ADVANCING its Yerington copper property in the historic Yerington Copper District, 70 miles SE of Reno, Nevada

EXPLORING Groundhog, a copper-gold porphyry prospect 200 miles SW of Anchorage, Alaska, and immediately north of the large Pebble deposit

INVESTIGATING partnerships to explore the Butte Valley copper-gold project, Nevada, and similar prospects in North America
CAUTIONARY NOTES TO US PERSONS & FORWARD LOOKING STATEMENTS DISCLAIMER

The information contained in this presentation is provided solely for general knowledge purposes. This presentation is not intended to be a comprehensive review of all matters and developments concerning the Company and we assume no responsibility for its completeness, accuracy and currency. For current information, please refer to the Company’s filings on SEDAR (www.sedar.com) or contact the Company directly.

This presentation is not to be construed as an offer to sell, or a solicitation of an offer to buy, securities of the Company. No securities commission has in any way passed on the merits of any of the information contained in this presentation.

The Company’s technical disclosure in this presentation uses terms such as “measured resources”, “indicated resources” and “inferred resources”, which are defined by the Canadian Institute of Mining, Metallurgy and Petroleum, and required to be disclosed in accordance with Canadian National Instrument 43-101 (“NI 43-101”). The disclosure standards in the United States Securities and Exchange Commission’s (the “SEC”) Industry Guide 7 normally do not recognize information concerning these terms or other descriptions of the amount of mineralization in mineral deposits that do not constitute “reserves” by United States standards in documents filed with the SEC. Accordingly, information concerning mineral deposits set forth in this presentation may not be comparable with information presented by companies using only United States standards in their public disclosures. All disclosure of scientific or technical information in this presentation concerning our Yerington and Groundhog projects, including disclosure regarding mineral resources, has been reviewed and approved by Thomas Patton, Ph.D., the Company’s Chairman, and a qualified person as defined in NI 43-101.

This presentation includes the results of the following preliminary economic assessment (the “PEA”): Amended NI 43-101 Technical Report Preliminary Economic Assessment, Lyon County, Nevada, US, effective May 23, 2012 and prepared by M3 Engineering & Technology Corporation. The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the project have not been demonstrated at this time. The PEA results are preliminary in nature, includes inferred mineral resources that are considered too geologically speculative at this time to have the economic considerations applied to them to be categorized as mineral reserves and there is no certainty that the production preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

References are made in this presentation to historic mineral resource estimates. A qualified person has not done sufficient work to classify the historic estimates as current mineral resources or mineral reserves. The Company is not treating the historical estimates as current mineral resources or mineral reserves and, accordingly, they should not be relied upon.

The information in this presentation contains “forward looking statements” and “forward looking information” (collectively, “forward looking statements”) within the meaning of applicable United States and Canadian securities legislation. Forward looking statements reflect the expectations of management and consist of statements that are not purely historical, including any statements regarding the economic prospects of the Company’s projects, the Company’s future plans or future revenues, and the timing of development, potential expansion or improvements, are forward looking statements. Often, but not always, forward looking statements can be identified by the use of the words such as “will”, “may”, “expect”, “could”, “intend”, “potential”, “aims”, “probable”, “believe”, “would”, “continue”, and “possibility” (and variations of these or similar expressions). All of the forward looking statements in this presentation are qualified by this cautionary note. Should one or more risks, uncertainties, contingencies or other factors materialize or should any factor or assumption prove incorrect, actual results could vary materially from those express or implied in the forward looking statement.

Such risks and uncertainties include, but are not limited to, the Company’s ability to raise sufficient capital to fund development, changes in general economic conditions or financial markets, changes in prices for the Company’s mineral products or increases in input costs, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments in countries where the Company operates, technological and operational difficulties or inability to obtain permits encountered in connection with our exploration and development activities, labor relations matters, and changing foreign exchange rates, which are described more fully in the Company’s filings available on SEDAR.

