

Mercedes Mineral Reserves as of December 31, 2017

PROPERTY	PROVEN RESERVES			PROBABLE RESERVES			PROVEN+PROBABLE RESERVES		
	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)
Mercedes	0.24	5.10	40	3.05	3.85	378	3.29	3.94	417
TOTAL	0.24	5.10	40	3.05	3.85	378	3.29	3.94	417

PROPERTY	PROVEN RESERVES			PROBABLE RESERVES			PROVEN+PROBABLE RESERVES		
	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)
Mercedes	0.24	26.06	202	3.05	24.0	2,354	3.29	24.2	2,555
TOTAL	0.24	26.06	202	3.05	24.0	2,354	3.29	24.2	2,555

*Addition errors in Table due to rounding. See mineral reserve and mineral resource endnotes

Mercedes Mineral Resources as of December 31, 2017 (exclusive of reserves)

PROPERTY	MEASURED RESOURCES			INDICATED RESOURCES			MEASURED+INDICATED RESOURCES			INFERRED RESOURCES		
	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)	Tonnes (Mt)	Grade (g/t Au)	Au Ounces (000's)
Mercedes	1.08	5.73	200	2.60	3.73	311	3.68	4.32	511	1.63	4.2	222
TOTAL	1.08	5.73	200	2.60	3.73	311	3.68	4.32	511	1.63	4.2	222

PROPERTY	MEASURED RESOURCES			INDICATED RESOURCES			MEASURED+INDICATED RESOURCES			INFERRED RESOURCES		
	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)	Tonnes (Mt)	Grade (g/t Ag)	Ag Ounces (000's)
Mercedes	1.08	60.7	2,115	2.60	36.7	3,063	3.68	43.7	5,178	1.63	34.0	1,780
TOTAL	1.08	60.7	2,115	2.60	36.7	3,063	3.68	43.7	5,178	1.63	34.0	1,780

*Addition errors in Table due to rounding. See mineral reserve and mineral resource endnotes

Mineral Reserve and Mineral Resource Endnotes

The Mineral Reserve and Resource estimate used the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Definition Standards for Mineral Resources and Mineral Reserves, Definitions and Guidelines prepared by CIM Standing Committee on Reserve Definitions and adopted by CIM Council on May 10, 2014. The mineral resource estimate is classified as "measured", "indicated", or "inferred" as defined by CIM.

The report, "TECHNICAL REPORT ON THE MERCEDES GOLD-SILVER MINE, SONORA STATE, MEXICO" was completed by Qualified Persons Kathleen A. Altman, P.E., Ph.D., Grant A. Malensek, P.Eng/P.Geo., and Chester M. Moore, P.Eng. and will be filed on SEDAR and on the Company's website. The key assumptions and parameters used in the estimate of the Mineral Reserves and Mineral Resources presented in this press release are set out in such technical report.

Cautionary Notes to Investors - Reserve and Resource Estimates

In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of the Company disclosed on this website have been prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral Reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral Reserve, or is or will ever be economically or legally mineable or recovered.