## CORPORATE PARTICIPANTS

**Aurora Davidson**
*President and Chief Executive Officer*

**Carmen Amezquita**
*Chief Financial Officer*

## CONFERENCE CALL PARTICIPANTS

**Terry Fisher**
*CIBC Private Wealth*

**Nick Toor**
*BlackRoot Capital*

**Steven Authrige**

## PRESENTATION

**Operator**

Good day, ladies and gentlemen. Welcome to the Q3 2020 Investor Call. I would like to introduce Ms. Aurora Davidson, President and CEO, and Ms. Carmen Amezquita, Chief Financial Officer of Amerigo Resources, LTD. I would now like to turn the meeting over to Ms. Aurora Davidson. Please go ahead, Ms. Davidson.

---

**Aurora Davidson, President and Chief Executive Officer**

Thank you very much. Welcome to the Third Quarter 2020 Investor Conference Call of Amerigo Resources. I am Aurora Davidson, President and Chief Executive Officer.

Before we begin the presentation, let me caution you that our comments and discussions will include forward-looking information within the meaning of applicable securities legislation. Forward-looking information will include, among other things, forecasts and projections about our copper production for the year which involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from such forecasts and projections. Therefore, although we believe that anticipated future results, performance, or achievements expressed or implied by the forward-looking information are based on reasonable assumptions and expectations, you should not place undue reliance on such forward-looking information. We direct you to our press release issued on November 4, 2020, and our other documents filed with the securities authorities in Canada, including our annual information from under the heading Description of the Business, Risk Factors. These documents describe the material factors and assumptions that were applied in drawing the conclusions and making the forecasts and projections as reflected in the forward-looking information and the material factors that could cause actual results, performance, or achievements to differ materially. Except as required by law, we undertake no obligation to update or revise any forward-looking information made in this presentation.

Okay, so thank you for taking the time to join us today for our report of Amerigo's Q3 2020 financial results. With me today is Carmen Amezquita, Amerigo's Chief Financial Officer. I will provide the operational and business report, and Carmen will report financial results for the quarter. After Carmen's presentation, we can take questions.

Q3 2020 was a strong quarter for Amerigo. Here are the production and financial highlights.

In Q3 MVC's copper production increased to 14.7 million pounds, a 13 percent increase from Q2. I should mention that July was a weak production month, as we lost 13 days of operation in Cauquenes due to heavy rain. Monthly production ramped up from 4 million pounds of copper in July to 5.3 million pounds in August and 5.4 million pounds in September. In Q4 we expect to produce 17 million pounds of copper for an annual production of 56.8 million pounds.

Amerigo's net income in Q3 was $5.4 million due to stronger revenue from higher copper prices, positive revenue settlement adjustments, and reduced tolling and production costs at MVC. Earnings per share in Q3 were $0.03 per share.

MVC's copper price in Q3 was $3.04 per pound. This price held during October, and today's copper price is $3.08.

In Q3 we generated cash flow from operating activities of $10.7 million, excluding changes in working capital. This is a significant improvement from the $2.8 million in operating cash flow generated in Q2.

Net operating cash flow generated in the quarter, that is including changes in working capital, was $15.4 million, up from $1.1 million generated in Q2.

September is debt service month at MVC. After a debt service of $6.1 million, our cash at quarter end was $10.5

million. That is $10 million higher than ending cash on June 30. In October we fully funded the Company's debt reserve account with $6.1 million, essentially guaranteeing the next debt service, which is in March 2021.

While we continue to have a working capital deficiency, we are closing the gap. Our working capital deficiency on September 30 was $18.2 million, which is $8.5 million lower than on June 30. Under the current variables of production, costs, and copper prices, we project to meet debt obligations with banks and with Codelco as they come due.

Our business at Amerigo is not only to produce as much copper as we can, we also need to do it at the lowest cost. In Q1 and Q2, in response to low copper prices, we implemented an economy of (inaudible) approach to cost containment at MVC, with cash costs in Q2 dropping to $1.72 per pound compared to $1.94 per pound in Q1. We were not able to sustain the same trend in Q3, and cash costs increased to $1.80 per pound, which was higher than guidance. Specific factors affecting cash cost trending were a stronger Chilean peso in Q2, the effect of severance payments at MVC, lower by-product credits, and higher operating costs than we had in Q2.

