

5 August 2024

Cerro Bayo Silver-Gold Project, Chile

# Andean rapidly expanding its district scale growth projects beyond the current Resource with assays up to 9,929g/t AgEq

Outcropping veins with bonanza grades over 4.0km by 1.8km; Resource update next month

## Key Points

- » Andean has defined extensive outcropping veins over a very large, stand-alone area at Cerro Bayo where channel samples and rock chips have returned bonanza grades over an initial area of 4.0km by 1.8km
- » The exceptional results demonstrate the world-class potential of the Cerro Bayo project and the scope to generate future growth outside known Resource areas; the current Indicated and Inferred Mineral Resource Estimate stands at 50Moz at 311g/t of silver-equivalent
- » Bonanza rock chip results include:
  - 9,929 AgEq (2,351g/t Ag & 91.3g/t Au);
  - 4,650g/t AgEq (1,845g/t Ag & 33.8g/t Au);
  - 3,513g/t AgEq (1,341g/t Ag & 26.2g/t Au);
  - 3,350g/t AgEq (949g/t Ag & 28.9g/t Au);
  - 3,313g/t AgEq (588g/t Ag & 32.8g/t Au); and
  - 3,278g/t AgEq (1,865g/t Ag & 17g/t Au)
- » Desktop review of sawn channel results from this large system include:
  - 1.7m @ 581g/t AgEq (282g/t Ag & 3.6g/t Au);
  - 1.1m @ 631g/t AgEq (357g/t Ag & 3.3g/t Au);
  - 0.6m @ 4,260g/t AgEq (2,272g/t Ag & 24g/t Au); and
  - 0.7m @ 16,985g/t AgEq (8,677g/t Ag & 100.1g/t Au)
- » The Andean exploration team will continue to delineate this large target area over the following quarter and define a series of priority drill targets
- » Resource update on track for delivery in September, focusing on the immediate brownfields growth

**Andean Silver Limited** (ASX: ASL) ("Andean" or the "Company") is pleased to announce that it has identified a new, very large, mineralised district at its Cerro Bayo Project, with bonanza grades returned from channel sampling and rock chips.

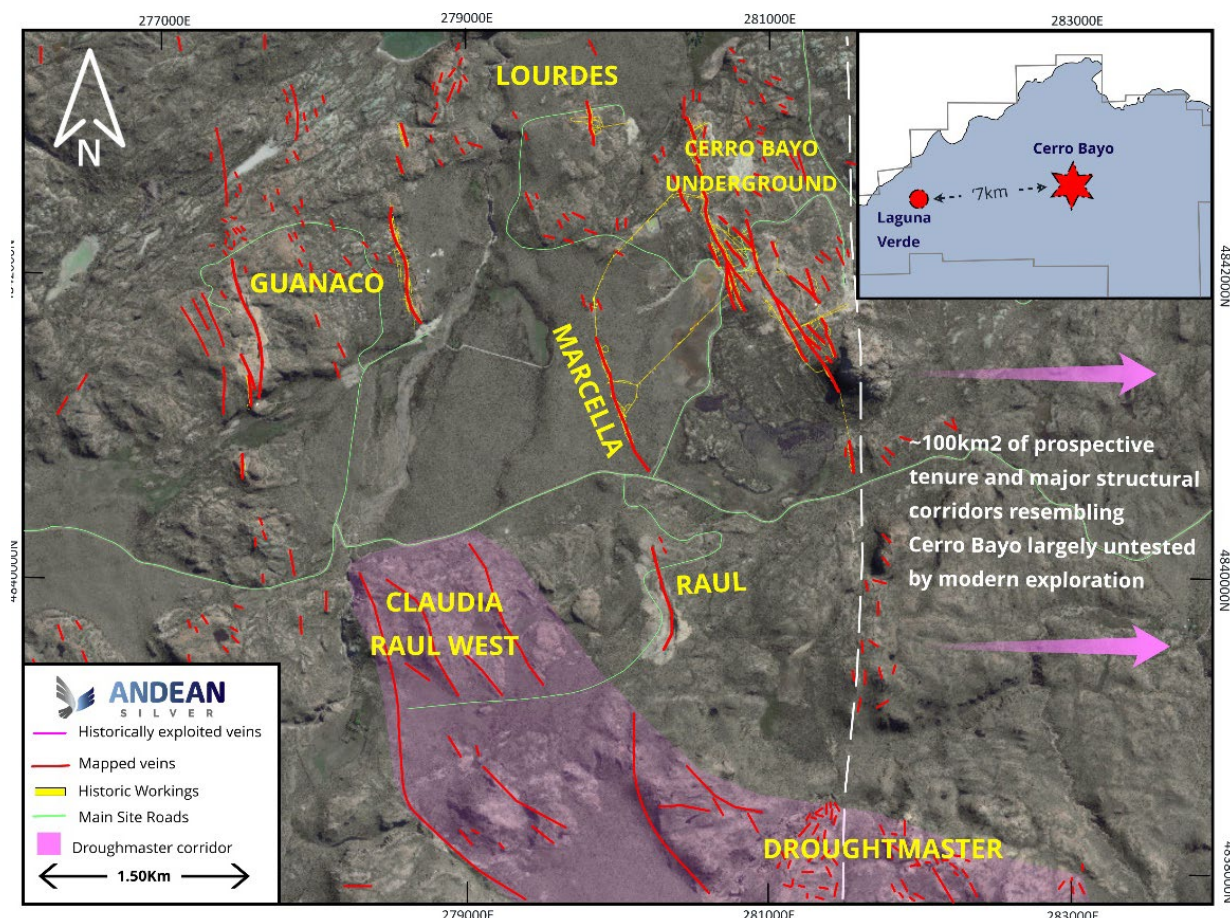
**Andean Chief Executive Officer Tim Laneyrie said:**

