

Defiance Extends High-Grade Zones With Drilling At Veta Grande

October 25th, 2022

Defiance Silver Corp. (“**Defiance**” or the “**Company**”) is pleased to provide an update on the Zacatecas district drill program, including high grade Ag-Zn-Pb-Au mineralization in the heart of the Veta Grande vein system at the Zacatecas silver project, further extending the limits of mineralization below the 2014 resource area.

Highlight of Results

DDSA-22-52 – Intersected high-grade silver, base metals, and gold over 0.9m (from 400.72m to 401.62m) of **4.18 g/t Au, 868 g/t Ag, 4.61% Pb and 17.05% Zn or 2172 g/t AgEq**, within a larger interval of **3.38 metres of 1.96 g/t Au, 344.91 g/t Ag, 2.12% Pb and 8.01% Zn or 956 g/t AgEq** (from 400.22m to 403.60m), representing one of the highest-grade intervals drilled to date in the main San Acacio project area (see Fig. 2 and 3). The hole was drilled approximately 50 metres below the reported high-grade intervals of DDSA-21-37, which returned **3.0m** (from 270.45m to 273.45m) of **689.7 g/t Ag** and demonstrates the continuity of this mineralized body at depth below the resource area (see Fig. 3).

DDSA-22-53 – Was drilled to test approximately 50m below hole DDSA-21-40 (4.55m @ 241g/t Ag from 314.4m to 318.95m). DDSA-22-53 deviated significantly from the targeted pierce point towards the western limit of the mineralized shoot. but still intercepted **2.0m of 0.51 g/t Au, 121 g/t Ag, 1.36% Pb and 4.85% Zn or 434 g/t AgEq** (from 301.17 to 303.17m). Continued exploration in this zone further demonstrates the expanding resource potential of important structural intersections and their respective roles in resource development (see Fig. 2).

Chris Wright, Chairman & CEO, commented: “We continue to be encouraged by the expanding envelope of mineralization well outside the limits of the current resource area. The mineralized body encountered by high-grade drill holes DDSA-21-36 & 37 and then further at depth with hole DDSA-22-52 clearly demonstrates the strength of the mineral system and the exploration potential at depth outside of the current resource area. We will continue to test these structures in order to understand the limits of the mineral system for future resource planning.”