Readers are cautioned that forward looking statements are not guarantees of future performance and, accordingly, you should not place undue reliance on forward looking statements. Any forward looking statements made by us in this presentation are based only on information currently available to us and speaks only as of the date on which it is made. The Company does not undertake to update any forward looking statement after the date of this presentation or to explain any material difference between subsequent actual events and any forward looking statement, except as required by applicable law.
# Corporate Profile

(as at August 7, 2019)

<table>
<thead>
<tr>
<th></th>
<th>MARKET CAP</th>
<th>RECENT</th>
<th>12-MONTH HIGH/LOW</th>
<th>30 DAY AVG VOL</th>
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<tr>
<th>SHARE STRUCTURE</th>
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<th>FULLY DILUTED</th>
<th>OPTIONS</th>
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<tr>
<td></td>
<td>218.7 Million</td>
<td>246 Million</td>
<td>14.7 Million</td>
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<td></td>
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<td>(weighted av. ex. price C$0.07)</td>
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<table>
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<th>CASH POSITION</th>
<th>US$2.6 Million</th>
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## Who is working on Quaterra’s projects?

### ‘DREAM TEAM’ WITH TRACK RECORD OF DISCOVERY

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Experience and Background</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tom Patton</strong></td>
<td>Chairman of the Board</td>
<td>Former President and COO Western Silver; Senior VP Exploration and Business Development, Kennecott; Managing Director South America, Rio Tinto Mining and Exploration. <em>Discovery history: Peñasquito, Diavik Diamond Mine, Mount Hope, Mexican Hat and Midway</em></td>
</tr>
<tr>
<td><strong>Rob Retherford</strong></td>
<td>Vice President of Chuchuna Minerals Company, Alaska project</td>
<td>President Alaska Earth Sciences, Inc., which is credited with numerous high-value discoveries including the Sun, Johnson River and Donlin gold prospects. 2009 PDAC Thayer Lindsley award winner for Donlin Creek</td>
</tr>
<tr>
<td><strong>Gerald Prosalendis</strong></td>
<td>President and CEO</td>
<td>Former President and COO of Quaterra; VP Corporate Development at Western Silver and Dia Met Minerals: Ekati Diamond Mine, Peñasquito</td>
</tr>
<tr>
<td><strong>Joe Inman</strong></td>
<td>Consulting Geophysicist, Yerington &amp; Alaska projects</td>
<td>Former Consulting Geophysicist to Western Silver; Director of Technical Support Services, Kennecott. Key member of teams that discovered Peñasquito, the Crandon VMS deposit, and Diavik’s A154 kimberlite pipe and as well as Tli Kwi Cho in the NWT, Canada</td>
</tr>
<tr>
<td><strong>Rich Leveille</strong></td>
<td>Senior Consulting Geologist, all projects</td>
<td>Formerly Senior VP Exploration for Freeport-McMoRan until 2017; previously worked for AMAX, Kennecott, Rio Tinto, Phelps Dodge. B.S. Geology from U of Utah and M.S. Geology U of Alaska – Fairbanks. <em>Number of discoveries on several continents and published papers on technical and economic aspects of exploration</em></td>
</tr>
<tr>
<td><strong>Lei Wang CPA, CGA</strong></td>
<td>Chief Financial Officer</td>
<td>20 years experience in mining industry, CFO GoviEx Uranium Inc., formerly of Schlumberger in Scotland and Glencore International in Beijing, China.</td>
</tr>
</tbody>
</table>

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[www.quaterra.com](http://www.quaterra.com)
Where is Quaterra Exploring in Nevada?