*"The results announced today demonstrate the immense potential of this area. We have mapped very high-grade outcropping veins over an area twice the size of the original Cerro Bayo mine, which was the most prolific mine this region has ever hosted."*

*"To establish such a significant target with dozens of high-grade silver-gold veins over 4km in strike and nearly 2km wide within an area with such a long operational history, demonstrates yet again the compelling untapped potential of this region."*

*"We will now move quickly to refine drill targets with further sampling ahead of a drilling program."*

*"At the same time, we are making great progress with our Mineral Resource Estimate update, which includes the outstanding drill results announced over the past six months. This update remains on track for release next month."*



**Figure 1. Cerro Bayo silver district with multiple high-grade silver mineralised swarms outside existing +50Moz Mineral Resource Estimate.**



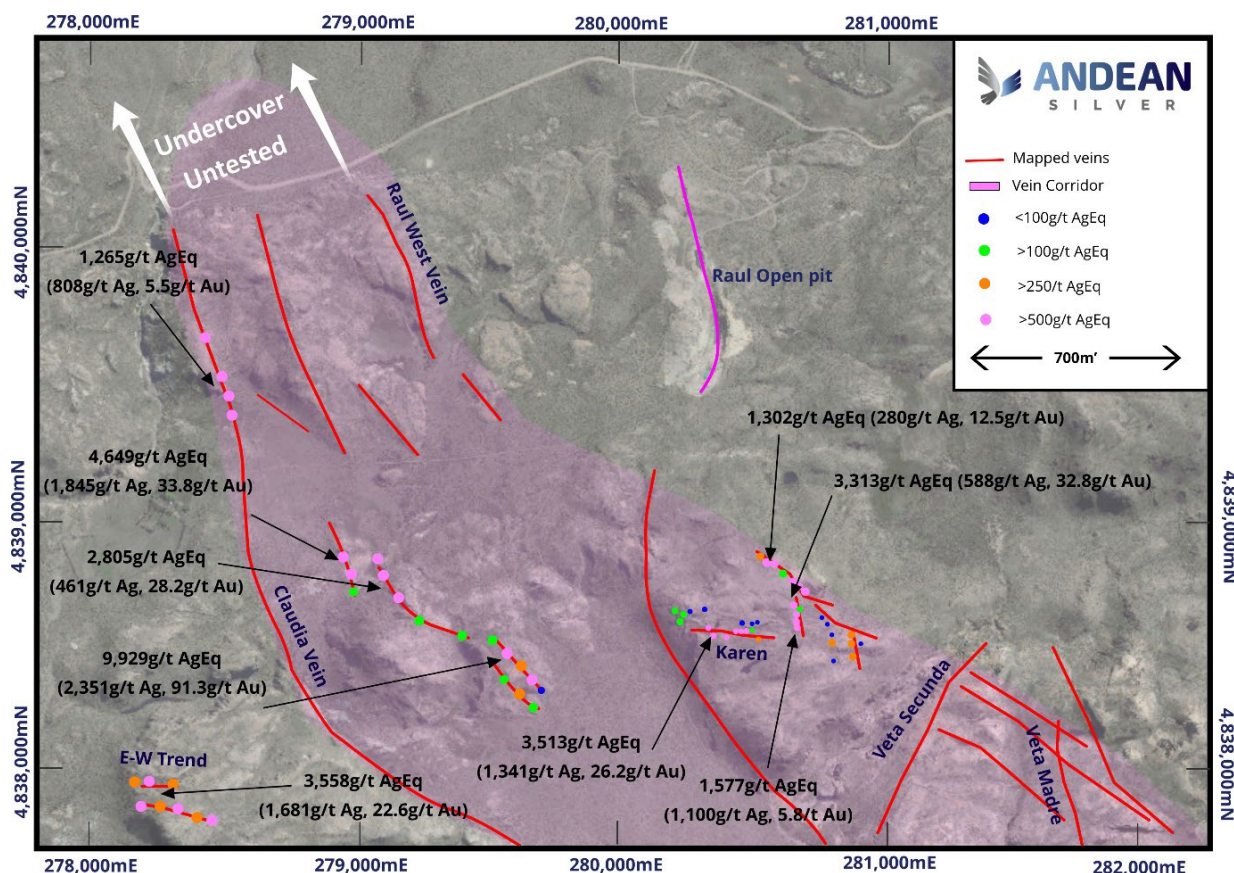
## Droughtmaster Corridor

The Droughtmaster Corridor represents the southern extension of the Guanaco Vein Corridor area. It is similar to the prolific Cerro Bayo underground mine district which contains dozens of north-west to north trending silver-gold bearing veins that vary in width from 0.5m to 4m.

The corridor is bounded by the recently discovered bonanza grade Claudia vein (Figure 7) to the west and the Raul West vein (Figure 6) to the east, and includes significant north-south to north-east trending veins such as the Veta Madre (Figure 3) and Veta Segunda (Figure 4).

The veins are spatially associated with a series of intrusive domes and display a range of high-level epithermal characteristics which are consistent with district wide controls on the distribution of silver-gold mineralisation.

The Droughtmaster Corridor has received only relatively shallow, sporadic drilling in areas specifically targeting the Percheron Vein with exceptional intersections seen that warrant follow-up testing. As well as deeper drilling there is surface channel sampling from prior operators that show the surface veins could be potentially amenable to a combined open-pit and underground extraction scenario.



