

# TINKA RESOURCES LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED MARCH 31, 2016

This discussion and analysis of financial position and results of operation is prepared as at May 16, 2016 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the six months ended March 31, 2016 of Tinka Resources Limited (the "Company" or "Tinka"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

### Forward-Looking Statements

Certain information in this MD&A may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward-Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in Tinka's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; successful completion of planned drill program; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and Tinka's ability to attract and train key personnel; changes in world metal markets and equity markets beyond Tinka's control; mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized; production rates and capital and other costs may vary significantly from estimates; unexpected geological conditions; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; community relations; all phases of a mining business present environmental and safety risks and hazards and are subject to environmental and safety regulation, and rehabilitation and restitution costs; and management of Tinka have experience in mineral exploration but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Although Tinka believes that the expectations reflected in the Forward-Looking Statements, and the assumptions on which such Forward-Looking Statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on Forward-Looking Statements, as there can be no assurance that the plans, intentions or expectations upon which the Forward-Looking Statements are based will occur. Forward-Looking Statements herein are made as at the date hereof, and unless otherwise required by law, Tinka does not intend, or assume any obligation, to update these Forward-Looking Statements.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via [www.sedar.com](http://www.sedar.com) or the Company's website [www.tinkaresources.com](http://www.tinkaresources.com) and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

### Company Overview

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of precious and base metals on mineral properties located in Peru with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation. The Company's activities have been focused on developing its 100% owned Ayawilca and Colquipucro projects, located 40 kilometres northwest of Cerro de Pasco, Central Peru. As of the date of this MD&A, the Company has not earned any production revenue, nor found any proven reserves on any of its properties. The Company is a

reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange (“TSXV”) as a Tier 1 issuer, under the symbol “TK”, on the Frankfurt Exchange under the symbol “TLD”, and on the OTCPink under the symbol “TKRFF”.

## Exploration Projects, Peru

As of the date of this MD&A, Tinka has 100% ownership of 51 granted mining concessions covering 11,340 hectares at the Company’s flagship Ayawilca polymetallic project in central Peru. There are also 4 mining concession applications at Ayawilca, covering 3,000 hectares. In addition, Tinka has 4 mining concessions covering 3,100 hectares elsewhere in Peru.

The Ayawilca zinc-tin-silver project is the Company’s flagship project, located 200 kilometres northeast of Lima within the Department of Pasco. The project is at elevations of between 3,800 and 4,400 metres, 40 kilometres northwest of the Cerro de Pasco zinc-lead-silver mine and 100 kilometres southeast of the giant Antamina copper-zinc mine. The principal focus at the Ayawilca project is zinc exploration and development - zinc occurs as sulphide chimney and manto replacement bodies in limestone accompanied with significant quantities of indium, lead and silver. Tin (as cassiterite) -copper-silver mineralization occurs separately and beneath the zinc in a flat-lying ‘manto’ zone. Two kilometres north of the zinc resource, a silver oxide zone at Colquipucro is a potential starter pit mining opportunity, with mineralization from surface within weathered, oxidized sandstones.

### Ayawilca Zinc - Tin Project

#### *Inferred Mineral Resource Estimate*

In February 2015 the Company announced an initial Mineral Resource estimate for its 100% owned Ayawilca zinc (Zn) - indium (In) - silver (Ag) - lead (Pb) deposit ([PR February 26 2015](#)). The Inferred Mineral Resource at Ayawilca occurs in three separate zones (West, Central, and East), all of which remain open. The Mineral Resources were estimated by Roscoe Postle Associates (“RPA”) of Toronto, Canada. Highlights of the resource estimate are:

- Inferred Mineral Resource of 13.3 million tonnes grading 7.7 % zinc equivalent, containing;
  - 1.7 billion pounds of Zn;
  - 909,000 kilograms of In;
  - 5.8 million ounces of Ag; and
  - 55 million pounds of Pb.

Mineral Resources at Ayawilca are reported on the basis of a possible underground mining scenario at a cut-off NSR value of US \$60/t (Table 1) using the drill results available to February 23, 2015. No Mineral Reserves have yet been estimated at Ayawilca.

**Table 1. Inferred Mineral Resources at Ayawilca as of February 23, 2015**

Zone	Tonnage (Mt)	Zn (%)	Zn Eq. (%)	Pb (%)	In (g/t)	Ag (g/t)	Zn (Mlb)	Pb (Mlb)	In (kg)	Ag (Moz)
West	5.7	6.7	8.9	0.2	81	15	846	22	459,000	2.7
Central	2.2	5.0	6.8	0.1	73	7	248	3	163,000	0.5
East	5.4	5.3	6.8	0.3	53	15	625	31	287,000	2.6
<b>Total</b>	<b>13.3</b>	<b>5.9</b>	<b>7.7</b>	<b>0.2</b>	<b>68</b>	<b>14</b>	<b>1,719</b>	<b>55</b>	<b>909,000</b>	<b>5.8</b>

#### Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported above an NSR cut-off value of US \$60 per tonne.
3. The NSR value was based on estimated metallurgical recoveries, assumed metal prices and smelter terms, which include payable factors, treatment charges, penalties, and refining charges. Metal price assumptions were: US \$1.20/lb Zn, US \$550/kg In, US \$24.00/oz Ag, and US \$1.10/lb Pb. Metal recovery assumptions were: 90% Zn, 75% In, 50% Ag, and 75% Pb. The NSR value for each block was calculated using the following NSR factors: US \$15.24 per % Zn, US \$5.57 per % Pb, US \$0.33 per gram In, and US \$0.34 per gram Ag.
4. The zinc equivalent (Zn Eq.%) value was calculated using the following formula:  

$$\text{Zn Eq.(\%)} = [\text{Zn(\%)} * \text{US } \$15.24 + \text{Pb(\%)} * \text{US } \$5.57 + \text{In(g/t)} * \text{US } \$0.33 + \text{Ag (g/t)} * \text{US } \$0.34] / \text{US } \$15.24$$
5. Numbers may not add due to rounding.

The drill database included 18,634 metres in 43 drill holes. A set of cross-sections and level plans were interpreted to construct three-dimensional wireframe models at an NSR cut-off value of US \$60/t. Prior to compositing to two metre lengths, high Zn, In, and Ag values were cut to 25%, 500 g/t, and 100 g/t, respectively. Block model grades within the wireframe models were interpolated by inverse distance cubed. Density was estimated to be 3.55 t/m<sup>3</sup> using 21 density measurements located within the wireframe models.

Readers are encouraged to read the entire technical report entitled “Technical Report on the Mineral Resource Estimate for the Ayawilca-Colquipucro Property, Department of Pasco, Peru”, dated March 25, 2015 which can be found under the Company’s profile on SEDAR at <http://www.sedar.com> or on the Company’s website at <http://www.tinkaresources.com>.

### *Geology of Ayawilca*

Zinc mineralization at Ayawilca occurs as massive to semi-massive sulphide replacements of Mesozoic limestone up to 250 metres thick (Pucara Group). The zinc mineralization is interpreted to be hosted by gently-dipping replacement bodies or “mantos”, with feeders which are sub-vertical to steeply-south dipping. The zinc occurs as sulphide impregnations (sphalerite) accompanied by pyrite, pyrrhotite, chlorite, iron carbonate, and/or magnetite. Minor sulphides include galena, chalcopyrite, and arsenopyrite. The Pucara limestone is overlain by a 150 metre thick sequence of Cretaceous sandstone (Goyllarisquizga Group). The sandstone largely forms a barren cap to the mineralization, although narrow sphalerite-rich veins (<1 - 3 metres across) cut the sandstone and occasionally outcrop at the surface.

Massive to semi-massive pyrrhotite mantos, which occur at or near the base of the Pucara Group limestone, host the tin and copper mineralization. The pyrrhotite bodies are magnetic, and are the main source of the strong geophysical anomalies. The pyrrhotite-tin-copper mantos vary in thickness from a few metres to up to 50 metres thick. Sulphide stockwork veins occur beneath the mantos hosted within the underlying metamorphic rocks (Excelsior Group). Based on a mineralogical study of eight tin-bearing samples from seven drill holes ([PR November 25, 2014](#)), tin at Ayawilca occurs predominantly as cassiterite (tin oxide), the most common ore mineral of tin, with minor stannite (tin-copper sulphide). Almost half of the cassiterite was coarse-grained (> 0.3 mm), providing the opportunity for possible gravity separation of the coarser tin fractions in any future mining operation. Copper is predominantly chalcopyrite.

### *Drill Permits for 2016*

The Company has requested an extension of the drill permits to allow drill testing of further areas including Chaucha, South Ayawilca, North Ayawilca, and Zone 3. Relationships with the local communities continue to be positive and mutually beneficial. The Environmental Impact Assessment (semi-detailed) studies for the Ayawilca project extensions were submitted to the authorities in early 2016. The Company expects the extended permits to be granted during the second half of 2016.

### *New Results this Quarter - Regional Exploration*

Highlights of selective rock chip samples at Yanapizgo, 2 kilometres south of the Ayawilca zinc resource, include:

- 8.8% zinc, 19.0% lead, 511 g/t silver over 0.8 metres;
- 8.0% zinc, 3.8% lead, 130 g/t silver over 0.8 metres, and
- 7.9% zinc, 3.5% lead, 81 g/t silver over 0.8 metres.

Preliminary surface mapping at Yanapizgo has discovered base metal sulphide mineralization over a north-south strike length of approximately 350 metres, sampled along a cliff face. The thickness of the mineralization is yet to be determined, while further surface mapping and sampling is continuing. The Company believes the mineralization at Yanapizgo could be related to the Ayawilca zinc resource 2 kilometres away, as the mineralization occurs within the same sedimentary stratigraphy.

At the Tambillo prospect, 10 kilometres north of the Ayawilca zinc resource and still within Tinka’s mining concessions, massive pyrite mineralization has been identified in outcrops of sandstone over 400 by 300 metres. Tambillo is believed to be prospective for zinc and tin mineralization beneath the outcropping pyrite. Further geophysical surveys are planned for Tambillo, prior to a decision on drilling.

## Upcoming Exploration for 2016

Resource upgrades for the zinc mineralization are being worked upon, and are expected to be released during 2016 once the interpretations are completed. An initial resource estimate is also expected for the tin-copper mineralization. Metallurgical tests are underway for both zinc-rich and tin-rich mineralization styles.

In early June, the Company is expecting to carry out airborne magnetic surveys across its entire 140 km<sup>2</sup> contiguous tenement package. Only 15% of the tenement package has been covered with geophysics to date. Further resource expansion drilling is planned for Ayawilca during the 2<sup>nd</sup> half of 2016.

### 2015 Drill Results (post-Feb 2015 Resource)

Tinka completed a drill program consisting of 8,918 metres in 23 diamond drill holes at Ayawilca from August to December 2015, with the purpose of extending the zinc resources and testing the tin-copper potential at depth. With the completion of the 2015 holes, Tinka has now drilled 27,674 metres in 77 diamond drill holes in total at Ayawilca. Drilling in 2015 successfully increased the footprint of the zinc mineralization, and continues to show that Ayawilca is a large base metals discovery. Zinc mineralization still remains open to the south, southwest, and northeast. In addition, significant tin mineralization was intersected in several drill holes.

