

Drilling Commences at El Rosillo

26 May 2022

E2 Metals (**E2** or **the Company**) is pleased to announce that drilling has commenced at the El Rosillo project, located in the western Rio Negro Province of Argentina

Highlights

- El Rosillo is a new greenfields discovery located within the Gastre Fault which is host to Pan America Silver's large Navidad silver deposit (total resources 751Moz Ag)
- The drill program will comprise 2500m of diamond drilling focused on **testing 7 gold mineralised structures within five prospect areas for a cumulative 1400m strike.**
- Priority targets defined from the recent trench program include

Prospect 37A	ROT-024:	1.9m at 184gpt Au, 55gpt Ag
	ROT-023:	10.7m at 3.7gpt Au
	ROT-004	25m at 2.9gpt Au

Prospect 38A	ROT-009:	1m at 279gpt Au, 116gpt Ag
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- This includes gold mineralised structures defined in new trench results not previously announced

Prospect 38F	ROT-042:	7m at 3.6gpt Au
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Prospect 38E	ROT-065:	1.2m at 8.7gpt Au
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- Drilling is anticipated to be completed in 6 weeks

Commenting on the update, Managing Director Todd Williams states: "We are excited for this first drill program at El Rosillo which will test surface veins that have returned spectacular grades and visible gold in trenches. We believe that El Rosillo, which includes the broader district controlled 100% by E2 Metals, has all the hallmarks of a large intrusion related gold system, with the potential for a major discovery heightened by the proximity to the Gastre Fault that hosts the world-class Navidad silver deposit."

E2 Metals Limited

ABN: 34 116 865 546
ASX Code: E2M

Issued Capital

199.1M fully paid
ordinary shares

Directors / Secretary

Peter Mullens
Chair
Todd Williams
Managing Director
Melanie Leydin
Non-Executive Director

Address

Level 4, 100 Albert Road
South Melbourne VIC 3205
P: +61 3 9692 7222
F: +61 3 9077 9233
E: info@e2metals.com.au



Rio Negro Projects, Argentina

Overview

The Rio Negro Province contains the northern portion of the Somuncura Massif, a large volcanic province that is geologically similar to the Deseado Massif in Santa Cruz, but has been subject to far less modern exploration. The Somuncura Massif is host to Pan American Silver’s Navidad deposit, the largest undeveloped silver deposit in the world with over 750 million ounces of silver resources.