Overview Map of Drill Locations

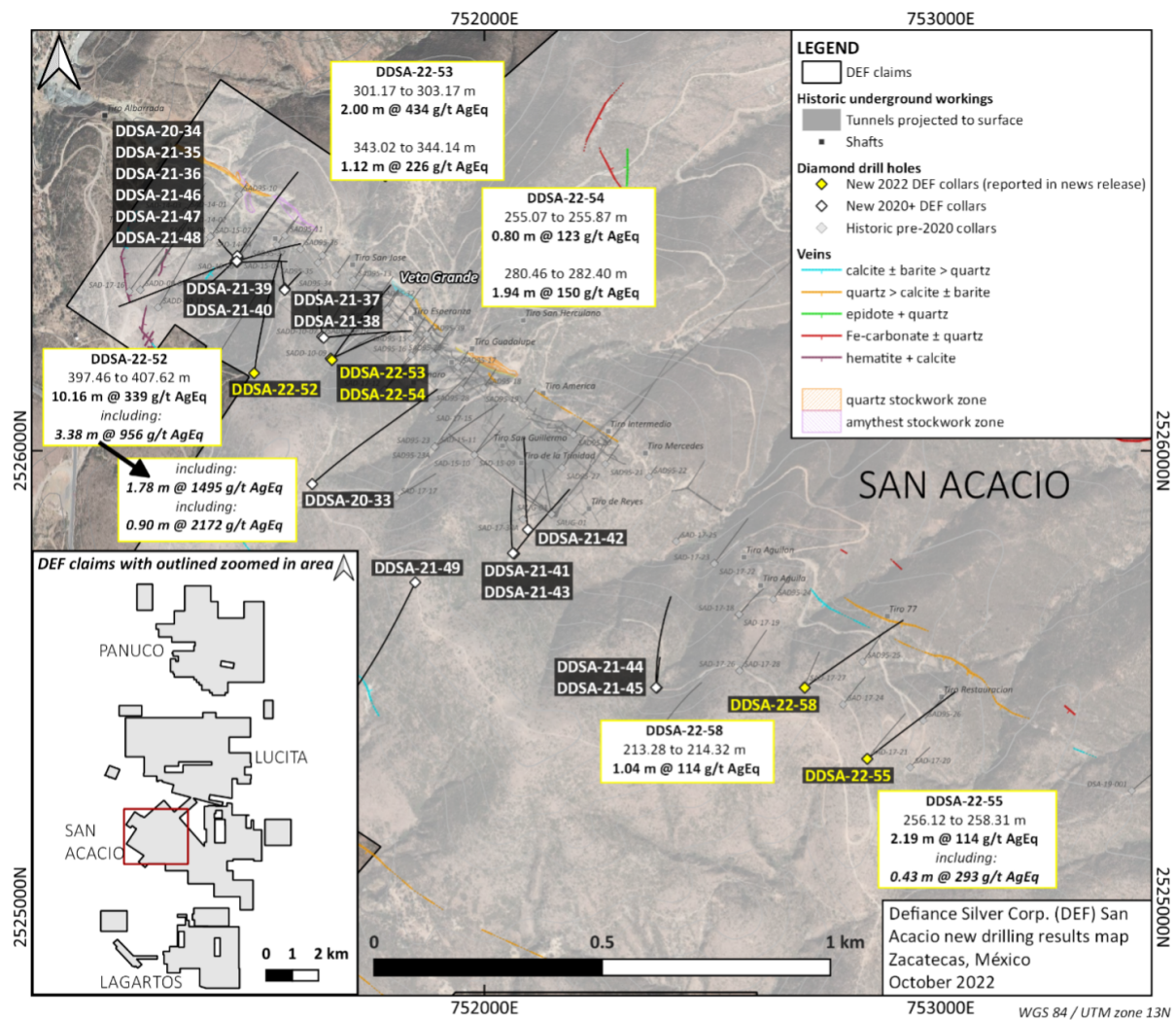


Figure 1 – Plan map of Defiance's San Acacio project area, including location of current and past drill holes.

