



Minera IRL

Newsletter

TWELFTH EDITION
MARCH 2022

CEO Message

Dear friends of Minera IRL,

With 2022 now well and truly underway, we are pleased to be able to provide a summary on some of our successes reached in 2021, which include a new annual sales record of US\$ 44 million achieved at the Corihuarmi Gold Mine ("Corihuarmi"), the highest since 2012, and to provide an update on our focus and objectives in 2022.

We have seen some changes to our board of directors, where we ended the year 2021 with the election of Mr. Martin Mount, a British Mining Geologist and Project Planning Engineer with more than 50 years of experience, as an independent director and then said goodbye to Mr. Michael Iannacone in January 2022 after 5 years of service. We welcome the depth and breadth of Mr. Mount's technical expertise as we work towards the financing and development of Ollachea and remain committed to this important corporate priority.

As we move forward in 2022, we have expanded our review and advancement of potential financing options to develop Ollachea. Since the filing of the PEA in September 2021, Minera has continued to

engage with a number of interested parties and institutions. However, it has become evident to management that an exclusive relationship with a financial advisor may not be the best path forward, so after discussions with Haywood Securities Inc. ("Haywood"), the decision was taken to terminate the exclusive agreement. This does not prevent Haywood from procuring a transaction for Ollachea should the parties wish to pursue one. Minera has also entered into a market making agreement with Independent Trading Group ("ITG") with the objective of improving the liquidity of the Company's shares.

We continue to see solid results from Corihuarmi, with 2021 annual production

We continue to engage in active discussions with a number of interested parties

results having surpassed our expectations. We will continue to focus on creating opportunities in this coming year to meet our production targets, while always looking at ways to maximize our operational practices. We have successfully navigated a difficult COVID-19 environment over the past two years and continue to prioritize the health and safety of our employees and the communities in which we work. Our corporate social responsibility approach remains steadfast, and you can read more about our continued support and engagement with our neighbors in this newsletter.

As we settle into 2022, we continue to engage in active discussions with a number of interested parties and new dialogue opportunities have opened up through different market sources. We look forward to updating you on our progress to finance the development of Ollachea through our regular press releases and newsletters, which we plan to publish on a bimonthly basis going forward. As always, thank you for your support and feedback.

Sincerely,

Diego Benavides CEO



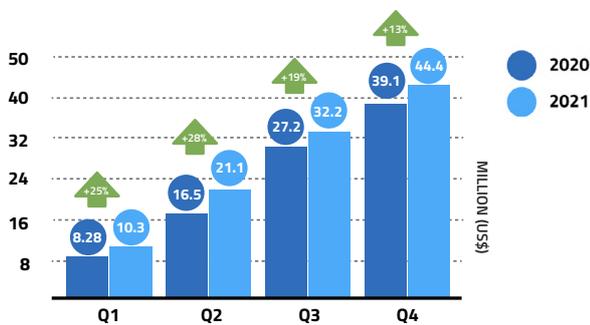
2021 Corihuarmi Production Results

During the final quarter of 2021, Corihuarmi produced 7,088 ounces of gold, a marginal increase compared to the corresponding period in 2020 (7,077 ounces of gold).

Annual gold production for 2021 surpassed our expectations, exceeding the production guidance of 22,500 ounces by 11%, for a total of 24,917 ounces produced. Increased production is largely attributed to several optimization programs undertaken through the fiscal year and the ongoing commitment of our dedicated field personnel. This positive performance, coupled with increased gold prices during the year, resulted in annual sales of US\$ 44 million, an increase of US\$ 5 million from 2020 (US\$ 39 million).

Accumulated production at Corihuarmi from 2008 to the end of 2021 exceeded 390 K ounces of gold.

Sales revenues 2021 vs 2020



Gold Production 2021 vs 2020



Recent improvements at Corihuarmi included the following:

- The construction of additional dynamic pads has expanded the irrigation area from 5.5 hectares in 2020 to 7.5 hectares.
- The commissioning of eight new 20 m³ trucks has reduced the likelihood of down time due to mechanical failure while ensuring high mechanical availability.
- Scheduled upgrades to the loader and excavator fleets as part of Company's policy to ensure the integrity of all equipment and safety of our personnel while reducing down time.

