



Minera IRL

Newsletter

ELEVENTH EDITION
DECEMBER 2021

Message from the CEO

Dear friends of Minera IRL,

As we approach the end of the year, I would like to take the opportunity to provide you with an update on our company since our last newsletter in November and to summarize some of our successes throughout 2021.

Despite the continued uncertainty of COVID-19 and its impact on the global economy, we have achieved a number of important milestones in 2021, including the formalization of our settlement agreement with Corporacion Financiera de Desarrollo ("COFIDE"), completion of a Preliminary Economic Assessment in respect of our Ollachea Gold Property, completion of a Mineral Resource Estimate in respect of our Corihuarmi Gold Mine, and an increase in our gold production at Corihuarmi. In addition to improving our operational efficiencies, allowing us to continue to meet our anticipated production targets, we have focused on maintaining safe working conditions for our people and to date there have been no known or reported cases of COVID-19 at our work sites. We have also continued to expand our leadership

team, most recently with the nomination of veteran mining geologist, Martin Mount, for election as a director at our upcoming Annual General Meeting later this month. You can read more about these highlights in our recently released [corporate update](#).

Further, in our ongoing effort to enhance the lines of communication with our shareholders and other stakeholders, Minera has also created and recently launched a new user-friendly website. We look forward to your feedback on the

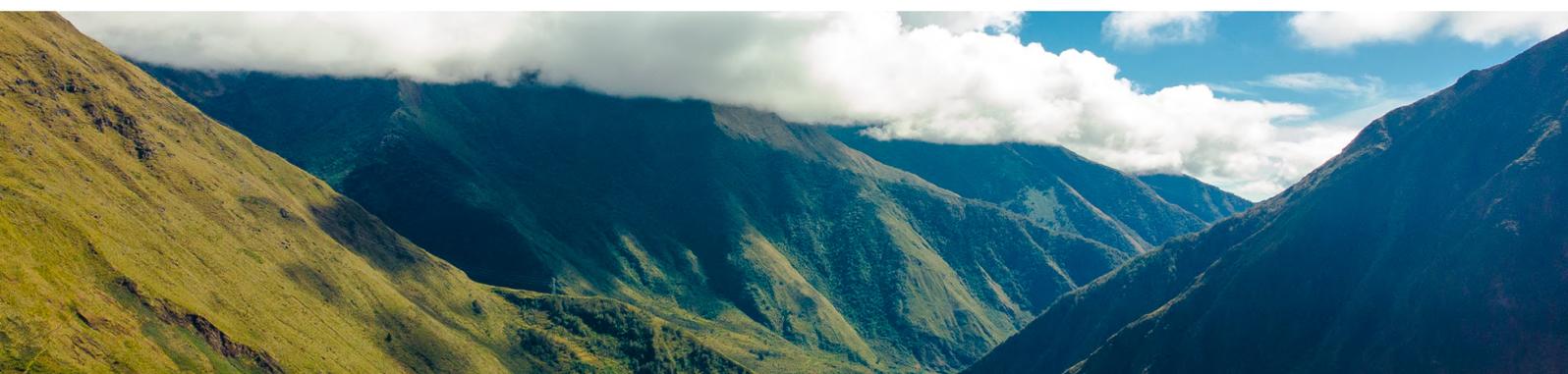
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website and how we can further improve its functionality over time to best meet the needs of our stakeholders.

Finally, as the holiday season draws nearer, we intend to celebrate and thank our many employees for their continued efforts through the past year. While we cannot host Christmas celebrations due to ongoing concerns related to the pandemic, we are pleased to be able to distribute 400 Christmas baskets to the workers at Corihuarmi on December 20th in Huancayo. The baskets will be full of Christmas treats and food that can be shared with family on Christmas Day and throughout the Christmas season.

We eagerly look forward to continuing to build momentum into the new year. As always, we value your support, engagement, and honest feedback. Please reach out directly with questions at any time. Thank you and all the best to you and yours for the upcoming holiday season.

Sincerely,
Diego Benavides CEO



Ollachea Up-date

Site access road maintenance and improvements at Ollachea have been completed by a locally sourced contractor at Ollachea ahead of schedule. These improvements are expected to provide the necessary all-weather access required for ongoing tunnel maintenance and security. All lighting within the production tunnel is now operational and additional security lights have been installed around the portal, strengthening security and safety protocols. These security lights are solar powered requiring less maintenance and allowing for reduced running costs.

