

# Diamond drilling commences at Cerro Leon

## Assays imminent for RC drill holes completed Q4 2024

Unico Silver Limited (“**USL**” or the “**Company**”) is pleased to announce the commencement of Phase 2 diamond drilling at the Cerro Leon project, located in the Santa Cruz province Argentina. This phase is part of a fully funded 50,000-meter drill program spanning the Cerro Leon and Joaquin projects (Figure 3).

### HIGHLIGHTS

- Phase 2 Diamond drilling will comprise two rigs and 10,000m to test the vertical continuity of mineralised across all priority prospects and expand the Project’s current Mineral Resource Estimate<sup>1</sup> (MRE) (Table 1).
- The program is anticipated to complete end of Q1 2025.
- Assay results for Phase 1 Reverse Circulation (RC) drilling remains outstanding and includes 42 holes for 3,595m.

**Managing Director, Todd Williams:** *"2024 was a year of strategic consolidation, laying the foundation for our ambitious plans. As we enter 2025 it's all about exploration, discovery, and resource growth. Our fully funded 50,000m drill program is designed to unlock the immense potential of our silver assets in Santa Cruz.*

*With diamond drilling underway at Cerro Leon, we're focused on delineating the vertical continuity of mineralisation across our high-priority prospects. This builds upon the compelling results from our Phase 1 RC drilling campaign, with further assays from 42 holes anticipated shortly. Our program is designed to expand our already substantial 160Moz AgEq resource base<sup>1</sup>.*

*When coupled with the strong outlook for silver demand and prices in 2025, we are confident that this year will be transformative for Unico Silver."*

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<sup>1</sup> See tables 1 and 2





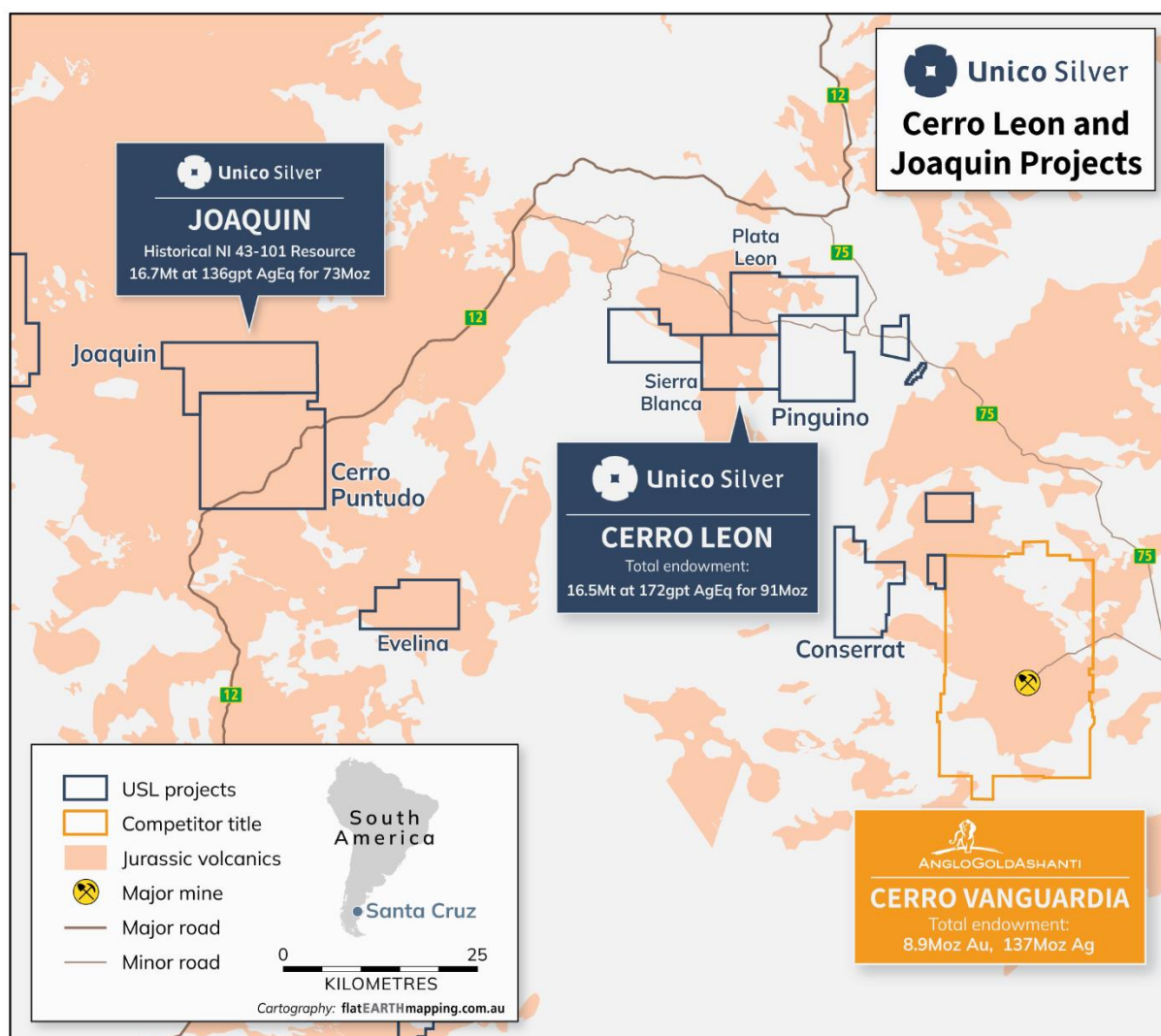
*Figure 1: Diamond drilling at the Karina prospect.*



