



Guanajuato Silver Drills 4.89 Metres True Width of 359 g/t AgEq at San Ignacio

~ Results Deepen Previous Hi-Grade Drill Intercepts ~

May 18, 2023 – Vancouver, British Columbia – Guanajuato Silver Company Ltd. (the “Company” or “GSilver”) (TSXV:GSVR)(AQUIS:GSVR)(OTCQX:GSVRF) is pleased to provide recent drill results from the Company’s wholly owned San Ignacio mine (“San Ignacio”) in Guanajuato, Mexico and the Topia mine (“Topia”) in Durango, Mexico.

San Ignacio

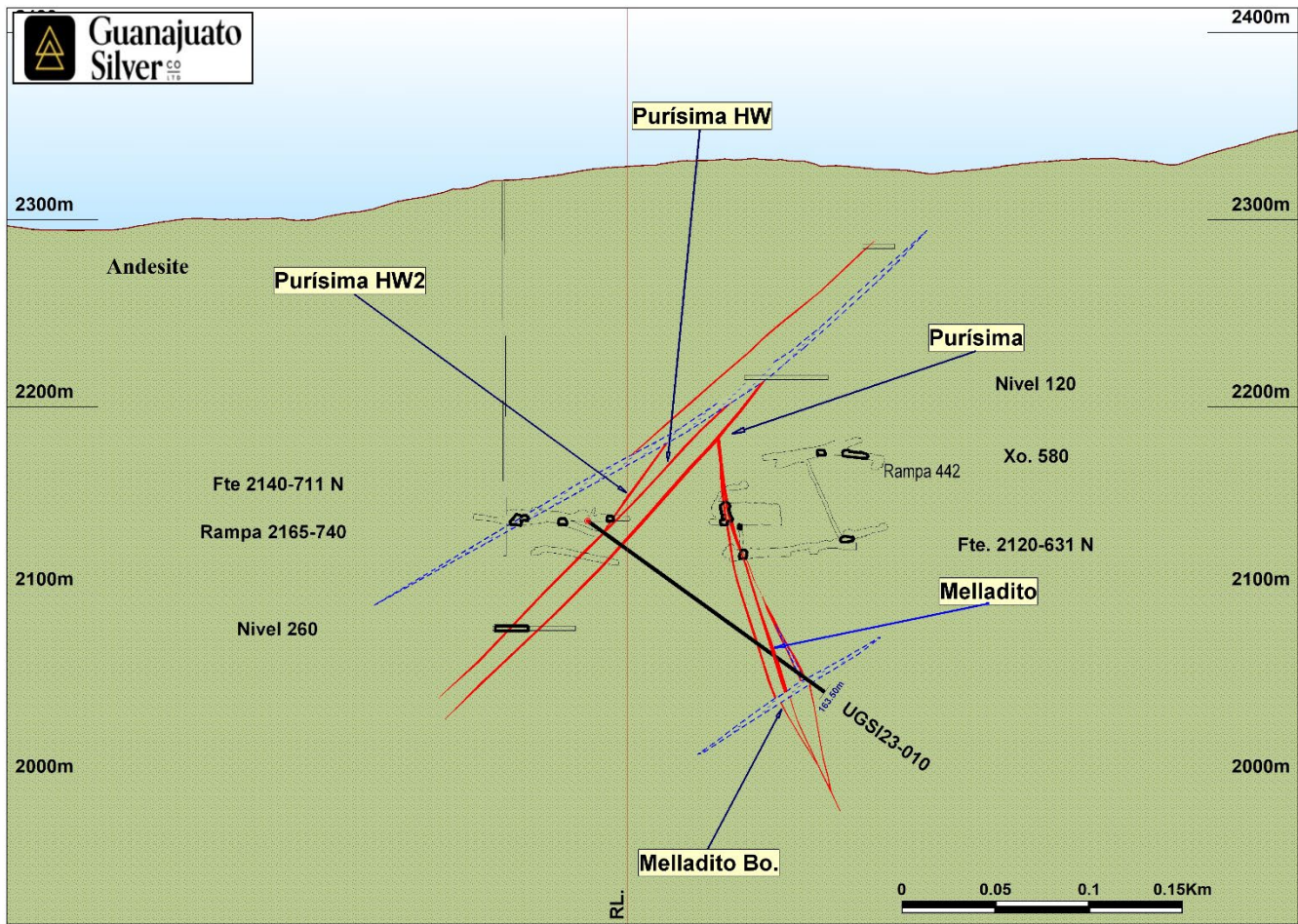
The 2023 exploration program is focused on extending mineralization from what have historically been the most productive vein systems at San Ignacio, namely the Melladito, Purisima and the Nombre de Dios veins; current production from San Ignacio comes primarily from the Melladito and the Nombre de Dios vein systems. Year to date, fourteen underground drillholes have been completed for a total of 2,202 metres; new drill results are posted below, including a cross section for drill hole UGSI23-010.