While I am the first person to acknowledge that operating with only essential maintenance and reduced services as occurred in Q2 is not sustainable in the long term, as copper prices stabilize in the current range over $3 per pound, or over that price range, it is imperative that we can control our cost structure and continue to identify cost reduction opportunities, avoid duplications and inefficiencies, and that we tirelessly enforce fiscal discipline to prevent cost scale-ups. I have to say, however, that cash costs is a tricky measure of performance, as it includes, in our case, the moly by-product credits. A good moly price, which is something we do not control, can yield a nice-looking cash cost, and vice versa. Starting with our next cash cost guidance, we will include information on the moly price assumptions so that we can provide more clarity and colour on the metric of cash costs.

I also want to provide some more colour on how our cash cost is structured. If we look, for example, at Q3's cash cost of $1.80 per pound, we can see that the most significant costs are power, smelting and refining, lime, and grinding media. These four items total $1.12 per pound, or 62 percent of cash costs, and are costs that fall outside of our direct control. We receive power at contractual rates. Grinding cost is mostly driven by steel market prices. The same occurs with lime, and smelting and refining costs are annual industry benchmarks.

Our area of control falls essentially in the other costs, which include labour, maintenance, water recovery costs, Cauquenes operations, environmental compliance, quality control, and safety. This is where we need to be laser-focused to continue to improve total and unit cost performance at MVC.

You know, of course, that another key component to predict our earnings stream in addition to cash costs is the royalty to El Teniente, which is correlated to the price of copper. In Q3 royalties to El Teniente represented $0.69 per pound.

Moving on to the operational update, the first thing I want to mention is MVC's continued excellent response regarding COVID-19. This is easier said than done. Our operation continues to be unaffected by COVID-19. No effect on copper production, costs, disruption to the supply chain, or disruption to concentrate shipments from MVC. MVC's COVID-19 safety protocols have received commendation by the Chilean Ministry of Mines and are now an integral part of our operation.

Let me provide a quick update regarding water, which is a critical input for MVC. When we talk about water supply at MVC, we necessarily need to talk about rain, which is our cost-free way of securing material amounts of water that can be used and safely stored in Colihues, which is essentially MVC's water reserve dam. The 2020 rain season at MVC's region is over. This year we saw a return to almost normal rainfall levels, and as a result, MVC's water reserve at Colihues increased from a low point of 300 cubic metres earlier this year to 10 million cubic metres, a level that has been able to be maintained to date. These existent water reserves are sufficient for MVC to have normal operations at Cauquenes until the start of the 2021 rain season. Of course, normalized rain benefits everyone in the region, MVC, El Teniente, agricultural producers, and the communities at large.

Notwithstanding the above, maximizing water recycling at MVC and minimizing water lost in the water discharged downstream from MVC are critical for us to maintain a sustainable water matrix. This is achieved by optimizing the performance of the three huge water thickeners at MVC. The thickeners currently receive water that has been used at MVC's plant and recirculate this water to Colihues for storage at a rate of 1,400 litres per second. This month we are completing the installation of a new water pumping line that will allow us to increase recirculation to 1,600 litres per second.

We have also received and are installing new reductors (phon) for the thickeners to ensure they can mechanically handle this additional load. This was the original project we envisioned late last year to have more water recirculation capacity. However, this year we went a step further and retained the services of geology experts Patterson Cook (phon) to find out what else could we do. Patterson Cook are concluding their recommendations for a potential increase to 2,100 litres per second, which would be achieved with the installation of variable speed underflow pumps at the thickeners. An engineering study on this potential project is expected in December and would be prioritized as a sustaining Capex project.

During Q3 we continued advancing on the MVC plant optimization program. As our technical expert has indicated, we are surgically optimizing specific areas of the plant, and we're doing that without any interruption to the production process.

At the start of this optimization process, the first action item identified was to improve classification of the coarse and fine fractions of the material that comes into the plant by improving the performance of classification equipment called hydrocyclones. Poor performance of the hydrocyclones was causing coarse copper to be lost to the overflow of these hydrocyclones, and it never made it into the grinding and floatation processes. (Inaudible) Smith conducted a study to identify how to make classification more efficient. They recommended that MVC change its existing mix of 15-inch, 20-inch, and 30-inch cyclones to (Inaudible) Smith's 15-inch high-efficiency hydrocyclones. The recommended equipment would have cost $3 million, plus installation, and had a lead time of 52 weeks. We did not have the time to wait and determined the key recommendation was to change to a smaller hydrocyclone, even if it was not a high-efficiency one. We found an alternative in Chile which cost 16 percent of the cost of the (Inaudible) Smith units and has a lead time of six weeks.