YERINGTON DISTRICT IS A LARGE, HISTORIC COPPER CAMP IN A MINING-FRIENDLY JURISDICTION 70 MILES SE OF RENO

- **HISTORY** of production: site of old Anaconda mine
- District inventory of more than **17 B lbs of copper** in the M&I* categories
- Quaterra’s **51 sq. mi.** land package also includes:
  - Yerington pit with sulfide and oxide resources* and potential for expansion
  - Bear porphyry system
  - Several exploration targets
  - Existing water rights permitted for mining; excellent infrastructure

* Mineral resources that are not mineral reserves do not have demonstrated economic viability
THREE PUBLICLY-TRADED COMPANIES CONSOLIDATING THEIR POSITION IN THIS MINING FRIENDLY COPPER DISTRICT

QUATERRA
initiates work towards prefeasibility study at MacArthur oxide deposit, sells primary ground water rights for non-dilutive funding

HUDBAY
acquires Mason Resources, west of Quaterra, in 2018 adding Ann Mason porphyry deposit to its development pipeline. Expands its land position

Over 17B lbs M&I Copper Resource* held by 3 companies

Opportunities emerging for Quaterra in district cooperation and consolidation

NEVADA COPPER
commences underground production at Pumpkin Hollow, southeast of Quaterra, in late 2019, with further mine expansion planned

* Mineral resources that are not mineral reserves do not have demonstrated economic viability
Quaterra’s Opportunity at Yerington

- **Decreased environmental risk & increased permitting certainty:**
  ARC agreement for remediation

- **Central position in the district:**
  Important for mine development and district consolidation

- **Water Rights:**
  Permitted for mining; $20M value

- **Excellent location:**
  For plant, equipment, ore stockpiles and waste; access to extensive infrastructure

- **Open-pittable resources**
  At MacArthur and Yerington, both prepared under NI43-101 standards

- **Potential for discovery:**
  Bear porphyry system; MacArthur sulphides, untested targets.
Macarthur Copper Deposit

A LARGE-SCALE, LOW-COST ACID-LEACH PROJECT WITH POTENTIAL FOR NEAR TERM PRODUCTION

COPPER OXIDE

676 M lbs M&I Resource at 0.21%*

980 M lbs Inferred Resource at 0.20%*

(Cutoff grade %TCu: Oxide 0.12)

Source: MacArthur Copper Project 2012 Preliminary Economic Assessment

* Mineral resources that are not mineral reserves do not have demonstrated economic viability. See resource table that follows and appendix for more details including breakout of M&I resources.
A Solid PEA as a Foundation

PRELIMINARY ECONOMIC ESTIMATE (PEA) PREPARED BY M3 ENGINEERING IN 2012:

Base case economics (after tax) and sensitivity analysis

748 Mt COPPER (LOM)  $232.7M CAPEX  2.7 year PAYBACK

Cu price ($/lb)  NPV (8)  IRR  Payback

$3.48 (Base)*  $284M  29.3%  2.7 yrs

$4.18 (+20%)  $377M  35.3%  2.3 yrs

$2.78 (-20%)  $9.8M  9.0%  8.4 yrs

- 18 Year Mine Life
- Average cash operating cost of $1.89/lb
- Strip ratio of 0.90
- Break even copper price of $2.56/lb, dropping to $2.23 after 3 years

* In view of recent changes to U.S. taxes, an after tax estimate is no longer relevant and is not used for the base case scenario. After tax estimates are used, however, for +/- 20% sensitivity analysis.

Cautionary Note: A PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project have not been demonstrated at this time. A PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too geologically speculative at this time to have the economic considerations applied to them to be categorized as Mineral Reserves. Thus, there is no certainty that the production profile concluded in the PEA will be realized. Actual results may vary, perhaps materially. Mineral resources that are not mineral reserves do not have demonstrated economic viability. This presentation and PEA has been reviewed and approved by Thomas Patton, Ph.D., a non-independent Qualified Person within the meaning of NI 43-101.
Investigating the MacArthur Project

- An updated resource model and estimate
- Higher potential copper grades upfront
- Improved metallurgical recoveries
- Base case of $3 a pound or lower
- A better geological model
- An optimized mine plan
- Lower capital costs
- Lower tax rates

