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May 4th, 2015

Dear Fellow Shareholder,

I am excited to report that the Company is embarking on another aggressive exploration year in Peru. We continue to concentrate our efforts on the newly-discovered Pecoy-Tororume Cu district located in the southern coastal belt of Peru. All other projects in Peru are available for Joint Venture and we have signed multiple confidentiality agreements with producing companies for the Lidia, Hurricane and Huiniccasa projects.

In 2014 the preliminary drill program results at our Pecoy Cu-Mo(Au-Ag) porphyry project were very successful and led to the discovery of a large porphyry system with multiple higher-grade centres over a 2 km by 2 km area. These higher-grade centres have the potential to host significant tonnage and are the primary targets for our 2015 drill program. The 2015 plan has been designed to complete additional delineation drilling of the high-grade centres with the objective of estimating a mineral resource at Pecoy in 2015.

To establish this first resource we have designed a 25,000 metre drill program scheduled to commence this month and continue into August with up to 4 drills to expedite this work. Concurrently we have initiated a series of baseline development studies that include geological modelling, metallurgy, rock mechanics and hydrology studies. This work along with the preliminary resource will form the basis for a PEA (Preliminary Economic Assessment) study of the project. This study will start once the drilling and baseline studies have been completed.

To fund this year's drill program, the company recently completed a Private Placement, through existing shareholders of C\$8.2 million at a price of \$2.50 per share which provides us with a strong cash balance (C\$16 million as of January 31, 2015) to complete the drill program and further studies into 2016.

It is expected that the Tororume permits will be received in the latter half of 2015 at which time the Company plans to complete up to 2,500 metres of preliminary drilling, targeting the main potassic zone. Tororume represents an additional porphyry Cu-Mo target close to Pecoy (located 8 km north of Pecoy) that could contribute significant value to the Company.

The Company retains a strong exploration team of professionals with considerable experience in resource drilling and project development work. We maintain a strong balance sheet that will allow us to complete the work required to take us through a new resource and to a PEA at Pecoy.

We believe that our efforts to advance Pecoy and Tororume in Peru in 2015 will position us to realize the full value of the Company in the near term.

Yours truly,

A handwritten signature in blue ink, appearing to read "Brian R. Booth", is written over a light blue horizontal line.

Brian R. Booth
President and CEO