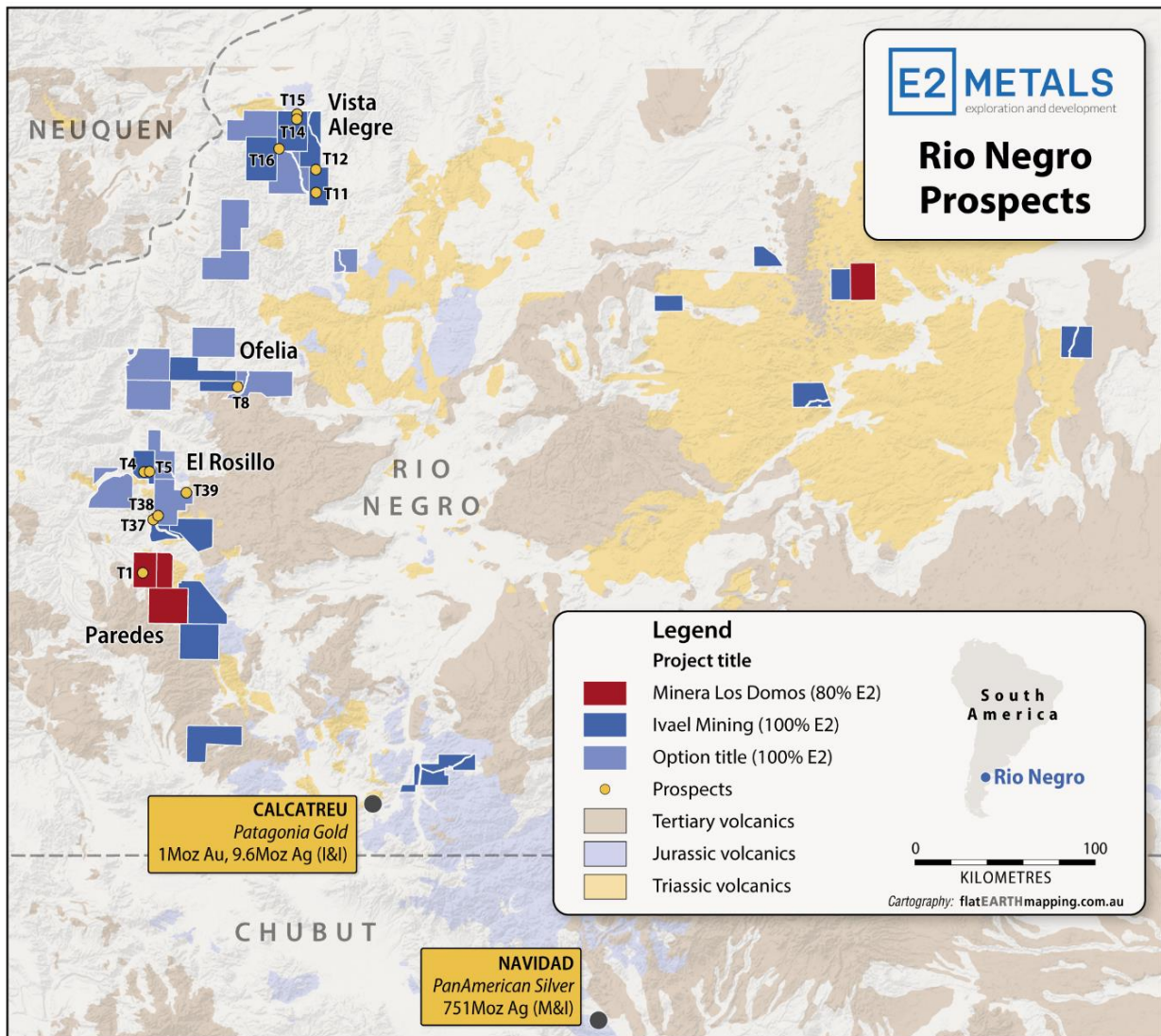


Figure 1: Western Rio Negro projects including El Rosillo

The Company has consolidated four large districts in the western part of the Rio Negro province centered on the Vista Alegre, Ofelia, Paredes and El Rosillo properties (Figure 1) respectively. Initial reconnaissance mapping and sampling by E2 in March 2021 (see ASX Announcement, 27 April 2021, March 2021 Quarterly Report) defined 12 gold mineralised prospects of possible Intrusion Related Gold (“IRG”) affinity over a regional strike length extending about 200km to the north of El Rosillo