Quaterra is targeting completion of a Pre-Feasibility Study within 18 months depending on the availability of funds.
**Elements for Success**

MACARTHUR ALREADY HAS MANY ELEMENTS IN PLACE THAT ARE KEY TO DEVELOPING A SUCCESSFUL MINE:

<table>
<thead>
<tr>
<th>Modest initial CAPEX</th>
<th>Sufficient water already permitted for mining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supportive local, state and federal governments</td>
<td>Lower cost electricity</td>
</tr>
<tr>
<td>Road and rail access, local airport</td>
<td>Cheaper acid delivered to site</td>
</tr>
<tr>
<td>NV rated one of top US State for mining investment*</td>
<td>Defined path to permitting</td>
</tr>
<tr>
<td>No legacy environmental issues</td>
<td>Nearby town with mining experience</td>
</tr>
</tbody>
</table>

Objectives For Next 18 Months

PRE-FEASIBILITY STUDY AT MACARTHUR:

Optimize resource model & mine plan:
- Incorporate latest understanding of structural controls
- Objective: enhance grade, contained metal, mine design

Additional metallurgical testing:
- Objective: increase recoveries

Possible resource drilling:
- Objective: move Inferred resources into Indicated and Measured categories

Complete Pre-Feasibility Study

EXPLORATION IN YERINGTON DISTRICT:

Maintain land position:
- Further de-risk property in Yerington District

MacArthur Exploration:
- Possible exploration of sulfide system underlying oxide cap

Possible focused drilling at Bear:
- Building on understanding from 2014 - 2017 exploration programs
Groundhog Copper Prospect, SW Alaska

RIGHT TIME, RIGHT PLACE, RIGHT PEOPLE

54,800 acres
Immediately north of PEBBLE COPPER-GOLD PORPHYRY DEPOSIT
Large-scale Potential, Right Address

- Immediately north of Pebble project, one of the largest undeveloped copper-gold porphyry deposits in the world
- Geophysical and geochemical data suggest Pebble-style mineralization may extend on to Groundhog property
- 54,800-acre land position on established copper porphyry belt 200 miles SW of Anchorage
- State of Alaska claims covering northern extension of 10-km wide N-NE zone that hosts number of porphyry copper-gold prospects

GROUNDHOG NEVER PREVIOUSLY DRILLED

PEBBLE DEPOSIT

GROUNDHOG PROJECT
Earn-in agreement with Chuchuna

**CREDIBLE PARTNERS, COMMUNITY INVOLVEMENT**

- Staged earn-in agreement with Chuchuna Minerals to purchase 90%
- Chuchuna locally owned by Kijik Village Corporation and Alaska Earth Sciences
- Chuchuna is project operator
- Quaterra will fund a minimum of $500K per year in exploration after 2017
- To earn 90%, $5M dollars funding over six years starting in 2017 ($2.38M already funded), and lump sum of $3M
- Quaterra can terminate agreement annually
Pebble & Groundhog: A New Porphyry District?

Simplified representation of the mineralized zones in the Pebble and Groundhog district compared to other porphyry districts which contain clusters of major deposits.

Regional Geology SW Alaska

CzC: Cenozoic cover
FT: Farewell terrane
KB: Kuskokwim basin
PT: Peninsular terrane
TT: Togiak terrane
Regional Magnetics

Regional 200m Upward continued magnetics suggest linear cluster of deep seated Cretaceous intrusive complexes

Groundhog lies along the northern margin of the Pebble body
Pebble deposit associated with Kaskanak Batholith – a NE oriented plutonic system marked by regional magnetic high

This magnetic trend continues to Groundhog

Batholith may lie at depth underneath Groundhog

Prominent Lake Clark Fault and associated lineaments brackets both Groundhog and Pebble deposit
In 2010, Kennecott flew 1,745 line km (121 Sq Mi) of a high resolution airborne magnetic survey over Groundhog area

