discovery in 2016. There is no verifiable history of mining prior to Marimaca 1 to 23 properties.

The period of main small-scale mining activity was between the 1990’s and mid 2000’s with underground workings and small pits that could have produced 100,000 t of material with 1-2% Cu grade.

In 1962, the first report was of granodiorite-hosted mineralization cut by "dark dikes" oriented north-south and inclined to the east, with copper mineralization occurring within a system of decimetric parallel fractures. Reportedly, 5 t per week grading between 17% and 50% Cu were being mined. Several of the deeper underground adits reached sulfides described as chalcopyrite, bornite and chalcocite.

Between the 1970's and 1990's there are only reports by geologists of the government institutions such as the Institute of Geological Investigations and Empresa Nacional de Minería. The descriptions mention copper oxide mineralization in north-south oriented fractures and a potential of 200,000 t with an average grade of 1.2% Cu was estimated.

In 2003 the claim owners commissioned a geological study that described and sampled a 10° striking narrow vein system and estimated potential of 566,000 t of average grade 2.8% Cu. This study recognized an intense fracturing and the key directions of faults and veins.

In May 2008, geologists from Minera Rayrock SA described the control of the mineralization by a "pseudo-stratification" or a "pseudo-stratified intrusive". The potential for copper oxide mineralization was estimated at 21 Mt of average grade 0.8% Cu. After this, there are no other reports regarding mining activities in the area.



In the meantime, artisanal miners exploited the properties by developing small open pits and underground workings often with some degree of mechanization. The small open pits had dimensions that did not exceed 20 by 15 m and depths of up to 20 m. Underground workings reached extensions of no more than 100 m. Most of these ores were sold to Michilla, ENAMI and Rayrock.

The discovery was made in April 2016 when the first 15 RC drill holes intercepted significant intervals of copper oxides. The complementary program was started in August 2016, demonstrating the continuity and increase of the mineralization. In addition, some DDH holes were also drilled for metallurgical sampling. With these results, resource estimations were performed and published in January 2017 (NCL, 2017).

During 2017, the Definitive Feasibility Study was commenced and included additional RC drilling in a regular 50 x 50 m grid and DDH drilling for geotechnical and geometallurgical studies. DFS report was completed in June 2018 (Propipe, 2018). Detailed geological surface mapping was completed, including rock sampling.

On January 2018, MCAL presented an environmental impact declaration for the development of an open pit mining exploitation at Marimaca. An environmental baseline was also evaluated for the future mine and leaching plant.

During the period of 2018 to 2019, Coro's main objective was to consolidate the mining property position surrounding the Marimaca 1-23 concession.

On August 2018 Coro announced the commencement of a drilling program oriented to explore and delineate the extensions of the copper mineralization from Marimaca 1-23 towards the west (La Atómica 1-10) and north (Atahualpa concessions package).

During 2019, Coro completed the drilling program including geological work. Mining property has been consolidated with the final agreement for the acquisition of 100% of Marimaca 1-23 announced on September 10, 2019. A new metallurgical test work is ongoing and a PEA for the extended resource is currently being planned to be completed on 1st quarter 2020.

Geology and Mineralization

The Marimaca deposit is located within a belt of Mesozoic age copper deposits, known as the Coastal Copper Belt, which range in (pre-mining) size from Mantos Blancos, ~500 Mt to Ivan with ~50 Mt. These deposits, recognized as "manto-type" or IOCG types, occur in a variety of host rocks and alteration associations and have different morphologies and structure.

The deposits in the district are located NW of the main branches of the Atacama Fault Zone, a subduction-related fault system stretching over 1,000 km along the Chilean coast and active at least since the Jurassic. They have a common Cu-Ag primary mineralogy zoned from bornite outwards to chalcopyrite and pyrite; relatively deep oxidation and sometimes, secondary enrichment.

The wall rocks in Marimaca are intrusives from the "Naguayán Stock", an equigranular monzodiorite that grades to diorite in part cut by monzodiorite porphyries and by various systems of dacitic and dioritic dikes (NE, NS, NW and WNW orientation).

A system sub-parallel, planar, pervasive and persistent fractures occurring along a NS elongated structural belt is the most important structural feature of Marimaca. This feature can be followed at district scale and is informally named as Naguayán Banded Fracture Zone (NBFZ) giving to the rock an appearance of "pseudo-stratification", composed of cent-decimeter sub-parallel "sheeted-like" fractures that show different types of penetration, filling, spacing and



persistence. The other relevant structural system is the EW to NW oriented late faults and dikes that probably divides the deposit into discrete structural domains controlling the development of the supergene mineralization.

The Marimaca alteration consists of a metasomatism with very little evidence of destructive hydrothermal alteration. The calc-sodic (Na-Ca) metasomatism is the replacement of mafics by actinolite, magnetite and the plagioclase by albite. Sometimes the occurrence of tourmaline and chlorite is quite common replacing mafics in the interstices. Epidote in spots and veinlets is observed on the margins, outside the best mineralized zone. The Ca-Na metasomatism extends to a considerable distance from the mineralized body.

Marimaca is an oxide mineralized body with a minor proportion of secondary copper sulfides, generating a supergene blanket hosted by the NBFZ cut by a number of sets of dacitic and diorite dikes (NS, NW and WNW orientation). The mineralization of brochantite, atacamite, chrysocolla, and wad occurs as disseminations and impregnation of fractures in the parallel band system with a NS orientation, but also in diagonal faults systems with NE and NW orientation. The supergene blanket geometry, hosted by a pervasively fractured intrusive (the NBFZ), makes this deposit very different to all those described to date in the Coastal Range region.

The blanket of Marimaca has a NNW orientation and an inclination to the NE due to the control of previous banding NS trending like fracturing and NW oriented late to post mineralization fault systems. Its average vertical thickness is 220 m and within the body, the oxides are zoned with brochantite-atacamite at the nucleus and chrysocolla at the borders. There is also a wad zone inside the blanket that was divided in high grade and low-grade zones (0.1% CuT limit value). The secondary sulfides are chalcocite and lesser covellite. The primary mineral intersections are not completely understood due to the lack of enough deep drill holes, but are represented by chalcopyrite and hypogene covellite, sometimes accompanied by magnetite and lesser hematite. The rock alteration in the mineralized zones is chlorite on a Na-Ca alteration background (albite, actinolite, and magnetite). The feeders have different alterations and concentrate the majority of the high grade and outliers.

The supergene phenomena have a main vertical component, allowing the oxides to be controlled by the fracturing and the distribution of the different types and orientations of dikes. There is a reasonable continuity in the distribution of the copper oxide and its copper grade distribution within the blanket. Some remnants of secondary small sulfides or mixed oxide-sulfide layers, and small volumes of leached rock that might generate internal waste, interrupt the continuity of the oxide zone.

The Marimaca supergene blanket is the result of overlapping processes of accumulative secondary leaching, enrichment and oxidation, in a column of rock affected by various structure systems and long geomorphological and paleo-climatic processes.

