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News Release

Josemaria Reports First Quarter 2021 Results

May 10, 2021: Josemaria Resources Inc. (TSX: JOSE) (OMX: JOSE) (OTCQB: JOSMF) (“Josemaria Resources” or the “Company”), is pleased to announce its results for the three months ended March 31, 2021.

Adam Lundin, Josemaria Resources’ Chief Executive Officer, comments: “We continue advancing the Josemaria Project following completion of the Feasibility Study in the fourth quarter of 2020 and submission of the Environmental and Social Impact Assessment (“ESIA”) in February 2021. Active engagement continues with federal and San Juan provincial authorities in Argentina, including discussions aimed at finalizing and securing commercial and fiscal terms applicable to the project and ESIA approval. We continue to progress the Josemaria Project as we believe current commodity prices support our view of a tightening copper market, where there are a limited number of readily developable projects.”

FIRST QUARTER 2021 HIGHLIGHTS

- On February 23, 2021, the Company announced the completion and presentation of the ESIA to Governor Sergio Uñac at a ceremony held in San Juan Province, Argentina.
- On March 18, 2021, the Company announced that Phil S. Brumit Sr. and David Ogonowski have joined the Josemaria team as part of the senior leadership team that will be responsible for ultimately constructing the Company's 100%-owned Josemaria Copper-Gold Project in San Juan, Argentina. The addition of Phil and Dave to the Company to lead the design, engineering, construction and start-up of the Josemaria Project is another significant milestone for the Company as it continues to progress engineering studies, permitting and the negotiation of commercial terms with host Governments, in advance of a construction decision.
- On April 19, 2021, the Company successfully closed a private placement of 58,708,900 common shares of the Company at a price (the “Offering Price”) of \$0.69 per common share for gross proceeds of \$40.5 million. Concurrently, the Company also closed a public offering (the “Offering”) pursuant to which a syndicate of underwriters purchased, on a bought deal basis, 14,500,000 common shares at the Offering Price for gross proceeds of \$10.0 million, plus an over-allotment option at the Offering Price of an additional 2,175,000 common shares for gross proceeds of \$1.5 million, for total combined gross proceeds of \$52.0 million. The Company estimates related share issuance costs of \$1.2 million.

FINANCIAL RESULTS

<i>(in thousands, except per share amounts)</i>	Three months ended March 31,	
	2021	2020
Exploration and project investigation expenses	5,223	19,355
General and administration ("G&A")	3,073	2,066
Foreign exchange and trading gains realized on equity investments	(831)	(2,037)
Net loss	7,950	22,959
Basic and diluted loss per share	0.03	0.09

The Company's net loss for the three months ended March 31, 2021 was \$8.0 million compared to \$23.0 million for the same period in 2020. The decrease in net loss mainly reflects the Company not having conducted a comprehensive field program in 2020/2021 as it did in the prior comparative period. During Q4 2019 and Q1 2020, the Company conducted a field program which included reserve definition drilling and advanced ongoing environmental studies in support of the Feasibility Study for the Josemaria Project, which was published in October 2020. These work programs resulted in exploration and project investigation expenses of \$19.4 million during the three months ended March 31, 2020, as compared to \$5.2 million incurred during the three months ended March 31, 2021. During Q1 2021, the Company's primary exploration and project investigation expenses consisted of engineering optimization, commercial and fiscal studies and negotiations, environmental baseline studies, roadwork and related studies, and community relations.

Overall G&A costs for the first three months of 2021 totaled \$3.1 million compared to \$2.1 million over the same period in 2020. Increases in salaries and benefits and share-based compensation expenses mainly contributed to the increase. Share-based compensation is a non-cash charge reflecting the expense associated with the vesting of outstanding stock options during the period.