In September we installed the first six 15-inch hydrocyclones at MVC as a planned trial. A substantial reduction in coarse copper lost to the cyclone overflow was confirmed. With this proven result, we are proceeding to change a further 22 hydrocyclones through Q4. At year end we will have changed 28 of the 40 hydrocyclones used to classify the fresh tailings. The remaining 12 units would require a new pumping system, which is a more capital intensive project. We are currently conducting engineering for that project and expect results in December.

Classification of the Cauquenes tailings has been simplified by eliminating a double cycloning process. As of now half of the Cauquenes cyclones are 15-inch and half are 20-inch, and before year end the 42 cyclones at Cauquenes will be 15-inch units. We have received lab (phon) and grinding studies from which we are fine-tuning the grinding protocols at MVC. This is a work in progress that will spill into Q1 2021.

In summary, there is a lot of ongoing work at the MVC plant. The improvements we are seeing on production month-and-month are consistent. We're incorporating this data into our production model for 2021, and we expect to provide additional information on this in January of next year.

A brief update on labour matters. As you know, MVC has two unions, workers and supervisors. The collective agreement with the supervisors union, which is comprised of 49 members, expires on January 1, 2021. The union is scheduled to present their contract proposal to MVC between now and November 15. We have a good relationship with the supervisors, as we do with our workers, and expect to reach a three-year agreement with them most likely during December.

You may recall that in October last year Chile faced significant social unrest. The government of Chile listened and responded swiftly, organizing a referendum which was originally scheduled for April, but was delayed to October 25 due to COVID-19. In this referendum, Chileans voted by democratic majority that the country needs a new constitution. The new constitution will be drafted by a convention of 155 elected citizens, which will be voted in on April 11, 2021. The constitutional convention will have up to one year to produce a draft text of the new constitution, and a draft text will then be put to another public vote to either approve or reject the new constitution in mid-2022.

Chile's current constitution dates to 1980 and was drafted under the Pinochet dictatorship. It is a pro free market constitution under which Chile has enjoyed significant economic growth. Chile, however, is concerned about aspects that are common in most countries, demands for better public health, better public education, concerns about income inequality, and how best to fund the pension system, etc.

Chile's response to last year's social unrest was, in my humble opinion, phenomenal. The referendum presented an orderly, fast, and democratic response. However, there are, without question, risks associated with changing the constitution of a country. There could be changes to laws on mining, business, or taxation. But one critical aspect to keep in mind is that mining is a fundamental driver of Chile's economy.

We are bullish on copper price, especially if Joe Biden gets his 270 required votes. The Biden administration expects to spend $2 trillion over four years to improve infrastructure, create zero emissions public transport, and create clean energy jobs. One Biden proposal is a massive build-out of the U.S. railway system, which would be a significant boon to steel and copper. Biden's victory would be a great gain for green investment and copper demand because all the wiring and conducting material used for green technologies relies heavily on copper. These factors could spark a multi-year boon for copper.

As usual, I will finish by stating Amerigo's value proposition. Amerigo owns a solid asset in MVC. MVC is a resilient operation that has operated continually for 28 years through the highs and lows of copper cycles. We have a long-term contract and a solid relationship with Codelco, the world's biggest copper producer. We are a low Capex operation. We have manageable debt and a good relationship with our lenders. Our objective is to return to a sustainable dividend payment capacity on the back of a solid operation and strong copper prices.

I will now turn the call to Carmen for our financial update. After Carmen's presentation, we can take questions.

---

**Carmen Amezquita, Chief Financial Officer**

Thank you, Aurora. We are pleased to present the third quarterly report of 2020 from MVC in Chile. The third quarter marked improvements in production in financial results when compared to the first half of the year. Aurora has provided the highlights of production.

In terms of financial results, Amerigo posted a net income of $5.4 million in the quarter, up from a net loss of $3.6 million in the preceding quarter. Both basic and diluted earnings per share in Q3 were $0.03.

After dealing with low copper prices in the first half of 2020, copper prices increased. Amerigo's average copper price in Q3 was $3.04 per pound, an increase from the average copper price of $2.61 in Q2 and $2.35 in Q1. As shareholders that have been following us for some time know, Amerigo's financial performance is highly sensitive to copper prices. In Q3 our average copper price was $3.04 per pound, and today's LME copper price was $3.08 per pound.