The primary sulfide associations have low pyrite content but it is estimated that its abundance in the hanging wall or red cap, permitted the generation of enough acid to have produced the supergene system.

Marimaca is located in an IOCG district of vein deposits combined with Fe bearing structures (e.g. Caprica) and the typical "manto-type" deposits in volcanic rocks (e.g. El Desesperado, Ivan). The common factors are the regional metamorphism/metasomatism environment, the Ca-Na alteration, the presence of magnetite and hematite, the dominant chalcopyrite sulfide and a low overall content of sulfides. The Au contents are low to nil and the proportion of magnetite is not so high. The occurrence of hypogene chalcocite and covellite is not common in IOCG deposits and, traditionally in the Coastal Range, "manto" and IOCG vein, type deposits without exception are hosted and shape controlled by volcanic piles.



An important factor at Marimaca is the presence of supergene enrichment and oxidation that contributed to an increased grade for the deposit. The existence of moderate amounts of pyrite available in the hanging wall made possible the generation of acid and the condition of low reactivity of the country rock, were ideal to generate a good supergene environment. The occurrence of all these events generated several stages of cumulative secondary enrichment and oxidation.

Exploration

Coro has executed the following exploration tasks to date:

2015: geological surface reconnaissance as well as a UAV flight for orthorectification image and a detailed topographic map.

2016: RCH and DDH drilling campaigns were performed. In light of the good results, a 100 x 100 m grid for drilling was completed, using two orientations controlled to cut the primary and secondary structural directions of the mineralization. With these results, the first resource estimation exercise was done, published in January 2017.

2017: drilling was performed following the two orientations in a 50 x 50 m Infill Program. A total of 11,928 m RC in 59 holes was drilled. Another 820 m in 4 PQ drill holes for metallurgical purposes was added and a further 1,230 m in 6 holes with HQ3 methodology for geotechnical purposes was completed. The area of interest was covered by 1:1,000 detailed geological mapping and rock sampling.

At the end of 2017 another 11 RC holes totaling 2,950 m were drilled to explore the NE extension of the Marimaca style mineralization always inside the mining concession; and because at this time the La Atómica 1-10 concession was optioned a first set of 14 RC holes totaling 3,220 m discovery holes were completed.

2018-2019 following the mining property consolidation, towards north with the acquisition of the Atahualpa and Olimpo mining concessions group, the so called Phase II of drilling oriented to the discovery confirmed the extension of the oxide body and its delineation was successfully completed, by means of the drilling of 70 RC, 16,150 m and 9 DDH, 2,203 m at La Atómica 1-10 and 138 RC holes, 36,366 m and 14 DDH's, 2,715 m at Atahualpa and Tarso sectors.

Starting in 2017 an intensive program of 1:5,000 to 1:1,000 metric scale detailed and systematic geologic mapping program has been carried out on most of the project area. At the same time underground workings and road cuts have been mapped and sampled. The information from all the 2016-2017 and 2018-2019 drilling campaigns was used to define the current base of updated and extended, measured, indicated and inferred copper resources

Sampling, Analysis and Data Verification

The NI 43-101 2019 MRE was updated with the results of the infill program executed in 2017 at Marimaca 1-23, and expanded with the 2018-2019 program totaling 385 drill holes, 346 RC (82,234 m) and 39 DDH (8,976 m).

Coro's RC and DDH holes were sampled on a 2m continuous basis. RC cutting dry sample splitted by riffle and DDH samples by drill core splitter on site Analytical samples for the Marimaca Mineral Resources were prepared and assayed in Andes Analytical Assay Laboratories at Calama (sample preparation) and Santiago (assaying) for the Phase II drilling, and at Geolaquim Laboratory in Copiapó for the Phase I, both internationally certified for copper analyses. Conventional preparation and assaying procedures are used. All samples were assayed for CuT (total copper), CuS (acid soluble copper), CuCN (cyanide soluble copper) by AAS and for acid consumption. Specific gravity was systematically measured on 562 core samples from the DDH campaigns

Coro implemented analytical quality control measures, consistent with generally accepted industry best practices. The analytical quality control program includes the use of control samples inserted in batches along with all samples submitted. The analytical quality control data was routinely monitored with protocols in place for handling analytical results on controls that exceed acceptable limits, which ultimately can trigger re-assays of entire or portions of sample batches.

A review of the QA/QC programs by NCL reveals:

- Check sample analysis, the sole quality control measure for the pilot drilling campaign, shows sufficiently good accuracy, despite a lack of other control measures, due to the considerable number of control samples and a decisively strong assay correlation between laboratories.
- Standard Reference Material (SRM) analysis shows very good accuracy and precision, despite observations made to earlier campaigns regarding uncertainty in some of their results due to the numerous types of SRMs used and the low number of samples inserted for some SRMs. These methodological shortcomings, however, were properly rectified in the development of later campaigns.
- Duplicate sample analysis shows very good precision with some concerns regarding the lack of field duplicates in all campaigns and the lack of any duplicate in the pilot drilling campaign, the latter being moderately mitigated thanks to the strong correlation between check samples.
- Blank sample analysis of recent campaigns shows no evidence of contamination. In earlier campaigns missing blanks, it seems reasonable to infer that there's low probability for contamination after reviewing the laboratories' control measures and given that their SRM and duplicate sample analyses performed very well. Some concerns regarding the lack of coarse blanks and the use of very low grade SRMs as fine blanks, the latter being acceptable but not ideal.

The security as was observed in the field and in the files and the results appears to be well done and follows standard industry best practices.

In the opinion of NCL, the analytical results are free of bias. The sampling preparation, security, and analytical procedures used are consistent with generally accepted industry best practices and are therefore adequate to support Mineral Resource estimation.

Mineral Processing and Metallurgical Testing

Two campaigns of column test work had been carried out on four types of material of leachable copper oxide mineralization from Marimaca. Phase 1 exploratory campaign considered all the works for determining the characterization of material including granulometry, sulphation and Iso-pH test, and a duplicated 7x1m columns test, and the spent material characterization. Phase 2 was aimed at confirming previous results in taller columns test of 2.5 meters height and to determine impurity leaching solutions as Mg, Mn, Al and Fe levels.

The above Preliminary results shows that for oxides (subzones Brochantite, Chrysocolla and Wad) material, it is possible to obtain recoveries ranging from 68 to 83% depending on the copper grade and solubility and a net acid consumption is about 35kg/t treated material.



Mineral Resource Estimates

The Mineral Resources discussed herein are based on information from more than 90,000m of core and RC drill holes, stored in a secured central database, and was evaluated using a geostatistical block modelling technique. This new Mineral Resource Estimate incorporated all of the information from the exploration program which was completed by September 2019 and included 346 RC holes and 39 DDH for a total of 91,210m, which were drilled between 2016 and 2019. This estimate naturally includes the previous drilling results from the Marimaca 1-23 property. In December 2019, Coro announced an updated NI 43-101 Mineral Resource Estimate, highlighting an increase of nearly 100% in the Measured & Indicated (M+I) and Inferred Mineral Resource categories, when compared to a previous Mineral Resource Estimate which was released in April 2018.