**Figure 2. Droughtmaster corridor extending over 4km from the Veta Madre zone to Guanaco Vein corridor. Refer to Results tables in Appendix B.**

Andean has also identified a series of new, east-west to north-east trending vein corridors within the Droughtmaster Corridor which have returned high grade surface geochemical results and importantly remain untested by drilling to date. Similar orientated vein trends are recognised regionally throughout the Deseado Massif as important hosts to comparatively wide, high-grade veins (e.g. Zoe Vein, Cerro Moro-Argentina).

The high-grade vein assays at Karen and E-W include:

- » 3,558g/t AgEq (1,681g/t Ag & 22.6g/t Au);
- » 3,350g/t AgEq (949g/t Ag & 28.9g/t Au); and
- » 1,786g/t AgEq (978g/t Ag & 9.7g/t Au).



**Figure 3. Exploration personnel standing on the Percheron Vein (2m @ 291g/t AgEq) with Veta Madre (Figure 4) and Veta Segunda in the background.**





***Figure 4. Veta Madre vein within the Droughtmaster Corridor, which represents the higher-level expression of a large epithermal vein system and remains broadly untested at depth.***





***Figure 5. Tension vein within the Droughtmaster Corridor (0.8m @ 224g/t AgEq) running oblique to Veta Madre.***





*Figure 6. Raul West Vein with sample 35814: 0.5m @ 2,499g/t AgEq (1,689g/t Ag and 9.8g/t Au).*





***Figure 7. Claudia Vein outcrop 0.7m @ 16,985g/t AgEq (8,677g/t Ag and 100.1g/t Au) which remains untested by any historical drilling to date.***

Further ongoing work for the September Quarter includes:

- » Infill drilling campaign at Pegaso 7 to support a future Maiden Resource Estimate in late December 2024 quarter and an extensional drilling campaign to further test down plunge extensions;
- » Commence infill and extensional drilling of the Coyita mineralised shoots;
- » Continue to evaluate the historic brownfields drill targets for expansions of the Mineral Resource Estimate base; updated Mineral Resource Estimate is on track for release this quarter with another planned for late December 2024 quarter; and
- » Continue to expand the Droughtmaster corridor and open up further new districts through a combination of on ground mapping as well as evaluation of a combination of geophysical and hyperspectral methods of identifying drill targets.





## Twelve Month Strategy and News Flow

The Company has embarked on an aggressive drilling program that currently has 2 rigs drilling with the focus on building on the initial base Mineral Resource Estimate, near mine extensional drilling targets and greenfields opportunities which have been defined.

The Company believes in “boots on the ground” geology work and is actively exploring the over 300km<sup>2</sup> of granted tenure to generate a robust project pipeline.

Work is progressing on compiling the district deposits into an updated JORC Mineral Resource Estimate which is on track for a planned September 2024 quarter release.

**Table 1: Indicative 12-month timetable of Company strategy and news flow.**

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Transaction Completion						
Compile Historic Data for Remodel						
Remodel Laguna Verde District	→					
Remodel Cerro Bayo District			→			
Resource Drilling			→			
Resource Upgrades						
Cerro Diablo and Los Domos					→	
Scoping Study						

Consistent  
News Flow

The above timetable is indicative only and is subject to change.

**-ENDS-**

This announcement has been approved for release by the Board of Directors.

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## About Andean Silver

Andean Silver Limited (ASX:ASL) (formerly Mitre Mining Corporation Ltd) is an Australian mineral exploration and development company focused on advancing its 100% owned Cerro Bayo Silver-Gold project in the Aysen region of Southern Chile. The Cerro Bayo Silver-Gold Project currently hosts Indicated and Inferred Mineral Resources of 5Mt at a grade of 311g/t for 50Moz of contained AgEq (refer Appendix A). Andean Silver intends to rapidly advance the project and grow the existing silver-gold resource to demonstrate a globally significant silver-gold asset. For further information regarding Andean Silver Limited, please visit the ASX platform (ASX:ASL) or the Company's website at [www.andeansilver.com](http://www.andeansilver.com)

## Competent Persons Statement and Compliance Statements

The information in this release that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Tim Laneyrie, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tim Laneyrie is employed full-time by the Company as Chief Executive Officer and holds performance rights and shares in the Company. Mr Laneyrie has sufficient experience that is relevant to the styles of mineralisation and the types of deposits under consideration, and to the activities being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Laneyrie consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Metal equivalents have been calculated at a silver price of US\$23/oz and gold price of US\$1,900/oz. Individual grades for the metals are set out at Appendices A and B of this announcement. Silver equivalent was calculated based on the formula  $\text{AgEq(g/t)} = \text{Ag(g/t)} + (83 \times \text{Au(g/t)})$ . Gold equivalent was calculated based on the formula  $\text{AuEq(g/t)} = \text{Au(g/t)} + (\text{Ag(g/t)} / 83)$ . Metallurgical recoveries for gold and silver are closely linked and are typically 92-93% for gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.

The Mineral Resource Estimate for the Cerro Bayo Project referred to in this announcement was first reported in the Company's ASX release dated 12 March 2024, titled "Clarification Announcement – Resource doubles to 50Moz AgEq and poised for more rapid growth".

Andean Silver confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.



## **Forward Looking Statements**

This document contains forward looking statements concerning the Company. Forward-looking statements are not statements of historical fact, and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies.

Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate.

Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of commodities, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents.

Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this release will actually occur.