Long Section of Drilling

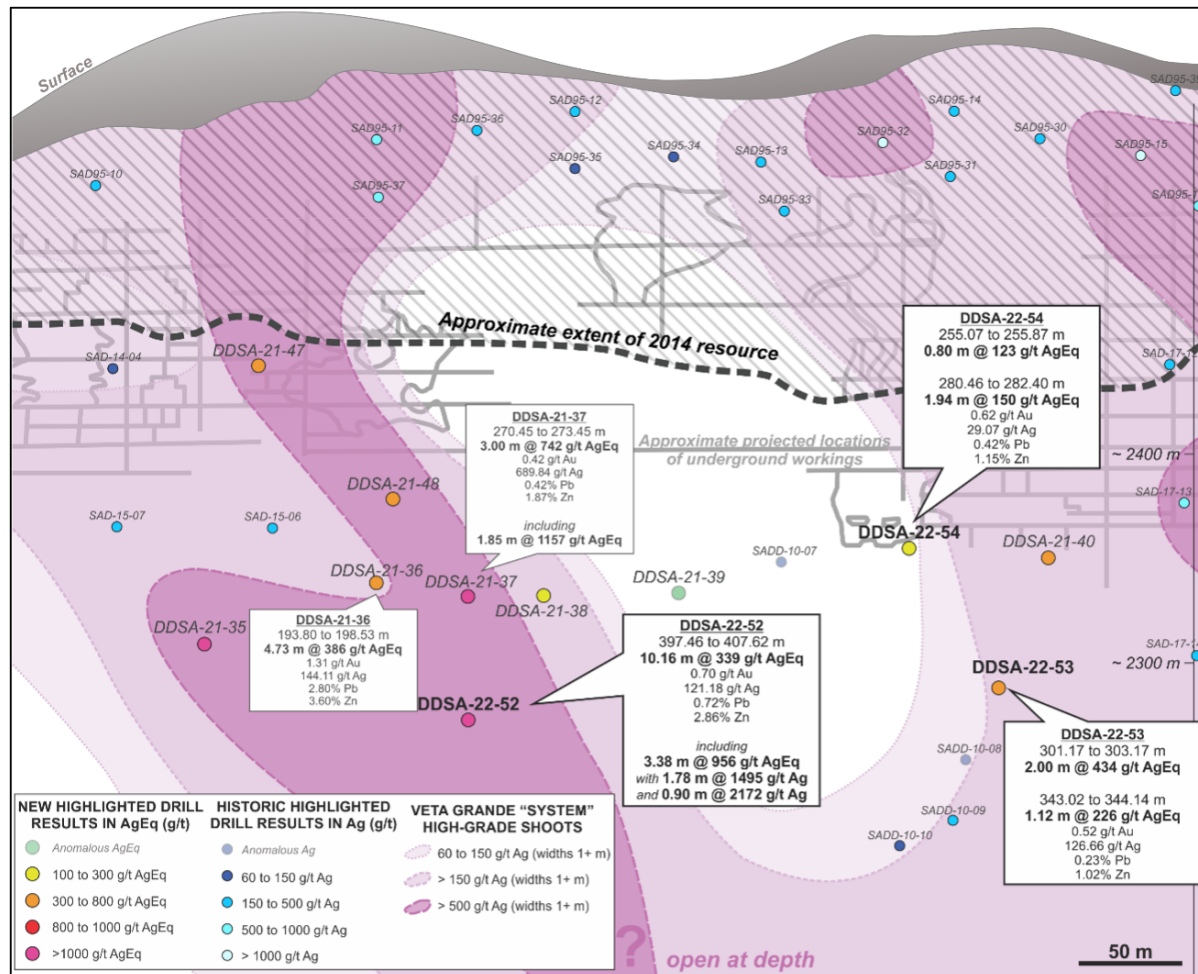


Figure 2 – Schematic long section showing Veta Grande system drill results and mineralized shoots, as well as approximate limits of 2014 resource estimate and historic underground workings.