The Mineral Resource Estimate was completed across a range of cut-off grades by independent consultants NCL Ingeniería y Construcción SpA (“NCL”) and is reported in accordance with the requirements of NI 43-101. The drilling, logging, sampling, analysis and recording information procedures are consistent with generally recognized industry best practices. NCL concludes that the samples are representative of the source materials and there is no evidence that the sampling process introduced any bias

Rock-Structure and Mineral Zone distribution was interpreted by hand on paper in vertical cross sections oriented NE, NW and EW, at 1:1,000 metric scale. Most of the deposit area was covered by a set of 50m spaced sections excepting the NE and NW margins. The 3D models for litho-structure and mineral zone were then assembled in Leapfrog TM using sections and drill hole data by consultants, Atticus Geo.

Specific gravity was systematically measured on 562 core samples from the DDH campaigns. The average specific gravity of each estimation unit was calculated using a set of 562 measures, divided according to each mineral zone. Outliers were eliminated, the following table shows the specific gravity for each of the mineralized zones.

To validate the use of data from the DDH and RC exploration campaigns, twin holes samples (RC vs. DDH) close to 10m maximum were compared.

An analysis of the samples’ length was done in order to check if regularization was required (compositing). Practically all the samples are 2 meters long, so it was concluded that no further action in this regard was needed. Therefore, the samples to be used in the grade modeling process are the raw samples from the drillhole database, coded according to the solid that contain their centroids.

The contact characteristics between the units to estimate have been reviewed according to the mean grade of the samples, in relation to their distance to the contact defined in the solids model.

An analysis of the existence of outliers in the estimation populations was done using the log-probability curves for each samples’ population, looking for some singularities in the curves that may signal the presence of an outlier limit. Identified values were used to cap the different populations.

Correlograms were calculated. The correlograms were performed for the 5 areas of the structural model (Marimaca, Atahualpa, Tarso, Manolo and Atahualpa-Atomica). The variography of CuT and CuS has been developed in two ways, one using the samples of the populations derived from the Contact Analysis independently and another using the total samples inside the estimation solids. Although they show similar behaviors to the correlogram using the total samples, the former was better modeled. Correlograms in distinct directions were calculated, according to visual tendencies, using the structural zones defined in the structural chapter and discussions with Coro’s technical team. The determination of the nugget for each population was done using the down-the-hole correlograms.



The grade interpolation method selected was Ordinary Kriging, attending to the nature of the deposit and the data availability. Four kriging plans were defined, to be executed in sequential order. The general concept is to “fill” the grades model, starting with a restrictive estimation plan which considers only interpolation between drill holes, separated distances below the equivalent of 85% of the variogram sill. Then, the following plans increase the search distance and release other restriction gradually, until the estimation is complete.

Resource Classification has been done according to the conditions defined by the number and location of samples in the neighborhood of each block. This criterion attends the requirements established by the CIM code. The 1st pass generates block estimates with a minimum of two drill intercepts, both within distances shorter than the D85 (distance corresponding to the point where the correlogram reaches 85% of the sill); The 2nd pass maintains the restriction of the number of drill intercepts, but enlarges the search range by twice the D85. These two passes generate Measured and Indicated Resources respectively. The 3rd pass increment the search radius to 4 times the D85 and reduces the number of drillholes within this range to one, generating Inferred Resource. A fourth pass was added using a very large search radio, in order to ensure that all the blocks inside the geological model are estimated. This fourth pass generates Potential mineralized rock.

Visual Validation, Statistic Validation, Moving Window Analysis and Nearest Neighbor were done in order to ensure the quality of the generated block model.

For trend analyses of the block model, the mean and the declustered mean of the samples has been compared with the block results.

From moving window and tendencies of presented grades, it is concluded that the model of estimated grades, preserves the characteristic of the mean grade, global variability and tendencies of the original samples.

The pit constrained Mineral Resource Estimate used a US\$3.00/lb copper price and resulted in a very low strip ratio of 1.11:1, with the deposit captured in a single, contiguous, open pit. The Project is clearly enhanced by the presence of several near surface high-grade zones which may reduce initial capex and accelerate early cash flows and capital payback.

Figure 2 below shows plan views of the mineral resource categories and copper grades at the 980m elevation, together with the outline of the open pit used in the Mineral Resource Estimate within the constraining pit shell. Several high grade (>0.8% CuT) zones, occurring in the central part of the deposit, are highlighted.

Figure 2: Marimaca Block Model (Plan view, highlighting high-grade zones (980m elevation))

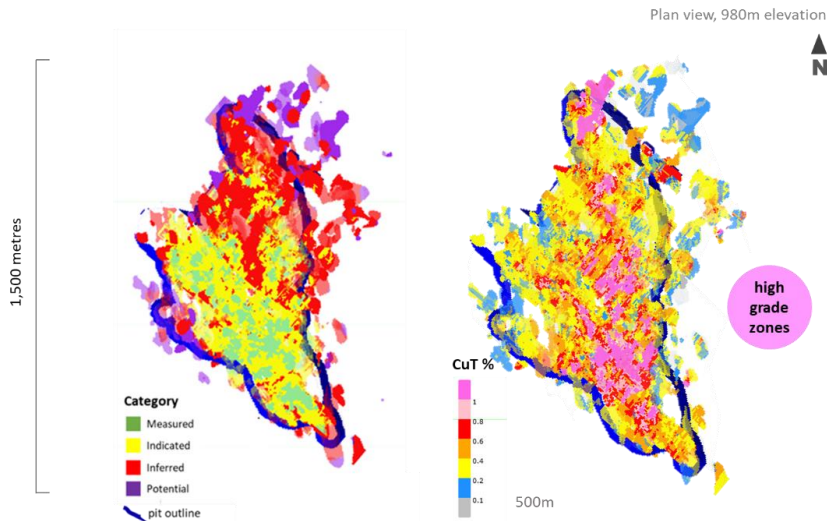
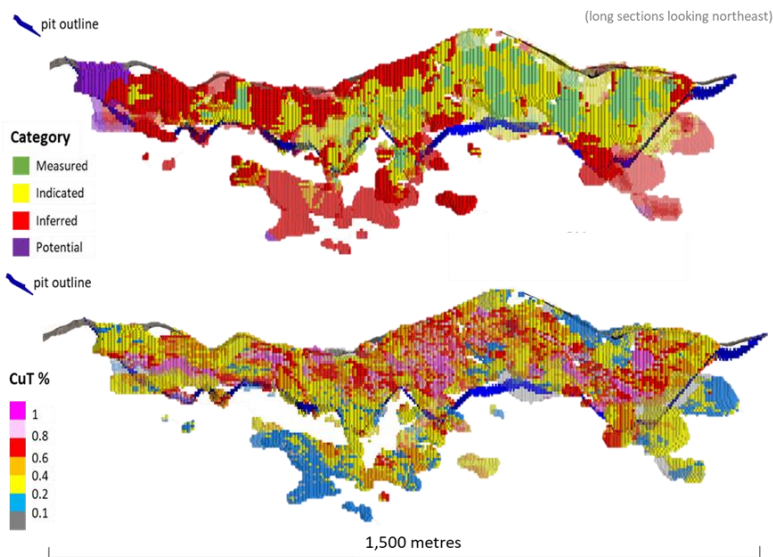


Figure 3 shows a longitudinal section of the copper grades and mineral resource category distribution along a 1,500m north-south section illustrating that higher copper grades occur along the whole section.

