

**Americus Oxides, LLC
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UPDATE 7-13-2020

Dear Royalty Partner,

The new air compressor was successfully installed and resolved the material flow and plasma performance problems.

We did run the planned tests on the Minex and Dirty Blonde ores. The results were very mixed ranging from 5+ ounces per ton to less than 1/8 ounce per ton.

It is important for me to provide some historical context to the recent results. As everyone is pretty aware, in the August-September 2019 timeframe we had declared victory/success based on the results we received from Ron Unfred and 'Snake Concentration System' (everyone has seen the photos). Since that time, we have struggled to repeat those results on a consistent basis. Most of you who communicate with me on a more regular basis have known that the original 2" plasma torch started not running properly in late October/early November 2019 and the frequency coil system never ran properly after the freeze we had to the cooling tower system in January 2020. The reason I point to these 2 events is because we could never pin-point whether it was the equipment performance or the ore performance that was causing the inconsistencies in the test results.

Again, to provide some context, we have performed in excess of 80 tests from Liberation, Concentration, Smelting and/or Leaching and in some circumstances we have had results as high as 25 ounces per ton (on smaller samples) but in many tests less than 1/4 ounce per ton and have been seriously frustrated with the disparity of results. It was our hope and belief that once we had the new Liberator System fully operational, with all brand-new equipment, that we would get more consistent performance results...but unfortunately, that did not occur. We can now definitely say that the ore is the inconsistent variable in the process.

Having gone through all the testing and semi-production runs over the last many months and seen this as a potential outcome, we began testing different feedstock materials as alternatives for the utilization of the existing processing equipment that we have built and installed. We have tested electronic scrap (circuit boards from different electronic appliances) on the smelting side of the business and tested automobile catalyst (catalytic converters) on the Liberator side of the business. Both of these feedstock materials work well in our equipment processes and our testing

has shown much more consistent results. We believe these to be extremely viable alternative feedstocks to the mining ore which will allow us to scale the business in a similar fashion to the original mining ore business plan. There are very large quantities of both feedstock materials available in the marketplace.

I want to emphasize that we are not giving up on the mining ore business, but right now Americus Oxides needs to focus on feedstock material that in the immediate term will provide a consistent predictable cash flow and will allow the company to make a profit and pay royalties. So, although it is tough to announce this new direction, I am personally grateful that we have this alternative option available to get the business profitable and provide royalties to the Royalty Partners.

Priority #1 - Catalytic Converters – Highest value feedstock material

We will be purchasing catalytic converters from small to mid-size 'accumulators' (aggregators...including scrap yards) that already exist in the marketplace and further aggregate those smaller volumes to larger volumes where there is a significant amount of price appreciation per pound/per ton for larger 'lot' submissions to the refiner. We are already in communication with several groups and are moving quickly to get submissions moving as quickly as possible. The immediate goal will be to get a submission into the refiner as quickly as possible and develop a recurring 20 tons per month and continue to grow the business from there. The ultimate goal will be to a very large processor of catalytic converter material for the industry...one of the major final refiners. In speaking with a few of the very large accumulators, they tell us that they are definitely looking for a better solution to the existing industry smelter processing system that is place. In other words, we do have the potential to be a 'disruptor' to a very large industry.

Priority #2 – Mining Ore Pre-Concentration -Second highest feedstock material

We will set up a portable 'Froth Flotation Concentration' plant that can be taken to our different mine sites to concentrate the ore on site to improve the consistency and increase ounce per ton values before shipping to South Carolina. We now believe that the biggest problem with the mining ores, at this time, is that approximately 85% of the contents in the supersacks is an oversized non-valuable material and that 90% of the values reside in the smallest/finest 15% fraction and after we ball-mill/crush it all together, we are basically diluting the fine valuable fraction. Once we can develop a consistent and valuable concentrate that works from Froth Flotation Concentration, we will look to set up new Liberators (existing size and capacity) or try to leap frog to the much larger 14"- 16" Liberator at a site close to the target ore.

Priority #3 – Pyrolisizing (Roasting/Incineration) – Third highest feedstock material

We will acquire, transport and install a pyrolyzer (high-tech roasting/calciner) in our South Carolina location. This machine will be used for the roasting and incineration of circuit board/electronic scrap. The off-gases from roasting circuit boards and electronic scrap is very toxic and therefore requires a zero-emission roasting system to extract the metals from the

printed circuit boards. This needs to be done properly with environmental considerations and proper approvals. We have already identified the appropriate zero emissions pyrolyzer and inspected it. We will move forward with this acquisition and its ancillary equipment as quickly as time and cash flow permits.

I have attached some general industry information regarding the size and scope of the 2 industry segments to the email of this update. The catalytic converter and electronic scrap industries are quite large and there is a real need for alternative processing solutions for both feedstock materials.

The catalytic converter industry was approximately \$40 Billion in 2018 and is expected to grow to about \$75 Billion by 2025. The diesel catalytic converter industry is a very untapped market with huge upside potential. 80% of the world's Palladium supply and 50% of the world's Platinum Supply is used in catalytic converter industry annually.

The US electronic scrap industry is expected to be approximately \$15 Billion by 2025. In 2019 the Americas market produced 13.1 million metric tons of e-scrap.

In closing, I want everyone to know that Americus Oxides is committed to succeeding at whatever feedstock material(s) we run and providing exceptional returns to all its Royalty Partners. We have a saying around here that "failure is not an option". So please rest assured we will make this new approach happen as quickly as possible.

All the best,

A handwritten signature in blue ink, appearing to read 'Lee Wiskowski', with a stylized flourish at the end.

Lee Wiskowski
Manager
312 952 7100