Cross Section

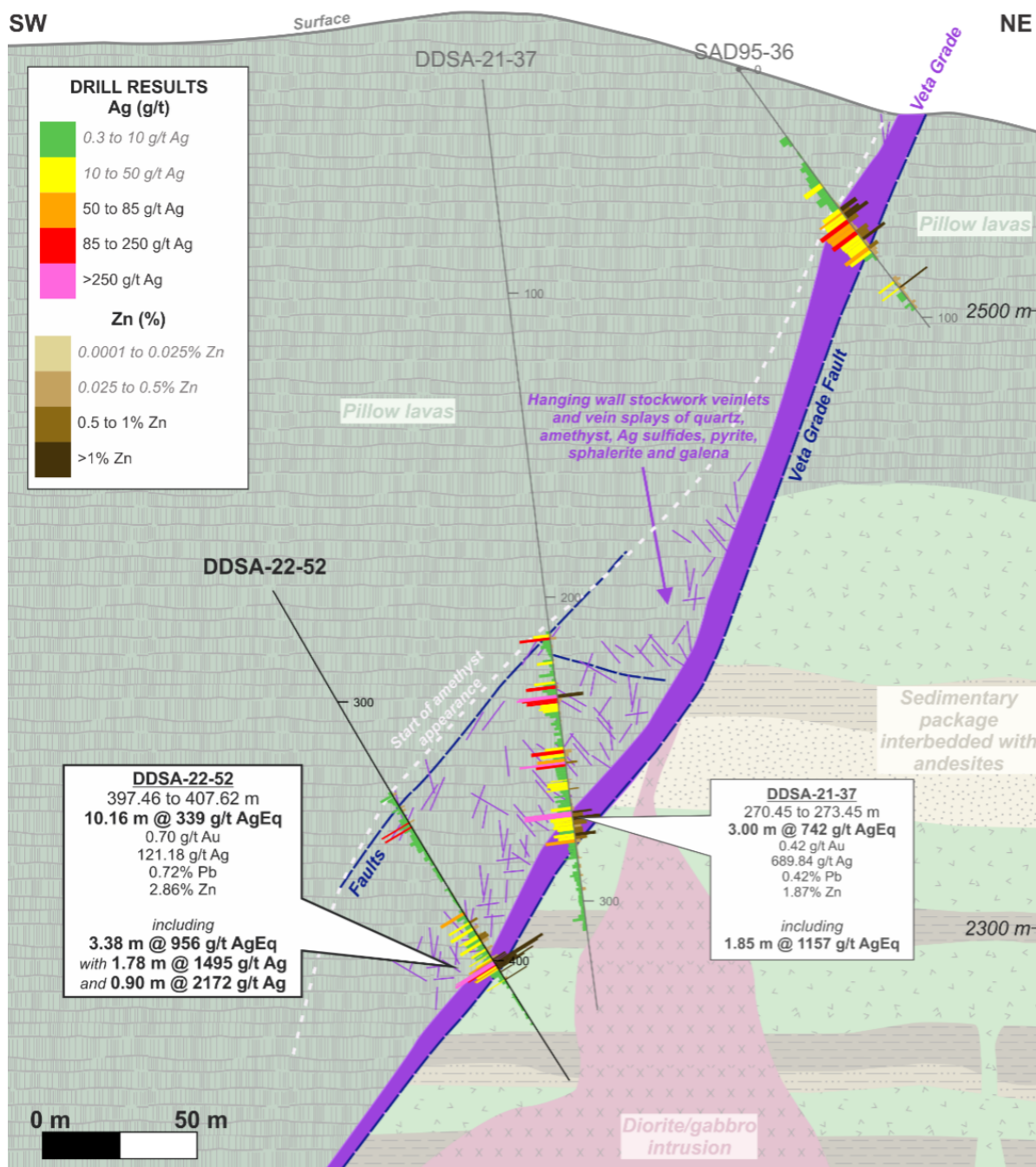


Figure 3 – Cross Section of drill hole DDSA-22-52, showing Ag g/t (left) and Zn % (right) on drill-string trace and outline of main Veta Grande vein.

Discussion of Results

Hole DDSA-22-52 was designed to test approximately 50m below hole DDSA-21-37 and has demonstrated that the recently-discovered mineralized zone extends deeper (see Fig. 3). This mineralized shoot remains open at depth and also contains the recently-reported intercepts, including: 1.57m @ 2.27g/t Au, 1090 g/t Ag from 248.7m in DDSA-21-35 and 3m @ 0.42g/t Au and 689 g/t Ag from 270.45m in DDSA-21-37 (See News Release dated April 28th, 2021).

Holes DDSA-22-53 and DDSA-22-54 were designed to test another mineralized shoot east of DDSA-22-52. DDSA-22-53 was drilled to test approximately 50m below hole DDSA-21-40 (4.55m @ 241g/t Ag from 314.4m, (See News Release dated August 4th, 2021). DDSA-22-53 deviated significantly from the targeted pierce point towards the western limit of the mineralized shoot but still intercepted the mineralized zone (see

Fig. 2). DDSA-22-54 was designed to test at the same level and approximately 70m west of DDSA-21-40. Hole DDSA-22-54 intercepted some grade but appears to be very close to the western limit of the mineralized zone (see Fig. 2).

Holes DDSA-22-55 & DDSA-22-58 were designed to gain further structural information east of the Veta Grande resource area as well as to confirm historic results drilled by Silver Standard in 1995. Structural complexity in this area has led to a poor understanding of the mineralization in this zone. The company is encouraged that drilling returned appreciable Ag grades and is in the process of further modelling this zone in anticipation of future drilling.