Figure 3: Marimaca Block Model (long sections, looking northeast)



Using a 0.22% CuT cut-off grade, the Mineral Resource Estimate consisted of 70.4Mt at 0.60% CuT within the M&I category (approximately 420kt of contained copper), and 43.0Mt at 0.52% CuT within the Inferred category (approximately 224kt of contained copper).

A summary of the results is presented in Table 2 and detailed results are reflected in Tables 2 and 3.

To demonstrate reasonable prospects for eventual economic extraction, a series of Lerchs-Grossmann pit shell optimizations was completed by NCL, utilizing appropriate operating costs, recoveries obtained from previously completed metallurgical test work, and a long term US\$3.00/lb copper price (see economic parameters at Table 1). The resources were estimated only for oxide, mixed, wad and enriched copper mineralization, which can be processed by heap leaching (“HL”) and run of mine (“ROM”) dump leaching to produce copper cathode. Primary sulphide mineralization occurring in deeper parts of the deposit, which are within the constraining pit shell, is not included in the Mineral Resource Estimate shown in the tables below. With the economic parameters stated above, the Cut-Off grade of the Mineral Resource Estimate is approximately 0.22% CuT and a strip ratio of 1.11:1 has been estimated by NCL.

Table 1: Key Technical and Economic Parameters

Copper price	US\$3.00/lb
Mining cost	US\$2.00/t
HL Processing cost, including G&A	US\$9.00/t
ROM Processing cost including G&A	US\$2.50/t
Selling cost	US\$0.07/lb
Heap leach recovery	76% of CuT
ROM recovery	40% of CuT
Pit slope angle ¹	44°-46°

The in-pit summarized mineral resource estimate is showed in Table 2:

Table 2: Summarized Mineral Resource Estimate (using US\$3.00/lb Cu)

Mineral Resource Category	Mineral (kt)	CuT (%)	CuS (%)	CuT (t)	CuS (t)
Total Measured	20,721	0.66	0.44	136,283	91,772
Total Indicated	49,666	0.57	0.37	283,654	183,741
Total Measured and Indicated	70,387	0.60	0.39	419,937	275,513
Total Inferred	43,015	0.52	0.31	224,471	131,746

In this and the following tables CuT means total copper and CuS means acid soluble copper. (Mineral resources that are not mineral reserves do not have demonstrated economic viability. Technical and economic parameters include: copper price US\$3.00/lb; mining cost US\$2.00/t; HL processing cost including G&A US\$9.00/t; ROM processing cost including G&A US\$2.50/t; selling cost US\$0.07/lb Cu; heap leach recovery 76% of CuT; ROM recovery 40% of CuT; and 44°-46° pit slope angle).

Table 3: Mineral Resource Estimate Sensitivity to Varying Cut-Off Grades (using US\$3.00/lb Cu)

Cut-off grade (% CuT)	Measured			Indicated			Measured + Indicated			Inferred		
	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)
0.60	9,071	1.00	0.66	17,657	0.92	0.58	26,727	0.95	0.61	12,182	0.90	0.48
0.50	11,397	0.91	0.61	23,285	0.83	0.53	34,682	0.85	0.56	16,926	0.80	0.44
0.40	14,403	0.81	0.55	30,600	0.74	0.48	45,003	0.76	0.50	23,607	0.70	0.40
0.30	17,865	0.72	0.49	40,253	0.64	0.42	58,118	0.67	0.44	33,410	0.60	0.35
0.22	20,721	0.66	0.44	49,666	0.57	0.37	70,387	0.60	0.39	43,015	0.52	0.31
0.18	22,072	0.63	0.42	54,109	0.54	0.35	76,181	0.57	0.37	47,164	0.49	0.29
0.10	23,087	0.61	0.41	57,619	0.52	0.33	80,706	0.54	0.35	50,641	0.47	0.27

Marginal cut-off grades for Heap and ROM Dump leach processes were calculated to be 0.18% CuT and 0.10% CuT, respectively, which are also shown in Table 3.

**Table 4: Mineral Resource Estimate by Mineralization type
(Using US\$3.00/lb Cu, at 0.22% CuT Cut-Off Grade)**

Mineral Resource Category	Mineral (kt)	CuT (%)	CuS (%)	CuT (t)	CuS (t)
Measured					
Brochantite	10,890	0.76	0.55	82,418	59,835
Chrysocolla	4,918	0.59	0.45	29,016	22,191
Wad/Black oxides	3,262	0.34	0.20	11,118	6,555
Mixed	475	1.02	0.26	4,865	1,217
Enriched	1,176	0.75	0.17	8,874	1,974
Total Measured	20,721	0.66	0.44	136,291	91,772
Indicated					
Brochantite	24,719	0.68	0.49	167,463	121,418
Chrysocolla	9,581	0.50	0.37	48,298	35,668
Wad/Black oxides	10,722	0.32	0.18	34,160	19,299
Mixed	1,177	0.86	0.21	10,076	2,457
Enriched	3,468	0.69	0.14	23,769	4,899
Total Indicated	49,666	0.57	0.37	283,766	183,741
Measured and Indicated					
Brochantite	35,609	0.70	0.51	249,881	181,253
Chrysocolla	14,499	0.53	0.40	77,314	57,859
Wad/Black Oxides	13,984	0.32	0.18	45,281	25,854
Mixed	1,652	0.90	0.22	14,941	3,675
Enriched	4,644	0.70	0.15	32,644	6,873
Total Measured and Indicated	70,387	0.60	0.39	420,061	275,513
Inferred					
Brochantite	17,618	0.63	0.42	110,712	74,266
Chrysocolla	9,978	0.47	0.33	47,077	32,680
Wad/Black oxides	9,565	0.31	0.17	29,834	16,498
Mixed	3,661	0.63	0.15	23,197	5,525
Enriched	2,193	0.63	0.13	13,786	2,777
Total Inferred	43,015	0.52	0.31	224,606	131,746

Copper grades were capped according to the criteria showed at Table 5:

Table 5: Grade-Capping

Grade capping	% CuT capped at	% CuS capped at
Brochantite	8.0	6.0
Chrysocolla	3.0	2.5
Copper Wad/Black Oxides	1.8	1.5
Mixed	6.6	1.7
Enriched	4.2	2.4

Coro completed a feasibility study for the original Marimaca 1-23 Claim in June 2018 and for the purposes of this new Mineral Resource Estimate, basic technical parameters were derived from that feasibility study (adjusted for the new Mineral Resource Estimate) and from NCL benchmark parameters for similar size deposits, with consideration for the readily available infrastructure in the area.

