

Dear Shareholder,

Welcome to the August 2021 Shareholder Update.

It's been a while since we updated shareholders and a lot has happened in the interim, both from a fundamental and a political standpoint. So, we would like to highlight Aftermath's progress and our strategy going forward, and also address the recent political events in Peru and Chile.

Key Recent Events

Both countries are going through presidential elections this year. Peru's is finally over after a protracted period of dispute over the final vote count, with the left of centre candidate, Pedro Castillo set to be inaugurated as Peru's next President on July 28. Chile will hold its Presidential election on November 21st and the first primaries have just been held.

Despite the apprehension that both elections have fostered, and we fully expect to see a review of both countries' mining tax and royalty regimes, we believe the respective governments will remain pro mining as their economies require foreign capital and expertise.

The nervousness surrounding a Castillo Presidency in Peru has contributed to a significant decline in Aftermath's market capitalization. But, given what we are seeing and hearing from Peru, we hope to recapture some of that decline in value once the market sees that Castillo is governing from a more centrist position than was initially feared. The issues in Chile center on the drafting of a new constitution, but we do not anticipate significant changes to the mining laws.

The mineral potential of both Peru and Chile is undeniably world class, and in the grand scheme of things both countries remain open to business with functioning, workable mining and foreign investment codes. They are -and will remain- the two premier Latin American mining jurisdictions.

The Peruvian Election

As mentioned, the political uncertainty surrounding the Peruvian presidential elections is finally over: Pedro Castillo was pronounced the winner on July 19th and will be sworn in on July 28. The final vote count had Castillo as the winner by a only 44,000 votes.

You can read more from Reuters on the final outcome by clicking [here](#).

Early in his campaign, Castillo made a lot of noise about nationalising key parts of the mining industry; talk which softened a bit as the campaign dragged on and *realpolitik* took over. By the end of the campaign, both candidates were talking about increased taxes and/or royalties on the resource sector. Reuters reported on July 6, that Castillo has been consulting with business leaders in an attempt to reassure them that he intends to initiate prudent changes to the general tax regime. To quote the article:

He (Castillo) told Reuters he had held dozens of virtual meetings in recent weeks with domestic and foreign investors and some business leaders from the mining sector. "In general, a good dialogue has been established, in which a significant part of the concerns they had have been eliminated, and I think there is a lot of openness," he said by telephone.

Link here: <https://tinyurl.com/342z4vdk>

It is also important to note that the Congress in Peru is "right of center" and should provide checks and balances as Castillo exercises his mandate.

The Chilean Election

Chile's markets responded positively to recent news that the Communist party candidate, Daniel Jadue had been knocked out of the presidential election in the first round of primaries. The country's markets had been jittery at the potential impact of hard left policies on the vital mining industry. Bloomberg noted that "*Among right-wing contenders, former government minister Sebastian Sichel, who has called for keeping the country's pro-market economic pillars intact, won with 49.1%.*"

More here: <https://tinyurl.com/rcsrmd5c>

Share Price Performance

We believe that the recent slide in our share price is not a reflection of the Company's fundamentals but a reaction to political events in Peru and the recent downturn in the silver price. This, coupled with the COVID-related delays in beginning the Pre-Feasibility study field work and drilling at Berenguela, have contributed to softness in our market.

We'll be providing an update shortly on the technical work we're doing on our projects as well as the upcoming development programs. As I've mentioned in my responses to a number of recent investor emails, the issue is that much of the work we're currently doing -whilst boring from a news perspective- is *critical* for laying the foundation for progression to engineering studies at Berenguela and Challacollo. For example, permitting, designing metallurgical test work protocols and assessing the study's geotechnical drilling needs. We've also been delayed by slow responses from many of the government institutions in Peru and Chile due to the pandemic.

Several market commentators have pointed out that Aftermath is currently being valued only on the basis of the Challacollo project, our main Chilean asset. The recent market action has removed Berenguela from our valuation, probably due to the speculation surrounding the success of Pedro Castillo in the Peruvian elections.

Covid

COVID is still adversely affecting our ability to do work in both countries. Our technical staff in Chile have been subject to repeated lockdown restrictions and had to stop work while the latest lock down period ran its course. But despite the travel restrictions, we have been able to get some technical work done although it's been hampered by the repeated lock downs. Nevertheless, we've recently been able to arrange site visits by drill contractors to Challacollo, and expect to have quotations on our planned program shortly.

In Peru, the people living close to the project have been very cautious about outsiders from the cities visiting their communities, hence our people have had to follow a strict COVID protocol and COVID tests prior to any site visit.