Holes DDSA-22-56 & DDSA-22-57 are pending analytical laboratory checks and will be released when data is finalized.

The highest-grade silver mineralization at the San Acacio project is typically associated with honey-coloured sphalerite, argentiferous galena, variable silver sulfides and sulfosalts, and spatially correlated with amethyst. The highest-grade gold mineralization is typically associated with pyrite, brown to red-coloured sphalerite, and occasionally with hematite. The hanging wall mineralization tends to express as a more conventional vein to veinlet array morphology while the Veta Grande often occurs as a large breccia-vein with typical intermediate to low-sulfidation epithermal textures and gangue minerals.

San Acacio hosts a current inferred mineral resource estimate containing 16.97M oz silver (17.76M oz AgEq) grading 181.94 g/t silver (192.5 g/t AgEq) with a 100 g/t AgEq cut off (see the Technical report titled: Technical Report and Resource Estimate, San Acacio Silver Deposit, Zacatecas State, Mexico by Giroux and Cuttle dated September 26, 2014, which is available on Sedar and the company's website here).

Table of Results

Hole	From	To	Interval (m)	Au g/t	Ag g/t	Pb %	Zn %	AgEq g/t
DDSA-22-52	397.46	407.62	10.16	0.70	121.18	0.72	2.86	339
Including	400.22	403.60	3.38	1.96	344.91	2.12	8.01	956
Including	400.22	402.00	1.78	2.79	616.02	3.35	11.38	1495
Including	400.72	401.62	0.90	4.18	868.00	4.61	17.05	2172
DDSA-22-53	301.17	303.17	2.00	0.51	121.00	1.36	4.85	434
DDSA-22-53	343.02	344.14	1.12	0.52	126.66	0.23	1.02	226
DDSA-22-54	255.07	255.87	0.80	0.11	100.37	0.04	0.24	123
DDSA-22-54	280.46	282.40	1.94	0.62	29.07	0.42	1.15	150
DDSA-22-55	256.12	258.31	2.19	0.29	78.72	0.06	0.17	114
Including	257.88	258.31	0.43	0.70	204.00	0.17	0.50	293
DDSA-22-58	213.28	214.32	1.04	0.07	96.14	0.02	0.25	114

Table 1 – Silver equivalent is calculated using the following formula: Silver-Equivalent (AgEq) = [(Au_ppm x 53.05)+(Ag_ppm x 0.61)+(Pb_ppm x .0018)+(Zn_ppm x 0.0028)]/ 0.61. Metal price assumptions are Au:\$1650, Ag:\$19, Pb: \$0.85, Zn:\$1.3. 100% recovery has been assumed for all metals. At this stage of the project, no metallurgy has been completed, and the reader is cautioned that 100% recoveries are never achieved. True thickness is assumed to be 50%-80% of downhole width.

Drill Hole Information

Hole Number	Total Depth	Azimuth	Dip	Easting	Northing	Elevation (m)
DDSA-22-52	489	10	-57	751495	2526170	2626
DDSA-22-53	400	67	-70	751663	2526202	2603

DDSA-22-54	441	36	-65	751666	2526199	2602
DDSA-22-55	342	52	-45	752839	2525326	2590
DDSA-22-58	365	54	-43	752702	2525481	2607

Table 2 – Drill collar details. All coordinates in WGS84 UTM Zone 13N.

Next Steps

1. Drilling program at Veta Grande with planned start date in November. Follow-up drilling will be focused on expanding the resource footprint at Veta Grande by building on the success of the past drill campaigns. Additional follow-up targets include:
 - Newly-discovered deep historic workings east of the previously known limit of mining.
 - Footwall vein north of the main Veta Grande Structure.
 - Recently-identified cross structures and vein splays with the potential to host significant mineralization.
 - Metallurgical drilling for planned resource estimate.
2. Continued regional exploration to design a follow-up drill program at Lucita.
3. Confirmation drill program to determine cut-off date for resource estimate preparation.