Marimaca District Exploration

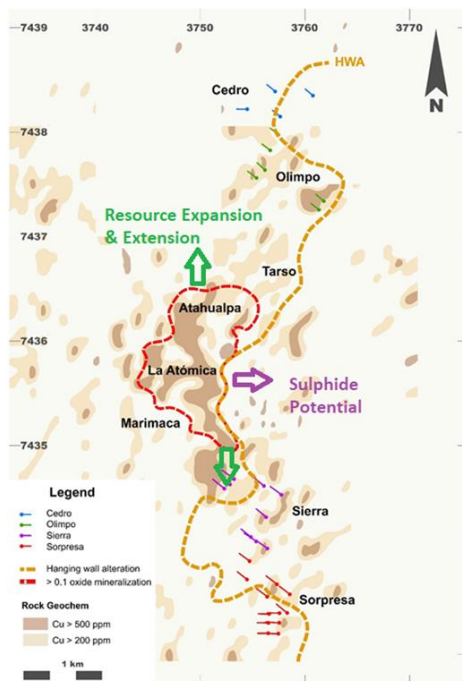
Considerable exploration potential for Marimaca style oxide copper deposits exists within Coro's extensive land package both adjacent to the current Mineral Resource Estimate at Marimaca, and on the larger surrounding area, which could represent additional mine life for any future development.

During the fourth quarter of 2019, Coro commenced an exploration program in some areas of interest defined by geological mapping and geochemical rock sampling. Areas are located approximately 2 km north (Cedro, Olimpo and Tarso) and south (Sierra, Sorpresa) of the Marimaca copper oxide deposit (See Figure 4). This program was designed to explore the existence of copper oxide deposits controlled by a similar system of sheeted fractured and diking intrusive. After detailed rock geochem and some shallow track drilling, a scout drill program was designed and executed with a total of 7,270 metres drilled in 31 holes averaging 230 m depth.

The results of this programme were released on February 24, 2020 and showed that drilling to both the north and south intercepted mineralisation confirming potential for new oxide resources. 27 out of 31 holes encountered interesting zones of oxide copper mineralisation offering potential areas for follow up drilling including:

- 42 metres @ 0.34% CuT in SIR-09 from surface;
- 26 metres @ 0.54% CuT in SIR-07 from 210 metres;
- 40 metres @ 0.49% CuT in SOR-03 from 76 metres; and
- 30 metres @ 0.31% CuT in OLR-1 from surface.

Figure 4: Marimaca District Exploration



Other Related Assets

Ivan Plant

Purchased in June 2017, the Ivan plant is not currently operational and is being kept on care and maintenance. The Company expensed a total of \$1.6 million for care and maintenance costs associated with the Ivan plant for the year ended December 31, 2019 (2018 - \$1.3 million). Currently, the submission of a DIA is being planned for Q1 2020 to update the environmental permits and to extend the operational life of the Ivan plant.

Sierra Medina

Sierra Medina comprises a 14,505-hectare claim located approximately 30 kilometres east of Marimaca, in the former Sierra Valenzuela copper district. Between 2011 and 2013, Minera Rayrock explored and discovered a volcanic-hosted manto type copper deposit. The deposit is blind with mineralization starting at 50 to 100 metres below surface. Copper mineralization, grading close to 1% Cu, consists of both copper oxide and sulphides. The deposit is still open at depth and there are other copper prospects identified but not yet explored within the claim area. As mentioned previously, as part of the negotiations to acquire the remaining 49% ownership in the Marimaca 1-23 claim, the Company has agreed to transfer to the sellers 144 hectares from the Sierra Medina claims that contained drilling information from the work that had been previously done by Minera Rayrock

Information Regarding the SCM Berta Property

In April 2018, the Company concluded a strategic review of its operations where it identified a funding solution for SCM Berta and made a decision to focus its strategy on advancing its flagship Marimaca project. All subsequent funding related to SCM

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Berta would be at the subsidiary level and would be structured as non-recourse to Coro and the Marimaca project. The Berta mine was a high cost and high-risk operation due to the requirement to haul pregnant leach solution 60 kilometres from the Berta mine to the Nora plant by truck. Due to the additional capital required and a lower copper price environment, the Berta mine was put on care and maintenance in October 2018, with the objective to preserve ore resources and minimise costs while long-term strategic alternative for the operation could be evaluated.

In February 2019, Coro agreed to sell the Berta mine to Santiago Metals Proyecto 4 Ltda. (“Santiago Metals”). The total purchase price was \$8.5 million (received). In addition to the Berta mine, some equipment, permits and all the remaining mining concessions adjacent to the Berta mine as well as the retirement obligation was included in the sale. There was no gain or loss recorded on the sale of the Berta mine in 2019 (the Berta mine was written down to estimated net recoverable amount in 2018, with a resultant impairment charge of \$4.2 million) and \$2.4 million was expensed in 2019 associated with care and maintenance activities at the SCMB.

The costs associated with placing SCM Berta on care and maintenance, in addition to funds for re-engineering and new resource drilling were estimated at approximately \$10.0 million. To fund SCM Berta until a longer-term economic solution can be determined, in September 2018, Greenstone Resources II, L.P. (“Greenstone”) agreed to provide an eleven-month \$10.0 million secured loan facility to SCM Berta (the “Working Capital Loan”), of which \$8.0 million had been drawn (\$6.0 million and \$2.0 million in 2018 and 2019 respectively) with \$6.0 million being repaid in 2019 from proceeds from the sale of Berta to Santiago Metals. The Working Capital Loan is secured by properties associated with SCM Berta and is non-recourse to Coro and the Marimaca project. Interest on the loan accrued monthly at 1% for the first 3 months and is now at 1.42% per month. On March 3, 2020, the Company signed an extension letter for the working capital loan with GSII and changed the previous maturity date from August 12, 2019 to August 12, 2020.

In connection with the Working Capital Loan, certain mining claims related to the SCM Berta project registered in the name of Coro’s subsidiary Minera Cielo Azul Limitada (“MCAL”), were transferred to SCM Berta. In Q2 2019, the Company drew \$2.0 million under this facility to continue to fund the care & maintenance costs for the Nora plant. As of December 31, 2019, the Working Capital Loan has accrued interest of \$0.8 million and accrued arrangement fees of \$0.2 million.

As part of the 2018 strategic review, Coro entered into a \$12.0 million financing arrangement through one of its subsidiaries, SCM Berta, with Coro retaining an interest in the existing SCM Berta and the right to participate in the future capital development of the project. Greenstone, an affiliate of Coro’s largest shareholder, Greenstone Resources LP, invested \$12.0 million into SCM Berta by way of a convertible loan (the “SCMB Facility”). The SCMB Facility is a secured loan, convertible into a 75% interest in Coro’s wholly owned subsidiary Rising Star Copper Limited (“RSC”) which holds a 100% interest in Minera Coro Chile SpA, which held a 100% interest in SCM Berta. The SCMB Facility is a non-recourse loan limited to RSC and its subsidiaries and is not encumbering the Marimaca project. The SCMB Facility has not yet been converted and currently the Company does not have a timeline of when that conversion will happen. As of December 31, 2019, the SCMB Facility has accrued interest of \$3.0 million (2018 - \$0.9 million).