Both the zinc and tin-copper mineralization are interpreted to be generally gently-dipping, replacing favourable sedimentary units. The true widths of the intercepts, except in case of veins (marked) are believed to be at least 75% of the down-hole widths. Table 2 summarises all significant drill intercepts of the 2015 drill program.

**Table 2. Highlights of 2015 Drill Results at Ayawilca**

Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect/Comment
<b>A15-55</b>	265.90	268.25	<b>2.35</b>	<b>3.54</b>	<b>1.89</b>	<b>49</b>	<b>0.08</b>	<b>0.03</b>	<b>1</b>	Central Ayawilca
and	308.40	314.90	<b>6.50</b>	<b>2.03</b>	<b>2.89</b>	<b>72</b>	<b>0.09</b>	<b>0.02</b>	<b>&lt;1</b>	
and	389.55	407.30	<b>17.75</b>	<b>1.34</b>	<b>0.01</b>	<b>1</b>	<b>0.01</b>	<b>0</b>	<b>38</b>	
and	411.60	424.60	<b>13.00</b>	<b>0.19</b>	<b>0.01</b>	<b>5</b>	<b>0.11</b>	<b>0.74</b>	<b>7</b>	
including	420.65	424.60	<b>3.95</b>	<b>0.07</b>	<b>&lt;0.01</b>	<b>7</b>	<b>0.23</b>	<b>2.02</b>	<b>5</b>	
and	454.60	458.30	<b>3.70</b>	<b>2.82</b>	<b>&lt;0.01</b>	<b>2</b>	<b>0.05</b>	<b>0.05</b>	<b>14</b>	
<b>A15-54</b>	95.90	101.70	<b>5.80</b>	<b>8.89</b>	<b>0.05</b>	<b>26</b>	<b>0.05</b>	<b>&lt;0.01</b>	<b>2.5</b>	West Ayawilca
including	95.90	97.50	<b>1.60</b>	<b>28.14</b>	<b>0.04</b>	<b>76</b>	<b>0.12</b>	<b>0.01</b>	<b>8</b>	
and	107.00	118.20	<b>11.20</b>	<b>4.81</b>	<b>0.03</b>	<b>22</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>3</b>	vein
including	113.90	114.40	<b>0.50</b>	<b>33.37</b>	<b>0.23</b>	<b>152</b>	<b>0.17</b>	<b>0.01</b>	<b>7</b>	
including	107.00	107.50	<b>0.50</b>	<b>13.97</b>	<b>0.07</b>	<b>39</b>	<b>0.13</b>	<b>&lt;0.01</b>	<b>7</b>	
including	115.20	115.80	<b>0.60</b>	<b>22.67</b>	<b>0.15</b>	<b>147</b>	<b>0.17</b>	<b>0.01</b>	<b>6</b>	
including	117.70	118.20	<b>0.50</b>	<b>18.32</b>	<b>0.06</b>	<b>53</b>	<b>0.12</b>	<b>0.01</b>	<b>24</b>	
and	138.50	141.70	<b>3.20</b>	<b>9.96</b>	<b>0.62</b>	<b>84</b>	<b>0.04</b>	<b>&lt;0.01</b>	<b>1</b>	vein
including	138.50	139.10	<b>0.60</b>	<b>27.93</b>	<b>2.22</b>	<b>230</b>	<b>0.08</b>	<b>&lt;0.01</b>	<b>1</b>	
and	162.00	180.00	<b>18.00</b>	<b>3.71</b>	<b>0.89</b>	<b>65</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>1</b>	vein
including	168.40	168.90	<b>0.50</b>	<b>37.43</b>	<b>0.19</b>	<b>134</b>	<b>0.23</b>	<b>&lt;0.01</b>	<b>9</b>	
and	193.60	194.10	<b>0.50</b>	<b>14.53</b>	<b>0.10</b>	<b>102</b>	<b>0.09</b>	<b>&lt;0.01</b>	<b>4</b>	
and	200.40	205.20	<b>4.80</b>	<b>3.00</b>	<b>0.08</b>	<b>19</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>5</b>	
including	202.80	203.30	<b>0.50</b>	<b>16.31</b>	<b>0.10</b>	<b>69</b>	<b>0.07</b>	<b>&lt;0.01</b>	<b>42</b>	
<b>A15-53</b>	128.00	132.00	<b>4.00</b>	<b>7.63</b>	<b>&lt;0.01</b>	<b>13</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>1</b>	South-Central Ayawilca
including	128.00	130.00	<b>2.00</b>	<b>12.26</b>	<b>0.01</b>	<b>20</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>2</b>	
and	160.00	164.00	<b>4.00</b>	<b>4.45</b>	<b>0.03</b>	<b>16</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>7</b>	
and	190.00	191.40	<b>1.40</b>	<b>0.75</b>	<b>1.35</b>	<b>240</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	
and	344.20	360.7	<b>16.5</b>	<b>5.45</b>	<b>0.02</b>	<b>11</b>	<b>0.12</b>	<b>0.05</b>	<b>92</b>	
including	353.90	360.7	<b>6.8</b>	<b>8.17</b>	<b>0.02</b>	<b>12</b>	<b>0.09</b>	<b>0.08</b>	<b>117</b>	
and	380.30	389.00	<b>8.70</b>	<b>4.36</b>	<b>0.14</b>	<b>9</b>	<b>0.04</b>	<b>0.1</b>	<b>8</b>	

Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect/Comment
<b>A15-52</b>	192.00	192.60	<b>0.60</b>	<b>10.23</b>	<b>4.06</b>	<b>161</b>	<b>0.05</b>	<b>0.03</b>	<b>152</b>	South-Central Ayawilca
and	198.50	202.10	<b>3.60</b>	<b>2.06</b>	<b>0.02</b>	<b>5</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>27</b>	
and	232.00	246.10	<b>14.10</b>	<b>1.88</b>	<b>1.69</b>	<b>27</b>	<b>0.05</b>	<b>0.03</b>	<b>&lt;1</b>	
and	270.60	274.95	<b>4.35</b>	<b>6.38</b>	<b>0.61</b>	<b>14</b>	<b>0.05</b>	<b>0.05</b>	<b>&lt;1</b>	
and	306.1	324.7	<b>18.6</b>	<b>4.38</b>	<b>0.03</b>	<b>4</b>	<b>0.06</b>	<b>0.06</b>	<b>81</b>	
including	319.9	321.5	<b>1.6</b>	<b>11.13</b>	<b>0.02</b>	<b>7</b>	<b>0.13</b>	<b>0.07</b>	<b>280</b>	
and	356.10	361.20	<b>5.10</b>	<b>0.28</b>	<b>&lt;0.01</b>	<b>24</b>	<b>0.33</b>	<b>1.21</b>	<b>17</b>	
including	359.00	359.85	<b>0.85</b>	<b>0.34</b>	<b>&lt;0.01</b>	<b>38</b>	<b>0.53</b>	<b>5.26</b>	<b>25</b>	
and	364.00	387.00	<b>23.00</b>	<b>2.77</b>	<b>0.06</b>	<b>6</b>	<b>0.02</b>	<b>0.03</b>	<b>43</b>	
including	370.30	371.25	<b>0.95</b>	<b>16.59</b>	<b>0.04</b>	<b>10</b>	<b>0.05</b>	<b>0.04</b>	<b>301</b>	
and	394.20	400.70	<b>6.50</b>	<b>3.09</b>	<b>0.01</b>	<b>3</b>	<b>0.04</b>	<b>0.12</b>	<b>18</b>	
<b>A15-51</b>	376.00	380.10	<b>4.10</b>	<b>3.05</b>	<b>0.03</b>	<b>1</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>93</b>	East Ayawilca
<b>A15-50</b>	384.60	392.60	<b>8.00</b>	<b>1.97</b>	<b>&lt;0.01</b>	<b>1</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>13</b>	East Ayawilca
<b>A15-49</b>	30.90	31.70	<b>0.80</b>	<b>7.56</b>	<b>0.73</b>	<b>50</b>	<b>0.04</b>	<b>0.03</b>	<b>40</b>	Central-East Ayawilca
and	84.50	85.00	<b>0.50</b>	<b>19.60</b>	<b>0.14</b>	<b>59</b>	<b>0.12</b>	<b>0.01</b>	<b>83</b>	
and	167.70	174.20	<b>6.50</b>	<b>1.15</b>	<b>0.85</b>	<b>87</b>	<b>0.05</b>	<b>0.19</b>	<b>&lt;1</b>	
and	279.70	288.00	<b>8.30</b>	<b>3.57</b>	<b>2.07</b>	<b>28</b>	<b>0.03</b>	<b>0.06</b>	<b>5</b>	
and	302.00	309.80	<b>7.80</b>	<b>2.49</b>	<b>1.45</b>	<b>25</b>	<b>0.02</b>	<b>0.03</b>	<b>&lt;1</b>	
and	393.90	403.40	<b>9.5</b>	<b>0.39</b>	<b>0.02</b>	<b>12</b>	<b>0.26</b>	<b>0.88</b>	<b>8</b>	
including	396.60	399.00	<b>2.4</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>8</b>	<b>0.43</b>	<b>2.39</b>	<b>6</b>	
<b>A15-47</b>	152.30	154.65	<b>2.35</b>	<b>0.24</b>	<b>0.20</b>	<b>210</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	vein
and	178.35	179.00	<b>0.65</b>	<b>5.21</b>	<b>5.87</b>	<b>133</b>	<b>0.07</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	West-Central Ayawilca
and	386.00	390.00	<b>4.00</b>	<b>3.64</b>	<b>&lt;0.01</b>	<b>1</b>	<b>0.02</b>	<b>0.05</b>	<b>4</b>	
and	396.00	398.50	<b>2.50</b>	<b>5.14</b>	<b>&lt;0.01</b>	<b>10</b>	<b>0.10</b>	<b>0.13</b>	<b>210</b>	
<b>A15-46</b>	99.20	101.30	<b>2.10</b>	<b>37.25</b>	<b>2.29</b>	<b>255</b>	<b>0.15</b>	<b>0.04</b>	<b>347</b>	vein
and	185.70	192.00	<b>6.30</b>	<b>3.10</b>	<b>0.01</b>	<b>5</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>9</b>	West-Central Ayawilca
and	230.70	231.20	<b>0.50</b>	<b>6.23</b>	<b>9.92</b>	<b>308</b>	<b>0.26</b>	<b>0.03</b>	<b>1</b>	
and	246.50	248.00	<b>1.50</b>	<b>3.41</b>	<b>2.49</b>	<b>97</b>	<b>0.14</b>	<b>&lt;0.01</b>	<b>1</b>	
<b>A15-45</b>	109.40	109.90	<b>0.50</b>	<b>10.75</b>	<b>0.12</b>	<b>36</b>	<b>0.03</b>	<b>0.04</b>	<b>73</b>	Central Ayawilca
and	115.40	115.90	<b>0.50</b>	<b>17.69</b>	<b>0.08</b>	<b>33</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>45</b>	
and	168.20	174.50	<b>6.30</b>	<b>2.12</b>	<b>0.02</b>	<b>2</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>16</b>	
and	308.00	314.00	<b>6.00</b>	<b>2.30</b>	<b>0.91</b>	<b>13</b>	<b>0.04</b>	<b>&lt;0.01</b>	<b>1</b>	
and	344.00	350.00	<b>6.00</b>	<b>2.36</b>	<b>0.53</b>	<b>8</b>	<b>0.01</b>	<b>0.07</b>	<b>1</b>	
and	367.25	376.00	<b>8.75</b>	<b>3.00</b>	<b>0.17</b>	<b>5</b>	<b>0.02</b>	<b>0.04</b>	<b>12</b>	
including	373.00	374.40	<b>1.40</b>	<b>8.96</b>	<b>0.05</b>	<b>11</b>	<b>0.07</b>	<b>0.03</b>	<b>6</b>	
and	381.80	384.50	<b>2.70</b>	<b>5.47</b>	<b>0.08</b>	<b>5</b>	<b>0.00</b>	<b>0.05</b>	<b>7</b>	
<b>A15-44</b>	172.80	178.70	<b>4.90</b>	<b>3.21</b>	<b>0.06</b>	<b>23</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>28</b>	South-Central Ayawilca
and	305.90	310.90	<b>5.00</b>	<b>2.80</b>	<b>0.02</b>	<b>6</b>	<b>0.04</b>	<b>&lt;0.01</b>	<b>23</b>	
and	350.55	365.40	<b>14.85</b>	<b>0.46</b>	<b>&lt;0.01</b>	<b>26</b>	<b>0.36</b>	<b>1.10</b>	<b>15</b>	
including	358.00	363.65	<b>5.65</b>	<b>0.05</b>	<b>&lt;0.01</b>	<b>47</b>	<b>0.56</b>	<b>2.16</b>	<b>16</b>	
<b>A15-43</b>	130.70	134.00	<b>3.30</b>	<b>14.87</b>	<b>0.07</b>	<b>23</b>	<b>0.05</b>	<b>0.04</b>	<b>99</b>	vein
and	151.30	156.10	<b>4.80</b>	<b>2.24</b>	<b>1.08</b>	<b>16</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	Central Ayawilca
and	177.20	206.50	<b>29.30</b>	<b>2.16</b>	<b>0.31</b>	<b>7</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>27</b>	
and	221.00	252.30	<b>31.30</b>	<b>2.63</b>	<b>0.01</b>	<b>5</b>	<b>0.08</b>	<b>&lt;0.01</b>	<b>52</b>	
including	222.50	226.00	<b>3.50</b>	<b>4.74</b>	<b>&lt;0.01</b>	<b>4</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>63</b>	
and	281.90	329.60	<b>47.70</b>	<b>0.08</b>	<b>0.00</b>	<b>4</b>	<b>0.20</b>	<b>0.47</b>	<b>4</b>	
including	314.00	320.00	<b>6.00</b>	<b>0.01</b>	<b>0.00</b>	<b>10</b>	<b>0.52</b>	<b>1.28</b>	<b>6</b>	
<b>A15-42</b>	78.00	82.00	<b>4.00</b>	<b>2.80</b>	<b>0.02</b>	<b>12</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>1</b>	West Ayawilca
and	110.00	116.50	<b>6.50</b>	<b>3.03</b>	<b>0.01</b>	<b>7</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	
including	115.40	116.50	<b>1.10</b>	<b>13.02</b>	<b>0.04</b>	<b>17</b>	<b>0.04</b>	<b>&lt;0.01</b>	<b>1</b>	
and	170.00	176.00	<b>6.00</b>	<b>1.74</b>	<b>1.03</b>	<b>112</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	

Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect/Comment
<b>A15-41</b>	82.40	86.00	<b>3.60</b>	<b>15.35</b>	<b>0.06</b>	<b>31</b>	<b>0.05</b>	<b>0.01</b>	<b>103</b>	vein
<i>including</i>	<i>82.40</i>	<i>84.30</i>	<i>1.90</i>	<i>28.08</i>	<i>0.04</i>	<i>45</i>	<i>0.10</i>	<i>0.02</i>	<i>190</i>	Central Ayawilca
and	233.70	242.70	<b>9.00</b>	<b>4.31</b>	<b>1.25</b>	<b>29</b>	<b>0.06</b>	<b>0.01</b>	<b>1</b>	
and	268.10	273.40	<b>5.30</b>	<b>4.35</b>	<b>0.45</b>	<b>9</b>	<b>0.03</b>	<b>0.01</b>	<b>3</b>	
and	286.50	294.50	<b>8.00</b>	<b>1.43</b>	<b>0.29</b>	<b>8</b>	<b>0.01</b>	<b>0.02</b>	<b>5</b>	
and	306.00	308.40	<b>2.40</b>	<b>6.71</b>	<b>0.01</b>	<b>3</b>	<b>0.06</b>	<b>0.03</b>	<b>172</b>	
and	310.00	354.00	<b>44.00</b>	<b>0.18</b>	<b>0.01</b>	<b>4</b>	<b>0.13</b>	<b>0.03</b>	<b>7</b>	
<b>A15-40</b>	55.00	62.00	<b>7.00</b>	<b>3.89</b>	<b>&lt;0.01</b>	<b>3</b>	<b>&lt;0.01</b>	<b>&lt;0.01</b>	<b>1</b>	South-Central Ayawilca
and	201.60	223.50	<b>21.90</b>	<b>1.89</b>	<b>0.18</b>	<b>8</b>	<b>0.04</b>	<b>0.03</b>	<b>13</b>	
and	231.40	248.50	<b>17.10</b>	<b>3.42</b>	<b>0.23</b>	<b>8</b>	<b>0.05</b>	<b>0.03</b>	<b>62</b>	
<i>including</i>	<i>233.80</i>	<i>241.75</i>	<i>7.95</i>	<i>5.31</i>	<i>0.04</i>	<i>9</i>	<i>0.07</i>	<i>0.04</i>	<i>91</i>	
and	300.20	301.20	<b>1.00</b>	<b>7.67</b>	<b>0.14</b>	<b>36</b>	<b>0.06</b>	<b>0.02</b>	<b>140</b>	
and	326.20	378.5	<b>52.3</b>	<b>0.32</b>	<b>0.03</b>	<b>15</b>	<b>0.16</b>	<b>1.20</b>	<b>9</b>	
<i>including</i>	<i>328.00</i>	<i>341.00</i>	<i>13.00</i>	<i>0.05</i>	<i>&lt;0.01</i>	<i>12</i>	<i>0.25</i>	<i>2.94</i>	<i>8</i>	
<i>including</i>	<i>330.00</i>	<i>332.50</i>	<i>2.50</i>	<i>0.02</i>	<i>&lt;0.01</i>	<i>10</i>	<i>0.18</i>	<i>8.81</i>	<i>4</i>	
<b>A15-39</b>	182.60	183.60	<b>1.00</b>	<b>9.64</b>	<b>0.01</b>	<b>10</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>23</b>	South-Central Ayawilca
and	294.80	303.20	<b>8.40</b>	<b>3.29</b>	<b>0.13</b>	<b>9</b>	<b>0.01</b>	<b>0.06</b>	<b>56</b>	
and	320.00	350.00	<b>30.00</b>	<b>3.53</b>	<b>0.10</b>	<b>7</b>	<b>0.01</b>	<b>0.08</b>	<b>50</b>	
<i>including</i>	<i>329.25</i>	<i>331.00</i>	<i>1.75</i>	<i>18.87</i>	<i>0.01</i>	<i>27</i>	<i>0.01</i>	<i>0.07</i>	<i>226</i>	
and	370.00	452.00	<b>82.00</b>	<b>0.01</b>	<b>&lt;0.01</b>	<b>5</b>	<b>0.22</b>	<b>0.33</b>	<b>3</b>	
<i>including</i>	<i>370.00</i>	<i>420.00</i>	<i>50.00</i>	<i>0.01</i>	<i>&lt;0.01</i>	<i>6</i>	<i>0.25</i>	<i>0.52</i>	<i>3</i>	
<i>including</i>	<i>380.00</i>	<i>388.00</i>	<i>8.00</i>	<i>&lt;0.01</i>	<i>&lt;0.01</i>	<i>3</i>	<i>0.19</i>	<i>1.43</i>	<i>1</i>	
<b>A15-38</b>	236.60	280.00	<b>43.40</b>	<b>3.65</b>	<b>0.08</b>	<b>13</b>	<b>0.06</b>	<b>0.08</b>	<b>63</b>	Central-East Ayawilca
<i>including</i>	<i>268.00</i>	<i>278.00</i>	<i>10.00</i>	<i>5.90</i>	<i>0.02</i>	<i>16</i>	<i>0.08</i>	<i>0.18</i>	<i>119</i>	
and	294.00	303.30	<b>9.30</b>	<b>4.20</b>	<b>0.02</b>	<b>5</b>	<b>0.03</b>	<b>0.11</b>	<b>31</b>	
and	312.00	328.00	<b>16.00</b>	<b>1.83</b>	<b>&lt;0.01</b>	<b>1</b>	<b>0.03</b>	<b>0.06</b>	<b>46</b>	
and	354.00	360.70	<b>6.70</b>	<b>2.25</b>	<b>&lt;0.01</b>	<b>2</b>	<b>0.05</b>	<b>0.04</b>	<b>46</b>	
and	372.70	379.00	<b>6.30</b>	<b>2.46</b>	<b>&lt;0.01</b>	<b>1</b>	<b>0.02</b>	<b>0.1</b>	<b>22</b>	
and	379.00	388.00	<b>9.00</b>	<b>0.04</b>	<b>&lt;0.01</b>	<b>4</b>	<b>0.26</b>	<b>0.04</b>	<b>5</b>	
<b>A15-37</b>	84.00	89.60	<b>5.60</b>	<b>3.12</b>	<b>0.33</b>	<b>26</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>50</b>	East Ayawilca
and	475.50	481.90	<b>6.40</b>	<b>4.16</b>	<b>0.74</b>	<b>25</b>	<b>0.03</b>	<b>&lt;0.01</b>	<b>53</b>	
<b>A15-36</b>	79.70	87.00	<b>7.30</b>	<b>7.10</b>	<b>1.29</b>	<b>194</b>	<b>0.12</b>	<b>&lt;0.01</b>	<b>53</b>	vein
and	344.50	354.00	<b>9.50</b>	<b>4.00</b>	<b>0.01</b>	<b>2</b>	<b>0.05</b>	<b>0.07</b>	<b>74</b>	
and	360.00	399.35	<b>39.35</b>	<b>0.27</b>	<b>0.06</b>	<b>19</b>	<b>0.11</b>	<b>0.21</b>	<b>26</b>	
<b>A15-35</b>	162.00	190.00	<b>28.00</b>	<b>3.26</b>	<b>0.78</b>	<b>25</b>	<b>0.06</b>	<b>0.06</b>	<b>10</b>	Central-East Ayawilca
and	196.00	246.00	<b>50.00</b>	<b>2.97</b>	<b>0.33</b>	<b>12</b>	<b>0.02</b>	<b>0.1</b>	<b>31</b>	
<i>including</i>	<i>202.00</i>	<i>216.00</i>	<i>14.00</i>	<i>3.78</i>	<i>0.04</i>	<i>6</i>	<i>0.02</i>	<i>0.1</i>	<i>19</i>	
<i>including</i>	<i>238.00</i>	<i>246.00</i>	<i>8.00</i>	<i>4.74</i>	<i>0.06</i>	<i>19</i>	<i>0.05</i>	<i>0.17</i>	<i>67</i>	
and	262.00	302.00	<b>40.00</b>	<b>2.26</b>	<b>0.03</b>	<b>3</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>9</b>	
<i>including</i>	<i>288.00</i>	<i>296.00</i>	<i>8.00</i>	<i>3.53</i>	<i>0.04</i>	<i>8</i>	<i>0.06</i>	<i>&lt;0.01</i>	<i>6</i>	
and	340.00	354.15	<b>14.15</b>	<b>0.31</b>	<b>0.00</b>	<b>1</b>	<b>0.16</b>	<b>0.36</b>	<b>12</b>	
<b>A15-34</b>	98.00	99.30	<b>1.30</b>	<b>5.64</b>	<b>0.18</b>	<b>92</b>	<b>0.14</b>	<b>&lt;0.01</b>	<b>138</b>	East Ayawilca
and	364.00	368.00	<b>4.00</b>	<b>1.50</b>	<b>0.12</b>	<b>6</b>	<b>0.02</b>	<b>&lt;0.01</b>	<b>&lt;1</b>	
and	418.00	426.00	<b>8.00</b>	<b>1.41</b>	<b>0.22</b>	<b>8</b>	<b>0.02</b>	<b>0.01</b>	<b>5</b>	