## APPENDIX A – Laguna Verde Project Mineral Resource Estimate

### Mineral Resource Estimate as at 1 March 2024

Area	Indicated					AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (koz)
	Tonnes (Mt)	Ag (g/t)	Au (g/t)	Silver (Moz)	Gold (koz)				
<b>Coyita Sth UG</b>	0.38	532	4.9	6.5	60	938	11.6	11.3	139
	<b>0.38</b>	<b>532</b>	<b>4.9</b>	<b>6.5</b>	<b>60</b>	<b>938</b>	<b>11.6</b>	<b>11.3</b>	<b>139</b>

Area	Inferred					AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (koz)
	Tonnes (Mt)	Ag (g/t)	Au (g/t)	Silver (Moz)	Gold (koz)				
<b>Coyita Sth UG</b>	0.11	237	4.4	0.9	16	605	2.2	7.3	27
<b>Coyita Nth UG</b>	0.32	282	1.7	2.9	17	419	4.3	5.1	52
<b>Delia Sth/Trinidad UG</b>	0.40	209	4.5	2.7	58	583	7.5	7.0	91
<b>Taitao UG</b>	0.90	77	2.7	2.2	79	301	8.8	3.6	106
<b>Taitao OP</b>	2.91	38	1.6	3.6	148	171	15.9	2.1	191
	<b>4.65</b>	<b>82</b>	<b>2.1</b>	<b>12.3</b>	<b>319</b>	<b>259</b>	<b>38.7</b>	<b>3.1</b>	<b>467</b>

Total Indicated and Inferred	Tonnes (Mt)	Ag (g/t)	Au (g/t)	Silver (Moz)	Gold (koz)	AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (koz)
	<b>5.03</b>	<b>116</b>	<b>2.3</b>	<b>18.8</b>	<b>379</b>	<b>311</b>	<b>50.2</b>	<b>3.70</b>	<b>605</b>

1. Mineral Resource Estimates are classified and reported in accordance with the 2012 JORC Code.
2. Open pit resources are reported to a cutoff grade of 65g/t AgEq.
3. Pit optimisation shells were used to constrain the resource using a gold price of US\$1,850/oz and Silver price of US\$24/oz.
4. Taitao Underground Mineral Resource Estimates are reported at a cut-off of 165g/t AgEq beneath the open pit. Delia, Coyita and Trinidad Resources are reported at a cut-off of 200g/t AgEq.
5. Silver equivalents are calculated using the equation  $AgEq = Ag(g/t) + (83 \times Au(g/t))$  and gold equivalents are calculated based on the equation  $AuEq = Au(g/t) + (Ag(g/t) / 83)$  based on a gold price of US\$1,900/oz and Silver price of US\$23/oz. Metallurgical recoveries for gold and silver are closely linked and are typically 92-93% for gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.
6. Bulk Density of 2.63g/cm<sup>3</sup> has been applied to veins and 2.57g/cm<sup>3</sup> has been applied to stockwork and waste domains.
7. No internal selectivity or dilution has been applied and the stockwork domains have been modelled using a selective mining unit (SMU) of 2.5m x 5m x 2.5m (X,Y,Z) with dilution incorporated into the SMU.
8. Numbers may not add due to rounding.