Berenguela

We finally closed the Berenguela acquisition in late November 2020. The legal paperwork took far longer to wrap up than we originally anticipated for reasons out of our control. We've now incorporated a subsidiary company in Peru.

SOMINBESA, the holding company for Berenguela, has finally completed the filings necessary for Aftermath to take control of the concessions allowing us to hire contractors to complete work such as drilling. We're currently awaiting confirmation from the government of assignment of mineral title.

Following the acquisition, we kicked off a systematic work program for the project. First up, and crucial to the project, was renewal of land access agreements with the owners of the surface land over the project. The community is supportive of the project and the renewals were successfully completed. We've also been pushing ahead with planning for drilling -geological, metallurgical and geotechnical- all of which will feed into the engineering study.

Berenguela is a silver-copper-manganese project with a significant historic mineral resource. When we optioned Berenguela from SSR Mining, silver was trading at a spot price of US\$24.3/Oz and copper at \$2.89/lb. Since then, copper is up nearly 45% and silver about 4-5%; a very positive price environment that the market has yet to factor into our shares.

Challacollo

The new CIM compliant Mineral Resource estimate published in December 2020 expanded the tonnage and contained silver ounces compared to the historic resource. Click on this [link](#) for a summary of the new estimate and full details can be found in the NI 43-101 technical report available [here](#). For the first time, the resource estimate considers extraction by combined open pit *and* underground mining.

Sampling work began at Challacollo in late January. We've been pulling 3,500 metres of historic core for holes that cut the hanging wall sequence, to confirm the presence of additional low-grade mineralization which we may eventually be able to incorporate into an updated resource.

A full description of the intersections not included in the current Mineral Resource can be found [here](#).

We completed the penultimate payment to Mandalay for the project in Q2. We had the option to make this payment and the final payment divided 50:50, cash and shares. The recent issuance of shares to Mandalay, announced on April 29, was the share portion of the payment to Mandalay (C\$1.5-million in shares at the closing price on April 29) and not actually a debt conversion as suggested by the legal language.

We are in the final stages of selecting drill contractors and permitting our proposed drill program which will hopefully kick off in a few months subject to the usual COVID caveats. We can't be more specific on timing until the government has signed off on our permits.

Key Additions to the Aftermath Team

Board of Directors

In June we announced the addition of Mike Parker to the Board of Directors. A geologist by training, he is fluent in English, Spanish and French and holds British and Peruvian citizenship. Mike hit the ground running and has been a tremendous addition to the team providing invaluable advice on staffing and the Peruvian business environment. His experience and insight into community relations and project management in Peru will be an invaluable asset as we move Berenguela forward.

Mike worked with First Quantum Minerals (FQM) for the best part of 20 years, holding progressively senior country manager positions, culminating in his appointment as country manager for FQM in Peru between 2011 to 2017. There, he was responsible for the design and implementation of FQM's corporate strategy in Latin America -- eventually including Argentina and Chile. He oversaw FQM's community relations programs and sustainability processes, ensuring that projects complemented community development in remote areas including preparations for resettlement programs. He was responsible for all government relations and communications throughout Latin America.

He was instrumental in two major copper discoveries for FQM; the Lonshi and Frontier mines. In 2009, he was appointed country manager in the DRC for FQM, where he had administrative management responsibility for up to 3,000 staff, including a large expatriate contingent, with two operating copper mines and a mine construction project.

Community Relations & Permitting

We've been running a search for a person to manage our community relations and permitting efforts, primarily in Peru, but with some overlap into Chile. It's a key role particularly for the Berenguela project where communication of our work programs, and their expected outcomes,

will be important in our on-going engagement with the communities. We've narrowed down the field of candidates, who are all very strong, and hope to be able to make a hiring announcement shortly.

Marketing

We're scheduled to attend one conference in person; the November 121 conference in London, UK. Fingers crossed that we'll be able to attend it. We did attend a couple of institutional investment conferences on Zoom beginning with the [121 Europe conference](#) between May 27-27. We passed on RoundUp and PDAC for 2021. PDAC is all about in person networking on the floor of the Toronto Metro Convention Centre; that's where deals get done and mineral properties are bought and sold.

Trading Volumes

Trading volumes in our stock are still strong despite the downturn in price. The 3-month weighted daily average is roughly 410k a day for the OTCQX, and 460k a day for the TSX.V.

That concludes this brief update. As we update on our technical plans we'll be sure to prepare another update for you.

Regards
Ralph Rushton