Another factor affecting earnings are the changes in copper price from one quarter to the next. This is so because of our M+3 (phon) price convention for copper sales where the final settlement prices is the average LME price for the third month following the production of copper concentrate.

Q3 revenue was booked with the provisional copper price of $3.04 per pound, and final prices will be the average copper prices for October, which remained at $3.04 per pound, November, and December. A 10 percent change on a $3.04 per pound provisional price would translate into higher or lower earnings of close to $4.5 million in Q4.

The Q3 average realized copper price resulted in gross copper sales for the quarter of $44.3 million and positive settlement adjustment of $5.9 million. As items deducted from revenue, we had $9.8 million in royalties to DET, smelting and refinery costs of $4.5 million, and transportation costs of $478,000, resulting in net copper revenue of $35.4 million. The Company also had molybdenum revenue of $2.1 million for total revenue in Q3 of $37.6 million.

Total production and tolling costs, including depreciation, were $28.6 million. The Company's cash cost increased in Q3 2020 to $1.80 per pound compared to $1.72 per pound in Q2 2020 and $1.56 per pound in Q3 2019. The cash costs were higher than in the prior year period mainly due to a decrease of $0.22 per pound in by-product credits. By-product credits were higher in Q3 2019 due to stronger molybdenum prices and production and from slag processing.

In Q3 2020 there were lower general and administrative costs of $604,000 compared to $826,000 in Q3 2019. This related mostly to a decrease in share-based payment compensation.

Derivatives to related parties was $303,000, including a royalty to related parties of $260,000 and a fair value adjustment to the royalty derivative of $43,000.

Other losses gained was a loss of $15,000 consisting of a foreign exchange expense of $86,000, which was partially offset by other gains of $71,000.

Finance expense in the quarter decreased to $784,000 compared to $3.6 million in Q3 2019. Finance expense was much higher in the prior year period as it included $1.6 million from the loss on modification of debt and a $836,000 fair value adjustment loss on interest rate swaps.

The Company had an income tax expense of $1.9 million and a net income of $5.4 million.

In respect of cash flow in the quarter, cash generated from operations was $10.7 million in Q3 and $15.4 million after working capital changes. Uses of cash in the quarter included $540,000 used in investing activities related to the purchase of property, plant, and equipment; the repayment of borrowings of $4.7 million; and lease repayments of $345,000. Ending cash at September 30 was $10.5 million.

The Company's outstanding debt with banks is currently $47 million. The scheduled debt payments are $4.7 million plus interest semi-annually in March and September up to March 2023, and a final payment currently scheduled for September 2023 of $23 million plus interest.

In 2021 we will also be repaying $7.3 million to Codelco, which is a deferral of revenue settlement adjustments. Payments will start in January at a rate of $600,000 plus interest.

Under the current variables of production, costs, and copper prices, we project to meet debt obligations with banks and with Codelco as they become due.

Production results in Q3 continue in line with expectations and guidance, coming in 9 percent higher than the Q3 2020 guidance that was provided in the Q2 2020 production results. We will report Q4 financial results mid-February 2021, and we want to thank you for your continued interest in the Company during this year. We will now take questions from call participants.

---

## QUESTION AND ANSWER SESSION

**Operator**

Thank you. We will now take questions from the telephone lines. If you have a question, please press star, one, on your telephone keypad. If at any time you wish to cancel your question, please press the pound sign. Please press star, one, at this time if you have a question.

The first question is from Terry Fisher (phon), CIBC Private Wealth. Please go ahead.

---

**Terry Fisher, CIBC Private Wealth**

Yes, thanks. Congratulations, Aurora and Carmen. I think we see a lot of progress in this quarter. The stock doesn't seem to care very much. It's not doing anything. I see that December copper is at $3.11, and that's really not helping, either. But I think it just takes time for these things to percolate through, because you're not in the same kind of spotlight as, say, Southern Copper is, or even Lundin. But for those of us who've been there a long time, it's certainly a nice quarter to see.

I particularly am happy to see while you're controlling your operating costs that the G&A is also going down. But related to that, it leads to one of the questions I have, which is as we get to the point now and further, as copper prices go higher where you're going to generate free cash flow, any Board has got four ways they can spend the free cash flow. Most people would automatically think about let's reestablish the dividend, but I think in this case you'd want to probably work the debt down, and I think you have the ability to prepay some of that, or even to prepay the amount owing to Codelco. But the third thing, after dividends and repaying debt, would be to buy back shares. The fourth thing, of course, would be to invest in some kind of an expansion, not necessarily where you are now because I think you've kind of maxed that out. I'm talking about, you know, when Rob was still around, he was talking about looking at getting into other types of opportunities, similar to what you're doing now, perhaps with some other mines elsewhere.

