



Sierra Metals Places Cusi Mine on Care and Maintenance and Initiates Sale Process

Toronto, ON – September 20, 2023 – Sierra Metals Inc. (TSX: SMT; OTC: SMTSF) (“**Sierra Metals**” or the “**Company**”) announced today that it has placed the Cusi silver mine in Mexico on care and maintenance and initiated a process to sell the mine.

Ernesto Balarezo Valdez, Sierra Metals’ CEO, stated, “Earlier this year, the Company deemed the Cusi silver mine a non-core asset and given current market conditions has made the difficult decision to put the mine on care and maintenance. In efforts to crystalize value for shareholders we have a process underway to sell Cusi. Sierra is transitioning to become a copper-focused mining company, and the planned divestiture of Cusi will allow us to focus on our two key mines, Yauricocha in Peru and Bolivar in Mexico, where we have significant potential to continue growing our copper production.”

SCP Resource Finance is acting as financial advisor for the Cusi mine sale process. There can be no assurance that this process will result in the sale of the Cusi mine. The Company will provide further updates at such time the Board deems it necessary or appropriate.

About Cusi

The Cusi Mine is located in Chihuahua State, Mexico, approximately 135 kilometres from Chihuahua City. The Property encompasses 73 concessions covering 11,665 hectares over a range of elevation of 2,000 to 2,500 meters above sea level in the Sierra Madre Occidental Mountain Range. Cusi has the capacity to produce 1,200 tonnes per day and its processing plant includes a conventional ball mill and flotation plants fed from a crushing circuit. The flotation circuit has the ability to produce silver, lead and zinc concentrates.

Exploration at Cusi was focused on the Cusi Fault and the Santa Rosa de Lima vein complex. The Cusi Fault extends on the Company’s property for a length of 12 kilometers. The Cusi Mine lies within the Sierra Madre Occidental Mountain Range. Additionally, there are numerous satellite exploration targets which are the subject of drilling and exploration drifts. More on Cusi can be found [HERE](#).

All permits for the Cusi mine and surrounding exploration properties are in good standing.

About Sierra Metals

Sierra Metals is a Canadian mining company focused on copper production with additional base and precious metals by-product credits at its Yauricocha Mine in Peru and Bolivar Mine in Mexico. The Company is intent on safely increasing production volume and growing mineral resources. Sierra Metals has recently had several new key discoveries and still has many more exciting brownfield exploration opportunities in Peru



and Mexico that are within close proximity to the existing mines. Additionally, the Company has large land packages at each of its mines with several prospective regional targets providing longer-term exploration upside and mineral resource growth potential.

For further information regarding Sierra Metals, please visit www.sierrametals.com or contact:

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Forward Looking Statements

This news release contains forward-looking information within the meaning of Canadian securities legislation. Forward-looking information relates to future events or the anticipated performance of Sierra Metals and reflects management's expectations or beliefs regarding such future events and anticipated performance based on an assumed set of economic conditions and courses of action including the accuracy of the Company's current mineral resource estimates, that the Company's activities will be conducted in accordance with the Company's public statements and stated goals, and that there will be no material adverse change affecting the Company, its properties or its production estimates, the expected trends in mineral prices, inflation and currency exchange rates, that all required approvals will be obtained for the Company's business operations on acceptable terms, and that there will be no significant disruptions affecting the Company's operations. In certain cases, statements that contain forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative of these words or comparable terminology. Forward-looking statements include statements with respect to the sale of Cusi and the Company transitioning to a copper-focused mining company. By its very nature forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual performance of Sierra Metals to be materially different from any anticipated performance expressed or implied by such forward-looking information.

Forward-looking information is subject to a variety of risks and uncertainties, which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the risks described under the heading "Risk Factors" in the Company's annual information form dated March 28, 2023 for its fiscal year ended December 31, 2022 and other risks identified in the Company's filings with Canadian securities regulators, which filings are available at www.sedarplus.ca.

The risk factors referred to above are not an exhaustive list of the factors that may affect any of the Company's forward-looking information. Forward-looking information includes



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statements about the future and is inherently uncertain, and the Company's actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors. The Company's statements containing forward-looking information are based on the beliefs, expectations, and opinions of management on the date the statements are made, and the Company does not assume any obligation to update such forward-looking information if circumstances or management's beliefs, expectations or opinions should change, other than as required by applicable law. For the reasons set forth above, one should not place undue reliance on forward-looking information.