*Figure 2: Cerro Leon camp core shed.*

## Summary

Unico Silver holds 100% of the Cerro Leon and Joaquin silver gold districts located in the central Deseado Massif geological province, Santa Cruz Argentina (Figure 3). The current drill program at Cerro Leon commenced October 2024 and is anticipated to continue through to the end of Q1 2025. It forms part of a broader fully funded 50,000m drill program planned for both projects culminating in a revised MRE late 2025.



**Figure 3: Joaquin and Cerro Leon project location**

Cerro Leon is strategically located within the same structural corridor that is host to AngloGold Ashanti's world-class Cerro Vanguardia mine. The Project hosts a JORC compliant Mineral Resource Estimate (MRE) of **91Moz AgEq for 16.5Mt at 172gpt AgEq** (Table 1).

During August 2024, announced the acquisition of the Joaquin project from Pan American Silver Corp (PAAS). Joaquin is host to a Foreign Estimate of **73Moz AgEq for 16.7Mt at 136gpt AgEq**<sup>4</sup> (Table 2). Historical production by PAAS from 2019 to 2022 totals 4.3Moz Ag (Table 3).





**Table 1: Cerro Leon Project - Mineral Resource Estimate**

Category	Tonnes	AgEq (gpt)	AgEq (Moz)	Ag (gpt)	Au (gpt)	Pb (%)	Zn (%)	Ag (Moz)	Au (Koz)	Pb (Mlb)	Zn (Mlb)
Indicated	6.82	172	37.8	86	0.49	0.28	0.93	18.8	107	41.9	140
Inferred	9.65	172	53.5	71	0.77	0.77	0.77	22.1	237	53.7	163
<b>Total</b>	<b>16.47</b>	<b>172</b>	<b>91.3</b>	<b>77</b>	<b>0.65</b>	<b>0.57</b>	<b>0.84</b>	<b>40.9</b>	<b>344</b>	<b>95.6</b>	<b>304</b>