Figure 1: Prospect 37A – drill platform and rig

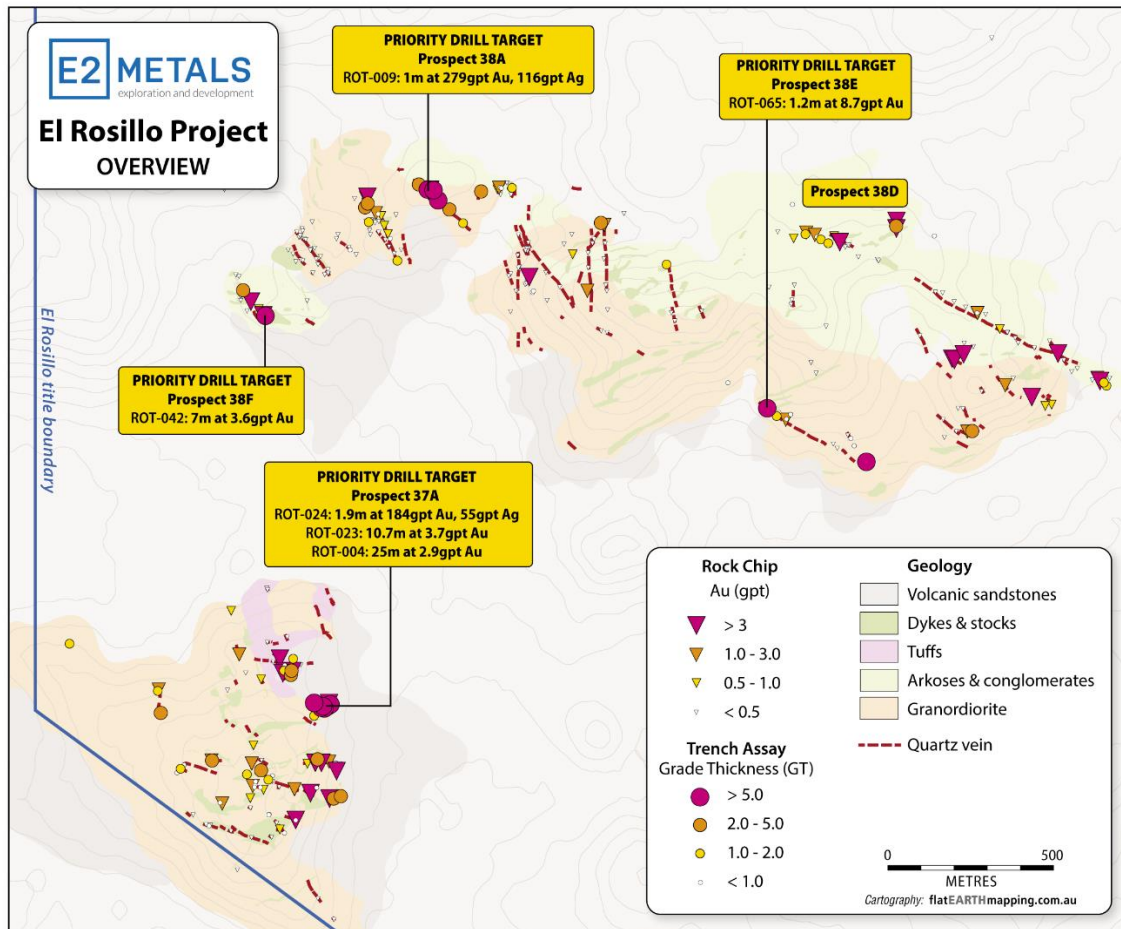


Figure 2: Summary of trench results and drill priorities

Summary of trench program

Trenching to date has comprised 115 trenches for 3974m (Table 1). This includes a combination of hand dug and mechanically excavated trenches with lengths that range from 9m to 93m.

Trenches were designed to test to main target types:

- 1) First-order gold geochemical anomalies in composite rock chip samples that were initially collected on a nominal 20m by 40m sample grid (see ASX announcement, *Rio Negro - Target 38 Sampling Results*, 8 July 2021).
- 2) Outcropping vein structures and their covered extensions as prime geological targets with gold mineralisation undetected by the composite rock chip samples

A summary of trench results is shown below in Table 2.

In a general sense, the best mineralised structures defined in trenches coincide with the highest anomalies in the composite rock samples, confirming the methods effectiveness in vectoring to blind veins that do not outcrop.

Summary of drill targets

[Priority 1 drill targets: Four mineralised structures for 900m cumulative strike](#)

Four vein structures have returned >10 gram-meters Grade Thickness (GT) trench intercepts and are prioritised for drill testing on sections spaced 75m apart (GT is calculated as gold grade x thickness).

Prospect 37A

West-northwest trending mineralised structure outcropping over 100m strike, open to the east-southeast and west-northwest under shallow gravel cover

ROT-004: **25m at 2.9gpt Au (72 GT)**

ROT-023: **10.7m at 3.7gpt Au (39 GT)**

ROT-024: **1.9m at 184gpt Au, 55gpt Ag (350 GT)**

Prospect 38A

Northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

ROT-009: **1m at 279gpt Au, 116gpt Ag (279 GT)**

Prospect 38F

West-northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

ROT-042: **7m at 3.6gpt Au (25 GT)**



Figure 3: Trench ROT-009, visible gold in hand sample (x10 magnification)

Prospect 38E

West-northwest trending mineralised structure outcropping over 400m strike, open to the east-southeast under shallow gravel cover

ROT-065: **1.2m at 8.7gpt Au (10.5 GT)**

Priority 2 drill targets: Four mineralised structures for 500m cumulative strike

Three vein structures have returned 1-5 GT trench intercepts characterized by moderate to high gold grades over 1-2m intervals. These targets are prioritised for drill testing on sections spaced 150m apart (depending on outcrop dimensions) to determine if the vein structures are better developed at depth.

