



Quarterly Newsletter

June 2014

Dear Shareholder,

Why do some joint venture agreements get terminated and what happens to the projects? It is a question that is often asked of us by shareholders.

The short and often correct answer is that the results of exploration did not meet the expectations of the joint venture partner. However, this explanation only scratches the surface. There are many other factors to consider why a partner may drop a project:

- Exploration strategy for a joint venture partner changes (Example? Security, tax regime etc.);
- Budgets of our joint venture partner changes which diverts funding elsewhere; and
- Exploration can be logistically challenging.

Once a project has been dropped, data generated from the programs will be looked at from several angles and recommendations will be made as to whether a project continues to have discovery potential or not. If the project still has potential, what happens next? In the case of a project like Suaqui Verde/ Cardeleña (projects that were returned earlier in the year by one of our exploration partners), close to \$4.0 million was spent targeting copper porphyry systems. While various targets were evaluated, we believe that the project continues to have discovery potential. It may be sold as a porphyry target or a gold target, so efforts will be made to get the project back in the hands of a joint venture partner again.

In other cases, projects may not show additional potential or a target could be very conceptual and costly to explore. The probability in selling these projects to partners becomes very low and in these cases, we must take into account the annual holding costs (taxes or other payments) to maintain our title to the project. There is also a cost to the Company for the team's time and effort in selling each project.

Focusing our efforts to sell quality projects is of paramount importance. We make ourselves look good by making our partners look good through quality projects and smart deals.

Recent Transactions

Evrime started off 2014 with two exciting transactions in Mexico bringing in two new exploration partners. As with our past efforts we have focused on securing quality partnerships, and SilverCrest Mines and ArcelorMittal certainly belong in that class.

SilverCrest is a gold producer in Sonora, with their Santa Elena mine immediately adjacent to the Ermitaño Claims.

SilverCrest can earn a 100% interest in the Ermitaño Property by paying US\$75,000 upon signing the Agreement (paid) and US\$50,000 each

| | |
|-------------------------|---------------|
| Shares Issued | 33,696,002 |
| Fully Diluted | 33,996,002 |
| 52 Week Hi/Low | 0.37/0.21 |
| Average Daily Volume | 12,000 |
| Working Capital | \$4.4 million |
| Monthly Burn Rate | \$139,000 |
| Number of Projects | 6 |
| Projects Optioned Out | 2 |
| Number of Alliances | 2 |
| Insider Ownership | 22% |
| Institutional Ownership | 12% |

As at May 31, 2014

anniversary thereafter, completing a minimum of US\$500,000 in exploration expenditures in the first year, and delivering a Production Notice specifying mine and construction plans with accompanying permits. Upon vesting, SilverCrest will no longer be required to make the annual payments and Evrim will retain a 2% Net Smelter Royalty ("NSR").

ArcelorMittal is the world's largest integrated steel manufacturer and miner with a presence in more than sixty countries and an industrial footprint in over twenty countries. They are a leading supplier of quality steel in the major global steel markets including automotive, construction, household appliances and packaging.

Under the terms of a five-year agreement, ArcelorMittal and Evrim will jointly fund exploration programs to search for iron ore projects of merit ("Project") in Mexico. The development of Projects will be funded solely by ArcelorMittal, which will thereby earn a 100% interest in such Projects, subject to a sliding scale royalty on iron ore production and a separate royalty on all other commodities payable to Evrim. The Parties have agreed to a firm commitment for the first two years of the Agreement.

In May, Evrim closed a 5,000,000 share non-brokered private placement at \$0.32 per share for gross proceeds of \$1.6 million. The shares are subject to a four month hold from the date of closing under Canadian Securities Law. Finder's fees of \$26,016 were paid to eligible parties in conjunction with the placement. Proceeds from the private placement will be used for exploration and working capital purposes.

Upcoming Events

Evrim will be exhibiting at the Sprott Natural Resource Symposium in Vancouver, July 22-25 at the Fairmont Hotel Vancouver.
<http://www.naturalresourcesymposium.com/>

Enjoy your summer!

Paddy Nicol
President & CEO



Hermosillo Mexico Mining Convention May 2014



Exploration Updates

Ermitaño Gold Exploration

Crews from SilverCrest began a work program at the Ermitaño gold project in late February consisting of prospecting and channel sampling of vein structures. Results of the programs will be announced as they are received. Work at Ermitaño is ongoing and drilling is anticipated in 2014.

Arcelor-Mittal Iron Ore Initiative

Exploration for iron-ore targets were conducted by Evrim crews within a specific area of interest ("AOI") in Sonora in the first quarter. The goal of the program included the identification of high priority targets for follow-up investigative exploration. The first phase of the program was completed in early May. Ground-truthing and reconnaissance style exploration has now started and is expected to last throughout the summer months.

Based on the results of the early stage exploration work, acquired projects may be additionally explored through drilling later in 2014.

Llano Del Nogal Copper and Gold Project

A number of site visits by prospective joint venture partners have taken place in the second quarter. Additional business development efforts are ongoing to secure an exploration partner for Llano Del Nogal. The project is 100% owned by Evrim subject to a 1.5% precious metal NSR and a 1% base metal NSR payable to Callinan Royalties Inc.

Callinan Royalties Exploration Initiative

Staked ground remains in processing with the Mexican land registry. In the meantime, Evrim crews have conducted additional sampling work within the staked areas, to ensure the project has strong geological data for evaluation purposes for potential joint venture partners. Ground acquired under the Callinan Royalties Initiative are 100% owned by Evrim, subject to a 1.5% precious metal NSR and a 1% base metal NSR payable to Callinan Royalties Inc.

Cumobabi Copper Project

Soil and rock sampling and mapping programs carried out in the first quarter of 2014 did not identify additional drill targets for the potential discovery of a large porphyry system in the main area of interest. Further analysis will be done on the project.