We plan to continue to identify and undertake optimizations at Corihuarmi in 2022, focusing primarily on drill-and-blast, and load-and-haul operations, which are both integral to the initial gold recovery process, and contribute to the continuity of positive operating results. Revenue from Corihuarmi operations provides the capital required to operate our business and supports our efforts to advance potential transactions that may enable the development of Ollachea.

In accordance with Minera's press release of March 1, 2022, the Company has entered into a market making agreement with ITG. ITG has agreed to provide market-making services for Minera on the Canadian Securities Exchange ("CSE").

ITG as Market Maker

Some of you may not be familiar with market makers, so the following is a summary of what ITG does:

As Market Makers, they

- Maintain a Spread Goal – to provide and ensure a continuous two-sided market that is visible and tradable.
- Are a constant, stabilizing presence in the marketplace by contributing to Market Depth and Liquidity.
- Mitigate volatility and promote orderly price discovery.
- Act as Gatekeepers and report any suspect activity to regulators.

If you want to read more about ITG, please visit their website at <https://independent-trading-group.com/>

OUR 2021 ACCOMPLISHMENTS AT A GLANCE

In 2021, we focused on advancing our projects amid a second year of challenges linked to COVID-19 and uncertainties surrounding the election of a new Peruvian President after a polarized election campaign. We are pleased to provide a summary of our achievements over the past year and their significance as key drivers contributing to attainment of our corporate objectives.

COFIDE

The settlement agreement executed with COFIDE in 2020 relieved the Company of the need to fund the arbitration, enabling the allocation of additional resources to Corihuarmi and Ollachea.

On June 24, 2021, we formalized our settlement agreement with COFIDE and issued a [Press Release](#) announcing the completion of four inter-related agreements that included two trust agreements that secure our payment obligations to COFIDE, while protecting our securities and mortgages and providing more certainty to shareholders and future investors.

We are now actively exploring opportunities through new discussions with COFIDE to modify our credit arrangements in order to make the development of Ollachea more attractive to investors.

CORIHUARMI

Corihuarmi – or ‘the Golden Woman’ – started commercial production in 2008 as a small mine with an estimated life span of only four years. Since then, it has delivered consistent production results and its mineral resource has been updated three times, with Mining Plus completing the 2021 MRE in accordance with the rules of Canadian National Instrument 43-101 (“NI 43-101”).

Aligned with our commitment to provide results in the summer of 2021, highlights of the 2021 MRE were published in a [Press Release](#) dated June 28, 2021, and titled Minera IRL Announces Updated Resource and Mine Life Extension for the Corihuarmi Gold Mine. The 2021 MRE was filed on the Company’s profile on SEDAR on August 10, 2021.

OLLACHEA

We retained Mining Plus in March 2021 to produce a PEA for Ollachea and further to our commitment to release results of such PEA in the summer of 2021, we issued a [Press Release](#) on July 19, 2021, titled Minera IRL Announces Positive Preliminary Economic Assessment Results for the Ollachea Gold Project. On September 1, 2021, Mining Plus delivered the PEA, presenting an optimized gold mining project with all key permits in place, the necessary surface rights, and critical path milestones accomplished ahead of any project construction.

The PEA provided for reduced capital requirements for Ollachea to a final start-up cost of US\$ 89 million (including a 25% contingency), compared with the previous development scenario that estimated a required initial investment of approximately US\$ 250 million.

We retained Mining Plus in March 2021 to produce a PEA for Ollachea

Since the filing of the PEA, we have expanded our efforts to finance the development of Ollachea to include alternatives to straight debt or equity and are currently engaged in active discussions with a number of operators that have expressed preliminary interest in a strategic alliance to develop Ollachea. These parties have begun due diligence reviews, that are expected to continue through the first part of 2022.

INTRODUCTION TO OUR NEW INDEPENDENT DIRECTOR MARTIN MOUNT

We are very pleased to welcome Mr. Martin Mount as an Independent Director after he was elected to the board at our 2021 Annual General Meeting. Mr. Mount is a British Mining Geologist and Project Planning Engineer with a proven track record of more than 50 years working in Europe, Africa, and the Americas. He has spent half of his career in South America, particularly in Peru and Colombia, where he was part of the senior management team of long-standing and listed mining companies such as Volcan Compañía Minera S.A.A., Minsur S.A., and Sociedad Minera de Santander S.A.S. (Minesa).

Mr. Mount is a “Qualified Person” as defined by NI 43-101 and the Australasian Joint Ore Reserves Committee Code (“JORC”) and brings extensive experience in the conduct of due diligence, as well as in the preparation of technical audits and reports as required to meet both resource reporting codes.