Prospect 38A

Northwest trending mineralised structure outcropping over 200m strike, open to the east-southeast under shallow gravel cover

ROT-087: **0.8m at 3.2gpt Au (2.6 GT)**

Prospect 38D

West-northwest trending mineralised structure outcropping over 200m strike, open to the west-northwest and east-southeast under shallow gravel cover

ROT-033: **1.2m at 1.1gpt Au (1.3 GT)**

ROT-036: **1.5m at 1gpt Au (1.5 GT)**

This includes a separate parallel structure to the north that returned:

ROT-048: **0.5m at 7.37gpt Au, 11gpt Ag (3.7 GT)**

Next Steps

- Drill contractor Cono Sur SA is arrived on site Monday 24 May. Drilling has commenced at Prospect 37A (see Figure 1) The program involved a light-weight rig transportable by car to minimize environmental impact.
- The drill program is expected to take 6 weeks to complete.
- Drill samples will be shipped to Alex Stewart laboratories and gold assay results are expected 4 weeks from dispatch.

For enquiries please contact:

Todd Williams

Managing Director

M: + 61 4 2222 5211

This announcement is authorised for release to the market by the Board of Directors of E2 Metals Limited.

Table 1: Trench locations stated in UTM 19S

Trench ID	East	North	RL (m)	Azimuth	Length (m)
ROT-001	402427	5444014	953	188	56.5
ROT-002	402536	5443724	952	182	58
ROT-003	402319	5443709	979	215	71
ROT-004	402500	5443847	954	50	54
ROT-005	402501	5443717	956	185	43
ROT-006	402553	5443609	946	193	33
ROT-007	402384	5444016	958	184	44
ROT-008	403019	5445465	997	210	72
ROT-009	402842	5445444	1010	208	60
ROT-010	402498	5443625	950	198	43
ROT-011	402066	5443739	961	208	75
ROT-012	404682	5444722	906	27	47
ROT-013	402138	5444345	903	162	20
ROT-014	404494	5444730	993	212	93.5
ROT-015	402882	5445421	1004	214	46.3
ROT-016	402791	5445455	1001	206	21
ROT-017	402752	5445495	995	211	62
ROT-018	404656	5444818	980	211	52.5
ROT-019	402808	5445445	996	215	10
ROT-020	402853	5445431	970	205	16
ROT-021	402900	5445369	986	215	14
ROT-022	402941	5445328	978	215	11
ROT-023	402503	5443859	951	55	38.7
ROT-024	402490	5443879	943	52	14
ROT-025	402537	5443838	942	55	26
ROT-026	402487	5443838	954	55	15.3
ROT-027	402478	5443817	943	52	9.7
ROT-028	402488	5443811	961	34	12.5
ROT-029	402384	5444016	953	4	44
ROT-030	404006	5445284	1032	208	9
ROT-031	404077	5445271	1038	207	13
ROT-032	404066	5445252	1039	204	10.9
ROT-033	404023	5445287	1036	205	15
ROT-034	404058	5445287	1032	220	12.8
ROT-035	404043	5445270	1032	207	16
ROT-036	403975	5445299	1029	208	10.5
ROT-037	403964	5445329	1028	217	25.5
ROT-038	403934	5445385	1028	208	40
ROT-039	404448	5444937	967	217	20
ROT-040	404428	5444924	989	204	31.7
ROT-041	404166	5444724	983	235	29.7
ROT-042	402344	5445047	956	220	13
ROT-043	402308	5445088	956	235	15

