

## Quarterly Newsletter - October 2015

Dear Shareholder,

After a short hiatus from our quarterly newsletter we are back to bring you interesting information from around the exploration industry and updates on the activity within Evrim.

Since our last newsletter, Evrim has diversified by acquiring projects in Canada and the United States. While reasons for diversification include geological expertise and spreading our regional risk, Evrim's main reason to diversify is due to opportunity. Great projects that were previously unaffordable are now "on sale" and Evrim sees great potential for mineral properties that could bring tremendous value in the future.

Evrin remains rooted in Mexico with its operations office in Hermosillo. We continue to run generative programs conducted by our new VP of Exploration in Mexico, Alain Charest. We also have two active joint ventures with SilverCrest Mines (now First Majestic Silver Corp.) and our exploration alliance with ArcelorMittal. Geologically, Mexico continues to be an attractive place for mining companies to explore. Below are some quick facts about mining in Mexico:

- Commercial mining in Mexico dates back over 500 years when silver and gold was produced for Spain's treasury. Mining back then was primarily situated in Guanajuato and in the El Oro district near Mexico City.
- Mexico is the largest producer of silver in the world with gold and copper also important contributors to global production.
- Until the 1990's, much of the Mexican mining industry was controlled by large domestic companies. After the North American Free Trade Agreement in 1993, foreign investment populated the mining industry with many new companies, mostly from Canada and the United States.
- Sonora State is home to the southern extension of the Laramide Porphyry Belt, hosting some of the largest copper porphyry deposits in the world.
- The Cananea Mine in northern Sonora has the second largest copper reserves (26.9 million tonnes) of any porphyry deposit in the world after Escondida in Chile (32 million tonnes). Cananea has been in production since 1899.
- Historical silver production in the Mexican Silver Belt, (La Faja de Plata), exceeds 10 billion ounces of silver and 63 to 75 million ounces of gold production. It is the most productive silver region in the world.
- Grupo Mexico owns the largest amount of copper reserves in the world including the assets of wholly owned Asarco and Southern Copper.
- Fresnillo Plc is the largest producer of primary silver in the world.
- It is estimated that in 2014 Mexico produced approximately 75 tonnes of gold, which means an 81% increase in gold production in just seven years.
- In 2013, 338,143 people were directly employed in the Mexican mining industry.
- Mining is now the second most important industry in Mexico, after petroleum. Tourism is ranked third.
- The major mining states include Zacatecas, Sonora, Chihuahua, Guerrero, Coahuila and Durango.



Shares Issued	37,866,002
Fully Diluted	37,966,002
52 Week Hi/Low	0.28/0.10
Average Daily Volume	12,000
Working Capital	\$2.1 million
Monthly Burn Rate	\$216,000
Number of Projects	5
Projects Optioned Out	2
Number of Alliances	1
Insider Ownership	22%
Institutional Ownership	12%

*As at Sept 30, 2015*



Alain Charest and his team in Mexico (pictured above)

### Alain Charest joins the Evrim Team

Earlier this year, Mr. Alain Charest joined Evrim's exploration team in Mexico. Alain brings a significant reputation and new element to Evrim's exploration team in Mexico. He has extensive leadership experience and a proven history of mineral exploration success, including project acquisition and community relations.

Alain has been involved in all stages of mineral exploration for thirty years, including twenty years in Mexico. His primary roles have included mineral project generation and evaluation, early through advanced stage exploration, and geophysics. He spent over twelve years as Vice President of Exploration for Francisco Gold Corp. and Chesapeake Gold Corp. where he was credited with the discovery and development of the El Sauzal gold deposit in Mexico and the co-discovery of the Marlin gold-silver deposit in Guatemala. He has also worked as a geologist and senior field geophysicist for Noranda S.A. de C.V. in Mexico. Mr. Charest studied Geological Engineering at the University of British Columbia.

In March 2014, Mr. Charest received the Ostokakani Award for his outstanding contribution to the Exploration and Mining Industry of Mexico.