- Structural Interpretation suggests Pebble structural corridor extends through the Groundhog property, but may be offset laterally
- NW trending structures appear to have uplifted basement as Tertiary volcanics appear to be very thin or absent to the NE
- Note Late-Jurassic Age of Alpha Mag Anomaly and Late Cretaceous Age of Beta Anomaly (Pebble Age)
The 2010 helicopter-borne magnetic survey identified three major intrusive centers on the Groundhog property:

- **Alpha**: gabbroic intrusive in the Groundhog Mountain area
- **Beta**: gabbroic intrusive approximately 10km NNW of Alpha
- **Gamma**: unknown source 16 km NNE of Alpha

Geologist sent out to do quick assessment and found significant copper in rock chip samples on alpha and beta
In 2011, Kennecott completed a ground-based “deep-looking” 3D magnetotelluric (3DMT) survey at Groundhog

- Identified a large conductive body beneath Tertiary volcanics
- Could host Cu mineralization
- Spectrum conductivity at Pebble shows most of the mineralization enveloped by conductive rock
Induced Polarization has been the principal historical method of discovery

- Chargeability features at Groundhog are similar to Pebble
- 4 Drill holes at Groundhog in 2017 tested shallow IP anomalies
- Chargeability highs marking zones of increased pyrite mineralization
- This will help give vector to Cu mineralization
Initial core drilling program of 4 holes

Holes sited to test shallow IP anomalies identified by historic surveys and new IP completed by Zonge in July 2017
2017 Drilling & IP anomalies

Large IP anomaly still open for testing beneath drill hole CHU-17-003

- Drilling tested the source of IP anomalies over an area 6 miles north-south by 3 miles east-west
- Drilling and IP results indicate shallow to no Tertiary volcanic cover
- Targeted only the southernmost of three magnetic anomalies

IP SECTION COMPLETED IN 2017 Looking northeast

www.quaterra.com
Drilling intersected intrusive rocks and sulfide mineralization associated with porphyry copper mineralization

- CHU-17-03 has anomalous Cu throughout entire hole up to 595 ppm
- Anomalous Au and Mo
- Staining of thin sections in porphyritic rock in CHU-17-04 reveal presence of potassium feldspar alteration
Results of 2017 drilling

**Bottom line: drilling intersected intrusive rocks and pyrite, commonly associated with porphyry copper mineralization**

- Confirmed pyrite is source of all IP anomalies tested
- Will be effective tool for exploring large land position
- Intrusive rocks similar to Pebble intersected in Holes 3 and 4
- IP defined large sulfide anomalies open laterally and at depth

**Drilling is required to demonstrate porphyry-style copper mineralization**
2019 ZTEM Targets

Geotech completed 1,664 line km ZTEM survey covering 165 Sq Mi of Groundhog

- Eight top-ranked targets selected that compare favorably to other mineralized systems in Central and North America mining districts

- All data collected at Groundhog leads to grouping of targets into two areas:
  - Northwest sector with alpha anomaly
  - Southeast sector and extension of ZG fault zone trending northeastward from pebble

Additional IP and drilling required to evaluate these anomalies
May 2020 independent NI 43-101 technical report supports the Company’s assessment of Groundhog as a possible copper-gold porphyry system hosting mineralization similar to the large Pebble project, and provides a path for going forward:

- Groundhog contains rocks correlative with those hosting porphyry Cu mineralization at Pebble
- Significant areas of the property remain untested
- Geophysics has shown the best potential to evaluate favorable geology and, given the overburden, should be used to identify targets for drill-testing
- Independent constraints on Tertiary thickness are required to assist in interpretation of geophysical data and target selection
- Exploration efforts should be shifted to the Alpha and Beta anomalies where the surface geochemistry and stratigraphy are more favorable than the southern areas characterized by a thick Tertiary section
Ready for drilling in 2021

2020-2021 Work Plan

Phase 1: target refinement via addition data modelling
• Extract additional information from the ZTEM with 3D inversion modelling:
  • To help rank the existing ZTEM targets
  • To better understand the thickness of Tertiary cover in the southern portion of the property.