Trench ID	East	North	RL (m)	Azimuth	Length (m)
ROT-044	404161	5444612	978	223	32.8
ROT-045	404167	5444608	964	211	16.8
ROT-046	404146	5444617	960	215	12.5
ROT-047	404350	5445267	1026	27	25.5
ROT-048	404241	5445310	1030	32	19.1
ROT-049	404103	5445338	1028	352	15.5
ROT-050	402480	5443868	954	55	20
ROT-051	403137	5445167	992	86	19
ROT-052	402399	5443977	948	197	16.7
ROT-053	402465	5443881	948	61	28
ROT-054	402571	5443601	942	192	21
ROT-055	402353	5445017	947	80	20
ROT-056	403041	5445439	980	122	20.6
ROT-057	402924	5445351	991	221	15
ROT-058	402971	5445311	985	226	18.3
ROT-059	404123	5444657	979	232	26.8
ROT-060	404116	5444680	978	244	19.5
ROT-061	404055	5444627	975	199	52
ROT-062	404025	5444705	975	65	23
ROT-063	403949	5444686	977	45	14
ROT-064	403928	5444750	992	223	40.4
ROT-065	403861	5444775	985	208	16.2
ROT-066	404017	5444696	981	223	52.5
ROT-067	403896	5444764	987	210	35.4
ROT-068	403740	5444799	983	40	40
ROT-069	403820	5444728	968	200	39.5
ROT-070	403743	5444850	992	222	17.5
ROT-071	404909	5444843	951	215	30
ROT-072	404891	5444847	955	223	27
ROT-073	404875	5444848	959	225	20.5
ROT-074	404857	5444878	955	215	38.5
ROT-075	404750	5444941	980	218	50.5
ROT-076	404717	5444978	969	218	72
ROT-077	404650	5445002	987	217	84
ROT-078	404573	5445029	1003	210	45
ROT-079	404500	5445079	995	203	58.7
ROT-080	404420	5445106	1004	200	34
ROT-081	402729	5445286	989	233	53
ROT-082	402661	5445319	985	195	35
ROT-083	402604	5445248	961	240	44.3
ROT-084	402700	5445205	972	80	86.7
ROT-085	402672	5445209	972	268	36.7
ROT-086	402693	5445363	982	225	63
ROT-087	402665	5445404	969	215	54
ROT-088	402265	5445113	957	49	45.3

Trench ID	East	North	RL (m)	Azimuth	Length (m)
ROT-089	402500	5444152	941	64	78
ROT-090	402405	5444003	957	199	30
ROT-091	402337	5443688	983	212	27.7
ROT-092	402318	5443657	989	192	37
ROT-093	402374	5443669	973	226	67
ROT-094	402437	5443533	973	198	17.5
ROT-095	402420	5443510	975	220	31
ROT-096	402377	5443461	983	221	43
ROT-097	402333	5443516	985	39	72
ROT-098	402180	5443520	984	212	30
ROT-099	402195	5443574	973	53	18
ROT-100	402181	5443698	980	9	25.5
ROT-101	402115	5443711	970	222	73
ROT-102	402028	5443849	955	57	26
ROT-103	401993	5443916	948	92	55
ROT-104	401928	5443963	936	247	28.3
ROT-105	401739	5444056	928	84	20.6
ROT-106	402525	5444208	931	69	43
ROT-107	402509	5444088	938	59	26
ROT-108	403063	5445427	991	80	42.5
ROT-109	403143	5445110	998	37	33.5
ROT-110	403209	5445138	1002	60	17.4
ROT-111	403270	5445076	1030	210	15.3
ROT-112	403300	5445120	1027	94	29
ROT-113	403342	5445333	992	117	41
ROT-114	403541	5445200	1023	87	33
ROT-115	403635	5444998	1052	264	33