## APPENDIX B – Exploration Results

**Table 1: New Rock Chip Results – Droughtmaster District**

Hole Id	Easting	Northing	RL	Ag (g/t)	Au (g/t)	AgEq (g/t)	Lode
35908	279,601.0	4,838,461.0	735.0	2,351	91.3	9,929	Pascuerito
36014	278,991.0	4,838,772.0	554.0	1,845	33.8	4,650	Pascuerito
36213	280,450.0	4,838,569.0	852.0	1,341	26.2	3,513	Chichina
36214	280,451.0	4,838,568.0	853.0	949	28.9	3,350	Chichina
36288	280,646.0	4,838,656.0	817.0	588	32.8	3,313	Chichina
35875	278,593.0	4,839,164.0	506.0	1,865	17.0	3,278	Claudia
35890	279,109.0	4,838,813.0	544.0	461	28.2	2,805	Pascuerito
36215	280,437.0	4,838,568.0	851.0	1,043	16.0	2,369	Chichina
36211	280,462.0	4,838,569.0	852.0	1,040	15.6	2,332	Chichina
36289	280,646.0	4,838,612.0	810.0	1,100	5.8	1,577	Chichina
35889	279,109.0	4,838,834.0	538.0	307	15.3	1,574	Pascuerito
36104	280,567.0	4,838,823.0	818.0	280	12.5	1,321	Chichina
35874	278,489.0	4,839,515.0	535.0	808	5.5	1,265	Claudia
36210	280,474.0	4,838,569.0	853.0	478	9.4	1,255	Chichina
36019	280,679.0	4,838,722.0	826.0	871	3.8	1,187	Chichina
35872	278,485.0	4,839,531.0	537.0	692	4.3	1,048	Claudia
36218	280,347.0	4,838,555.0	843.0	416	4.6	796	Chichina
36011	278,994.0	4,838,751.0	568.0	168	7.3	773	Pascuerito
36217	280,348.0	4,838,547.0	843.0	38	8.5	739	Chichina
36291	280,647.0	4,838,586.0	814.0	418	2.8	650	Chichina
36283	280,403.0	4,838,540.0	847.0	275	4.5	645	Chichina
36290	280,644.0	4,838,600.0	814.0	315	3.4	598	Chichina
36295	279,651.0	4,838,408.0	739.0	341	2.9	581	Pascuerito
36105	280,574.0	4,838,823.0	816.0	154	4.4	516	Chichina
36022	280,654.0	4,838,742.0	823.0	228	1.9	382	Chichina
36020	280,673.0	4,838,727.0	828.0	174	2.3	367	Chichina
36012	279,002.0	4,838,751.0	573.0	143	2.4	344	Pascuerito
35873	278,486.0	4,839,525.0	528.0	208	1.6	342	Claudia
36017	280,688.0	4,838,713.0	825.0	125	1.7	263	Chichina
36106	280,547.0	4,838,827.0	811.0	180	0.9	255	Chichina
36187	280,871.0	4,838,525.0	830.0	151	1.2	251	Chichina
36284	280,522.0	4,838,541.0	833.0	50	2.2	231	Chichina
36190	280,872.0	4,838,485.0	826.0	131	1.1	221	Chichina
36193	280,793.0	4,838,518.0	819.0	57	2.0	221	Chichina
36016	280,701.0	4,838,718.0	718.0	131	1.1	221	Chichina
36013	279,005.0	4,838,744.0	577.0	71	1.7	211	Pascuerito
36303	279,686.0	4,838,254.0	738.0	27	2.2	209	Pascuerito
36018	280,686.0	4,838,723.0	825.0	121	0.9	198	Chichina
36021	280,664.0	4,838,735.0	826.0	99	1.0	180	Chichina
36299	279,704.0	4,838,290.0	725.0	12	2.0	176	Pascuerito
36297	279,646.0	4,838,328.0	729.0	24	1.8	171	Pascuerito
36276	280,228.0	4,838,643.0	842.0	25	1.7	163	Chichina
36274	280,223.0	4,838,629.0	842.0	82	0.8	152	Chichina
36209	280,494.0	4,838,574.0	850.0	57	0.9	128	Chichina
35909	279,575.0	4,838,479.0	722.0	47	0.8	112	Pascuerito
36269	280,457.0	4,838,595.0	850.0	34	0.5	74	Chichina
36304	279,623.0	4,838,285.0	735.0	23	0.6	69	Pascuerito
36292	280,645.0	4,838,575.0	815.0	27	0.5	69	Chichina
36277	280,216.0	4,838,642.0	837.0	29	0.4	63	Chichina
36280	280,448.0	4,838,582.0	855.0	22	0.5	61	Chichina
36273	280,234.0	4,838,632.0	847.0	6	0.7	61	Chichina
36216	280,567.0	4,838,579.0	835.0	27	0.4	59	Chichina
36272	280,243.0	4,838,632.0	856.0	6	0.4	38	Chichina



Hole Id	Easting	Northing	RL	Ag (g/t)	Au (g/t)	AgEq (g/t)	Lode
36285	280,504.0	4,838,550.0	834.0	7	0.4	37	Chichina
36279	280,319.0	4,838,647.0	842.0	11	0.2	31	Chichina
36278	280,266.0	4,838,640.0	845.0	9	0.2	26	Chichina
36287	280,640.0	4,838,677.0	822.0	17	0.1	26	Chichina
35907	279,618.0	4,838,439.0	739.0	11	0.2	26	Pascuerito
36271	280,280.0	4,838,628.0	847.0	8	0.2	24	Chichina
36270	280,340.0	4,838,615.0	847.0	12	0.1	23	Chichina
36197	280,807.0	4,838,552.0	788.0	5	0.1	17	Chichina
36294	280,667.0	4,838,598.0	809.0	4	0.2	16	Chichina
36300	279,575.0	4,838,379.0	742.0	6	0.1	14	Pascuerito
36293	280,660.0	4,838,605.0	810.0	4	0.1	13	Chichina
36301	279,610.0	4,838,353.0	731.0	6	0.1	11	Pascuerito
36192	280,820.0	4,838,499.0	835.0	7	0.0	10	Chichina
36296	279,679.0	4,838,376.0	735.0	4	0.1	10	Pascuerito
36194	280,781.0	4,838,506.0	822.0	4	0.1	9	Chichina

**Table 2: Previous Sawn Channel Results Table – Droughtmaster District**

Hole Id	Easting	Northing	RL	Azi	Dip	Sample Length (m)	From (m)	To (m)	Width (m)	Ag (g/t)	Au (g/t)	AgEq (g/t)
<b>Veta Segunda Lode</b>												
MS9B	281,081	4,837,962	869.0	109.4	0	1.7	0.0	1.7	1.7	281.8	3.6	581
MS90	281,147	4,838,177	826.3	113.4	0	0.9	0.0	0.9	0.9	83.0	4.1	423
C-287	281,090	4,838,168	810.1	115.4	0	1.1	0.0	1.1	1.1	356.6	3.3	631
<b>Claude Lode</b>												
CC059	278,604	4,838,918	520.0	75	0	0.6	0.0	0.6	0.6	2,272.0	24.0	4,260
<b>Raul West</b>												
35814	279,258	4,839,697	544.1	90	0	0.5	0.0	0.5	0.5	1,689.0	9.8	2,499
<b>Percheron</b>												
CC28	281,711	4,838,320	810.0	40	-10	20	18.0	20.0	2.0	17.2	3.3	291
<b>TV-Veta Madre</b>												
7988	281,901	4,837,828	901.3	45	0	0.8	0.0	0.8	0.8	147.0	0.9	224

## APPENDIX C – JORC Code, 2012 Edition

The following table is provided to ensure compliance with the JORC Code (2012 Edition) for the reporting of Exploration Results