### Drill Results for Tin

The drill program during 2015 also discovered some significant new zones for tin mineralization, generally associated with pyrrhotite-rich mantos near the base of the limestone, typically starting a few metres beneath the zinc mineralization. Highlights of the tin drill intersections include:

- **A15-40 (Central Ayawilca):** 52.3 metres at 1.2% tin and 0.16% copper from 326.2 metres depth, including 2.5 metres at 8.81% tin and 0.18% copper from 330 metres depth;

- A15-39 (Central Ayawilca): 50.0 metres at 0.52% tin and 0.25% copper from 370.0 metres depth.

#### Drill Results 2011 to 2014

Between 2011 and 2014, Tinka drilled 18,756 metres in 54 diamond drill holes at Ayawilca. These results were used to estimate the initial Ayawilca Inferred Mineral Resource in February 2015. The results are summarized in Table 3.

Some key drill intersections for zinc included:

- A13-05 (West Ayawilca): 212.9 metres at 5.3 % zinc & 83 grams per tonne (g/t) indium from 130.3 metres depth, including 16.0 metres at 18.1 % zinc & 120 g/t indium from 150.0 metres depth, and 10.0 metres at 12.9 % zinc & 670 g/t indium from 316.0 metres depth;
- A12-08 (Central Ayawilca): 36.5 metres at 6.5 % zinc & 63 g/t indium from 162.0 metres depth, and 38.0 metres at 4.6 % zinc & 117 g/t indium from 266.0 metres depth;
- A14-18 (East Ayawilca): 28.8 metres at 5.6 % zinc & 27 g/t indium from 331.2 metres depth, and 36.9 metres at 5.6 % zinc & 14 g/t indium from 375.1 metres depth;

**Table 3. Highlights of drill results from Ayawilca 2011 to 2014**

Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect / Comment
<b>CDD46</b>	252.00	262.50	<b>10.50</b>			<b>3</b>	<b>0.10</b>	<b>0.82</b>		North Ayawilca
and	274.00	282.90	<b>8.90</b>	<b>1.56</b>	<b>0.25</b>	<b>9</b>	<b>0.01</b>		<b>17</b>	
<b>A14-33</b>	92.00	95.40	<b>3.40</b>	<b>4.99</b>	<b>0.23</b>	<b>27</b>	<b>0.03</b>	<b>1.56</b>	<b>6</b>	West Ayawilca
and	114.00	120.00	<b>6.00</b>	<b>1.14</b>	<b>0.06</b>	<b>19</b>	<b>0.01</b>		<b>1</b>	
and	131.50	136.00	<b>4.50</b>	<b>2.49</b>	<b>0.28</b>	<b>33</b>	<b>0.02</b>		<b>1</b>	
and	184.00	206.00	<b>22.00</b>	<b>1.62</b>	<b>1.04</b>	<b>22</b>	<b>0.02</b>			
and	268.00	345.10	<b>77.10</b>	<b>4.02</b>	<b>0.03</b>	<b>4</b>	<b>0.01</b>		<b>22</b>	
including	270.90	279.70	<b>8.80</b>	<b>13.49</b>	<b>0.13</b>	<b>11</b>	<b>0.02</b>		<b>8</b>	
<b>A14-32</b>	203.30	218.00	<b>14.70</b>	<b>3.23</b>	<b>0.69</b>	<b>18</b>	<b>0.07</b>	<b>0.24</b>	<b>3</b>	West Ayawilca
and	230.00	269.20	<b>39.20</b>	<b>2.19</b>	<b>0.01</b>	<b>3</b>	<b>0.02</b>		<b>10</b>	
<b>A14-31</b>	98.00	104.00	<b>6.00</b>	<b>5.20</b>	<b>0.34</b>	<b>45</b>	<b>0.02</b>		<b>43</b>	East Ayawilca
and	200.00	212.00	<b>12.00</b>	<b>5.16</b>	<b>1.81</b>	<b>97</b>	<b>0.12</b>		<b>100</b>	
and	310.00	315.00	<b>5.00</b>	<b>3.35</b>	<b>0.23</b>	<b>11</b>	<b>0.03</b>		<b>25</b>	
and	322.10	325.50	<b>3.40</b>	<b>14.82</b>	<b>0.27</b>	<b>10</b>	<b>0.05</b>		<b>14</b>	
and	411.20	414.20	<b>3.00</b>	<b>3.34</b>	<b>0.22</b>	<b>7</b>	<b>0.02</b>		<b>10</b>	
<b>A14-30</b>	166.00	178.40	<b>12.40</b>	<b>1.24</b>	<b>0.64</b>	<b>65</b>	<b>0.02</b>		<b>2</b>	West Ayawilca
and	236.00	248.00	<b>12.00</b>	<b>1.00</b>	<b>0.98</b>	<b>61</b>	<b>0.07</b>			
and	264.00	266.00	<b>2.00</b>	<b>6.01</b>	<b>2.75</b>	<b>212</b>	<b>0.30</b>			
<b>A14-29</b>	203.30	204.60	<b>1.30</b>	<b>12.88</b>	<b>0.10</b>	<b>13</b>	<b>0.10</b>		<b>130</b>	East Ayawilca
and	321.40	329.80	<b>8.40</b>	<b>5.86</b>	<b>0.06</b>	<b>7</b>	<b>0.06</b>	<b>0.06</b>	<b>12</b>	
and	338.00	354.00	<b>16.00</b>	<b>3.03</b>	<b>0.04</b>	<b>3</b>	<b>0.01</b>		<b>22</b>	
and	400.00	442.00	<b>42.00</b>	<b>3.25</b>	<b>0.28</b>	<b>15</b>	<b>0.06</b>	<b>0.08</b>	<b>12</b>	
including	400.00	412.00	<b>12.00</b>	<b>7.03</b>	<b>0.02</b>	<b>4</b>	<b>0.08</b>	<b>0.07</b>	<b>10</b>	
<b>A14-28</b>	452.00	514.70	<b>62.70</b>	<b>0.52</b>	<b>0.14</b>	<b>17</b>	<b>0.17</b>	<b>0.26</b>	<b>7</b>	East Ayawilca
including	489.20	500.00	<b>10.80</b>			<b>8</b>	<b>0.15</b>	<b>0.62</b>		
<b>A14-27</b>	176.00	183.10	<b>7.10</b>	<b>5.04</b>	<b>0.04</b>	<b>14</b>	<b>0.01</b>			Central Ayawilca
including	179.00	179.50	<b>0.50</b>	<b>31.62</b>	<b>0.05</b>	<b>27</b>	<b>0.05</b>			
and	338.50	348.00	<b>9.50</b>	<b>4.14</b>	<b>0.12</b>	<b>6</b>	<b>0.06</b>		<b>38</b>	
and	354.00	384.00	<b>30.00</b>			<b>6</b>	<b>0.28</b>	<b>0.15</b>		
<b>A14-26</b>	207.50	230.00	<b>22.50</b>	<b>2.82</b>	<b>2.04</b>	<b>61</b>	<b>0.08</b>		<b>1</b>	West Ayawilca
and	260.00	303.80	<b>43.80</b>	<b>5.38</b>	<b>0.16</b>	<b>13</b>	<b>0.04</b>		<b>86</b>	
including	292.00	303.80	<b>11.80</b>	<b>13.89</b>	<b>0.04</b>	<b>22</b>	<b>0.08</b>		<b>315</b>	
<b>A14-25</b>	228.00	249.50	<b>21.50</b>	<b>1.85</b>	<b>0.28</b>	<b>10</b>	<b>0.01</b>		NA	West Ayawilca - No recovery 249.5-251.3 m
and	306.00	320.00	<b>14.00</b>	<b>1.33</b>	<b>0.27</b>	<b>8</b>	<b>0.01</b>		NA	

Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect / Comment
<b>A14-24</b>	247.35	257.60	<b>10.25</b>	<b>1.50</b>	<b>0.08</b>	<b>35</b>	<b>0.13</b>	<b>0.16</b>	<b>22</b>	East Ayawilca
and	267.00	272.20	<b>5.2</b>	<b>3.95</b>	<b>0.01</b>	<b>6</b>	<b>0.05</b>		<b>158</b>	
and	306.80	308.00	<b>1.20</b>	<b>10.43</b>	<b>0.12</b>	<b>19</b>	<b>0.14</b>		<b>221</b>	
and	319.50	366.00	<b>46.50</b>	<b>3.97</b>	<b>0.36</b>	<b>30</b>	<b>0.01</b>		<b>88</b>	
and	389.40	397.10	<b>7.70</b>	<b>5.14</b>	<b>0.61</b>	<b>31</b>	<b>0.01</b>		<b>57</b>	
and	397.10	402.00	<b>4.90</b>			<b>17</b>	<b>0.43</b>	<b>0.89</b>		
and	448.00	450.00	<b>2.00</b>	<b>0.50</b>	<b>0.24</b>	<b>151</b>	<b>1.17</b>	<b>0.10</b>	<b>30</b>	
<b>A14-23</b>	49.00	49.50	<b>0.50</b>	<b>18.30</b>	<b>0.39</b>	<b>34</b>	<b>0.02</b>		NA	West Ayawilca
and	270.00	278.00	<b>8.00</b>	<b>2.95</b>	<b>0.24</b>	<b>16</b>	<b>0.03</b>		<b>40</b>	
and	288.00	308.00	<b>20.00</b>	<b>3.61</b>	<b>0.02</b>	<b>3</b>	<b>0.02</b>		<b>34</b>	
<b>A14-22</b>	170.00	318.50	<b>148.50</b>	<b>4.33</b>	<b>0.36</b>	<b>15</b>	<b>0.03</b>		<b>55</b>	West Ayawilca
including	211.20	244.00	<b>32.80</b>	<b>7.44</b>	<b>0.02</b>	<b>10</b>	<b>0.02</b>		<b>66</b>	
including	228.00	233.75	<b>5.75</b>	<b>16.76</b>	<b>0.02</b>	<b>24</b>	<b>0.07</b>		<b>170</b>	
including	283.50	314.50	<b>31.00</b>	<b>6.31</b>	<b>0.39</b>	<b>13</b>	<b>0.02</b>		<b>101</b>	
including	293.90	295.90	<b>2.00</b>	<b>28.94</b>	<b>5.84</b>	<b>139</b>	<b>0.09</b>		<b>606</b>	
<b>A14-21</b>	164.00	183.60	<b>19.60</b>	<b>5.67</b>	<b>0.02</b>	<b>8</b>	<b>0.05</b>		<b>81</b>	East Ayawilca
including	166.00	172.00	<b>6.00</b>	<b>10.15</b>	<b>0.04</b>	<b>14</b>	<b>0.06</b>		<b>153</b>	
and	308.90	324.00	<b>15.10</b>	<b>0.18</b>	<b>0.06</b>	<b>19</b>	<b>0.08</b>	<b>0.35</b>		
and	348.00	370.60	<b>22.60</b>	<b>1.00</b>	<b>0.10</b>	<b>23</b>	<b>0.11</b>	<b>0.39</b>		
including	370.00	370.60	<b>0.60</b>			<b>11</b>	<b>0.14</b>	<b>4.10</b>		
<b>A14-20</b>	10.80	12.30	<b>1.50</b>	<b>11.75</b>	<b>0.40</b>	<b>18</b>	<b>0.05</b>			
and	164.00	166.20	<b>2.20</b>	<b>20.96</b>	<b>0.11</b>	<b>80</b>	<b>0.37</b>		<b>11</b>	West Ayawilca
and	179.85	214.00	<b>34.15</b>	<b>5.27</b>	<b>0.25</b>	<b>22</b>	<b>0.04</b>		<b>26</b>	
including	179.85	191.80	<b>11.95</b>	<b>10.52</b>	<b>0.40</b>	<b>23</b>	<b>0.02</b>		<b>75</b>	
including	179.85	184.00	<b>4.15</b>	<b>24.80</b>	<b>1.00</b>	<b>58</b>	<b>0.04</b>		<b>205</b>	
including	179.85	182.70	<b>2.85</b>	<b>34.25</b>	<b>1.50</b>	<b>82</b>	<b>0.05</b>		<b>298</b>	
and	242.00	250.00	<b>8.00</b>	<b>2.23</b>	<b>1.28</b>	<b>181</b>	<b>0.09</b>			
and	268.00	310.00	<b>42.00</b>	<b>4.26</b>	<b>0.08</b>	<b>25</b>	<b>0.04</b>		<b>2</b>	
including	299.80	301.00	<b>1.20</b>	<b>18.64</b>	<b>0.14</b>	<b>52</b>	<b>0.01</b>		<b>30</b>	
<b>A14-19</b>	184.00	328.90	<b>144.90</b>	<b>3.88</b>	<b>0.03</b>	<b>7</b>	<b>0.02</b>		<b>36</b>	West Ayawilca
including	250.00	268.00	<b>18.00</b>	<b>7.11</b>	<b>0.01</b>	<b>11</b>	<b>0.03</b>		<b>27</b>	
<b>A14-18</b>	331.20	360.00	<b>28.80</b>	<b>5.62</b>	<b>0.17</b>	<b>10</b>	<b>0.02</b>		<b>27</b>	East Ayawilca
including	342.50	350.00	<b>7.50</b>	<b>8.75</b>	<b>0.30</b>	<b>20</b>	<b>0.04</b>		<b>60</b>	
and	375.10	412.00	<b>36.90</b>	<b>5.62</b>	<b>0.41</b>	<b>9</b>	<b>0.04</b>		<b>14</b>	
<b>A12-04A</b>	260.00	280.00	<b>20.00</b>	<b>7.12</b>	<b>0.02</b>	<b>9</b>	<b>0.04</b>		<b>127</b>	West Ayawilca
including	266.00	278.00	<b>12.00</b>	<b>10.51</b>	<b>0.03</b>	<b>14</b>	<b>0.05</b>		<b>200</b>	
<b>A12-08</b>	162.00	232.00	<b>70.00</b>	<b>4.77</b>	<b>0.16</b>	<b>5</b>	<b>0.03</b>		<b>33</b>	Central Ayawilca
including	170.00	174.00	<b>4.00</b>	<b>11.66</b>	<b>0.03</b>	<b>9</b>	<b>0.05</b>			
including	195.50	232.00	<b>36.50</b>	<b>6.51</b>	<b>0.02</b>	<b>5</b>	<b>0.06</b>		<b>63</b>	
including	195.50	214.50	<b>19.00</b>	<b>9.02</b>	<b>0.02</b>	<b>6</b>	<b>0.08</b>		<b>74</b>	
and	266.00	304.00	<b>38.00</b>	<b>4.61</b>	<b>0.02</b>	<b>7</b>	<b>0.04</b>		<b>117</b>	No recovery 304-314.1 m
and	318.90	322.80	<b>3.90</b>	<b>6.91</b>	<b>&lt;0.01</b>	<b>5</b>	<b>0.03</b>		<b>45</b>	
<b>A12-09</b>	216.00	245.50	<b>29.50</b>	<b>3.21</b>	<b>0.12</b>	<b>6</b>	<b>0.06</b>	<b>0.09</b>	<b>58</b>	Central Ayawilca
including	236.00	242.00	<b>6.00</b>	<b>7.35</b>	<b>0.02</b>	<b>9</b>	<b>0.12</b>	<b>0.24</b>	<b>147</b>	
and	318.00	328.00	<b>10.00</b>			<b>1</b>	<b>0.11</b>	<b>0.90</b>		
including	324.00	326.00	<b>2.00</b>			<b>1</b>	<b>0.09</b>	<b>3.23</b>		
<b>A12-10</b>	324.00	343.40	<b>19.40</b>			<b>5</b>	<b>0.11</b>	<b>0.27</b>		Central Ayawilca
<b>A13-01</b>	224.00	236.00	<b>12.00</b>	<b>5.84</b>	<b>0.01</b>	<b>5</b>	<b>0.07</b>		<b>157</b>	Central Ayawilca
and	276.00	352.00	<b>76.00</b>			<b>8</b>	<b>0.36</b>	<b>0.21</b>		
including	308.00	332.00	<b>24.00</b>			<b>12</b>	<b>0.61</b>	<b>0.51</b>		
including	308.00	316.00	<b>8.00</b>			<b>9</b>	<b>0.43</b>	<b>0.94</b>		
<b>A13-02</b>	236.00	328.00	<b>92.00</b>	<b>2.90</b>	<b>0.10</b>	<b>5</b>	<b>0.02</b>		<b>36</b>	Central Ayawilca
and	330.00	370.90	<b>40.90</b>			<b>1</b>	<b>0.06</b>	<b>0.12</b>		
including	344.00	354.00	<b>10.00</b>				<b>0.05</b>	<b>0.23</b>		
<b>A13-03</b>	165.30	174.00	<b>8.70</b>	<b>4.31</b>	<b>0.57</b>	<b>11</b>	<b>0.07</b>		<b>10</b>	Central Ayawilca



Drillhole	From (m)	To (m)	Int (m)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Sn (%)	In (g/t)	Prospect / Comment
<b>A13-04</b>	181.85	220.85	<b>39.00</b>	<b>3.69</b>	<b>0.06</b>	<b>4</b>	<b>0.02</b>		<b>44</b>	Central Ayawilca
and	266.00	332.00	<b>66.00</b>	<b>2.28</b>	<b>0.11</b>	<b>4</b>	<b>0.02</b>		<b>28</b>	
and	342.00	368.00	<b>26.00</b>			<b>31</b>	<b>0.69</b>	<b>0.22</b>		
including	348.00	360.00	<b>12.00</b>			<b>46</b>	<b>0.99</b>	<b>0.18</b>		
<b>A13-05</b>	130.30	343.20	<b>212.90</b>	<b>5.34</b>	<b>0.17</b>	<b>15</b>	<b>0.03</b>		<b>83</b>	West Ayawilca
including	130.30	179.50	<b>49.20</b>	<b>10.07</b>	<b>0.55</b>	<b>32</b>	<b>0.16</b>	<b>0.10</b>	<b>51</b>	
including	150.00	166.00	<b>16.00</b>	<b>18.14</b>	<b>0.05</b>	<b>39</b>	<b>0.25</b>	<b>0.06</b>	<b>120</b>	
including	316.00	326.00	<b>10.00</b>	<b>12.93</b>	<b>0.02</b>	<b>42</b>	<b>0.04</b>		<b>670</b>	
<b>A13-06</b>	170.00	196.00	<b>26.00</b>	<b>2.20</b>	<b>0.05</b>	<b>5</b>	<b>0.01</b>		<b>11</b>	West Ayawilca
and	210.00	322.00	<b>112.00</b>	<b>3.71</b>	<b>0.04</b>	<b>6</b>	<b>0.01</b>		<b>33</b>	
including	262.00	322.00	<b>60.00</b>	<b>4.67</b>	<b>0.07</b>	<b>7</b>	<b>0.01</b>		<b>44</b>	
including	264.65	278.00	<b>13.35</b>	<b>8.42</b>	<b>0.20</b>	<b>14</b>	<b>0.02</b>		<b>25</b>	
including	312.00	322.00	<b>10.00</b>	<b>7.85</b>	<b>0.07</b>	<b>7</b>	<b>0.01</b>		<b>64</b>	
<b>A13-07</b>	75.80	76.90	<b>1.10</b>	<b>30.00</b>	<b>0.06</b>	<b>54</b>	<b>0.10</b>		<b>187</b>	West Ayawilca
<b>A13-08</b>	322.00	337.40	<b>15.40</b>			<b>4</b>	<b>0.13</b>	<b>0.39</b>		West Ayawilca
<b>A13-09</b>	119.00	120.60	<b>1.60</b>	<b>20.00</b>	<b>2.86</b>	<b>172</b>	<b>0.10</b>		<b>NA</b>	
<b>A13-10</b>	272.00	282.00	<b>10.00</b>			<b>3</b>	<b>0.07</b>	<b>0.51</b>		Central Ayawilca
and	298.00	319.50	<b>21.50</b>			<b>3</b>	<b>0.13</b>	<b>0.20</b>		
<b>A13-11</b>	328.00	344.20	<b>16.20</b>			<b>22</b>	<b>0.67</b>	<b>1.03</b>		Central Ayawilca
including	330.00	332.00	<b>2.00</b>			<b>77</b>	<b>2.07</b>	<b>4.81</b>		
<b>A13-12A</b>	250	268	<b>18.00</b>	<b>3.84</b>	<b>0.03</b>	<b>5</b>	<b>0.05</b>		<b>56</b>	Central Ayawilca
and	280.00	292.00	<b>12.00</b>	<b>4.22</b>	<b>0.24</b>	<b>16</b>	<b>0.05</b>		<b>17</b>	
and	326.00	356.80	<b>30.80</b>			<b>6</b>	<b>0.17</b>	<b>0.54</b>		
including	326.00	328.00	<b>2.00</b>			<b>9</b>	<b>0.20</b>	<b>2.50</b>		
<b>A13-15</b>	329.20	344.00	<b>14.80</b>	<b>4.80</b>	<b>0.01</b>	<b>5</b>	<b>0.09</b>	<b>0.12</b>	<b>101</b>	Central Ayawilca
<b>A13-16</b>	370.00	394.00	<b>24.00</b>	<b>2.80</b>	<b>0.01</b>	<b>2</b>	<b>0.01</b>		<b>110</b>	East Ayawilca
<b>A13-17</b>	372.10	396.00	<b>23.90</b>	<b>2.90</b>	<b>0.18</b>	<b>18</b>	<b>0.05</b>	<b>0.25</b>	<b>22</b>	East Ayawilca
<b>A14-18</b>	331.20	360.00	<b>28.80</b>	<b>5.62</b>	<b>0.17</b>	<b>10</b>	<b>0.02</b>		<b>27</b>	East Ayawilca
including	342.50	350.00	<b>7.50</b>	<b>8.75</b>	<b>0.30</b>	<b>20</b>	<b>0.04</b>		<b>60</b>	
and	375.10	412.00	<b>36.90</b>	<b>5.62</b>	<b>0.41</b>	<b>9</b>	<b>0.04</b>		<b>14</b>	
<b>DD53</b>	226.00	280.00	<b>54.00</b>	<b>3.50</b>	<b>0.12</b>	<b>8</b>	<b>0.03</b>		<b>49</b>	West Ayawilca
and	292.00	315.10	<b>23.10</b>	<b>2.54</b>	<b>0.03</b>	<b>2</b>	<b>0.01</b>		<b>19</b>	
<b>DD52B</b>	272.00	288.00	<b>16.00</b>	<b>6.00</b>	<b>0.12</b>	<b>8</b>	<b>0.01</b>		<b>54</b>	West Ayawilca - Includes 2m no recovery
<b>DD69</b>	138.00	140.00	<b>2.00</b>	<b>13.56</b>	<b>1.82</b>	<b>390</b>			<b>NA</b>	
<b>DD70</b>	100.00	104.00	<b>4.00</b>	<b>10.45</b>	<b>0.04</b>	<b>59</b>	<b>0.13</b>		<b>14</b>	West Ayawilca
and	156.00	170.00	<b>14.00</b>	<b>4.18</b>	<b>0.07</b>	<b>12</b>	<b>0.02</b>		<b>2</b>	
<b>DD71</b>	196.00	200.00	<b>4.00</b>	<b>30.90</b>	<b>0.32</b>	<b>63</b>	<b>0.13</b>		<b>3</b>	West Ayawilca