OLLACHEA DEVELOPMENT OPPORTUNITIES

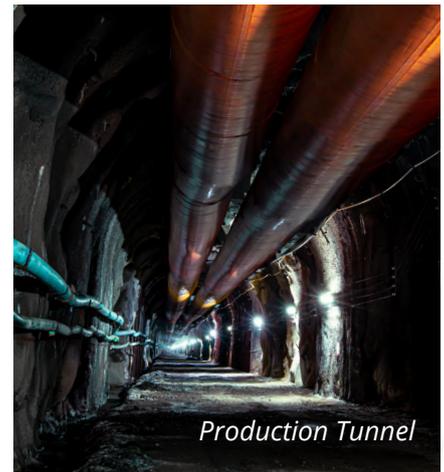
Since the beginning of September, we have expanded our effort to finance Ollachea to include alternatives to straight debt or equity and we are currently engaged in active discussions with two operators that have expressed preliminary interest in a strategic alliance to develop Ollachea. These parties have already begun a due diligence review, including through the technical visits to our projects.

We anticipate that these due diligence reviews will continue through the end of the year and into 2022. Although there can be no assurance that these parties will continue to be interested once they complete their due diligence reviews, we hope to receive initial non-binding indicative proposals during the first quarter of 2022.



Ollachea's site access road

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Production Tunnel

Introduction Mr. Martin Mount

Mr. Martin Mount has been nominated for election to the board of directors of Minera at the 2021 Annual General Meeting scheduled for Tuesday, December 14, 2021. Mr. Mount is a British Mining Geologist and Project Planning Engineer with over 50 years of experience working in a variety of Mining Geology & Engineering applications including mine exploration, and open pit and underground mining operations in Europe, Africa, and the Americas. He brings extensive experience in the conduct of due diligence, as well as in the preparation of technical audits and reports as required to meet the Australian Joint Ore Reserves Committee Code ("JORC") and the Canadian National Instrument 43-101 ("NI 43-101"). Mr. Mount is a "Qualified Person" as defined by JORC and NI 43-101 and this combined with his experience as a geologist, and in mine planning, we believe will provide the technical component necessary to support Minera IRL as we progress with the development of Ollachea.

Corihuarmi Production Update

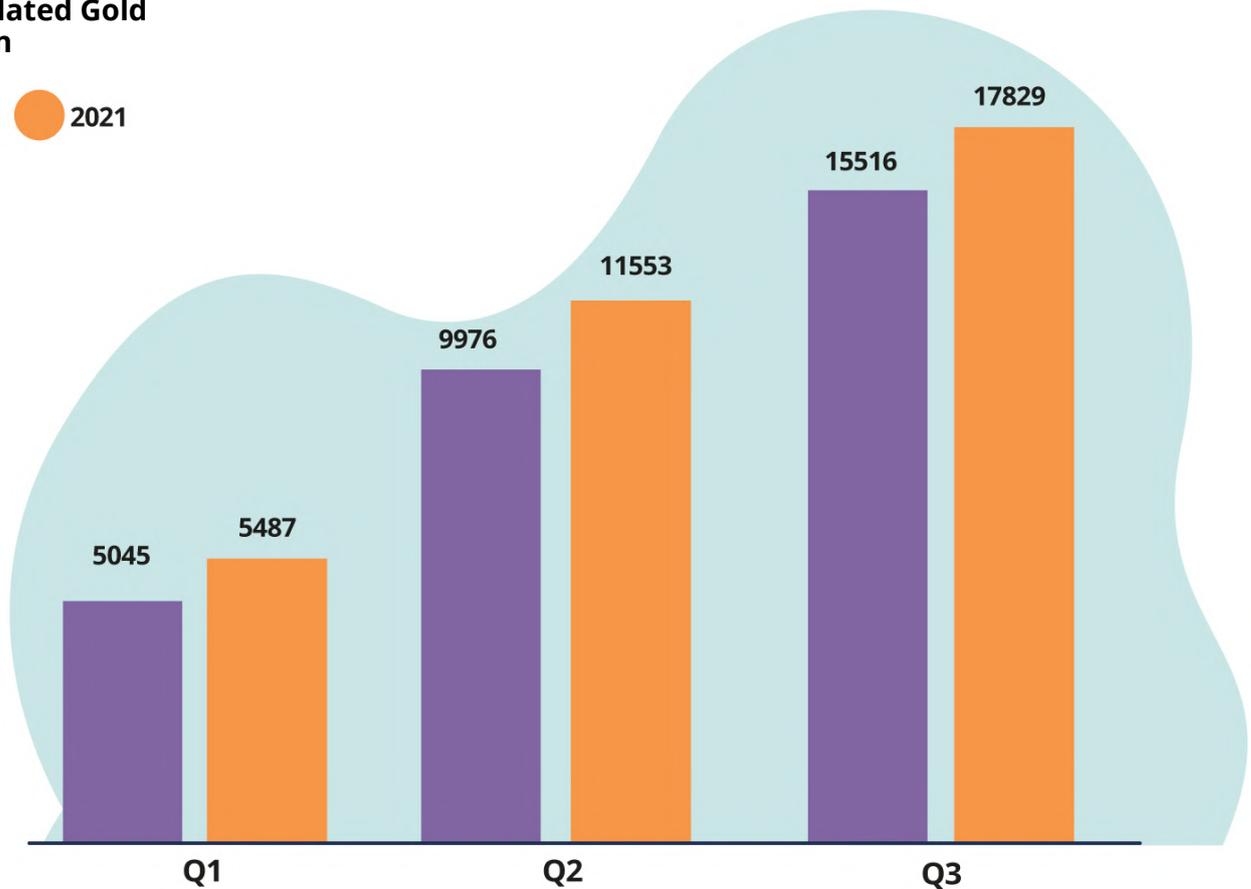
It is encouraging to see the results of our optimization strategy at Corihuarmi. In September 2021, Corihuarmi produced and sold 1,513 ounces of gold, an increase of 6% from September 2020 (1,419 ounces of gold). During the third quarter of 2021, the mine produced and sold 6,260 ounces of gold, an increase of 11% as compared to same period of 2020 (5,647 ounces of gold).