Discussion of QAQC and Analytical Procedure

Samples were selected based on the lithology, alteration, and mineralization characteristics; sample size ranges from 0.25 – 2m in width. All altered and mineralized intervals were sent for assay. One blank, one standard, and one duplicate were included within every 20 samples. Standard materials are certified reference materials [CRMs] from OREAS and contain a range of Ag, Au, Cu, Pb, and Zn values. Blanks, standards, and duplicates did not detect any issues with the analytical results.

Samples were analyzed by ALS Chemex Laboratories. Sample preparation was performed at the Zacatecas, Mexico, prep facility, and analyses were performed at the Vancouver, Canada, analytical facility. All elements except Au and Hg were analyzed by a multi-element geochemistry method utilizing a four-acid digestion followed by ICP-MS detection [ME-MS61m]; mercury was analyzed after a separate aqua regia digest by ICP-MS. Overlimit assays for Ag, Pb, and Zn were conducted using the OG62 method (multi-acid digest with ICP-AES/AAS finish). Gold was measured by fire-assay with an ICP-AES finish [50g sample, Au-ICP22].

'San Acacio History

Zacatecas State continues to be the top producer of silver in Mexico and is one of the reasons Mexico remains the world's largest silver-producing region. The Zacatecas-Fresnillo Silver Belt is one of the most prolific silver producing areas in the world. Production at the San Acacio mine dates to at least 1548 when Spanish colonialists mined mainly bonanza oxide ores, typically grading in excess of 1kg/tonne Silver. The various veins were mined intermittently until the mid-1800s when an English company drove the ~2km Purisima tunnel to allow for deeper underground access and drainage. From the late 1800s until the Mexican Revolution in 1920, mining consisted of intermittent production from bonanza grade ores. During the Mexican Revolution, heavy fighting in the Zacatecas region led to the halt of most mining endeavors. In the mid 1920's, a cyanide plant targeting silica rich ores and a floatation plant for complex Pb-Zn ores were built with varying success until the transition from oxide to sulphide rich ores made for recovery complexities. In the mid 1930s the first tonnage estimate was created on the property, although the project sat mostly idle save for some stope and adit rehabilitation at Purisima and Refugio. Production was largely dormant except for some small processing done by CIA Fresnillo in the late 1930s to early 1940s. In the mid- 1990s Silver Standard Resources Inc. began a systematic exploration and evaluation program targeting an open pit silver mine consisting of backfill, remaining stopes and silica-rich hanging wall and footwall mineralization of the Veta Grande structure. This entry by a publicly-listed company kicked off nearly 3 decades of exploration, development, and bulk-scale processing.

Defiance Silver has been exploring the project since 2011 and has focused primarily on identifying mineral resources. Drilling by previous operators as well as Defiance Silver from 2009 to early 2017 confirmed the presence of significant mineralizing events that provide evidence for a long-lived mineralizing system. Drilling in late 2017 and early 2019 outlined complexities in the structural geology of the area and identified significant “down dropped” and rotated structural blocks as the company tested the Veta Grande at similar elevations where it was encountered by earlier mining and drilling.

Shares for Debt

Defiance also reports that it intends to settle \$70,975 of debt through the issuance of up to 366,538 common shares of the Company (the “Shares”).

About Defiance Silver Corp.

Defiance Silver Corp. (DEF | TSX Venture Exchange; DNCVF | OTCQX; D4E | Frankfurt) is an exploration company advancing the district-scale San Acacio Deposit, located in the historic Zacatecas Silver District and the Tepal Gold/Copper Project in Michoacán state, Mexico. Defiance is managed by a team of proven mine developers with a track record of exploring, advancing and developing several operating mines and advanced resource projects. Defiance’s corporate mandate is to expand the San Acacio and Tepal projects to become premier Mexican silver and gold deposits.

Mr. George Cavey, P.Geo, V.P Exploration for Defiance Silver is a Qualified Person within the meaning of National Instrument 43-101 and has approved the technical information concerning the Company’s material mineral properties contained in this press release.

On behalf of Defiance Silver Corp.

“Chris Wright”

Chairman of the Board

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