### Gravity Survey

In December 2014, the Company completed a gravity survey covering 12 km<sup>2</sup> at the Ayawilca project over a north-south strike length of approximately 5 km. Data points were collected on a 200 x 200 metre grid, with the main anomalies covered by a 100 x 100 metre grid. A large gravity anomaly was identified (+5mgal), covering an area of approximately 3 km<sup>2</sup> coinciding with and extending beyond the footprint of the magnetic anomalies. The gravity anomaly is believed to be caused in part by semi-massive to massive sulphide accumulations.

During July 2015, the gravity survey was extended a further 5 km of strike to cover a total area of approximately 25 km<sup>2</sup>. This data has identified additional anomalies outside of the zinc resource area.

### IP Geophysics

In July 2015, Tinka carried out an IP geophysical survey covering 9 km<sup>2</sup> at Ayawilca, with the data modelled from surface to a maximum depth of 500 metres below surface\*. Results show a number of strong, coherent chargeability anomalies in the depth range of 150 to 450+ metres, interpreted as zones of disseminated sulphides believed to be highly prospective for zinc. The most significant IP chargeability anomaly, covering approximately 1 km<sup>2</sup> at

Chaucha, is coincident with a zinc-in-soil anomaly, and has had no previous drilling. The Company intends to drill the Chaucha area once drill permits are granted, expected during second half of 2016.

\* A conventional pole-dipole IP survey was carried out on eleven 300 metre-spaced lines each orientated 060 degrees azimuth, using electrode spacing of 120 metres. The data was modelled with a high degree of confidence from surface to maximum depths of between 400 and 500 metres.

### **Colquipucro Silver Project**

Colquipucro is a near-surface, sandstone-hosted, silver oxide project just 2 kilometres north of Ayawilca.

#### *Mineral Resource Estimate*

In February 2015 the Company announced an updated Mineral Resource estimate at Colquipucro ([PR February 26 2015](#)). Mineral Resources are reported within a preliminary pit shell generated in Whittle software at a cut-off of 15 g/t Ag. Indicated Mineral Resources are estimated to total 7.4 million tonnes at an average grade of 60 g/t Ag containing 14.3 million ounces of Ag (Table 4). Inferred Mineral Resources are estimated to total 8.5 million tonnes at an average grade of 48 g/t Ag containing 13.2 million ounces of Ag. A small amount of mineralization was not captured by the Whittle shell.

Mineral Resources are contained within ten north-dipping high grade zones, a gently dipping basal zone, and a low grade halo that encompasses all high grade zones. Overall, the mineral resource covers a region 550 metres in the north-south direction by 380 metres in the east-west direction by about 75 metres thick. The deposit is located on a topographic high and ranges between 4,160 and 4,360 metres elevation. No mineral reserves have yet been estimated at Colquipucro.

**Table 4. Mineral Resources at Colquipucro as of February 23, 2015**

Classification	Tonnage (Mt)	Ag (g/t)	Ag (Moz)
Indicated	7.4	60	14.3
Inferred	8.5	48	13.2

Notes:

1. CIM definitions were followed for mineral resources.
2. Mineral resources are reported within a preliminary pit-shell and above a cut-off grade of 15 g/t Ag.
3. The cut-off grade is based on a price of US \$24 per ounce silver.
4. Numbers may not add due to rounding.

The drill database includes 8,003 m in 45 drill holes. A set of cross-sections and level plans were interpreted to construct three-dimensional wireframe models at a cut-off grade of 60 g/t Ag for the high grade zones and 15 g/t Ag for the low grade halo mineralization. Prior to compositing to two metre lengths, high Ag values were cut to 360 g/t Ag in the high grade lenses, and 120 g/t Ag in the low grade halo domain. Block model grades within the wireframe models were interpolated by inverse distance cubed. Density values were estimated from 41 measurements to be 2.48 t/m<sup>3</sup>. Classification into the Indicated and Inferred categories was guided by the drill hole spacing and the continuity of the mineralized zones.

Readers are encouraged to read the entire technical report entitled “Technical Report on the Mineral Resource Estimate for the Ayawilca-Colquipucro Property, Department of Pasco, Peru”, dated March 25, 2015 which can be found under the Company’s profile on SEDAR at <http://www.sedar.com> or on the Company’s website at <http://www.tinkaresources.com>

#### *Colquipucro Drill Results 2006 to 2014*

Tinka completed 8,003 metres in 45 holes of diamond drilling at Colquipucro in several programs between 2006 and 2014. Results of the most recent drill program of 1,578 metres in ten holes were released on [January 15, 2015](#). Seven holes (CDD39 to CDD45) intersected near-surface, oxidized, silver mineralization over substantial thicknesses. Three other holes (CDD36 - CDD38) were step-out holes testing the extension of mineralization to the northwest with one hole intersecting significant grade. Table 5 summarizes all of Tinka’s drill intersections at Colquipucro, using a 15 g/t silver cut-off over 6 metre intervals.

The silver mineralization is hosted by oxidized quartz sandstones (Goyllar Group) dipping gently to the southwest. The oxide mineralization occurs in fractured rocks with iron oxides (goethite, jarosite, hematite) after primary sulphides with or without manganese oxide. Relict sulphides are rare, with galena being observed on occasion. Mineralization appears to be enriched at the lower contact of the sandstone with limestone, and in east-west trending fracture zones which dip at moderate angles (30 to 60 degrees) to the north. Beneath the sandstone lies an altered limestone unit approximately 150 metres thick. The limestone hosts minor zinc mineralization at Colquipucro (oxidized or transitional). The true widths of the drill intercepts are between 60% and 100% of the reported down-hole widths.

**Table 5. Summary of Significant Silver Oxide Drill Intersections at Colquipucro**

<b>Drill Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Silver (g/t)</b>	<b>Comment</b>
<b>CDD45</b>	4.0	140.0	<b>136.0</b>	<b>75</b>	2.7m no recovery in 4 intervals
<i>including</i>	<i>40.0</i>	<i>54.0</i>	<i>14.0</i>	<i>211</i>	
<b>CDD44</b>	6.0	80.0	<b>74.0</b>	<b>54</b>	
<b>and</b>	90.0	150.0	<b>60.0</b>	<b>92</b>	
<i>including</i>	<i>118.0</i>	<i>128.1</i>	<i>10.1</i>	<i>264</i>	
<i>including</i>	<i>136.0</i>	<i>140.0</i>	<i>4.0</i>	<i>383</i>	
<b>CDD43</b>	26.0	32.0	<b>6.0</b>	<b>40</b>	
<b>and</b>	62.0	72.0	<b>10.0</b>	<b>30</b>	
<b>and</b>	86.0	94.0	<b>8.0</b>	<b>34</b>	
<b>and</b>	104.0	142.9	<b>38.9</b>	<b>200</b>	6.9m no recovery in 3 intervals
<i>including</i>	<i>120.7</i>	<i>131.7</i>	<i>11.0</i>	<i>605</i>	
<b>CDD42</b>	20.0	96.0	<b>76.0</b>	<b>61</b>	
<i>including</i>	<i>58.0</i>	<i>66.0</i>	<i>8.0</i>	<i>177</i>	
<b>CDD41</b>	6.0	92.0	<b>86.0</b>	<b>90</b>	7.1m no recovery in 3 intervals
<i>including</i>	<i>18.0</i>	<i>44.0</i>	<i>26.0</i>	<i>119</i>	
<i>including</i>	<i>66.0</i>	<i>78.0</i>	<i>12.0</i>	<i>198</i>	0.8m no recovery in 1 interval
<b>CDD40</b>	1.2	90.0	<b>88.8</b>	<b>50</b>	
<b>and</b>	154.0	216.0	<b>62.0</b>	<b>51</b>	
<i>including</i>	<i>202.0</i>	<i>208.0</i>	<i>6.0</i>	<i>169</i>	
<b>CDD39</b>	10.0	16.0	<b>6.0</b>	<b>47</b>	
<b>and</b>	36.0	84.0	<b>48.0</b>	<b>25</b>	1.5m no recovery in 1 interval
<b>and</b>	94.0	134.5	<b>40.5</b>	<b>140</b>	
<i>including</i>	<i>102.0</i>	<i>106.0</i>	<i>4.0</i>	<i>699</i>	
<b>CDD37</b>	22.0	28.0	<b>6.0</b>	<b>105</b>	
<b>CDD34</b>	74.0	112.3	<b>38.3</b>	<b>56</b>	0.8m no recovery in 1 interval
<b>CDD33</b>	28.0	54.0	<b>26.0</b>	<b>37</b>	
<b>CDD31</b>	2.0	70.5	<b>68.5</b>	<b>55</b>	
<b>CDD30</b>	2.0	106.0	<b>104.0</b>	<b>96</b>	1.8m no recovery in 1 interval
<i>including</i>	<i>58.0</i>	<i>70.0</i>	<i>12.0</i>	<i>156</i>	
<i>including</i>	<i>92.0</i>	<i>106.0</i>	<i>14.0</i>	<i>201</i>	
<b>CDD29</b>	2.0	124.0	<b>122.0</b>	<b>76</b>	3.8m no recovery in 2 intervals
<i>including</i>	<i>44.0</i>	<i>68.0</i>	<i>24.0</i>	<i>123</i>	
<i>including</i>	<i>106.0</i>	<i>120.0</i>	<i>14.0</i>	<i>189</i>	0.4m no recovery in 1 interval
<b>and</b>	158.0	180.0	<b>22.0</b>	<b>23</b>	3.9m no recovery in 2 intervals
<b>CDD28</b>	22.0	132.0	<b>108.0</b>	<b>57</b>	3.6m no recovery in 2 intervals
<i>including</i>	<i>128.0</i>	<i>132.0</i>	<i>4.0</i>	<i>521</i>	
<b>CDD27</b>	94.0	136.7	<b>42.7</b>	<b>96</b>	
<i>including</i>	<i>118.0</i>	<i>126.0</i>	<i>8.0</i>	<i>298</i>	
<b>CDD26</b>	24.0	32.5	<b>8.5</b>	<b>206</b>	
<b>and</b>	84.0	162.0	<b>78.0</b>	<b>38</b>	