Accumulated gold production between January and September 2021 totaled

17,829 ounces of gold, a 15% increase from the 15,516 ounces of gold produced in the same nine-month period of 2020. As we reach the end of 2021, we are satisfied with the production results attained at Corihuarmi, and our technical leaders are committed to improve the operational performance at the mine aiming to ensure continuity of the capital required to achieve our targets for 2022.

Accumulated Gold Production

● 2020 ● 2021



New Website



In November, the company launched a fully redesigned website, offering a user-friendly experience with improved navigation and functionality that provides straightforward access to Company information and news.

The website features a history of the company and its leadership, an updated [corporate presentation](#), as well as an overview of our operations with direct links to the associated technical reports. It also provides information

on historic and current share price, as well as the spot gold price and information about our commitment to communities, which is at the core of our culture.

We encourage you to visit the Company's new website and review our new corporate presentation: www.minera-irl.com

Q3 Financials

Further to our November 15, 2021 [news release](#), the total gold production at Corihuarmi increased from 5,540 ounces in Q3 2020 to 6,276 ounces in Q3 2021. Gold sales during the third quarter ended September 30, 2021 were comprised of 6,260 ounces of gold (Q3 2020: 5,647 ounces of gold) at an average realized gold price of \$1,775 per ounce (Q3 2020: 1,889 per ounce). During the nine-month period ended 30 September 2021 the average realized gold price was \$1,778, a 3% increase from the average price of \$1,727 realized during the same period last year.

The increase in sales revenue was primarily due to the net effect of an increase in the number of ounces of gold sold and decrease in the average price of gold sold.



**Q3 2021
Sales Revenue**

US\$ **11.1 MM** 
+ 4% from Q3 2020



**Q3 2021
Average Price
of Gold Sold**

US\$ **1,775** 
per ounce
-6% from Q3 2020

Overall gross profit during the third quarter of 2021 was \$3.3 million as compared to \$4.0 million reported for the same period in 2020. For the nine-month period ending September 2021 gross profit was \$9.4 million compared to \$8.7 million for the same nine-month period in 2020.

Our complete financial results for the quarter ended September 30, 2021, are available for review on our profile on SEDAR <https://www.sedar.com> and on our website: <https://minera-irl.com/>

Cautionary Statement on Forward-Looking Information

Certain information in this Newsletter, including information about the Company's intent to celebrate Christmas, its anticipation that it can continue to build momentum into the new year, its expectation that the road maintenance and improvements at Ollachea will provide all-weather access, its anticipation about the timing and results of the current due diligence investigations at Ollachea and its hope that it might receive non-binding indicative proposals during Q1, 2022 and its belief that it is on track to achieve its production target for 2021 at Corihuarmi all constitute "forward-looking statements". Forward looking statements are based on assumptions. While management believes these assumptions and statements are reasonable in context, 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 results and future performance 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, Peru's ability to contain the COVID-19 crisis, changes in the capital or precious metals markets, and changes to legislative, political, social, health or economic developments both within Peru and in general.