COMMUNITY ENGAGEMENT

Peru's COVID-19 vaccination strategy has allowed the country to gain better control of the pandemic, allowing increased participation and attendance at various activities in the communities neighboring our projects. As a result, we plan to resume 10 social programs in 2022 that were put on hold over the past two years to prevent the spread of COVID-19, and to add further capacity to the 17 programs that were executed in 2021.

This year, our priority is to improve the education opportunities for young people within the communities of our direct area of influence through the reinstatement of tutoring for school-aged children, as well as young people pursuing university and technical studies. We also plan to enhance existing programs that support local procurement, services provision, and development of infrastructure and community businesses along with the promotion of additional health campaigns.

We are pleased to provide a summary of the results of our 2021 social programs:

Corihuarmi Mine

In 2021, we:

- Provided veterinary care for approximately 1100 head of sheep and cattle belonging to 175 community members as well as a donation of another 80 head to the community farmers.
- Completed a mechanized irrigation project covering 11 hectares owned by the Atcas community aimed at improving the conservation of the natural grass used to feed the cattle owned by community members.
- Assisted the Atcas and Huantan communities with the construction of two ponds to store 30,000 cubic meters of water during the rainy season for use during the dry season.
- Provided 72 elderly community members over 65 years of age a monthly financial allowance and basic grocery deliveries.
- The Huantan community trout farm built by the Company in 2017 as part of its CSR program produced and sold 2.8 tons of trout during 2021. 185 community members were provided technical and management training aimed to generate further income.
- Atcas Community businesses continue to provide passenger transportation and laundry services for Corihuarmi mine workers.

In addition:

- In 2021, the Association of Artisan Women of Corihuarmi ("CORI MAKI") produced more than 300 hand-woven and loom-woven souvenirs for several Peruvian companies. These orders came because of the different recognitions and awards granted to CORI MAKI in 2021.
- The Atcas Medical Centre, built and donated by Minera in 2010, provided medical care to 1,095 patients. We continue to allocate specialized medical staff and medicines to address the health needs of the Atcas community.



Ollachea Project

In 2021, we:

- We produced more than 13,000 seedlings including eucalyptus, cypress, pine, rocoto, avocado, and passion fruit. Most of these seedlings were distributed to community members, either to fence their land or for consumption and sale, while the remaining portion was planted over 9.5 hectares defined by the Community Board.

Kunkurchaca Pilot Projects Center:

- Produced 93 kilograms of honey that were distributed among 200 low-income and elderly community members. In addition, more than four tons of worm humus were produced last year and used as part of our horticulture projects to produce organic fertilizer that is distributed to community farmers to improve the quality and productivity of their farms.
- Is also engaged in the production of organic vegetables that are distributed in coordination with the Community Board. In 2021, around 280 low-income families received more than 1.2 tons of vegetables, including lettuce, chard, cabbage, and beetroot.

The Association of Artisan Women of Ollachea ("AMARE"):

- Continues to promote women entrepreneurship in the community. In 2021, 131 women received online training in alpaca clothing production, and produced and sold more than 1,200 garments. AMARE continues to be recognized by private and government entities and has received two financial grants from the Ministry of Culture and the Ministry of Foreign Trade and Tourism.



Ollachea Music and Dance Centre (CEMDAO):

- In 2021, CEMDAO continued to provide virtual classes to approximately 90 children and teens of Ollachea in line with COVID prevention protocols.
- CEMDAO has promoted the preservation of traditional culture since 2011 and is expected to transition back to in-person learning in 2022, offering the opportunity for the new generations of Ollachea to learn about traditional dances from different regions of Peru and to play a variety of native and classical instruments, including charango and zampoña, as well as the violin, guitar, and keyboard.



Cautionary Statement on Forward-Looking Information

Certain information in this Newsletter, including information about the Company's plans to finance and develop Ollachea while continuing to optimize Corihuarmi and the health and safety of its employees and the neighboring communities, its efforts to reach agreement with COFIDE to modify the current credit arrangements to make the development of Ollachea more attractive to investors, its engagement with operators interested in a strategic alliance to develop Ollachea and the progress and timing of their due diligence reviews, and its plans to continue and expand its social programs, 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 and access to the capital or precious metals markets, and changes to legislative, political, social, health or economic developments both within Peru and in general.