<b>Drill Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Silver (g/t)</b>	<b>Comment</b>
<b>CDD25</b>	6.0	52.0	<b>46.0</b>	<b>35</b>	
<b>and</b>	70.0	114.0	<b>44.0</b>	<b>36</b>	
<b>CDD24</b>	30.0	62.0	<b>32.0</b>	<b>48</b>	
<b>CDD23</b>	12.0	92.0	<b>80.0</b>	<b>105</b>	
<i>including</i>	20.0	30.0	<i>10.0</i>	<i>199</i>	
<i>including</i>	38.0	52.0	<i>14.0</i>	<i>179</i>	
<i>including</i>	82.0	86.0	<i>4.0</i>	<i>306</i>	
<b>CDD22</b>	12.0	98.0	<b>86.0</b>	<b>80</b>	1.5m no recovery in 1 interval
<i>including</i>	14.0	28.0	<i>14.0</i>	<i>132</i>	
<i>including</i>	89.6	96.0	<i>6.4</i>	<i>214</i>	
<b>CDD21</b>	14.0	108.0	<b>94.0</b>	<b>91</b>	1.3m no recovery in 1 interval
<i>including</i>	66.0	78.0	<i>12.0</i>	<i>125</i>	
<b>CDD20</b>	22.0	88.0	<b>66.0</b>	<b>30</b>	10.4m no recovery in 2 workings
<b>CDD19</b>	16.0	68.0	<b>52.0</b>	<b>128</b>	
<i>including</i>	56.0	64.0	<i>8.0</i>	<i>425</i>	
<b>CDD18</b>	100.0	124.5	<b>24.5</b>	<b>23</b>	0.5m no recovery in 1 interval
<b>CDD16</b>	50.0	68.0	<b>18.0</b>	<b>37</b>	
<b>and</b>	85.0	98.0	<b>13.0</b>	<b>102</b>	
<b>and</b>	118.0	146.0	<b>28.0</b>	<b>25</b>	3.4m no recovery in 2 intervals
<b>CDD14</b>	22.0	32.0	<b>10.0</b>	<b>66</b>	
<b>and</b>	18.0	88.0	<b>70.0</b>	<b>123</b>	
<i>including</i>	50.0	62.0	<i>12.0</i>	<i>240</i>	
<b>and</b>	104.0	118.0	<b>14.0</b>	<b>87</b>	
<b>CDD12</b>	20.0	62.0	<b>42.0</b>	<b>31</b>	
<b>and</b>	70.0	92.0	<b>22.0</b>	<b>71</b>	
<i>including</i>	84.0	90.0	<i>6.0</i>	<i>157</i>	
<b>CDD11</b>	0.0	80.0	<b>80.0</b>	<b>65</b>	
<i>including</i>	2.0	8.0	<i>6.0</i>	<i>221</i>	
<b>and</b>	88.0	146.0	<b>58.0</b>	<b>123</b>	
<i>including</i>	138.0	146.0	<i>8.0</i>	<i>551</i>	
<b>CDD10</b>	120.0	142.0	<b>22.0</b>	<b>31</b>	
<b>CDD9</b>	42.0	66.0	<b>24.0</b>	<b>39</b>	
<b>CDD7</b>	80.0	88.0	<b>8.0</b>	<b>113</b>	
<b>CDD6</b>	0.0	66.0	<b>66.0</b>	<b>83</b>	
<i>including</i>	0.0	8.0	<i>8.0</i>	<i>103</i>	
<i>including</i>	28.0	52.0	<i>24.0</i>	<i>129</i>	
<b>and</b>	116.0	120.0	<b>4.0</b>	<b>212</b>	
<b>CDD4</b>	0.0	54.0	<b>54.0</b>	<b>67</b>	
<i>including</i>	14.0	26.0	<i>12.0</i>	<i>176</i>	
<b>and</b>	96.0	128.0	<b>32.0</b>	<b>265</b>	
<i>including</i>	122.0	128.0	<i>6.0</i>	<i>1003</i>	
<b>CDD3</b>	0.0	32.0	<b>32.0</b>	<b>65</b>	
<i>including</i>	2.0	4.0	<i>2.0</i>	<i>486</i>	
<b>and</b>	146.0	148.0	<b>2.0</b>	<b>664</b>	
<b>and</b>	162.0	186.0	<b>24.0</b>	<b>80</b>	
<b>CDD2</b>	62.0	98.0	<b>36.0</b>	<b>55</b>	
<b>CDD1</b>	0.0	34.0	<b>34.0</b>	<b>55</b>	
<i>including</i>	0.0	4.0	<i>4.0</i>	<i>154</i>	
<b>and</b>	66.0	106.0	<b>40.0</b>	<b>35</b>	

Disclaimer: Non-recovered intervals have been assumed to contain zero grade. NSR = No significant result.

### *Metallurgical Testwork and Deposit Modelling*

Silver leach bottle-roll tests were completed on quarter core samples from 10 composite oxide Colquipucro samples during the December 2015 quarter at SGS Lima. Four different size fractions were used; 100% <25mm, 100% <6mm, 100% <2mm, and P<sub>80</sub> <75 microns (i.e., 40 test samples in total). Head grades of the 10 samples varied between 20g/t Ag and 230g/t Ag. The concentration of cyanide used in the bottle rolls was a constant 1g/L. Cyanidation time was 10 days for the two coarser fractions, and 3 days for the two finer fractions.

Results: Average silver recoveries for the 10 samples for each size fraction were: 43%, 56%, 69%, and 80% respectively. Recoveries for silver were improved in the higher grade samples. Gold was found to be negligible in the samples. Given the silver leach results, it is likely that crushing to at least 100% <2mm will be required to achieve reasonable recoveries in any future mining operation. This will have an effect on the operating costs of the project. However, it should be noted that the highest grade part of the deposit is right at surface thus potentially minimizing pre-stripping and other eventual capital expenditure costs. Other smaller scale alternatives could also be considered. Small scale mining (<350 tpd) allows easier permitting and could be a viable option for Colquipucro.

### **Other Projects in Peru**

#### *Rurimarac*

The Rurimarac gold project, located in the Department of Ancash in central Peru, is located 35 km from Barrick's Pierina gold mine. The property consists of two 100% owned mining concessions covering 2,000 hectares.

The principal target at Rurimarac lies beneath an outcropping zone of oxide gold mineralization at the contact between siltstone and diorite exposed for almost 1km. Previous sampling in 65 pit and trench samples up to 1 metre deep ranged in grade from 0.1 g/t to 39 g/t gold, with an average grade of 5.1 g/t gold. A single past drill hole which tested the main geochemical target intersected 6 metres @ 3.3g/t gold from 60 metres depth in oxidized rocks. The Company has not completed any drilling on this project. The Company is continuing to review options to move this project forward.

#### *Parihuana*

The Company has a 50% joint-venture interest with Duran Ventures Inc. on the Parihuana properties in the Department of Ayacucho 350 km southeast of Lima. The property covers 1,500 hectares of mining concessions. A number of small artisanal mine workings are known. A ground magnetic survey was completed in Q4 2014. This was followed up with surface sampling and mapping in Q1 2015, which identified copper-bearing skarn in limited outcrop surrounding an intrusive rock. The data on these properties is under revision.

#### *Esqueleto*

Esqueleto consisting of 1,000 ha, is located a few kilometres from the Los Calatos porphyry copper-molybdenum project in the Department of Moquegua, southern Peru. Los Calatos has a Measured and Indicated Mineral Resource estimate from surface to 700 metres depth of 413 M tonnes at 0.37% copper and 0.026 % molybdenum (Metminco website, 2015).

No known mineralization is on the Esqueleto property, however it occurs along a well-known porphyry trend and may have prospectivity underneath shallow volcanic cover rocks.

### **Qualified Person**

The qualified person for the Company's projects, Dr. Graham Carman (FAUSIMM), President and CEO of the Company, has reviewed and approved the technical information in this MD&A.

## Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2016		Fiscal 2015				Fiscal 2014	
	Mar. 31 2016 \$	Dec. 31 2015 \$	Sept. 30 2015 \$	Jun. 30 2015 \$	Mar. 31 2015 \$	Dec. 31 2014 \$	Sept. 30 2014 \$	Jun. 30 2014 \$
<b>Operations:</b>								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(310,627)	(440,784)	(363,747)	(821,367)	(365,039)	(415,041)	(1,275,698)	(265,424)
Other items	(50,377)	(13,020)	134,370	(5,172)	99,574	45,708	(1,744,396)	(6,734)
Net loss and comprehensive loss	(361,004)	(453,804)	(229,377)	(826,539)	(265,465)	(369,333)	(3,020,094)	(272,158)
Loss per share -basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.04)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Balance Sheet:</b>								
Working capital (deficiency)	3,661,246	4,520,484	6,419,711	8,807,814	2,500,327	3,313,893	5,490,211	(71,310)
Total assets	24,614,226	25,167,499	25,808,464	25,737,199	19,010,500	19,251,893	19,698,993	12,686,543
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

## Results of Operations

### *Three Months Ended March 31, 2016 Compared to Three Months Ended December 31, 2015*

During the three months ended March 31, 2016 (“Q2”) the Company reported a net loss of \$361,004, compared to a net loss of \$453,804 for the three months ended December 31, 2015 (“Q1”), a decrease in loss of \$92,800. The decrease in loss is mainly attributed to:

- (i) \$32,640 audit fees incurred in Q1 due to the timing of audit services rendered for the Company’s year-end financial statements. No audit services were incurred in Q2;
- (ii) a \$16,721 decrease in share-based compensation. During Q1 the Company granted share options to purchase 580,000 common shares and recorded compensation expense of \$18,291 and recorded a further \$9,852 on the vesting of share options previously granted. During Q2 the Company recorded share-based compensation of \$11,422 on the vesting of share options which were previously granted. No share options were granted during Q2; and
- (iii) a \$82,126 decrease in office, salaries, wages and benefits, and travel and related costs, from \$214,775 during Q1 to \$131,649 during Q2 due to the completion of drilling activities at the end of calendar 2015 and the reduction of staffing and activities in Peru.

