



## **Court of Arbitration issued Final Award of Arbitration between Minera IRL and COFIDE**

**LIMA, PERU** – (GlobeNewswire - September 16, 2019): Minera IRL Limited ("Minera IRL" or the "Company") (BVL: MIRL, CSE: MIRL) is pleased to announce that the Court of Arbitration presiding over the Company's dispute with Corporación Financiera de Desarrollo ("COFIDE") has issued its Final Arbitration Award.

The Court of Arbitration from the Arbitration Center of the Chamber of Commerce of Lima (CCL) ruled in favor of the Company on five of the seven claims made by the Company in its Complaint, which was originally filed in June 2017. Of the two remaining claims, one was rejected and the other was determined to be outside of the Arbitrators' jurisdiction.

The Award provides that COFIDE must pay the Company an aggregate amount of US \$34,213,091, broken down as follows: US \$18,750,234 for consequential damages; US \$13,962,857 for lost profit and US \$1,500,000 for damage to the Company's reputation, plus statutory interest in favor of the Company accrued at the rate of the Central Reserve Bank of Peru (BCRP) from July 17, 2017 to the effective date of such payment.

The Panel declared the following:

- COFIDE is the creditor under a \$70,000,000 bridge loan (the "**Bridge Loan**") to the Company pursuant to a written mandate (the "**Bridge Loan Mandate**");
- COFIDE agreed to assist the Company in creating a long term credit facility that would be used as the source of funds to repay the Bridge Loan;
- COFIDE did not comply with its obligation to assist the Company in structuring a long term credit facility and this failure constituted gross negligence;
- the Company suffered damage as a result of COFIDE's gross negligence;
- the termination of the long term credit mandate by COFIDE was valid and fully effective;
- the costs and fees of the arbitration are to be paid 75% by COFIDE and 25% by the Company;
- it is not necessary to order COFIDE to publicly retract the statements made against IRL or the Ollachea mining project because the Panel believes that the Final Arbitration Award, fulfills this objective of the Company.
- the arbitration panel does not have jurisdiction to enter an order requiring repayment of the Bridge Loan because the Bridge Loan facility expressly provides that it is subject to the jurisdiction of the courts of New York.

In the Award, the Arbitration Panel expressly stated that the Ollachea Gold Project is viable, that it could be financed by means of a long term credit facility such as the parties contemplated in the Bridge Loan Mandate, and that COFIDE had failed to make the necessary efforts to obtain such a long term credit facility.

“The Company accepts the Arbitration Award and stands ready and willing to fulfill and honor all its commitments, as it has informed to COFIDE on repeated occasions, making itself available to agree on a financial solution regarding the Bridge Loan. On the other hand, the Company expects to obtain the long-term financing for the Ollachea project, and we sincerely thank our shareholders and the community at Ollachea for their continued support and trust,” said Gerardo Perez, Chairman of the Board of Minera IRL Limited.

The Final Award is not subject to appeal. COFIDE can apply for annulment based on due process and formality grounds within 20 business days.

FOR FURTHER INFORMATION, PLEASE CONTACT:

**Minera IRL Limited**

Gerardo Pérez

Chairman

+51 1 418 - 1230

Diego Benavides

Director and CEO

+51 1 418 - 1230

Carlos Ruiz de Castilla

CFO

+1 778 387 5434

*No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.*

***Cautionary Statement on Forward-Looking Information***

*Certain information in this news release, including information about the Company’s financial expectations in general and its ability to finance the Ollachea gold project in particular, and other statements expressing management’s expectations or estimates of future events, performance and exploration and development programs or plans constitutes “forward-looking statements”. Forward-looking statements are based upon estimates and assumptions. While management believes these assumptions and statements to be reasonable in the context in which they are made, forward-looking statements are inherently subject to political, legal, regulatory, business and economic risks and competitive uncertainties and contingencies. The Company cautions readers that forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Minera IRL’s actual financial results, future performance and results of exploration and development programs and plans to be materially different than those expected or estimated future results, performance or achievements and that forward-looking statements are not guarantees of future performance, results or achievements.*

*Minera IRL assumes no obligation, except as may be required by law, to update or revise them to reflect new events or circumstances. Risks, uncertainties and contingencies and other factors that might cause actual performance to differ from forward-looking statements include, but are not limited to, any failure to obtain or complete project financing for the Ollachea Gold Project, availability of labour and equipment and financial resources, delays in development or in receiving reports on our development, changes in the price of precious metals and commodities, changes in the relative exchange rates of the US dollar against the Peruvian nuevo sol, interest rates, legislative, political, social or economic developments both within the countries in which the Company operates and in general, contests over title to property, the speculative nature of*

*mineral exploration and development, operating or technical difficulties in connection with the Company's development or exploration programs, increasing costs as a result of inflation or scarcity of human resources and input materials or equipment. Known and unknown risks inherent in the mining business include potential uncertainties related to the title of mineral claims, the accuracy of mineral reserve and resource estimates, metallurgical recoveries, capital and operating costs and the future demand for minerals. For additional information, please consult the Company's most recently filed MD&A and Annual Information Form.*