From time to time, as part of the capital funding process from the Canadian parent to the Argentinian subsidiary, the Company will purchase equity instruments via a third-party investment broker. The equity instruments are transferred from the parent to the subsidiary and held for a pre-determined period, typically five business days, and then sold. The Company conducts such transactions on an intra-period basis and does not hold the equity instruments at period end. During the three months ended March 31, 2021, the Company realized a trading loss of \$0.2 million (2020 – \$0.7 million) and a foreign exchange gain of \$1.0 million (2020 – \$2.8 million) as a result of holding the equity instruments for a net realized gain of \$0.9 million (2020 – \$2.1 million). The decrease in net gain is the result of the Company having conducted fewer such transactions during Q1 2021 than in the comparative period.

During the three months ended March 31, 2021, the Company recognized a net monetary loss of \$48,913 (2020 – \$0.1 million) in relation to the application of hyper-inflationary accounting for the Company's Argentine subsidiary, which began July 1, 2018. In other comprehensive loss, the Company recognized a loss of \$5,956 resulting from the impact of hyper-inflation which consists of adjustments recognized on the continuing inflation of opening non-monetary balances during the three months ended March 31, 2021 (2020 – gain of \$1.7 million) and the ongoing translation of the Company's Argentine subsidiary into the Canadian dollar presentation currency following July 1, 2018, as mentioned above. A detailed discussion regarding the application of hyper-inflationary accounting has been provided in Note 3 to the condensed interim consolidated financial statements.

SELECTED FINANCIAL INFORMATION

<i>(in thousands)</i>		March 31, 2021		December 31, 2020
Cash	\$	1,998	\$	6,741
Working capital deficit		(31,175)		(24,748)
Mineral properties		10,275		10,065
Total assets		15,015		19,745
Total liabilities		(33,612)		(32,101)

The Company does not currently generate income from operations. The Company anticipates that it will need further funding in order to advance the Josemaria Project, and for general corporate and working capital purposes. Historically, capital requirements have been funded through equity financing, joint ventures, disposition of mineral properties and investments, and the use of credit facilities with related parties. While management is confident that additional sources of funding will be secured to fund planned expenditures, factors that could affect the availability of financing include the progress and results of ongoing exploration and project investigation activities at the Josemaria Project, the state of international debt and equity markets, investor perceptions and expectations of the global copper, gold, and/or silver markets, and the ongoing novel coronavirus pandemic ("COVID-19"). If necessary, the Company may explore opportunities to revise the due dates of its liabilities, and/or settle its liabilities through the issuance of common shares and other equity instruments. Based on the amount of funding raised, the Company's planned initiatives and other work programs may be postponed, or otherwise revised, as necessary.

QUALIFIED PERSONS

The technical information in this press release has been reviewed and approved by Mr. Bob Carmichael, P. Eng. (BC), the Company's Vice President of Exploration, and Mr. Dustin Smiley, P. Eng. (BC), the Company's Engineering Manager. Both Mr. Carmichael and Mr. Smiley are Qualified Persons under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

ABOUT JOSEMARIA

Josemaria Resources Inc. is a natural resources company focused on developing its advanced stage, 100% owned Josemaria Copper-Gold Project in the San Juan Province of Argentina. A recently published Feasibility Study (see "NI 43-101 Technical Report, Feasibility Study for the Josemaria Copper-Gold Project, San Juan Province, Argentina" dated effective September 28, 2020 and filed on November 5, 2020) demonstrates a simple and conventional open pit copper-gold project with robust economics and a rapid payback period. Josemaria is a Lundin Group company and works in partnership with the Lundin Foundation to execute best practices in responsible mineral development in Argentina where the Lundins have a 30-year track record of value creation. The Company is a reporting issuer in all Provinces and its corporate head office is in Vancouver, BC. The Company's shares are listed on the TSX and on Nasdaq Stockholm under the symbol "JOSE", and trade on the OTCQB under the symbol "JOSMF".

ADDITIONAL INFORMATION

This is information that the Company is obliged to make public pursuant to the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact person set out below, on May 10, 2021 20:30 EDT.