So, this is a long, rambling question, but it all relates. You've got $2.68 million worth of investments on the books, which has been there a long time. I believe in small mining companies that the value of that was up this quarter. But what I'm concerned about there is what that implies for where the Company is going in the future. So to add all that up, what I just said, where would be the first use of additional funds, and then the second use, and is there any plan at this stage to—if we look down the road where things are going really well, to expand the way you were talking about before you became CEO, and what about these shares, or these small mining companies? Why not get rid of that as metals prices are improving, if you're able to unload those things and get the cash out of there and focus on the existing operation? Or are those kept because there is a plan to maybe go in that direction in terms of expansion with your capital?

Sorry for the long question. You can see, I think, how it all ties together. Plus, sorry, buying back shares as a use of cash is important to me because I see that there were options issued and some exercised at below current market prices. I'm sensitive to preventing any further dilution through granting of options at these really low prices because we all think the stock's worth a lot more than where it's trading.

Okay, so I'll stop now.

---

**Aurora Davidson, President and Chief Executive Officer**

Terry, thank you for your question. It's useful to have this discussion and it's a good problem to have, to think what are you going to be doing with your surplus cash flow. I think everybody will agree on that. So I'm glad that we're having the discussion.

One of the aspects that you mentioned is debt repayment. Debt repayment is important to us, and it's also a requirement to us. Under our finance agreement with the banks at MVC, there are avenues for us to make what are called restricted payments, or payments up to the parent company provided there is a cash sweep, and we've spoken about this before. So, two conditions have to be met for us to have accessibility to surplus cash into either implementing or re-implementing a dividend payment or doing a share buyback, for example, and those are, first of all, we have to meet a debt service coverage ratio of 1.4, which we didn't meet in June but we could easily meet if things continue to trend the way they are doing. That's one of the requirements. The other one is that we would have to do a cash sweep of 50 percent of the cash available as a debt repayment into the banks. That's one of the conditions, right?

With that being done, another aspect to consider is any dividend implementation would have to be a sustainable dividend implementation. We don't want to put in a dividend payment that we're not going to be able to maintain the following quarter.

So I think that those are some of the variables that we would have to consider, the quantum of available cash, the discussion of at least 50 percent of that would have to be cash sweeped as a debt reduction, which would essentially reduce that big balloon payment that Carmen mentioned we have in September of 2023, and the sustainability.

Share buybacks, we've done that in the past as a second mechanism of allocating this existing surplus cash flow, so that would be something to consider vis-à-vis how sustainable the dividend reinstatement looks to the Board at that point in time.

You also mentioned the investments that we have in other mining companies. Essentially, it's only one, Losendis (phon) Copper. That's all public disclosure in our documentation. It is a passive investment and yes, it's not a core, critical investment that we intend to carry. If the opportunity should arise for us to realize on that investment, that is something that the Company would consider.

---

**Terry Fisher, CIBC Private Wealth**

Okay, then I only have two other quick ones. One is, I don't know where I saw this, but I read that the impact of the labour situation, as well as maybe uncertainty over COVID, has caused Codelco to defer some expansion plans that they had at El Teniente. I don't know whether that affects your operations at all.

The other question, I'll just table it with you and then I'm done, and that is that apparently there's been a La Niña developing. I think the Pacific water temperature's down by about 1.6 degrees the last time I saw that. I may have changed since. That should mean a cold, wet winter, which is summer in your area, so maybe that's prospectively good for rainfall. I don't know whether you've seen anything about that, but—so those are my two questions.

---

**Aurora Davidson, President and Chief Executive Officer**

You know, I mean, the weather patterns change all the time. We don't have any indication of anything unusual occurring weather-wise in Chile.

You mentioned the labour situation. Codelco and El Teniente are basically in full resumption of their operational activities. Operations were not significantly affected by COVID, but they have been catching up on the operational realm to catch up with any lost production. They've done a very good quarter in Q3 and expect to continue to do so in Q4. We're seeing a lot of prioritization to make up for any lost production in the year.