Nora Plant

The carrying value of the Nora plant as at December 31, 2019 was \$4.6 million. No additional impairment adjustments have been recorded on 2019. Early in 2019, the Company placed the plant on Care and maintenance costs associated with the Nora plant were \$2.4 million in 2019.

In Q4 2019, the Company prepared and submitted to the Chilean authorities a new Environmental Impact Declaration (“DIA”) for the Nora plant, as the original DIA that was in place will expire in 2020. The DIA is currently being processed by the Chilean authorities and it is expected to be finalized in Q2 2020.



In October 2019, the Company was notified of a sanction process for not constituting 100% of the guarantees of the Trinidad Project Closure Plan (currently the Nora Plant Project). The Company presented administrative discharges allowed by law to justify the non-payment of the bond on November 19, 2019. The main justification was related to the fact that the Closure Plan Bond amount will change shortly, following the approval of the new DIA and subsequent Closure Plan update.

El Jote

In May 2016, and amended July 2019, SCMB optioned the El Jote a copper project, located approximately ~ 30km NW of the Nora plant and 58kms NE of the port of Chañaral in the III Region of Chile. Under the terms of the agreement, SCMB may acquire a 100% interest in the property by completing the following option payment totaling \$3.26 million; \$0.57 million (paid) and \$2.69 million to be paid in eleven installments as follows: \$0.12 million on the signing of amended agreement (paid); \$0.12 million on the 7-month anniversary (paid on February 2020); \$0.12 million on the 10-month anniversary; \$0.18 million on the 14-month anniversary, \$0.18 million on the 18-month anniversary; \$0.18 million on the 22-month anniversary; \$0.18 million on the 26-month anniversary; \$0.18 million on the 30-month anniversary; \$0.18 million on the 34-month anniversary; \$0.18 million on the 38-month anniversary; \$1.10 million on the 42-month anniversary.

SCM Berta Long Term Solution (Nora Plant)

As the only remaining long lived asset of SCM Berta is the Nora Plant, the Company is continuously assessing different alternatives to provide a long-term solution for the Nora Plant. Among the options that have been actively reviewed include: (i) establishing of a tolling agreement with third parties; (ii) sale of the asset; and (iii) acquisition of potential exploration ground or other known deposits.

Celeste Property, Chile

The 100% owned Celeste Sur iron ore project is located 55km NE of the port of Chañaral, in the Region of Atacama Chile. The Celeste property is comprised of a number of concessions covering ~2,800 hectares and was acquired by Coro in 2010 for the issuance of 150,000 common shares and the assumption of a 2.5% copper royalty.

Celeste is contiguous with and along strike to the northeast from the ENAMI owned Cerro Negro iron oxide copper gold type deposit. Small scale artisanal copper mining activity has been carried out in the Celeste area since the early 1900s. In the period 1994 to 2002, Cominco, (later Teck Resources), Phelps Dodge and Atna conducted exploration at the Celeste Property, including the drilling of 18 RC holes for 4,161m and 16 RC holes for a total of 3,650m. No resource estimates have been completed on the property.

In September 2014, Coro announced it had received encouraging results from initial mapping, surface sampling, and test work of its 100% owned Celeste Sur iron ore project, located 55km NE of the port of Chañaral, in the Region of Atacama Chile. Preliminary internal evaluation indicated that potential exists for 5-10mt at ~45% Fe at Celeste Sur, which should be capable of sustaining a ~600ktpy Fe concentrate operation based on a simple, low cost, dry crushing and magnetic separation process route, enhanced by its proximity to a port with existing concentrate handling facilities. The declining iron ore price in 2014 resulted in the Company deferring any further evaluation of the Celeste Property.

Llancahue Property, Chile

The Llancahue project is 100% owned by Coro and is located 38km south west of the City Of Talca in the Region of Maule central Chile, at an elevation of less than 200m above sea level.

In November 2014, Minera Peñoles de Chile Ltda, a subsidiary of Mexican mining company, Industrias Peñoles SAB de CV entered in an option to acquire a 70% interest in the project. Coro announced the termination of this option agreement in October 2016.

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5. DIVIDENDS

The Company has no fixed dividend policy and the Company has not declared any dividends on its common shares since its incorporation. The Company anticipates that all available funds will be used to undertake exploration and development programs on its mineral properties as well as for the acquisition of additional mineral properties. The payment of dividends in the future will depend, among other things, upon the Company's earnings, capital requirements and operating and financial condition. Generally, dividends can only be paid if a company has retained earnings. There can be no assurance that the Company will generate sufficient earnings to allow it to pay dividends.

6. DESCRIPTION OF CAPITAL STRUCTURE

The Company is authorized to issue an unlimited number of common shares without par value of which, as of December 31, 2019, 1,608,946,194 common shares were issued and outstanding. The common shares do not carry any pre-emptive, subscription, redemption, retraction, conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

The holders of the common shares are entitled to: (i) notice of and to attend any meetings of shareholders and shall have one vote per share at any meeting of shareholders of the Company; (ii) dividends, if as and when declared by the Company's board of the directors; and (iii) upon liquidation, dissolution or winding up of the Company, on a pro rata basis, the net assets of the Company after payment of debts and other liabilities.

7. MARKET FOR SECURITIES

The common shares of the Company are listed and posted for trading on the TSX under the symbol "COP". The shares commenced trading on the TSX on July 10, 2007.

The Company's common shares traded on the Exchange during the year ended December 31, 2019. Over 2019 the shares traded at a high of 11 Canadian cents and a low of 5 Canadian cents.

8. ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at December 31, 2019, the Company had no escrowed securities and securities subject to contractual restriction on transfer.

9. DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The name, province or state and country of residence, position and offices with the Company and principal occupation within the five preceding years for each of the directors and executive officers of the Company (as at the date of this AIF) are set out in the following table:

Name, Municipality of Residence and Position with the Company	Principal Occupation or Employment for the Last Five Years	Director Since
Luis Tondo Santiago, Chile President, Chief Executive Officer and Director	President and Chief Executive Officer of the Company from June 2017 to present; Chief Operating Officer of Grupo Minero Las Cenizas from September 2015 to June 2017.	June 12, 2017
Colin Kinley (1)(2)(3) Kansas, United States Director	Director and Senior Advisor, President and Chief Executive Officer of Kinley Exploration LLC from 2007 to present; President and Chief Executive Officer of Jet Mining Pty LLC from 2010 to present; Director of Excelsior Mining from 2010 to present; Director and Chief Operating Officer of Eco Atlantic Oil and Gas Ltd. from 2011 to present.	February 5, 2016
Petra Decher (1)(2) Toronto, ON Independent Director	Ms Decher joined the Board in May 2018 as an Independent Director and was recently appointed as Lead Director. She currently serves as Chairwoman of Red Pine Exploration and is an Independent Director of Ascendant Resources. Previously Lead Independent Director of Integra Gold and VP Finance and Assistant Secretary for Franco Nevada, President and Chief Financial Officer for Geoinformatics Exploration.	May 7, 2018
Tim Petterson Vancouver, BC Independent Director	Mr Petterson joined the Board on November 2018 as an Independent Director. Currently Executive Chairman of Minera Cobre Corp and Managing Director at Kebis and Probe.	November 13, 2018
Michael Haworth (1)(2) London, United Kingdom Executive Chairman	Managing Partner with Greenstone Capital LLP since August, 2013. Executive Chairman of Coro since February 2020 to present.	February 5, 2016