On behalf of the Board of Directors of Josemaria Resources,

Adam Lundin,
President and CEO

For further information:

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking information") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein, including, without limitation, the Company's plans and expectations regarding the Josemaria Project, future price of copper, gold and silver; the results of the Feasibility Study and expected timelines; the timing and amount of estimated future production; net present values and internal rates of return at the Josemaria Project; recovery rates; payback periods; costs of production; capital expenditures; costs and timing of the development of the Josemaria Project; mine life; the potential future development of the Josemaria Project and the future operating or financial performance of the Company; the impact of COVID-19 on the Company's operations, hyper-inflationary accounting, the effect of government regulations (or changes thereto) with respect to restrictions on production, export controls and duties, income taxes, royalties, expropriation of property, repatriation of profits, environmental legislation, land use, water use, mine safety, approval processes and the receipt of necessary permits are forward-looking information. Forward-looking information is frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. These forward-looking statements may also include statements regarding perceived merit of properties; exploration plans and budgets; mineral reserves and resource estimates; work programs; capital expenditures; timelines; strategic plans; market prices for precious and base metals; or other statements that are not statements of fact. In addition, statements relating to "mineral resources" and "mineral reserves" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources and mineral reserves described can be profitably produced in the future.

Forward-looking information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Important factors that could cause actual results to differ materially from the Company's expectations include the Company's ability to finance the development of its Josemaria Project; commodity price fluctuations; assumptions and discount rates being

appropriately applied to the Feasibility Study, uncertainty as to whether there will ever be production at the Company's Josemaria Project and any other future mineral exploration and development properties; risks related to the Company's ability to commence production and generate revenues or obtain adequate financing for its planned exploration and development activities; risks related to lack of infrastructure including but not limited to the risk whether or not the Josemaria Project will receive the requisite permits and, if it does, whether the Company will build the Josemaria Project; risks related to inclement weather which may delay or hinder activities at the Company's mineral properties; risks related to the Company's dependence on third parties for the development of its projects; uncertainties relating to the assumptions underlying resource and reserve estimates; mining and development risks, including risks related to infrastructure, accidents, equipment breakdowns, labor disputes, bad weather, non-compliance with environmental and permit requirements or other unanticipated difficulties with or interruptions in development, construction or production; the geology, grade and continuity of the Company's mineral deposits; the uncertainties involving success of exploration, development and mining activities; permitting timelines; risks pertaining to the outbreak of the global pandemics, including COVID-19; government regulation of mining operations; environmental risks; unanticipated reclamation expenses; prices for energy inputs, labour, materials, supplies and services; uncertainties involved in the interpretation of drilling results and geological tests and the estimation of mineral reserves and mineral resources; the need for cooperation of government agencies and indigenous groups in the development and operation of properties including the Josemaria Project; unanticipated variation in geological structures, metal grades or recovery rates; fluctuations in currency exchange rates; unexpected cost increases in estimated capital and operating costs; the need to obtain permits and government approvals; uncertainty related to title to the Company's mineral properties, anticipated use of proceeds from financings, the ability of the Company to satisfy the conditions of the terms and conditions of the debentures issued pursuant credit facilities, including repayment thereof upon their respective maturity dates and the issuance of Common Shares thereunder and other risks and uncertainties disclosed in the Company's periodic filings with Canadian securities regulators and in other Company reports and documents filed with applicable securities regulatory authorities from time to time, including the Company's Annual Information Form available under the Company's profile at www.sedar.com. In addition, these statements involve assumptions made with regards to the Company's ability to develop the Josemaria Project and to achieve the results outlined in the Feasibility Study; the ability to raise the capital required to fund construction and development of the Josemaria Project; and the results and impact of future exploration at the Josemaria Project. The Company's forward-looking information reflects the beliefs, opinions, and projections on the date the statements are made. The Company assumes no obligation to update the forward-looking information or beliefs, opinions, projections, or other factors, should they change, except as required by law.