Phase 2: target selection for drill testing or ground-based IP
• Additional lines of dipole-dipole IP to define the extent and character of the intense IP anomalies and to refine drill targets

Phase 3: drilling
• Drill 3-4 holes to drill-test priority targets and identify QSP halo associated with a porphyry copper system and/or the potassic zone with high copper mineralization
“Groundhog’s close proximity to the Pebble copper-gold porphyry deposit and the presence on the project of geologically correlative units means that Groundhog has excellent potential to host similar mineralization.”

It’s a good time to be exploring for **gold** and **copper**.
## Quaterra’s Yerington District Copper Resources*

<table>
<thead>
<tr>
<th>Deposit</th>
<th>Date</th>
<th>Ox/S</th>
<th>Category</th>
<th>Cu c/o</th>
<th>Tons x1000</th>
<th>Av Grade</th>
<th>Lbs Cu x1000</th>
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<td>YERINGTON</td>
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<td>MACARTHUR</td>
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<td>BEAR*</td>
<td>Historic*</td>
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<td>0.30</td>
<td>500,000</td>
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* The Bear Deposit was discovered in 1961 by Anaconda through condemnation drilling. It is a large porphyry system, partially delineated through drilling by both Anaconda in the 1960s and Phelps Dodge in the 1960s and 1970s. Quaterra has data from 49 drill holes totaling 126,400 feet that define a system covering an area of at least two square miles. Estimates of mineralized material by The Anaconda Company are reportedly more than 500 million tons averaging 0.4% copper (Dilles and Proffett, 1995); there are no known resource estimates by Phelps Dodge. A qualified person has not done sufficient work to classify this historic estimate as a current mineral resource. It should not be relied upon and Quaterra does not treat it as a current mineral resource. In order to do so, it would have to be confirmed by additional drilling. This presentation and resource has been reviewed and approved by Thomas Patton, Ph.D., the Company’s Chief Executive Officer, and a non-independent Qualified Person within the meaning of NI 43-101.

Sources: MacArthur Copper Project 2012 Preliminary Economic Assessment; Yerington Copper Project 2013 Mineral Resource Update. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
# MacArthur PEA Summary Parameters

## KEY OPERATING AND FINANCIAL STATISTICS FROM THE 2012 MACARTHUR PEA

### LOM Production

<table>
<thead>
<tr>
<th>Description</th>
<th>tons/min 000's</th>
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</thead>
<tbody>
<tr>
<td>Oxide ore (main pit) tons mined</td>
<td>132,756</td>
</tr>
<tr>
<td>Oxide ore (other areas) tons mined</td>
<td>52,537</td>
</tr>
<tr>
<td>Mixed ore tons mined</td>
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<tr>
<td>Total ore mined</td>
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<tr>
<td>Waste tons mined</td>
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<tr>
<td>Total tons mined</td>
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### Operating Costs (LOM)

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<th>Category</th>
<th>$/lb Cu</th>
<th>NPV(8) '000s</th>
<th>IRR</th>
<th>Payback (yrs)</th>
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<tbody>
<tr>
<td>Mining Cost</td>
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</tr>
<tr>
<td>SX/EW</td>
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<tr>
<td>Sulfuric acid plant</td>
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<tr>
<td>Owner's cost</td>
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<td>$65.4</td>
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<tr>
<td>Reclamation &amp; Closure</td>
<td>$0.0</td>
<td>$0.0</td>
<td></td>
<td>$0.0</td>
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<tr>
<td><strong>Total capital</strong></td>
<td><strong>$232.7</strong></td>
<td><strong>$230.5</strong></td>
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</tr>
</tbody>
</table>

### Copper pounds produced

- **millions**: 747.7

### Average Annual Production

<table>
<thead>
<tr>
<th>Description</th>
<th>millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copper pounds produced</td>
<td>747.7</td>
</tr>
</tbody>
</table>