Table 2 Trench significant intercepts

Trench	From	To	Interval (m)	Au (gpt)	Ag (gpt)	Statement
ROT-001	51.5	52.5	1	2.37	0	1m at 2.37gpt Au
ROT-004	26	54	25	2.9	0	25 at 2.9gpt Au
ROT-005	8	9.5	1.5	1.29	0	1.5m at 1.29gpt Au
ROT-006	19	20.5	1.5	1.74	0	1.5m at 1.74gpt Au
ROT-008	51.5	53	1.5	2.98	5.94	1.5m at 2.98gpt Au
ROT-009	20	21	3	93	37.54	1m at 279gpt Au, 116gpt Ag
ROT-014	38	39.5	1.5	1.63	0	1.5m at 1.63gpt Au
ROT-015	33	35	2	2.64	4.41	2m at 2.64gpt Au
ROT-019	4.15	4.9	0.75	2.56	0	0.75m at 2.56gpt Au
ROT-020	7.1	9.2	2.1	3.74	0.27	2.1m at 3.74gpt Au
ROT-021	3.5	5.5	2	1.74	0.85	2m at 1.74gpt Au
ROT-022	3.7	4.7	1	1.39	0.91	1m at 1.39gpt Au
ROT-023	28.2	29.2	1	1.1	0	1m at 1.1gpt Au
ROT-023	10	14.1	4.1	2.51	0.22	4.1m at 2.51gpt Au
ROT-023	17.5	21.4	3.9	7.71	0.65	3.9m at 7.71gpt Au
ROT-024	0	1.9	1.9	184	55.25	1.9m at 184gpt Au, 55gpt Ag
ROT-026	3.5	4	0.5	3.64	0	0.5m at 3.64gpt Au
ROT-033	12	13	1	1.12	0.17	1m at 1.12gpt Au
ROT-035	11.5	12.5	1	1.1	0	1m at 1.1gpt Au
ROT-036	8	9.5	1.5	1.08	0.59	1.5m at 1.08gpt Au
ROT-042	1.5	8.5	7	3.65	1.62	7m at 3.65gpt Au
ROT-048	7.5	8	0.5	7.37	11.05	0.5m at 7.37gpt Au, 11gpt Ag
ROT-052	0.5	1	0.5	3.06	2.49	0.5m at 3.06gpt Au
ROT-054	3	4.5	1.5	2.96	2.64	1.5m at 4.4gpt Au
ROT-058	10.4	11	0.6	2.9	3.44	0.6m at 2.9gpt Au
ROT-059	5.1	5.6	0.5	1.44	2.59	0.5m at 1.44gpt Au
ROT-065	9.3	10.5	1.2	8.69	2.53	1.2m at 8.69gpt Au
ROT-067	23.5	24.3	0.81	1.24	-1.98	0.81m at 1.24gpt Au
ROT-073	5.5	6	0.5	3.19	0	0.5m at 3.19gpt Au
ROT-084	41.7	42.7	1	1.49	0.25	1m at 1.49gpt Au
ROT-086	14.4	15	0.6	0.97	5.97	0.6m at 0.97gpt Au
ROT-086	53	54.5	1.5	1.19	0	1.5m at 1.19gpt Au
ROT-087	38.2	40	1.8	1.02	3.58	1.8m at 1.02gpt Au
ROT-087	23.8	24.6	0.81	3.2	0	0.81m at 3.2gpt Au
ROT-088	14.5	16.4	1.9	1.16	0	1.9m at 1.16gpt Au
ROT-090	23.7	24.2	0.5	1.67	0	0.5m at 1.67gpt Au
ROT-091	14.3	14.8	0.5	4.78	2.62	0.5m at 4.78gpt Au
ROT-092	16.2	16.7	0.5	1.47	0	0.5m at 1.47gpt Au
ROT-093	39.3	40.3	1	1	0	1m at 1gpt Au
ROT-099	6.7	7.2	0.5	1.65	0	0.5m at 1.65gpt Au
ROT-100	7.1	8.6	1.5	1.92	3.85	1.5m at 1.92gpt Au
ROT-102	0.5	1.5	1	1.2	0	1m at 1.2gpt Au
ROT-108	24.2	25.2	1	0.97	8.96	1m at 0.97gpt Au
ROT-113	20.2	20.7	0.5	1.31	6	0.5m at 1.31gpt Au
ROT-113	14	16.2	2.2	2.03	12.33	2.2m at 2.03gpt Au, 12gpt Ag
ROT-114	12	13	1	1.02	0.11	1m at 1.02gpt Au

Competent Person's Statement

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by E2 Metals Limited and Colin Brodie, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Brodie is a Senior Technical Advisor and consultant to E2 Metals Limited. Mr. Brodie has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Brodie consents to the inclusion of the data in the form and context in which it appears

Forward Looking Statement

Certain statements in this announcement constitute "forward-looking statements" or "forward looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this announcement.