Name, Municipality of Residence and Position with the Company	Principal Occupation or Employment for the Last Five Years	Director Since
Alan Stephens West Sussex, United Kingdom Non-Executive Director	President and Chief Executive Officer of the Company from January 2005 to June 2017; Executive Director of the Company from June 2017 to June 2018; Non-Executive Director since July 2018 to present	January 5, 2005
Gordon Fretwell British Columbia, Canada Director	Self-employed Solicitor of Gordon Fretwell Law Corporation from 1991 to present. Mr Fretwell retired from the Board effective 13 November 2018.	N/A
Roderick J. Webster Perth, Australia Director	Chief Executive Officer of Weatherly International PLC from July 2005 to June 2015. Mr Webster did not submit himself for re-election and therefore retired from the Board effective on 27 June 2018, the date of the AGM.	N/A
Sergio Rivera Santiago, Chile Vice President, Exploration	VP Exploration since November 2, 2011.	N/A
Leonardo Araya, Santiago, Chile Chief Financial Officer	Chief Financial Officer since April 2019. Previously [•]. Previously Latam Regional Controller at SGS.	N/A
Nicholas Bias London, United Kingdom VP Corporate Development & Investor Relations	VP Corporate Development and Investor Relations since April 2018 until February 2020. Previously an Executive at Avanco Resources Ltd and IRC Ltd.	N/A
Armando Véliz Las Condes, Chile Chief Financial Officer	Chief Financial Officer since April 2018 until April 2019. Previously [•]. Previously CFO in El Toqui Mine (Nyrstar Group) and Finance Manager in former Xstrata Group	N/A
Damian J. Towns British Columbia, Canada Previously Chief Financial Officer and Corporate Secretary	Chief Financial Officer of the Company from October 2006 until April 2018. Company Secretary of the Company from October 2006 until May 2018.	N/A
Marcelo Cortes Providencia, Chile Previously Vice President, Project Development	VP Project Development since February 2010 until August 2018.	N/A
Naomi Nemeth Ontario, Canada	VP Communications from January 2017 until April 2018. Previously provided investor relations and communications services to Dynasty Metals and Mining, SandSpring Resources Ltd and Banro Corporation.	N/A

(1) Member of the Company's audit committee.

(2) Member of the Company's compensation committee.

(3) Member of the Company's corporate governance and nominating committee



Each of the Company's directors is elected by the Company's shareholders at an annual general meeting to serve until the next annual general meeting of shareholders or until a successor is elected or appointed.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below, no director or executive officer of the Company is, as at the date of this AIF, or was, within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that: (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days; or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as described below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company: (a) is, as at the date of the AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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, or (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Gordon J. Fretwell, no longer a Director of Coro, was a director of TSX-V listed Lignol Energy Corporation ("**Lignol**") from January 2007 to May 2015. Lignol went into receivership on August 22, 2014.

No director, or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company's knowledge, except as otherwise noted in this AIF, there are no existing or potential conflicts of interest among the Company or a subsidiary of the Company, its directors, officers, or other members of management of the Company or of a subsidiary of the Company except that certain of the directors, officers and other members of management serve as directors, officers and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a director, officer or member of management of such other companies and their duties as a director, officer or member of management of the Company or a subsidiary of the Company.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' or officers' conflicts of interest or in respect of any breaches of duty to any of its directors and officers. All such conflicts must be disclosed by such directors or officers in accordance with the *Business Corporations Act* (British Columbia).



10. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

The Company or its subsidiaries is not a party, nor are any of the Company's properties subject to any pending legal proceedings the outcome of which would have a material adverse effect on the Company. Other than the above, management has no knowledge of any material legal proceedings in which the Company may be a party which are contemplated by governmental authorities or otherwise.

Regulatory Actions

There are no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the Company's most recently completed financial year and up to the date of this AIF; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements the Company entered into with a court relating to securities legislation or with a securities regulatory authority during the Company's most recently completed financial year and up to the date of this AIF.

11. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as noted below, none of the directors, executive officers or shareholders that beneficially own, control or direct, directly or indirectly, more than 10% of the Company's shares, nor any associate or affiliate of the foregoing, has had no material interest, direct or indirect, in any transactions in which the Company has participated within the three most recently completed financial years or in the current financial year prior to the date of this AIF, which has materially affected or is reasonably expected to materially affect the Company.

As described in detail under the heading, "*Financings and Corporate Matters*", Greenstone, the Company's major shareholder, participated in private placements of common shares and convertible debentures during the previous three years.

12. TRANSFER AGENTS AND REGISTRARS

The Company's registrar and transfer agent for its common shares is Computershare Investor Services Inc. located at its principal offices in Vancouver, British Columbia and Toronto, Ontario, Canada.

13. MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the Company is not a party to any material contracts.

14. INTERESTS OF EXPERTS

Names and Interests of Experts

The Company's auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor's report dated March 30, 2020 in respect of the Company's consolidated financial statements as at December 31, 2019 and December 31, 2018 and for years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

DFS Marimaca 1-23 Technical Report, was prepared by Enrique Quiroga, Luis Oviedo H., and Carlos Guzman, in accordance with the requirements of National Instrument 43-101.

The Copper Resource Story.



15. INFORMATION ON AUDIT COMMITTEE

The Company is required to have an audit committee comprised of not less than three directors. The Company's current audit committee consists of Petra Decher, Michael Haworth and Colin Kinley.

Audit Committee Charter

The text of the audit committee's charter is attached as Schedule "A" to this AIF.

Composition of the Audit Committee and Independence

National Instrument 52-110 Audit Committees ("NI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's board of directors, reasonably interfere with the exercise of the member's independent judgment.

All of the members of the audit committee of the Company are independent, as that term is defined in NI 52-110.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she has 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.

All of the members of the Company's audit committee are financially literate as that term is defined in NI 52-110.

Based on their business and educational experiences each audit committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; an understanding of internal controls and procedures for financial reporting.

Petra Decher, Chairman of the Audit Committee

Petra Decher is a Canadian Chartered Public Accountant. She holds a Diploma in Public Accountancy from McGill University and Bachelor's degree in Finance from Concordia University. She has executive and board level experience in finance position in resource companies.

Michael Haworth, Member of the Audit Committee

Michael Haworth qualified as a Chartered Accountant (South Africa). Following a 16 year career in the mining sector including Managing Director at JP Morgan and Head of Mining and Metals Corporate Finance in London, Mr. Haworth co-founded Greenstone Resources in 2013.