The decrease in loss during Q2 was partially offset by a \$33,828 increase in foreign exchange loss, from \$26,130 in Q1 to \$59,958 in Q2.

### *Six Months Ended March 31, 2016 Compared to Six Months Ended March 31, 2015*

During the six months ended March 31, 2016 (the “2016 period”), the Company reported a net loss of \$814,808 (\$0.00 per share), compared to a net loss of \$634,798 (\$0.00 per share) for the six months ended March 31, 2015 (the “2015 period”), an increase in loss of \$180,010. The increase in loss in the 2016 period is primarily attributed to an increase of foreign exchange loss of \$209,588, from a foreign exchange gain of \$123,500 during the 2015 period to a foreign exchange loss of \$86,088 during the 2016 period. The increase in foreign exchange loss for the 2016 period was due to the decline of the Canadian dollar compared to the U.S. and Peruvian currencies.

General and administrative expenses decreased by \$28,669, from \$780,080 during the 2015 period to \$751,411 during the 2016 period. Specific expenses of note are as follows:

- (i) during the 2016 period the Company was billed \$19,700 (2015 - \$24,375) for accounting and administration services provided by Chase Management Ltd. (“Chase”) a private company owned by Mr. Nick DeMare, the Chief Financial Officer (“CFO”) and a director of the Company. In addition, the Company was billed \$2,010 (2015 - \$2,010) by Chase for office space provided;
- (ii) during the 2016 period the Company expensed \$110,602 (2015 - \$90,973) for professional expenses, of which:
- \$73,277 (2015 - \$47,100) was billed by directors and officers of the Company;
  - \$7,325 (2015 - \$15,938) was reimbursed to public companies with certain common directors for shared personnel, office and other costs; and
  - \$30,000 (2015 - \$27,935) was billed by various parties for financial advisory services.
- The Company also capitalized \$55,419 (2015 - \$45,900) professional fees to exploration and evaluation assets. See also “Transactions with Related Parties”;
- (iii) share-based compensation of \$20,018 (2015 - \$26,835) was recorded during the 2016 period relating to the granting of 580,000 (2015 - 350,000) share options. During the 2016 period the Company also recorded share-based compensation of \$19,547 (2015 - \$36,921) on the vesting of stock options which were previously granted;
- (iv) during the 2015 period the Company incurred \$13,500 for investor relations services. During the 2016 period the Company did not conduct any investor relations activities with third parties; and
- (v) audit fees of \$32,640 (2015 - \$32,808) were incurred for the Company’s year-end financial statements.

During the 2016 period the Company completed the 2015 drilling program at the Ayawilca Project and incurred \$1,991,548 (2015 - \$2,436,522) for mineral property interests exploration expenditures and acquisition costs, comprising \$1,713,275 (2015 - \$1,465,091) on the Ayawilca Project, \$79,036 (2015 - \$711,519) on the Colquipucro Project, and \$199,237 (2015 - \$259,912) for IVA tax in Peru. During fiscal 2015 the Company made applications and received recoveries of \$260,803 (fiscal 2014 - \$17,056) VAT tax in Peru. See also “Exploration Projects”.

The carrying costs of the Company’s exploration and evaluation assets are as follows:

	As at March 31, 2016			As at September 30, 2015		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Colquipucro	338,330	7,413,735	7,752,065	338,330	7,334,699	7,673,029
Ayawilca	132,211	10,606,567	10,738,778	124,260	8,901,243	9,025,503
Other	7,762	2,290,901	2,298,663	7,762	2,091,664	2,099,426
	<u>478,303</u>	<u>20,311,203</u>	<u>20,789,506</u>	<u>470,352</u>	<u>18,327,606</u>	<u>18,797,958</u>

Exploration and evaluation activities incurred during the six months ended March 31, 2016 and fiscal 2015 are as follows:

	Colquipucro \$	Ayawilca \$	Other \$	Total \$
<b>Balance at September 30, 2014</b>	<u>6,446,442</u>	<u>5,470,314</u>	<u>1,805,357</u>	<u>13,722,113</u>
<b>Exploration costs</b>				
Assays	23,146	181,224	-	204,370
Camp costs	46,219	122,799	-	169,018
Community relations	88,998	84,166	-	173,164
Consulting	60,950	60,950	-	121,900
Depreciation	5,728	17,236	-	22,964
Drilling	229,812	1,447,792	-	1,677,604
Environmental	13,313	13,490	-	26,803
Exploration site	48,722	282,864	-	331,586
Field equipment	2,879	120,339	-	123,218

	Colquipucro \$	Ayawilca \$	Other \$	Total \$
Fuel	35,139	158,097	-	193,236
Geological	57,410	182,535	-	239,955
Geophysics	59,519	242,335	-	301,854
Metallurgical test work	-	2,916	-	2,916
Salaries	428,356	396,286	-	824,642
Software and database management	23,756	23,756	-	47,512
Transportation	39,561	168,151	-	207,712
Travel	3,028	4,345	-	7,373
VAT incurred	-	-	547,110	547,110
VAT recovered	-	-	(260,803)	(260,803)
	<u>1,166,546</u>	<u>3,509,281</u>	<u>286,307</u>	<u>4,962,134</u>
<b>Acquisition costs</b>				
Concession payments	<u>60,041</u>	<u>45,908</u>	<u>7,762</u>	<u>113,711</u>
<b>Balance at September 30, 2015</b>	<u>7,673,029</u>	<u>9,025,503</u>	<u>2,099,426</u>	<u>18,797,958</u>
<b>Exploration costs</b>				
Assays	-	30,168	-	30,168
Camp costs	4,372	87,786	-	92,158
Community relations	16,786	123,528	-	140,314
Consulting	17,034	17,034	-	34,068
Depreciation	177	7,874	-	8,051
Drilling	-	667,554	-	667,554
Environmental	6,672	106,536	-	113,208
Exploration site	5,806	87,020	-	92,826
Field equipment	-	9,373	-	9,373
Fuel	8,660	29,289	-	37,949
Geological	-	164,681	-	164,681
Geophysics	2,012	20,065	-	22,077
Salaries	5,463	303,596	-	309,059
Software and database management	7,880	7,880	-	15,760
Transportation	4,174	42,940	-	47,114
VAT incurred	-	-	199,237	199,237
	<u>79,036</u>	<u>1,705,324</u>	<u>199,237</u>	<u>1,983,597</u>
<b>Acquisition costs</b>				
Concession payments	<u>-</u>	<u>7,951</u>	<u>-</u>	<u>7,951</u>
<b>Balance at March 31, 2016</b>	<u>7,752,065</u>	<u>10,738,778</u>	<u>2,298,663</u>	<u>20,789,506</u>

The Company did not complete any equity financings during the six months ended March 31, 2016 and 2015.

### Financial Condition / Capital Resources

The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. As at March 31, 2016 the Company had working capital in the amount of \$3,661,246. The Company has recently completed its 2015 drilling program and does not anticipate any significant drilling activities until the fall of 2016. Management considers that the Company has sufficient funds to maintain ongoing corporate overhead and field expenses, compile and assess the results of the 2015 drill program and continue ongoing exploration activities on its existing mineral projects. Exploration activities may change as a result of ongoing results and recommendations or the Company may acquire additional properties which may entail significant exploration commitments. While the Company has been successful in securing financings in the past, there is material uncertainty it will be able to do so in the future.

### Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.



## Proposed Transactions

The Company has no proposed transactions.

## Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company's significant accounting policies is included in Note 3 to the September 30, 2015 annual consolidated financial statements.

## Changes in Accounting Policies

There are no changes in accounting policies.

## Transactions with Related Parties

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

### (a) *Transactions with Key Management Personnel*

During the six months ended March 31, 2016 the Company has recognized a total of \$240,243 (2015 - \$213,999) for compensation with respect to the Company's CEO (Dr. Carman), the Company's current VP Exploration (Mr. Alvaro Fernandez-Baca), former VP Exploration (Mr. John Nebocat), and the Company's CFO (Mr. Nick DeMare) as follows:

	2016 \$	2015 \$
Management fees - Dr. Carman	110,000	110,000
Professional fees - Mr. DeMare	15,000	15,000
Professional fees - Mr. Fernandez-Baca	95,696	-
Professional fees - Mr. Nebocat	-	54,000
Share-based compensation - Dr. Carman	9,134	34,999
Share-based compensation - Mr. Fernandez-Baca	10,413	-
	<u>240,243</u>	<u>213,999</u>

The Company has expensed \$110,000 (2015 - \$110,000) to management fees, \$55,277 (2015 - \$23,100) to professional fees and \$19,547 (2015 - \$34,999) for share-based compensation. In addition the Company capitalized \$55,419 (2015 - \$45,900) to exploration and evaluation assets.

As at March 31, 2016, \$nil (2015 - \$27,333) remained unpaid.

### (b) *Transactions with Other Related Parties*

(i) During the six months ended March 31, 2016 and 2015 the following amounts were incurred for professional services provided by non-management current and former directors of the Company (Messrs. David Henstridge and William Lee):

	2016 \$	2015 \$
Professional fees - Mr. Henstridge (current director)	12,000	12,000
Professional fees - Mr. Lee (former director)	6,000	12,000
	<u>18,000</u>	<u>24,000</u>

As at March 31, 2016, \$4,000 (2015 - \$10,000) remained unpaid.

- (ii) During the six months ended March 31, 2016 the Company incurred a total of \$19,700 (2015 - \$24,375) with Chase, a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding Mr. DeMare, and \$2,010 (2015 - \$2,010) for rent. As at March 31, 2016, \$6,370 (2015 - \$6,270) remained unpaid.
- (c) The Company shared personnel, office and other costs with two public companies, Tasman Metals Ltd. (“Tasman”) and Mawson Resources Limited (“Mawson”). Mr. DeMare and Mr. Henstridge are also directors of Tasman and Mawson. During the six months ended March 31, 2016 the Company incurred \$7,325 (2015 - \$15,938) for expenses. As at March 31, 2016, \$1,000 (2015 - \$2,610) remained unpaid.

### **Risks and Uncertainties**

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance with all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company’s mineral properties are located in Peru and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

### **Outstanding Share Data**

The Company’s authorized share capital is unlimited common shares with no par value. As at May 16, 2016, there were 149,807,322 issued common shares, 38,891,999 warrants outstanding exercisable at prices ranging from \$0.30 to \$0.45 per share and 10,660,000 share options outstanding, at exercise prices ranging from \$0.25 to \$0.40 per share.