James Anderson, Chairman and CEO said, “San Ignacio is a key and growing component of Valenciana Mines Complex production. Unlike the other mines within our portfolio, San Ignacio is a relatively new mine, having opened in 2012. With the average lifespan of a mine within the Guanajuato Mining District measured in centuries, we see tremendous potential for San Ignacio as demonstrated with the current round of high-grade drill results; the best intercept of this campaign has been drill hole UGSI23-010, which has cut four formal structures of the Melladito and Purisima veins and returned a 4.89 metre wide mineralized intercept of the Melladito vein grading 359 g/t AgEq. This hole confirms the continuity of the mineralization at depth within the Melladito vein [\(as described in our news release of February 23, 2023\)](#), which intercepted 4.92 metres true width of over 1.2 kilograms of silver-equivalent from drillhole UGSI-006. These results also confirm the extension of the Purisima vein to the south.”

HOLE ID	VEIN	From (m)	To (m)	Width (m)	True Width (m)	Au (g/t)	Ag (g/t)	AgEq (g/t)
UGSI23-008	HW Purisima	1.00	3.70	2.70	1.90	1.95	501	657
	Including	1.00	2.00	1.00	0.70	3.42	744	1018
	Purisima	16.55	16.90	0.35	0.22	2.01	2	163
	Melladito	151.55	152.00	0.45	0.35	0.23	94	113
UGSI23-009	HW Purisima	0.00	3.00	3.00	1.93	1.26	415	516
	Including	1.85	2.20	0.35	0.22	4.14	2020	2351
	Melladito (branch)	123.35	124.30	0.95	0.77	0.25	113	133
	Including	123.80	124.30	0.50	0.40	0.46	215	252
UGSI23-010	HW Purisima	4.35	5.25	0.90	0.45	1.78	557	699
	Purisima	17.80	21.30	3.50	2.14	1.68	8	142
	Including	20.30	21.30	1.00	0.64	2.57	9	215
	Melladito Bo	109.80	113.20	3.40	1.74	1.72	122	260
	Including	111.80	113.20	1.40	0.60	2.94	151	386
	Melladito	124.00	131.90	7.90	4.89	0.32	334	359
	Including	128.55	129.30	0.75	0.37	1.25	1947	2047
UGSI23-011	Including	131.00	131.90	0.90	0.52	0.44	383	418
	HW Purisima	0.00	3.40	3.40	2.22	0.78	112	175
	Including	3.90	4.15	0.25	0.24	1.00	254	334
	HW2 Purisima	6.00	6.55	0.55	0.48	3.26	260	520
	Purisima	26.25	27.90	1.65	1.06	1.11	1	89
UGSI23-012	Including	27.35	27.90	0.55	0.35	1.79	0	143
	Purisima	60.00	61.10	1.10	0.55	0.32	85	111
	HW Purisima	70.90	72.95	2.05	1.50	0.06	89	94
	Including	70.90	71.60	0.70	0.40	0.09	221	228
UGSI23-013	HW2 Purisima	115.65	116.30	0.65	0.50	0.48	60	98
	Melladito	70.50	72.15	1.65	0.95	1.33	14	120
UGSI23-013	Including	70.00	70.50	0.50	0.32	1.77	9	150
	UGSI23-014	No Significant Results						
UGSI23-015	NDD3	106.55	108.65	2.1	0.89	Results Pending		

Note: All silver equivalent (AgEq) values are calculated based on a long-term gold to silver price ratio of 80:1. Abbreviations used in this news release include the following: g/t: grams per tonne; Au: gold; Ag: silver; m: metre, AgEq: silver equivalent.

Cross Section UGSI23-010



Topia

The Company is also providing 2023 drill results for the Topia mine from the La Prieta, Dos Amigos and Union del Pueblo veins. The best result was UT23-463 which returned over a half metre of 2674 AgEq from the Prieta vein. Drilling here continues to provide narrow and extraordinarily high grades in many areas of the deposit.