Colin Kinley, Member of the Audit Committee

Mr. Kinley is the Chief Executive Officer of Kinley Exploration LLC and leads a team of industry experts providing professional, technical and oversight expertise to international resource companies within the upstream sector. Mr. Kinley has over 30 years of international expertise in integrated energy project management and new energy companies' development. Mr.



Kinley served as a senior executive to several exploration and production companies and oilfield service companies and is specialized in frontier resource development.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the audit committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the board of directors of the Company.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in section 2.4 (De Minimis Non-audit Services), section 3.2 (Initial Public Offerings), section 3.4 (Events Outside Control of Member) or section 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exceptional Circumstances) or the exemption in section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

Pre-Approval Policies and Procedures

The audit committee has adopted specific policies and procedures for the engagement of non-audit services. As part of these policies and procedures the chair of the audit committee is required to be notified, or pre-approval is required to be sought, for any non-audit service that exceeds a pre-determined amount per assignment. The Company's auditors are required to prepare quarterly statements for the audit committee outlining the details of any non-audit assignments undertaken during the quarter and the fees charged for such assignments.



Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to PricewaterhouseCoopers, the current auditors, for services rendered during the financial years ended December 31, 2019 and 2018:

AUDIT FEES	2019	2018
Audit fees ⁽¹⁾	C\$109,000	C\$169,000
Audit-related fees ⁽²⁾	C\$ 27,000	-
Tax fees ⁽³⁾	C\$ 10,500	C\$ 1,750
TOTAL	C\$146,500	C\$170,750

Notes: (1) The aggregate audit fees billed by the Company’s auditor (or accrued).

(2) The aggregate fees billed (or accrued) for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements which are not included under the heading “Audit Fees”, including for quarterly reviews, and services in connection with a public offering of securities.

(3) The aggregate fees billed (or accrued) for professional services rendered for tax compliance, tax advice and tax planning.

16. ADDITIONAL INFORMATION

Additional information concerning the Company may be found on SEDAR at www.sedar.com. Additional financial information is provided in the Company’s financial statements and management’s discussion and analysis for its most recently completed financial year ended December 31, 2018, which are available for review on SEDAR at www.sedar.com. 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 is contained in the Company’s Information Circular for the Company’s Special and Annual General Meeting held June 27, 2018.



SCHEDULE “A”

AUDIT COMMITTEE AND MANDATE

A. PURPOSE

The overall purpose of the Audit Committee (the “Committee”) is to:

1. provide independent review and oversight of the Company’s financial reporting process, the system of internal controls and management of financial risks and the audit process, including the selection, oversight and compensation of the Company’s external auditors, subject to the Board of directors (the “Board”) as a whole filling a vacancy in the office of auditor;
2. assist the Board in fulfilling its responsibilities in reviewing the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct;
3. maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors; and
4. review the Company’s financial strategies, its financing plans and its use of the equity and debt markets.

B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board, all of whom shall be “independent” and “financially literate” as those terms are defined in National Instrument 52-110 “Audit Committees”. In this regard, no member shall:
 - a) other than in his or her capacity as a member of the Committee, Board or any other committee of the Board, accept directly or indirectly any consulting, advisory or other compensatory fee from the Company. The indirect acceptance of a consulting, advisory or other compensatory fee shall include acceptance of the fee by a spouse, minor child or stepchild, or child or stepchild sharing a home with the committee member, or by an entity in which such member is a partner, member or principal or occupies a similar position and which provides accounting, consulting, legal, investment banking, financial or other advisory services or any similar services to the Company;
 - b) have been employed by the Company or any of its affiliates in the current or past two years; or
 - c) be an affiliate of the Company or any of its subsidiaries.
2. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company’s business, operations and risks.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a Chair of the Committee, the members of the Committee shall elect a Chairman from among their number.



5. The secretary of the Committee shall be designated from time to time from one of the members of the Committee or, failing that, shall be the Company's corporate secretary, unless otherwise determined by the Committee.
6. The Committee shall have access to such officers and employees of the Company, its external auditors and legal counsel and to such information respecting the Company and may engage separate independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable to perform its duties and responsibilities.

C. MEETINGS

1. At the request of the Chief Executive Officer ("CEO") or any member of the Committee, the Chairman will convene a meeting of the Committee and provide an agenda for such meeting
2. Any two directors may request the Chairman to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such directors, and may participate in such meeting to the extent permitted by the Chairman of the Committee.
3. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
4. Meetings shall be held not less than four times a year and to coincide with the reporting of quarterly financial statements. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.
5. The Committee may invite such other persons (e.g. the CEO and/or the Chief Financial Officer ("CFO")) to its meetings, as it deems appropriate.
6. The external auditors may be present at each Committee meeting at the request of the Chairman, and be expected to comment on the financial statements in accordance with best practices. The external auditor is entitled to be present and participate at audit committee meetings whose subject is the year-end financial statements and management's discussion & analysis.
7. The proceedings of all meetings will be recorded in minutes

D. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall be as follows:

1. Recommend to the Board:
 - a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the issuer; and
 - b) the compensation of the external auditor.
2. Determine whether internal control recommendations made by external auditors have been implemented by management.
3. Identify areas of greatest financial risk and determine whether management is managing these effectively.
4. Review the Company's strategic and financing plans to assist the Board's understanding of the underlying financial risks and the financing alternatives.
5. Review management's plans to access the equity and debt markets and to provide the Board with advice and commentary.

6. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
7. Review any legal matters which could significantly impact the financial statements as reported on by the Company's outside counsel and meet with outside counsel whenever deemed appropriate.
8. Review the annual and quarterly financial statements, including management's discussion and analysis and annual and interim earnings press releases before the Company publicly discloses this information, and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles, and, if appropriate, recommend to the Board that the annual and quarterly financial statements and management's discussion and analysis be included in the Company's securities filings.
9. Review and approve the financial sections of the annual report to shareholders, the annual information form, prospectuses and all other regulatory filings and public reports requiring approval by the Board, and report to the Board with respect to its review.
10. Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
11. Focus on judgmental areas, example those involving valuation of assets and liabilities and other commitments and contingencies.
12. Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
13. Meet with management and the external auditors to review the annual financial statements and the results of the audit.
14. Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
 - a) actual financial results for the interim period varied significantly from budgeted or projected results;
 - b) generally accepted accounting principles have been consistently applied;
 - c) there are any actual or proposed changes in accounting or financial reporting practices; and
 - d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
15. Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
16. Review the performance of the external auditors and approve in advance provision of services other than auditing.
17. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Committee will obtain from the external auditors, on an annual basis, a formal written statement delineating all relationships between the external auditors and the Company,
18. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.
19. Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately, including the results of the external auditors' review of the adequacy and effectiveness of the Company's accounting and financial controls.
20. Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.



21. Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the CFO as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
22. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
23. If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
24. Create specific procedures for the receipt, retention and treatment of complaints regarding the Company's accounting, internal accounting controls and auditing matters. These procedures will include, among other things, provisions for the confidential treatment of complaints and anonymity for employees desiring to make submissions. Refer to the Company's Whistle Blower Policy attached to this Mandate as Appendix A.
25. Perform other functions as requested by the Board.