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>For the rock chip and sawn surface sample data:</p> <ul style="list-style-type: none"> <li>Rock chip and continuous rock chip channel samples were collected by a qualified geologist of quartz veins, breccias and zones of silicification, all hosted within rhyolite ignimbrite of the Jurassic age, Ibanez Formation.</li> <li>Sample locations were surveyed with a Trimble Nomad 1050 LC differential GPS using Coordinate Projection System SAD69 UTM Zone 19S.</li> <li>Representative chip samples of 2-3kg weight were taken perpendicular to the strike of the outcrop over varying width intervals generally between 0.1-2.0m except where noted.</li> <li>Samples once taken cut are placed in individual bags with unique sample numbers, sealed and then bagged in groups of 10 samples and stored in a secure, clean location in the core logging shed prior to analysis in the Cerro Bayo Mine laboratory.</li> </ul> <p>In the onsite Cerro Bayo Mine laboratory, the analytical process comprised:</p> <ul style="list-style-type: none"> <li>Sample preparation initially comprises drying, weighing, jaw and fine roll crush, riffle split and pulverizing of 1kg to 85% &lt; 75µm.</li> <li>Au: Fire Assay 30 gr - Au by fire assay fusion and Atomic Absorption Spectroscopy (AAS) finish on 30g nominal sample weight with lower and upper detection limit of 0.01ppm and 8ppm Au respectively. Au-GRA (by fire assay and gravimetric finish 30g nominal sample weight) for Au values &gt; 8g/t up to 1,000g/t Au.</li> <li>Ag by 4 acid HNO<sub>3</sub>-HClO<sub>4</sub>-HF-HCl digestion, HCl leach and Atomic Absorption Spectroscopy (AAS) finish with lower and upper detection limit of 2 and 500 ppm Ag respectively. Ag-GRA (by fire assay and gravimetric finish 30g nominal sample weight) for Ag values &gt; 500g/t up to 10,000g/t Ag.</li> <li>Alternate certified blanks and standards for Au and Ag are submitted within each laboratory batch at a ratio of 1:20 (i.e. 5%) for which QA/QC revision is conducted on</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>results from each batch.</p> <ul style="list-style-type: none"> <li>Silica sand is routinely pulverized at the end of the entire sample run.</li> <li>Internal laboratory QAQC checks and use of certified reference materials (CRMs) are analysed reported by the Cerro Bayo mine laboratory and a review of the QAQC reports suggests the laboratory is performing within acceptable limits.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – no drilling reported</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – no drilling reported</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All chip and channel samples have been logged for geology to a level to give sufficient confidence of sampled material nature.</li> <li>Logging includes rock type, mineral assemblages, texture.</li> </ul>