HOLE ID	VEIN	FROM	TO	WIDTH	TRUE WIDTH	Au	Ag	Pb	Zn	AgEq (g/t)
		(m)	(m)	(m)	(m)	(g/t)	(g/t)	%	%	
UT23-458	Prieta	39.26	39.83	0.57	0.45	4.39	660	3.20	8.48	1435
	and	42.30	42.46	0.16	0.10	13.89	152	1.00	5.57	1551
UT23-459	Dos Amigos	46.80	47.40	0.60	0.42	2.02	938	24.57	9.80	2150
UT23-460	Prieta	62.30	63.00	0.70	0.45	8.16	113	2.08	1.86	923
UT23-461	Dos Amigos	44.66	44.86	0.20	0.10	3.53	905	1.07	7.83	1525
UT23-462	Dos Amigos	87.65	89.10	1.45	1.00	1.19	65	0.58	2.02	264
UT23-463	Prieta	57.70	58.40	0.70	0.60	6.55	1424	4.83	13.77	2674
UT23-464	Rosario	60.75	62.15	1.40	1.05	0.00	26	0.18	0.41	48
UT23-465	U.D. Pueblo	33.55	33.70	0.15	0.15	0.00	731	4.00	0.24	851

All silver equivalent (AgEq) values are calculated based on a long-term gold to silver price ratio of 80:1.

Sampling and quality assurance/quality control

Drill core was first reviewed by a Company geologist, who identified and marked intervals for sampling. The marked sample intervals were then cut in half with a diamond saw; half of the core was left in the core box and the other half was removed, placed in plastic bags, sealed and labeled. Intervals and unique sample numbers are recorded on the drill logs and the samples are sequenced with standards and blanks inserted according to a predefined QA/QC procedure. The samples are maintained under security on site until they are shipped to the analytical lab. The analytical work reported on herein was performed by Corporacion Quimica Platinum S.A de C.V., Silao, Guanajuato, Mexico. To validate our assay results and our preparation procedures, GSilver sends additional random samples representing approximately 20% of all analytical samples to Bureau Veritas in Hermosillo, Sonora, Mexico. Bureau Veritas is an ISO/IEC (International Organization for Standardization/International Electrotechnical Commission) geo-analytical laboratory and is independent of GSilver and its "qualified person". In order to further validate our assay results and our preparation procedures GSilver sent additional random samples representing approximately 10% of all analytical samples to SGS Mexico, S.A de C.V, Durango, Mexico. SGS is also an ISO/IEC geo-analytical laboratory and is independent of GSilver and its "qualified person". Core samples were subject to crushing at a minimum of 70 per cent passing two millimeters, followed by pulverizing of a 250-gram split to 85 per cent passing 75 microns. Gold determination was via standard atomic absorption (AA) finish 30-gram fire assay (FA) analysis, in addition to silver and 34-element using fire assay and gravimetry termination. Following industry-standard procedures, blank and standard samples were inserted into the sample sequence and sent to the laboratory for analysis. Data verification of the analytical results included a statistical analysis of the standards and blanks that must pass certain parameters for acceptance to ensure accurate and verifiable results. GSilver detected no significant QA/QC issues during review of the data and is not aware of any sampling, recovery or other factors that could materially affect the accuracy or reliability of the drilling data referred to herein.

About Guanajuato Silver

GSilver is a precious metals producer engaged in reactivating past producing silver and gold mines in central Mexico. The Company produces silver and gold concentrates from the El Cubo Mine, Valenciana Mines Complex, and the San Ignacio mine; all three mines are located within the state of Guanajuato, which has an established 480-year mining history. Additionally, the Company produces silver, gold, lead, and zinc concentrates from the Topia mine in northwestern Durango. With four operating mines and three processing facilities, Guanajuato Silver is one of the fastest growing silver producers in Mexico.

Technical Information

Reynaldo Rivera, VP of Exploration of GSilver, has approved the scientific and technical information contained in this news release. Mr. Rivera is a member of the Australasian Institute of Mining and Metallurgy (AusIMM - Registration Number 220979) and a "qualified person" as defined by National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

ON BEHALF OF THE BOARD OF DIRECTORS

"James Anderson"

Chairman and CEO

For further information regarding Guanajuato Silver Company Ltd., please contact:

JJ Jennex, Gerente de Comunicaciones, T: 604 723 1433

E: jjj@GSilver.com

Gsilver.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains certain forward-looking statements and information, which relate to future events or future performance including, but not limited to, the anticipated impact of San Ignacio as a key and growing component of Valenciana Mines Complex production, its relative age and potential mine life, the projected continuity of mineralization at depth within the Melladito vein system and extension of the Purisima vein to the south, the existence of extraordinarily high grades of silver, gold and other metals in many areas at Topia including the Prieta vein, the Company's current and projected mined output from San Ignacio and Topia for 2023 and the Company's status as one of the fastest growing silver producers in Mexico, the ability of the Company to continue to increase production, tonnage and recoveries of mineralized material at San Ignacio, Valenciana, El Cubo and Topia in accordance with its objectives and timetable including increasing silver and gold grades, improving metallurgical recovery rates, increasing revenues, and reducing production costs (including AISC) consistent with the Company's expectations and production model, the Company's future development and production activities; estimates of mineral resources and mineralized material at the Company's mining projects and the accessibility, attractiveness, mineral content and metallurgical characteristics thereof; the opportunities for future exploration, development and production at the Company's mines including the Melladito, Nombre de Dios and Purisima veins at San Ignacio and the La Prieta, Dos Amigos and Union del Pueblo veins at Topia and the proposed exploration, development and production programs therefor and the timing and costs thereof; and the success related to any future exploration, development and/or production programs.

Such forward-looking statements and information reflect management's current beliefs and are based on information currently available to and assumptions made by the Company; which assumptions, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: the potential quantity, grade and metal content of the mineralized material at the Melladito, Nombre de Dios and Purisima veins at San Ignacio and the La Prieta, Dos Amigos and Union del Pueblo veins at Topia, the geotechnical and metallurgical characteristics of such material conforming to sampled results and metallurgical performance; available tonnage of mineralized material to be mined and processed; resource grades and recoveries; assumptions and discount rates being appropriately applied to production estimates; prices for silver, gold and other metals remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects and to satisfy current liabilities and obligations including debt repayments; capital, decommissioning and reclamation estimates; prices for energy inputs, labour, materials, supplies and services (including transportation) and inflation rates remaining as estimated; no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

Readers are cautioned that such forward-looking statements and information are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results, level of activity, production levels, performance or achievements of GSilver to differ materially from those expected including, but not limited to, market conditions, availability of financing, currency rate fluctuations, rising inflation and interest rates, geopolitical conflicts including wars, actual results of exploration, development and production activities, actual resource grades and recoveries of silver, gold and other metals from the Company's existing mines including San Ignacio and Topia, availability of third party mineralized material for processing, unanticipated geological or structural formations and characteristics, environmental risks, future prices of gold, silver and other metals, operating risks, accidents, labor issues, equipment or personnel delays, delays in obtaining governmental or regulatory approvals and permits, inadequate insurance, and other risks in the mining industry. There are no assurances that GSilver will be able to continue to increase production, tonnage milled and recoveries rates, improve grades and reduce costs at San Ignacio, Topia, Valenciana Mines Complex and El Cubo to process mineralized materials to produce silver, gold and other concentrates in the amounts, grades, recoveries, costs and timetable anticipated. In addition, GSilver's decision to process mineralized material from San Ignacio including the Melladito, Nombre de Dios and Purisima vein systems, Topia including the La Prieta, Dos Amigos and Union del Pueblo veins, Valenciana Mines Complex and El Cubo is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and therefore is subject to increased uncertainty and risk of failure, both economically and technically. Mineral resources and mineralized material that are not Mineral Reserves do not have demonstrated economic viability, are considered too speculative geologically to have the economic considerations applied to them, and may be materially affected by environmental, permitting, legal, title, socio-political, marketing, and other relevant issues. There are no assurances that the Company's projected grades of gold and silver at the Melladito, Nombre de Dios and Purisima veins at San Ignacio, the La Prieta, Dos Amigos and Union del Pueblo veins at Topia, the Valenciana Mines Complex, and El Cubo and the anticipated level of production therefrom will be realized. In addition, there are no assurances that the

Company will meet its production forecasts or generate the anticipated cash flows from operations to satisfy its scheduled debt payments or other liabilities when due or meet financial covenants to which the Company is subject or to fund its exploration programs and corporate initiatives as planned. There is also uncertainty about the continued spread and severity of COVID-19, the ongoing war in Ukraine and rising inflation and interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, contractors and other personnel on a timely basis or at all and economic activity in general. Accordingly, readers should not place undue reliance on forward-looking statements or information. All forward-looking statements and information made in this news release are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at www.sedar.com including the Company's annual information form for the fiscal year ended December 31, 2021. These forward-looking statements and information are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required by law.