The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. The information in this announcement that relates to the current Mineral Resources for Cerro Leon has been extracted from the ASX release by Unico Silver entitled "Cerro Leon Resource Grows 84% to 92Moz" dated 18 May 2023, available at [www.unicosilver.com.au](http://www.unicosilver.com.au) and [www.asx.com.au](http://www.asx.com.au) ("Unico Silver Announcement"). Unico Silver confirms that it is not aware of any new information or data that materially affects the information included in the Unico Silver Announcement in relation to estimates of Mineral Resources and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Unico Silver confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcement. Due to rounding to appropriate significant figures minor discrepancies may occur. Lead and Zinc credits are only considered for the Marta Centro prospect, all other prospects the Pb and Zn are attributed no economic value. Cerro Leon's reported silver equivalent (AgEq) is consistent with previous reports and is based on the following assumptions:  $\text{AgEq} = \text{Ag (g/t)} + 79.18 \times \text{Au (g/t)} + 25.56 \times \text{Pb (\%)} + 39.41 \times \text{Zn (\%)}$ , where: silver price is \$23.5/oz and recovery is 95%, gold price is \$1964/oz and recovery is 90%, lead price is \$0.95/lb and recovery is 87.6% and zinc price is \$1.39/lb and recovery is 92.3%. In the Company's opinion, the silver, gold, zinc, lead included in the metal equivalent calculations have a reasonable potential to be recovered and sold.

**Table 2: Joaquin Project – Historical Foreign Estimate as of February 2013**

Resource Category	Tonnes (Mt)	Ag (gpt)	Au (gpt)	Ag (Moz)	Au (Koz)	AgEq (gpt)	AgEq (Moz)
M&I	15.7	128	0.12	65.2	61.1	138	70.1
Inferred	1	100	0.12	3.1	3.7	110	3.3
<b>Total</b>	<b>16.7</b>	<b>126</b>	<b>0.12</b>	<b>68.3</b>	<b>64.2</b>	<b>136</b>	<b>73.4</b>

The estimates of mineralisation in respect of the Joaquin Project included in this announcement are foreign estimates and are not reported in accordance with the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) and is a "Foreign Estimate". Unico Silver confirms that it is not aware of any new information or data that materially affects the information included in the Foreign Estimate and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Unico Silver confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcement. A Competent Person has not yet done sufficient work to classify the Foreign Estimate as Mineral Resources or Ore Reserves in accordance with the 2012 JORC Code. It is uncertain that following evaluation and/or further exploration work that the Foreign Estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012. Joaquin's reported silver equivalent (AgEq) is based on the following assumptions:  $\text{AgEq} = \text{Ag (g/t)} + 79.18 \times \text{Au (g/t)}$  where: silver price is \$23.5/oz and recovery is 95%, gold price is \$1964/oz and recovery is 90%. In the Company's opinion, the silver and gold included in the metal equivalent calculations have a reasonable potential to be recovered and sold.

**Table 3: Joaquin Project – Historical Production 2019 to 2022**

Resource Category	Tonnes (Mt)	Ag (gpt)	Au (gpt)	Ag (Moz)	Au (Koz)	AgEq (gpt)	AgEq (Moz)
Depletion	0.33	410	0.14	4.3	1.5	421	4.5
<b>Total</b>	<b>0.33</b>	<b>410</b>	<b>0.14</b>	<b>4.3</b>	<b>1.5</b>	<b>421</b>	<b>4.5</b>

Historical production figures from Pan American Silver Corp. internal reconciliation reports



**THIS ANNOUNCEMENT IS AUTHORISED FOR RELEASE TO THE MARKET BY THE BOARD OF DIRECTORS OF UNICO SILVER LIMITED****CONTACT****For more information, please contact:****TODD WILLIAMS**  
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[todd@unicosilver.com.au](mailto:todd@unicosilver.com.au)**STREAMLINE COMPETENT PERSONS STATEMENT**

This report contains information extracted from previous ASX releases which are referenced in the report. The Company is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ASX Announcements

- 18 May 2023, Cerro Leon Silver Resource Grows 84% to 92 million Silver Equivalent Ounces.
- 20 August 2024, Acquisition of Joaquin Silver District
- 9 October 2024, Priority Silver Targets Outlined at Cerro Leon
- 11 December 2024, Cerro Leon drill results

**FORWARD LOOKING STATEMENT**

Certain statements in this announcement constitute "forward-looking statements" or "forward looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this announcement. All such forward-looking information and statements are based on certain assumptions and analyses made by USL's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances.