All such forward-looking information and statements are based on certain assumptions and analyses made by E2M's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; changes in commodity prices; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations.

Readers are cautioned not to place undue reliance on forward-looking information or statements. Although the forward-looking statements contained in this announcement are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this announcement and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this announcement.

JORC Code Reporting Criteria

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. 	<p>El Rosillo composite rock sampling</p> <ul style="list-style-type: none"> Sampling was undertaken on a grid pattern on lines perpendicular to the main trends of quartz veins and veinlets identified during reconnaissance mapping Lines on the grid were spaced 40m apart and samples taken as composites over intervals of 20m. Composite sampling over these 20m intervals was done by taking a small representative sample of whatever rock or float material that was encountered every metre with a rope marked with knots at 1m intervals to control this spacing. When there was insufficient material representative of bed-rock at the 1m intervals the geologist walked over the 20m interval collecting float fragments of what was visually estimated to be a representative sample. A small sample was taken from the central part of each sample interval for spectral analysis by an Orexpress instrument. Sample locations are determined by a handheld GPS <p>El Rosillo continuous channel chip samples</p> <ul style="list-style-type: none"> Continuous channel chip samples were collected on sample intervals no less than 0.5m and no greater than 3m. Samples were collected using a hammer and chisel and are collected to be representative with both vein and wall rock material. Sample weights approximate 5 kilograms. <p>El Rosillo Trenches</p> <ul style="list-style-type: none"> Trenches are marked using a handheld GPS and excavated with pick and shovel, removing less than 0.5m of soil and colluvium to expose the underlying bedrock. Samples intervals are no less than 0.5m and no greater than 3m. Continuous samples are collected using a hand-held circular saw with a masonry blade cutting channels in the floor of the trench up to 10cm wide.

Criteria	JORC Code Explanation	Commentary
Drilling Techniques	<ul style="list-style-type: none"> • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> • No drill results are discussed in this announcement
Drill Sample Recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • No drill results are discussed in this announcement
<ul style="list-style-type: none"> • Logging 	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> • Systematic geological logging was undertaken using a hand lens to closely examine the chips and cores. Data collected includes: <ul style="list-style-type: none"> • Nature and extent of lithologies. • Relationship between lithologies. • Alteration extent, nature and intensity. • Oxidation extent, mineralogy and intensity. • Sulphide types and visually estimated percentage. • Quartz vein, veinlets, breccia types and visually estimated percentage. • Structure's occurrence and attitude. • Chips from crucial zones of interest are checked later, off site, by examination with a 10x binocular microscope. •

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<p>El Rosillo Trenches</p> <ul style="list-style-type: none"> All trenches are logged from start to finish Both qualitative and quantitative data is collected, using predefined logging codes for lithological, mineralogical, and physical characteristics.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 100% of all trenches are logged
Sub-Sampling Techniques and Sample Preparation	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p>	<ul style="list-style-type: none"> 100% of all channel samples are sampled
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Alex Stewart Fire Assay</p> <ul style="list-style-type: none"> All trench and drill holes samples are submitted to Alex Stewart Mendoza. Samples are dried and crushed until more than 80% is finer than 10 mesh size, then a 600g split obtained by riffle splitting is pulverized until 95% is finer than 106 microns. Certified Standard Reference materials and duplicate samples are inserted every 25 samples (RC) and every 12.5 samples (DDH) to assess the accuracy and reproducibility.
Quality of Assay Data and Laboratory Tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations 	<ul style="list-style-type: none"> Certified reference material, blanks or duplicates were inserted at least every 25 samples. Standards are purchased from a Certified Reference material manufacture company – Ore Research and Exploration. Standards were purchased in foil lines packets of between 60g and 100g. Different reference materials were used to cover high grade, medium grade and low grader ranges of gold and silver. The standard names on the foil packages were erased before going into the pre-numbered sample bag and the standards are submitted to the lab blind.