Expansion plans are also being reestablished at El Teniente. Teniente is the jewel of the crown of Codelco, so they are prioritizing the reinstatement of their expansion plans. That is not affecting us, so that's all progressing well.

In respect of the labour situation, I mentioned that we have our negotiation with supervisors. One of the aspects that we're seeing are very reasonable approaches between employers and unions in Teniente. Teniente just had a renewal of one of their union agreements with one of their supervisors unions. It was a favourable agreement, in our opinion, and we expect to have the same with our supervisors union.

---

**Terry Fisher, CIBC Private Wealth**

That's great, thank you. If there's anything else, I'll call you.

---

**Aurora Davidson, President and Chief Executive Officer**

Good.

---

**Operator**

Thank you. The next question is from Nick Toor, BlackRoot Capital. Please go ahead.

---

**Nick Toor, BlackRoot Capital**

Hi, guys. Congrats on a good quarter. Finally seeing some change (phon) in copper. I have a—I was wondering if you're in a position now to give a bit of colour on what you expect to happen in 2021. I know when we started, sort of, the expansion a few years ago, our goal was roughly $1.50, $1.45 of cash costs and 80 million to 85 million pounds of production. I think what you're guiding for this quarter, the fourth quarter, is $1.65 and roughly around 70 million pounds of production, so you're sort of getting there. I wanted to see if (inaudible) all the initiatives there that you've launched and what is in progress, do you have any thoughts on whether you see a line of sight to the original numbers.

---

**Aurora Davidson, President and Chief Executive Officer**

Nick, I think this call is still a little bit premature. I understand that this is a question that's of foremost importance to people that have been following us for some time. We will be releasing our production results and our production and cost guidance for 2021 within the first two weeks of January. We're not going to wait until February 15 or so when we release the 2020 financial results. But we're in the middle right now of the planning and the quantification of our goals both in terms of production, in terms of Capex prioritization, and in terms of costs for next year, so I don't want to put on a number or a series of numbers that are not fully backed up and checked and double checked and triple checked. So I understand your interest. Of course, we're the first ones to have that nailed down, but we don't want to come up with a number that we cannot fully back up. Just give us until the first two weeks of January to have a fully structured and finalized set of data for 2021 that we can solidly put in front of us, all of you guys.

---

**Nick Toor, BlackRoot Capital**

Okay, that's fair. I appreciate that colour.

Then, you know, in terms of your current debt, obviously it's getting whittled down to a pretty fairly manageable level. I was wondering if you had thought about sort of refinancing it in light of the much lower leverage of the Company and to potentially get some more head room in terms of what you can do with your cash. Because at this level, and copper prices are even anywhere near $3 a pound next year, your leverage ratios are very low.

---

**Aurora Davidson, President and Chief Executive Officer**

Correct. No, that's a good question and that is certainly something that we're working on. I don't know if our bankers are on the line, but we are interested in having those discussions with them. Our next debt repayment is in March. I think that that is a very good point in time to initiate those discussions and to see what can be done. With our current cash generation profile as it is building up right now with the current production levels, the cost, and the copper prices, this debt could be essentially repaid within two, two and a half years. That may not be necessarily the best scenario for our bankers. I mean, we are a reliable company. We look at turning this debt into five years, eight years. It's all very manageable and it's something that we're seriously considering. But it is a discussion that we will be putting up at the end of Q1 of 2021.

---

**Nick Toor, BlackRoot Capital**

Okay, and last question, it's sort of perplexing on why the stock price is not reacting to all these sorts of developments and (inaudible) copper prices. I don't know if you have any feedback which you've heard from investors on that front.

---

**Aurora Davidson, President and Chief Executive Officer**

No, I haven't heard a lot of that. We haven't been doing a lot of investor outreach, or we basically haven't been doing a lot of investor outreach this year. In our Eisenhower Matrix of priorities, the first priority was to get the results and have a solid quarter behind us. I think we're there now, and I think that a lot of work has happened to get us to the results that we are disclosing for Q3. So that is, for me, a good starting point to revamp and to reignite our communication efforts. But before that, we needed to get this operation solidly on track, and I think we're at that point where we can start allocating some of our man hours into re-telling our story and reigniting the interest of the public markets on it.

---

**Nick Toor, BlackFoot Capital**

Okay, great. I appreciate it. Thank you so much.

---

**Operator**

Thank you. Once again, please press star, one, on your device keypad if you have a question.