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• Rock chip and continuous rock chip channel and sawn samples were generally taken under dry conditions with a minimum and maximum sample width of 0.1m and 2.0m respectively.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• Samples once cut are placed in individual bags with unique sample numbers, sealed and then bagged in groups of 10 samples and stored in a secure, clean location in the core logging shed prior to transfer to the onsite Cerro Bayo Mine laboratory for preparation and analysis.</li> <li>• For the Cerro Bayo Mine laboratory, the process comprises: <ul style="list-style-type: none"> <li>○ Sample preparation initially comprises drying, weighing, jaw and fine roll crush, riffle split and pulverizing of 1kg to 85% &lt; 75µm</li> <li>○ Au: Fire Assay 30 gr - Au by fire assay fusion and Atomic Absorption Spectroscopy (AAS) finish on 30 g nominal sample weight with lower and upper detection limit of 0.01 ppm and 8 ppm Au respectively. Au-GRA (by fire assay and gravimetric finish 30 g nominal sample weight) for Au values &gt; 8 g/t up to 1,000 g/t Au.</li> <li>○ Ag by 4 acid HNO<sub>3</sub>-HClO<sub>4</sub>-HF-HCl digestion, HCl leach and Atomic Absorption Spectroscopy (AAS) finish with lower and upper detection limit of 2 and 500 ppm Ag respectively. Ag-GRA (by fire assay and gravimetric finish 30 g nominal</li> </ul> </li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>sample weight) for Ag values &gt; 500 g/t up to 10,000 g/t Ag.</p> <ul style="list-style-type: none"> <li>○ Alternate certified blanks and standards for Au and Ag are submitted by Andean Silver within each laboratory batch at a ratio of 1:20 (i.e. 5%) for which QA/QC revision is conducted on results from each batch.</li> <li>○ Barren Quartz flushes are used between high grade samples at crushing and pulp stage to ensure no contamination.</li> <li>• For the rock chip, continuous chip and sawn channel samples quality control procedures adopted include the insertion of a range of certified geochemical standards (CRMS's) and blanks that were inserted methodically on a one for every 20 sample basis (5%). <ul style="list-style-type: none"> <li>○ CDN-ME-1307 1.02 g/t Au, 54.1 g/t Ag</li> <li>○ CDN-ME-16 1.48 g/t Au, 30.8 g/t Ag</li> <li>○ Oreas 605b-1.72 g/t Au, 1015 g/t Ag</li> <li>○ CDN-ME-1403- 0.954 g/t Au, 53.9 g/t Ag</li> <li>○ CDN-GS-P1A- 0.143 g/t Au</li> <li>○ CDN-CM-42- 0.576 g/t Au, 0.526 % Cu</li> </ul> </li> <li>• Internal laboratory QAQC checks and revision of results for the certified reference materials (CRM's) suggests the laboratory is performing within acceptable limits</li> <li>• Third party check assaying of results is conducted at ALS Laboratories in Chile, for which the process comprises: <ul style="list-style-type: none"> <li>○ Selection of 5% pulps from representative low, medium and high-grade results as originally reported from the Cerro Bayo Mine laboratory</li> </ul> </li> <li>• Pulps are generally initially analysed for Au, Ag and trace and base elements using method codes: <ul style="list-style-type: none"> <li>○ Au-ICP21 (Au by fire assay and ICP-AES. 30 g nominal sample weight with lower and upper detection limit of 0.001 and 10 ppm Au respectively),</li> <li>○ Au-AA23 Au by fire assay fusion and Atomic Absorption Spectroscopy (AAS) finish on 30 g nominal sample weight with lower and upper detection limit of 0.005 and 10 ppm Au respectively</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>○ Ag-AA62 Ore grade Ag by HNO<sub>3</sub>-HClO<sub>4</sub>-HF-HCl digestion, HCl leach and AAS with lower and upper detection limit of 1 and 1500 ppm Ag respectively</li> <li>○ ME-MS41 (Multi-Element Ultra Trace method whereby a 0.5g sample is digested in aqua regia and analysed by ICP-MS + ICP-AES with lower and upper detection limit of 0.01 and 100 ppm Ag respectively)</li> <li>• For high grade samples method codes include: <ul style="list-style-type: none"> <li>○ Au-GRA21 (by fire assay and gravimetric finish 30 g nominal sample weight for Au values &gt; 10 g/t up to 1,000 g/t Au),</li> <li>○ ME-OG46 Ore Grade Ag by Aqua Regia Digestion and ICP-AES (with lower and upper detection limit of 1 and 1500 ppm Ag respectively) and Ag-GRA21 (Ag by fire assay and gravimetric finish, 30 g nominal weight for ≥ 1500 g/t to 10,000 g/t Ag)</li> <li>○ Zn-AA62 (for &gt;1% up to 30% Zn)</li> <li>○ Pb-AA62 (for &gt;1% up to 20% Zn)</li> </ul> </li> <li>• Alternate certified blanks and standards for Au and Ag are submitted by Andean Silver within each laboratory batch at a ratio of 1:20 (i.e. 5%) for which QA/QC revision is conducted on results from each batch.</li> <li>• Internal laboratory QA/QC checks are reported by the ALS laboratory for which previous reviews of the QA/QC reports suggests the Cerro Bayo laboratory is performing within acceptable limits</li> <li>• The methods of analysis have been in place and verified by independent audits over the life of operation of the Cerro Bayo mine site laboratory. Multiple companies including Coeur Mining, Mandalay Resources and Equus Mining have all utilised and reported from the site laboratory with no historical issues encountered.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic)</li> </ul>	<ul style="list-style-type: none"> <li>• No direct twinned channel samples or drill holes of historic data have yet been sampled or drilled by Andean Silver</li> <li>• No adjustments were made to the assay data.</li> <li>• The Site Laboratory undergoes yearly independent audits on process and practices</li> <li>• A selection of pulps and coarse reject samples are sent to ALS laboratory in Santiago each month as a check on the onsite laboratory. No issues have been detected with</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p>protocols.</p> <ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<p>preparatory or analysis from these check samples.</p> <ul style="list-style-type: none"> <li>A Vanta PXRF machine calibrated using on site gold and silver standards is used at times on remaining pulp samples as a check and balance on exceptionally high Gold and Silver results.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The datum South American 69 Huso 19 south was adopted for rock chip, sawn channel sampling and drill collar surveying and topographic bases.</li> <li>Rockchip , sawn and continuous chip channel samples were surveyed with a Differential GPS Trimble GNSS Trimble R2 Sub-Foot antenna and Nomad 1050 LC receiver using TerraSync data software. This system provides accuracy of approximately &lt;20cm for x, y and z m</li> <li>For the historic rock chip channel sampling by previous operators including Coeur and Mandalay Resources, sample points were surveyed with an industry standard theodolite and total station survey instruments by in-house and third party contractors.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Results will not be used for resource estimation prior to any supporting drilling being carried out.</li> <li>Compositing of assay results where applicable on contiguous samples has been applied on a weighted average basis.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Representative rock chip samples of 2-3Kg weight were taken perpendicular to the strike of the vein outcrop over 0.1m to 2 metre intervals except where noted.</li> </ul>

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>An internal sample security protocol program was implemented by CMCB during the course of exploration from 2002-2017.</li> <li>Samples taken by Andean Silver are numbered and packaged under the supervision of a qualified geologist and held in a secure locked facility and are not left unattended at any time.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>A review of sampling techniques and data was carried out by the Competent Person, Mr Tim Laneyrie, during a field visit conducted between October 10 to 13, 2023 and January 22 to 30, 2024 additional to subsequent procedural reviews.</li> <li>Mr Laneyrie undertook a site inspection of the sample preparation areas and verification checks of the laboratory QA/QC data for historic data. No significant discrepancies were identified.</li> </ul>



## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Cerro Bayo Project comprises 67 mining claims held by Compania Minera Cerro Bayo SpA (<b>CMCB</b>) which is a 100% indirectly owned subsidiary of Andean Silver.</li> <li>Andean Silver, via its wholly-owned subsidiary CMCB, holds the 28,631 hectare Cerro Bayo mine district mining properties and mine infrastructure which includes a tailings facility and 1,500tpd processing plant (currently on care and maintenance) through which approximate historical production of 645Koz Gold and 45Moz Silver was achieved up until the mine's temporary closure in mid-2017. Coeur/Mandalay production reconciliations from 2002-2017 total ~7.3Mt @ 201g/t Ag, 2.9g/t Au for 47Moz Ag and 678koz Au (~100Moz AgEq @ 83:1 ratio).</li> <li>The mining claims are all maintained in good standing and the pertinent annual fees were paid in March 2024.</li> <li>A large proportion of the CMCB mine district is covered by an Environmental Impact Study approved in 1995, and subsequent approved modifications, and ten other legacy mine and sectorial permits.</li> <li>No native title interests exist over the mine district.</li> <li>Under the acquisition agreement between Andean Silver and that carried between previous owners Equus Mining and Mandalay Resources, a NSR royalty of 2.25% is payable by CMCB to Mandalay Resources upon future production exceeding the first 50,000 ounces of gold equivalent.</li> <li>Mandalay Resources is responsible for approximately 50% of the mine closure costs up to an amount of approximately AU\$10 million which is currently approved by government authorities to begin in 2032.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>A large portion of the historic drill, tunnel and geochemical database was completed by other previous operators of the project and mine areas including:</p> <ul style="list-style-type: none"> <li>Freeport Chilean Exploration Company: conducted exploration between 1980 and 1989 which culminated in a prefeasibility study completed in 1989.</li> <li>CDE Chilean Mining Corporation (subsidiary of Coeur Mining) acquired the project in 1990 and subsequent to further exploration, engineering and a feasibility study</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>conducted by Fluor Daniel Wright following which a 1,500tpd flotation plant was constructed and production commenced in 1995. During the period 1991 to 1994 NCL Ingeneira y Construccion S.A. completed an environmental impact study (EIA), which was voluntarily submitted by CDE Chilean Mining Corporation and received approval for exploitation of resources/reserves at the Taitao Pit and numerous other slot cut and underground resources in the Laguna Verde and Guanaco areas, the processing plant, tailings storage facility and throughout surrounding mining claim tenure covering approximately 29,812 hectares. The exploitation of the Taitao open pit was concentrated in four areas denominated Taiato, 00, Brecha and Noreste.</p> <ul style="list-style-type: none"> <li>Equus Mining drilled 137 diamond drillholes over the Cerro Bayo area and 44 diamond holes over the Los Domos project. A significant rock and channel sampling campaign was undertaken on the proximal mine areas. This work was completed between 2019-2023.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The mineralisation is typical of a low sulphidation type and is interpreted to be of a multi-stage, open space filling epithermal origin resulting in mineralised veins, stockworks and breccias.</li> <li>Three main vein systems are recognized throughout the Droughtmaster-Guanaco vein corridor, namely NW to NNW, NS and NE trending veins and breccias varying in dip from vertical to 60°.</li> <li>Vein mineralisation is represented by crudely banded veins which are commonly brecciated which consist mainly of fine-grained quartz and chalcedonic silica, adularia, and amethyst, with minor amounts of barite and Mg and Mn rich carbonates. The general sulfide content is low, less than 5%, which consists mainly pyrite, silver sulphosalts and locally sphalerite and galena as disseminations, clusters, and bands.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The information material to understanding the surface sample results is set out in Appendix B.</li> <li>Dip and Azimuth are associated with magnetic north</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
Data aggregation methods	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• All silver equivalent grades reported in this announcement are calculated using the following formulae: <ul style="list-style-type: none"> <li>○ <math>AgEq\ g/t = Ag\ g/t + (83 \times Au\ g/t)</math></li> <li>○ Gold and silver USD prices of \$1,900/oz and \$23/oz, respectively</li> </ul> </li> <li>• Metallurgical recoveries for gold and silver are closely linked and are typically 92-93% for gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.</li> <li>• Compositing of results are based on level within the system for near surface or potential future open pitable results (&gt;40g/t AgEq over the aggregate length).</li> <li>• Compositing of deeper results that could be classed as future underground potential are composited on a combination of geology interval and association with surrounding intervals.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• Historic continuous channel sample angles of veins generally vary between 45-80 degrees, and average approximately 75 degrees, and therefore represent true widths of approximately &gt;90% with respect to reported intervals</li> </ul>

Criteria	JORC Code explanation	Commentary
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>See diagrams included in the body of this announcement.</li> <li>All diagrams are deemed appropriate by the competent person.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>No fixed cut-off grade was applied to the new rock chip results, with all results (100% collected) reported as received in Table 1 of Appendix B.</li> <li>The historic database for the Cerro Bayo Project contains a total of more than 500 rock chip and sawn channel samples. This release relates to 7 results from the Droughtmaster Corridor. No fixed cut-off grade or objective parameter was applied to the selection of appropriate historic sawn channels; the selection was determined by the Company in attempting to select the most relevant information for assessing future drill targets and should not be taken to be representative of the available assay database.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Lidar survey conducted to generate accurate topographic surfaces in 2022 and 2024.</li> <li>Mineralisation and host rock characteristics intersected at the various exploration targets throughout the Cerro Bayo Project District by historical surface sample and drilling to date is similar in nature and composition to other high-grade veins mined historically throughout the Laguna Verde and Cerro Bayo mine areas and therefore support the assumption of comparable metallurgical recoveries, process flow and possible future concentrate payabilities etc.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<p>Planned further work includes:</p> <ul style="list-style-type: none"> <li>Further detailed mapping and sampling of the Droughtmaster -Guanaco Vein Corridor system</li> <li>IP geophysics throughout the areas of shallow cover along strike from the outcropping high grade vein trends</li> <li>Shallow scout drill testing of the higher priority vein trends</li> <li>Follow up resource infill drilling at depth and along strike</li> </ul>