### John Thompson joins the Board of Directors

Dr. Thompson has a BA from Oxford University and a M.Sc. and a Ph.D. from the University of Toronto. In 1982, he joined the BP Minerals group (Rio Tinto) in Australia, followed by positions in the UK and Utah. In 1991, John became Director of the Mineral Deposit Research Unit (MDRU) at the University of British Columbia, managing exploration-related research for over twenty companies.

He returned to industry in 1998 as Chief Geoscientist for Teck, and then Vice President Technology and Development. In the latter role he managed technology and innovation programs and was involved in corporate development, including resource and technology-related transactions. He left Teck in 2012 and is now the Principal of PetraScience Consultants, an exploration, development and technology consulting firm. He is also the Wold Professor of Environmental Balance for Human Sustainability at Cornell University.

## Exploration Updates

### ArcelorMittal Iron Ore Initiative

Evrim crews are in the midst of their second year with ArcelorMittal targeting iron ore prospects in southern Sonora. Desktop work initiated in early 2015 follows up work from 2014 where one target, Santa Juliana, was designated as a project of merit. Additional work in 2015 will include ground-truthing and data and sample collection. Plans are also underway to drill Santa Juliana in the fourth quarter.

Evrim and ArcelorMittal are in the second year of a five year agreement whereby the parties collectively contribute \$600,000 (\$100,000 and \$500,000, respectively) for targeting programs in southern Sonora for iron ore deposits. Exploration of targets deemed to be projects of merit will be solely funded and owned by ArcelorMittal, subject to a sliding scale Gross Smelter Royalty (GSR) in the case of iron ore deposits and a 2.5% net smelter royalty (NSR) in the case of all other commodities.

### Ermitaño Gold Exploration

Crews from SilverCrest have been drilling four targets on Evrim's Ermitaño project: Durazno, Ermitaño East, Ermitaño West, and Veta Valentina. Drilling at Durazno encountered 0.86 g/t gold over 13.0 metres in drill hole ED14-005. Additional results will be released as SilverCrest compiles and interprets drilling and other geological data. As at June 30, 2015, SilverCrest has spent approximately \$1.7 million on the Ermitaño. SilverCrest can earn a 100% interest in the Ermitaño project by spending US\$500,000 and delivering a positive production decision along with permits by the fourth anniversary of the agreement. Evrim will retain a 2% NSR on the Ermitaño project.

### Cumobabi Copper Exploration

Reconnaissance work started on Cumobabi in early 2015 to map out gold targets on the 200 square kilometre property. The goal of the geochemical, mapping and sampling program is to identify targets for possible drilling in the third quarter of 2015. As at June 30, 2015, SilverCrest has spent approximately \$514,000 on the Ermitaño

SilverCrest can earn a 100% interest in Cumobabi project by spending \$500,000 during the first two years of the option agreement and delivering a positive production decision by the fifth anniversary. Evrim will retain a 1.5% NSR in the project.

### Generative and Project Acquisition

In April, Evrim announced two exciting acquisitions that strengthen the Company's project portfolio, Ardmore and Ball Creek.

Ardmore is an early stage exploration target prospective for copper-molybdenum porphyry and gold deposits in Arizona. The project was identified through the Company's generative programs in 2014 and acquired through staking. Ardmore is favorably situated at the intersection of a major northwest belt of porphyry copper deposits (Ray, Miami/Globe, Superior, Resolution) and a northeast belt of similar style deposits (San Manuel/Kalamazoo, Silver Bell, Lakeshore, Safford, Morenci), approximately 60 kilometres north of Tucson. Reconnaissance programs have been completed and Evrim is currently seeking a partner for this exciting project.

Ball Creek is an early stage exploration target prospective for copper-gold-molybdenum porphyry and epithermal gold-silver deposits.

The Ball Creek property is a significant land package and gives Evrim a strategic presence in the Golden Triangle area of northwest British Columbia. The project is central to the Galore Creek and Schaft Creek deposits to the west and the Red Chris Mine to the northeast. In addition, the project has the added benefit of being located eight kilometres west of provincial Highway 37 and the recently commissioned 287 kilovolt transmission line, making Ball Creek one of the most accessible porphyry systems in the Iskut region.