The next question is from Steven Authrige (phon). Please go ahead.

---

**Steven Authrige**

Hello there. A question for you about the DET royalty. At the end of the quarter, it was $10.2 million you owed, and yet you've deferred $7.3 million. Why did you not defer the whole amount?

---

**Aurora Davidson, President and Chief Executive Officer**

We didn't—yes, Steven. We didn't defer royalties. We deferred settlement adjustments, M+3 settlement adjustments that were due to us in the (inaudible) revenue stream. We didn't discuss and we didn't defer any royalties. Those are being paid in the ordinary course of business.

---

**Steven Authrige**

Oh, okay, that's good. Obviously, I've got that wrong. Another question for you is on moly. It's really a small piece of the pie right now, and yet you're doing some expansion on the moly facility and I think that seems to be a bit odd.

---

**Aurora Davidson, President and Chief Executive Officer**

No, we completed a moly plant expansion two years ago, basically to be able to process the additional moly that was contributed by the Cauquenes stream. We haven't been doing any further work on moly to enhance moly production capacity this year. That's all part—the end of the tail of the Cauquenes expansion project.

---

**Steven Authrige**

Okay, okay. I guess, just to follow up from what you just said, if you do renegotiate the total debt, making it about a five or eight years or something of that nature, that would presume that the dividends would definitely be installed. Is that what's happening?

---

**Aurora Davidson, President and Chief Executive Officer**

Well, yes, if you consider the amount of EBITDA that would be generated—or EBITDA is not affected, but the amount of EBITDA room that wouldn't have to be allocated to meet those debt repayments in '21, '22, and '23, yes, your conclusion is a correct one.

---

**Steven Authrige**

Yes. Okay, good. Thank you.

---

**Operator**

Thank you. Once again, please press star, one, on your device keypad if you have a question.

The next question is from Terry Fisher, CIBC Private Wealth. Please go ahead.

---

**Terry Fisher, CIBC Private Wealth**

Yes, I forgot. I'd just like to follow up, if I could, on the idea that down the road—you know, given everything you've been through with the expansion of the existing plant and there's a lot of expertise there, and I think—again, I've got to go back to what Rob used to talk about, not because it was Rob, but just because I found it intriguing that there were other opportunities at similar mining locales where you could apply this kind of expertise. You've got a lot of additional amount of technological expertise. Aurora, I listen to you talking about what's going on in the plant, and it's hard to believe that your background is in finance. You sound more like an engineer. But this ought to be something that could be useful for some other locations, if that's still on the agenda to explore down the road.

---

**Aurora Davidson, President and Chief Executive Officer**

Absolutely, Terry, it is. We are the only company that is treating tailings at this volume and generating an economic activity and an economic return out of that. We continue to have discussions with Codelco. We continue to have discussions with other companies in Chile. We do believe that this is a model that can be cut and pasted in a very efficient way, provided it yields an economic return, and we think that that is something achievable. So that's the cherry on top of the pie. That's the growth aspect, growth factor of the Company.

If we were to carry out another project, one of the things that we would have to look at is the way in which that project is structured to be self-financeable and not to essentially eat up all the operating cash that MVC could be generating. I think that MVC would serve as the case study of how this can be done successfully from a technical point of view, from a financial point of view, but not necessarily a back-up with the cash flow from MVC and the realization, the construction, the development of such a project. I think that a model similar to what we did with MVC, where this is (inaudible) on its own basis would be what we will be looking for.

---

**Terry Fisher, CIBC Private Wealth**

That sounds right to me. Anyway, thanks. I'm done. Thank you very much.

---

**Aurora Davidson, President and Chief Executive Officer**

Thank you, Terry.

---

**Operator**

Thank you. Once again, please press star, one, on your device keypad if you have a question.

There are no further questions registered at this time. I would like to turn the meeting back to Ms. Aurora Davidson.

---

**Aurora Davidson, President and Chief Executive Officer**

Thank you, Operator. Well, before ending the call, I want to thank you for your interest in the Company and let you know that we will be reporting production results and providing 2021 guidance during the first half of January.

Needless to say, this has been an unexpected year for all of us, and yet here we are. In British Columbia, our provincial health officer's message through the COVID crisis has been be kind, be calm, be safe. So I wish you all a kind, calm, and safe closing of the year and we look forward to continuing to advance together in 2021.

---

**Operator**

Thank you. The conference has now ended. Please disconnect your lines at this time and we thank you for your participation.

---