### Average Annual Production

<table>
<thead>
<tr>
<th>Description</th>
<th>$/lb Cu</th>
<th>NPV(8) '000s</th>
<th>IRR</th>
<th>Payback (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining rate (tpy)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating days/year @ (2) 12 hr shifts /day</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ore tons processed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste tons mined</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total tons mined</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Capital for SX/EX

<table>
<thead>
<tr>
<th>Description</th>
<th>20%</th>
<th>Contingency</th>
<th>Initial</th>
<th>Sustaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining</td>
<td></td>
<td></td>
<td>$48.0</td>
<td>$83.6</td>
</tr>
<tr>
<td>SX/EW</td>
<td></td>
<td></td>
<td>$114.3</td>
<td>$64.0</td>
</tr>
<tr>
<td>Sulfuric acid plant</td>
<td></td>
<td></td>
<td>$65.4</td>
<td>$0.0</td>
</tr>
<tr>
<td>Owner's cost</td>
<td></td>
<td></td>
<td>$5.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>Reclamation &amp; Closure</td>
<td></td>
<td></td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total capital</strong></td>
<td></td>
<td></td>
<td><strong>$232.7</strong></td>
<td><strong>$230.5</strong></td>
</tr>
</tbody>
</table>

### MacArthur Economic Sensitivity Analysis

<table>
<thead>
<tr>
<th>Description</th>
<th>Cu Price $/lb Cu</th>
<th>NPV(8) '000s</th>
<th>IRR</th>
<th>Payback (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base</strong></td>
<td>3.48</td>
<td>$201,576</td>
<td>24.2%</td>
<td>3.1</td>
</tr>
<tr>
<td>+20%</td>
<td>4.18</td>
<td>$377,172</td>
<td>35.2%</td>
<td>2.3</td>
</tr>
<tr>
<td>-20%</td>
<td>2.78</td>
<td>$9,797</td>
<td>9.0%</td>
<td>8.4</td>
</tr>
<tr>
<td><strong>Operating Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>1.89</td>
<td>$201,576</td>
<td>24.2%</td>
<td>3.1</td>
</tr>
<tr>
<td>+20%</td>
<td>2.26</td>
<td>$107,289</td>
<td>17.8%</td>
<td>3.5</td>
</tr>
<tr>
<td>-20%</td>
<td>1.52</td>
<td>$286,955</td>
<td>29.1%</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>Initial Capital</strong></td>
<td>$000's</td>
<td>$201,576</td>
<td>24.2%</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Base</strong></td>
<td>232,749</td>
<td>$201,576</td>
<td>24.2%</td>
<td>3.1</td>
</tr>
<tr>
<td>+20%</td>
<td>279,299</td>
<td>$167,445</td>
<td>19.4%</td>
<td>3.6</td>
</tr>
<tr>
<td>-20%</td>
<td>186,199</td>
<td>$234,567</td>
<td>31.0%</td>
<td>2.5</td>
</tr>
</tbody>
</table>

### Operating Costs (LOM)

<table>
<thead>
<tr>
<th>Description</th>
<th>$/lb Cu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Cost</td>
<td>$0.99</td>
</tr>
<tr>
<td>SX/EW</td>
<td>$0.38</td>
</tr>
<tr>
<td>Acid</td>
<td>$0.35</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>$0.12</td>
</tr>
<tr>
<td>Transportation</td>
<td>$0.05</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1.89</strong></td>
</tr>
</tbody>
</table>

### Cautionary Note

A PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project have not been demonstrated at this time. A PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too geologically speculative at this time to have the economic considerations applied to them to be categorized as Mineral Reserves. Thus, there is no certainty that the production profile concluded in the PEA will be realized. Actual results may vary, perhaps materially. This presentation and PEA has been reviewed and approved by Thomas Patton, Ph.D., a non-independent Qualified Person within the meaning of NI 43-101.
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