

May 2018

Dear Shareholder,

On behalf of the management team and the Board of Directors of Revelo, I'd like to thank you for your patient support for our efforts to unlock value from our extensive exploration portfolio in Chile.

During the past four years Revelo has focused on the identification, acquisition, and evaluation of prospective copper and precious metals exploration targets in Chile. From early 2014 through the close of 2015 we grew our portfolio from about 105,000 hectares to 400,000 hectares within the prolific Domeyko, Paleocene and Coastal mineral belts of northern Chile. This growth was completed through staking, private acquisitions, and a merger with Polar Star Mining Corp.

Over \$100-million in exploration expenditures had been incurred by the previous operators across the portfolio, the results of which have been used by the Revelo team to reveal significant exploration opportunities on the various projects.

Between early 2016 and the first part of 2018 our efforts focused on fine tuning the project portfolio through geological evaluation and exploration – on our own and with partners – resulting in a 50% reduction in land holdings and a substantial reduction in the associated holding costs. Today the company has 26 project interests with more than 35 exploration targets covering 204,000 hectares. Of these 26 projects, 15 are prospective for copper, 8 for precious metals and 3 for Iron-Oxide-Copper-Gold (IOCG) and polymetallics. Approximately 35% of our land holdings (72,200 Ha) are subject to option and royalty agreements. The balance (132,000 Ha) is available for 3rd party option, joint venture and royalty deals.

This business is capital intensive. We carried out the acquisition program during the downturn of 2014 through 2016 with its negative repercussions on access to exploration funding for the junior explorers. Since early 2014 through January 2018 we raised slightly over \$10.1 million net through private placement financings to fund our exploration. Over the same 4-year period, we had a total cash burn of \$10.8 million net of all recoveries. Additionally, since 2014, our partners including BHP, Kinross, Newmont, Austral Gold, Hochschild and Masglas, have spent approximately \$17 million exploring parts of the portfolio.

We know that one of the best ways to advance the exploration of the portfolio, and to minimise dilution to our shareholders, is to find industry partners to shoulder the considerable costs associated with drilling and exploring large land packages. Management recognises that we need to secure more partners to help shoulder the high land holding costs and at the same time thoroughly explore the portfolio so that an economic mineral discovery can be made.

We have seen an increase in interest from potential partners in our project portfolio since the second half of 2017, associated with the rise in copper prices, increased exploration budgets, and improving capital markets for our industry. Since the middle of 2017 we have completed six property sales in exchange for royalties, 2 option agreements, and a property swap that enhances Revelo's position in a key target area. The Loro property, in partnership with Hochschild, is currently subject to a drill program that will evaluate an exciting low-sulphidation vein target similar to the world class EL Peñon mine just to the north.

We continue to see interest across several of our properties and hope to execute additional partnerships or royalty deals in the coming months.

We recognize the need to minimize the overall burn. Management has reduced its budget (before recoveries) from \$4M in 2017 to \$2.5M in 2018. Management has also provided loans and deferred compensation to give the business time to evolve. Subsequent to year-end, we drew down on a \$1.5 million bridge facility to provide working capital. We will have to raise additional capital to repay the bridge loan and fund the business going forward and into 2019. We will provide additional details on our capital plans in the coming weeks.

I would like to thank our team in Vancouver and Chile for their efforts in running and executing the business. While this business succeeds or fails around having capital and effectively allocating it, it is the people with the ideas that are equally important. Tim Beale and John Davidson have done a remarkable job assembling a highly prospective portfolio, in a country with one of the best mineral endowments in the world. We continue to believe that a potentially major discovery will be made on our land holdings.

I would also like to thank all our shareholders for their continued patience and support. As shareholders ourselves, we understand very well that the stock price of Revelo has not performed well over the last couple of years. We take responsibility for this and are working tirelessly to focus our exploration efforts and to find partnership solutions that will lead to real discoveries to maximize value to our shareholders.

Thank you for your continued support.



Michael Winn
Chairman