Criteria	JORC Code Explanation	Commentary
	<p>factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> The raw assay data forming significant intercepts are examined and discussed by at least two company personnel. Assay data is provided by Alex Stewart in three formats, csv spreadsheets, Excel spreadsheets and signed pdf files. The csv files are used to merge the data into MapInfo files. Hard copy of this and other data is stored with the other trench data. Absolute values of the assay results are checked by comparing results of the quality control samples with the known values of the international standards and sterile samples which were inserted by the geologists into the sample sequence. Repeatability of assay results was verified by examining the results of duplicate samples inserted by the company and internal laboratory duplicate results included with the assay certificates.
Location of Data Points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Trench collars are located using Garmin hand-held GPS accurate to $\pm 5m$. All coordinates are based on UTM Zone 19S using a WGS84 datum. Topographic control to date has used GPS data, which is adequate considering the small relief (<50m) in the area.
Data Spacing and Distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Not applicable as no Ore Resource or Reserve has been completed at El Rosillo.
Orientation of Data in	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the 	<ul style="list-style-type: none"> Trenches are pedicular to the strike of vein structures

Criteria	JORC Code Explanation	Commentary
Relation to Geological Structure	<p>extent to which this is known, considering the deposit type.</p> <ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	
Sample Security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody was managed by E2Metals. Samples were placed into taped polyethylene bags with sample numbers that provided no specific information on the location of the samples. Samples were transported from site to the Alex Stewart preparation lab in Mendoza by courier and after preparation pulps were transported for final analysis using transport organized by Alex Stewart.
Audits or Reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audit or review of the sampling regime at El Rosillo has been undertaken.

Section 2 Reporting of Exploration

Criteria	JORC Code Explanation	Commentary
Mineral Tenement and Land Tenure Status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<p>E2 holds a 100% interest in the El Rosillo project through its ownership in local Argentina holding company Ivael Mining SA.</p> <p>El Rosillo Project title</p> <ul style="list-style-type: none"> Title ID 42048/17

Criteria	JORC Code Explanation	Commentary
Exploration Done by Other Parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>El Rosillo Project <u>Reconnaissance exploration by Valcheta</u></p> <ul style="list-style-type: none"> Valcheta has completed a limited phase of selective rock chip sampling at the El Rosillo project. This work led to the identification of Intrusion Related Gold-type mineralisation at Targets 37 and 38.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>Deposit Model</p> <ul style="list-style-type: none"> El Rosillo is located towards the western margin of the Somuncura Massif geological province that stretches across southern Argentina into the Chilean southern Andes. This massif is underlain by Triassic and rassic aged volcanic and volcanoclastic rocks. Important precious metal deposits have been discovered in the province during the past 20 years. Gold and silver mineralisation is associated with Low Sulphidation (LS) Epithermal veins related to northwesterly structures that were active at the time of mineralisation.
Drill Hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> Easting and northing of the drill hole collar Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar Dip and azimuth of the hole Down hole length and interception depth Hole length 	<ul style="list-style-type: none"> No drill hole results are discussed in this announcement

Criteria	JORC Code Explanation	Commentary
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data Aggregation Methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Significant intercepts are calculated using a 0.25gpt Au equivalent cut off. Sample grades are weighted by interval length.
Relationship Between Mineralisation Widths and intercept lengths.	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a 	<ul style="list-style-type: none"> Trenches are perpendicular to the dip and strike of target structures and therefore approximate true widths

Criteria	JORC Code Explanation	Commentary
	clear statement to this effect (eg “down hole length, true width not known”).	
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Yes.
Balanced Reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Yes
Other Substantive Exploration Data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> There is no exploration data unreported in this announcement
Further Work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or 	<ul style="list-style-type: none"> Further trenching and drilling is planned at all prospects

Criteria	JORC Code Explanation	Commentary
	<p>depth extensions or large-scale step-out drilling).</p> <ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	