STRACON Named Lead Mining Services Contractor for Rio2's Fenix Gold Project

Contract for Chilean Mining Project Expands STRACON's Geographic Range of Operations While Building on its Strategic Relationship with Rio2

Toronto, Canada and Lima, Peru – July 7, 2020 – STRACON Group ("**STRACON**" or "the **Group**"), a leading provider of state-of-the-art mining services to the Americas, today announced that it has been designated the lead mining services contractor by Rio2 Limited ("**Rio2**") (collectively the "**Parties**") for the Fenix Gold Project (the "**Project**"). This partnership marks the third project together with Rio2's management team, since the construction and operation of the La Arena and Shahuindo gold mines in Peru. The Project will also establish STRACON's presence in Chile, one of the world's most important mining regions. This will expand the Group's geographic footprint, diversify its regional exposure, all of which are fundamental to STRACON's long-term sustainable growth strategy.

"Consistently delivering on our commitments, and helping our clients sustainably meet their operational milestones and goals, has led to strong long-standing customer relationships over the last three decades. We deeply value our customers' repeat business on new and existing projects, which is an essential part of STRACON's long-term growth and success," said Steve Dixon, CEO of STRACON. "The team at STRACON is excited to be working with the Rio2 team and all the project stakeholders to successfully build and operate the Fenix Gold Project in Chile. The Project will be delivered under a collaborative alliance agreement, a framework which has been successfully utilized over the past 10 years at several of STRACON's projects throughout Latin America."

Both companies have executed an Early Contractor Involvement Agreement ("**ECI Agreement**") for early works associated with contract mining services. Under the ECI Agreement, the parties will work exclusively over the coming months to further optimize the mining and civil construction aspects of the Project and conclude contract documentation.

The scope of the mining services contract will include mining of ore at the rate of 7.3 million tonnes per annum (20,000 tonnes per day), waste mining, drilling, blasting, hauling, supply of operating personnel and mining equipment, supervision and management, dust suppression, and road maintenance. The scope also includes water transportation from Copiapó to the mine site and maintenance of the entire mobile fleet of equipment, plus all pre-mining and civil construction activities including the construction of leach pads, ponds, access roads and waste material deposits. The mining contract has been structured in an alliance-partnership model to align the Parties' interests and achieve the best solutions for the Project.

"The signing of this ECI Agreement with STRACON, a leading mining and civil construction contractor in Latin America, forms a key part of Rio2's strategy to prepare for next year's construction phase of our Fenix Gold Project," said Alex Black, President & CEO of Rio2. "The Rio2 management team is pleased to work

again with STRACON, this time in Chile, and look forward to further optimizing the mining and construction solution for the Project and finalizing contract documentation in readiness for next year's work program."

About RIO2 Limited

Rio2 is a mining company with a focus on development and mining operations with a team that has proven technical skills as well as a successful capital markets track record. Rio2 is focused on taking its Fenix Gold Project in Chile to production in the shortest possible timeframe based on a staged development strategy. In addition to the Fenix Gold Project in development in Chile, Rio2 Limited continues to pursue additional strategic acquisitions where it can deploy its operational excellence and responsible mining practices to build a multi-asset, multi-jurisdiction, precious metals company focused in the Americas.

About STRACON Group

STRACON Group is a rapidly growing provider of mining solutions and innovative construction technologies to mining companies operating in the Americas. The Company serves as a bridge between its mining clients and local communities to support the responsible production of minerals that are critical to the global supply chain and energy transition. With its extensive portfolio of specialty solutions for underground and open pit mines, STRACON can enhance the value and sustainability of any mine. Founded nearly 30 years ago, STRACON's services have grown to encompass every stage of a mine's life-cycle from prefeasibility, planning and design, workforce training, asset management, equipment rental, infrastructure development, mine construction, process plant installation, operations, and finally remediation and restoration at the conclusion of a mine's life. Headquartered in Toronto, Canada and Lima, Peru, STRACON Group's operating companies include STRACON, Dumas, STRACON Technologies and AMECO South America. STRACON Group is majority owned by Ashmore Group plc (LSE: ASHM).

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