Guanajuato Silver Reports Year End 2023 Financial Results

April 8, 2024 – Vancouver, British Columbia – Guanajuato Silver Company Ltd. (the "**Company**" or "**GSilver**") (**TSXV:GSVR)(AQUIS:GSVR)(OTCQX:GSVRF**) is pleased to announce selected financial information and consolidated production results for the year ended December 31, 2023. The Company's consolidated financial statements for the year ended December 31, 2023 and Management's Discussion and Analysis ("MD&A") thereon can be viewed under the Company's profile at www.sedarplus.com. All dollar amounts are in US dollars (US$) and prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board. Production results are from the Company's wholly owned El Cubo Mines Complex ("**El Cubo**"), Valenciana Mines Complex (**VMC**), and San Ignacio Mine ("**San Ignacio**") located in Guanajuato, Mexico, and the Topia Mine ("**Topia**") located in Durango, Mexico.

Selected 2023 Highlights:

- **Record production for 2023** of 3.5 million silver-equivalent ounces ("**AgEq**") representing a 64% increase over 2022; total AgEq ounces are derived from 1,756,911 ounces of silver, 16,987 ounces of gold, 3,555,466 pounds of lead and 3,868,262 pounds of zinc. (See note to table below for assumptions regarding the Company's AgEq calculations).
- **Silver production** of over 1.7 million ounces is a 74% increase over 2022; Guanajuato Silver is a primary silver producer; approximately 52% of revenues were derived from silver production in 2023, and approximately 40% of revenue came from gold.
- **Record lead and zinc production** of 3.5M pounds and 3.8M pounds respectively; zinc production demonstrated a 100% increase over 2022, while lead production was 164% higher over the same period. All lead and zinc production comes exclusively from the Company's Topia mine located in northwest Durango.
- **2023 saw average silver recoveries** of 84.5% and average gold recoveries of 88.8%.
- **Total tonnes mined was up 46%** over 2022, reflecting the continued ramp-up of production at all four producing silver mines; total tonnes milled was up 42% over same period.
- **Record revenue for 2023 of $66.1M** representing a 79% increase over 2022; consolidated revenue for the year was generated by a realized average price of $23.41 per silver ounce, $1,947 per gold ounce, $0.97 per pound of lead, and $1.22 per pound of zinc.

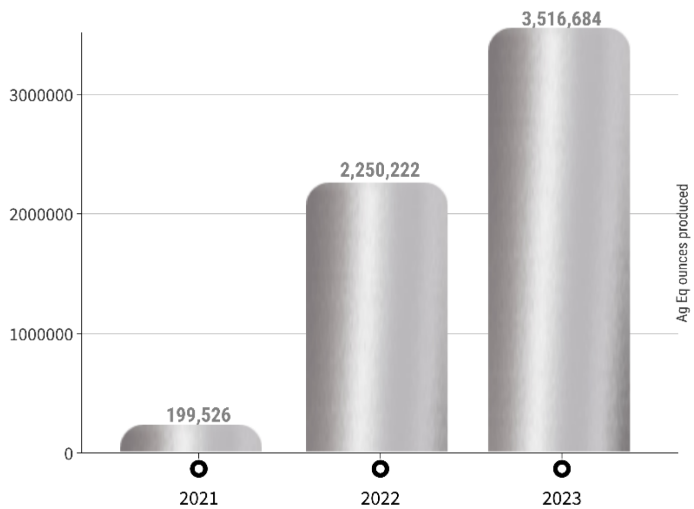
James Anderson, Chairman and CEO said, "We have successfully navigated through a particularly challenging year for the junior mining industry; we emerge from this period with vastly improved assets in terms of production efficiency, scale, and economics. All four of our producing silver mines were the beneficiaries of major capex investments in 2022; these adjustments and upgrades are already positively impacting performance as we continue to build Guanajuato Silver into a mid-tier precious metals producer."

Selected 2023 Financial Highlights:

- **Cash costs** of $18.22 per AgEq ounce, and AISC(5) of $22.91 per AgEq ounce reflected higher capital expenditures during the year as the Company made significant investments designed to improve efficiencies across all operations. (See note to table below for assumptions regarding the Company's AgEq calculations).

- **Over 45% of the 2023 net loss of $31.9M is comprised of non-cash items[(8)].**
- **As of December 31, 2023, the Company had cash and cash equivalents of $1,956,616** and negative working capital[(5)] of $18,441,913 compared with cash of $8,832,936 and negative working capital[(5)] of $5,972,704 as of December 31, 2021.

Consolidated Annual Production



Please refer to footnote 1 under the table below for the assumptions on the AqEq calculations.

The following table summarizes the Company's consolidated operating and financial results for the years ended December 31, 2023 and 2022:

Consolidated	Year ended December 31 2023	December 31 2022	% Change
Operating			
Tonnes mined	600,352	410,305	46%
Tonnes milled	593,798	418,849	42%
Silver ounces produced	1,756,911	1,011,877	74%
Gold ounces produced	16,967	11,174	52%
Lead produced (lbs)	3,555,466	1,349,100	164%
Zinc produced (lbs)	3,868,262	1,938,681	100%
Silver equivalent ("Ag/Eq") ounces produced(1)	3,516,684	2,150,222	64%
Silver ounces sold	1,761,832	1,011,259	74%
Gold ounces sold	17,061	11,064	54%
Lead sold (lbs)	3,580,029	1,350,688	165%
Zinc sold (lbs)	3,831,509	1,874,138	104%
Ag/Eq ounces sold(1)	3,524,389	2,132,404	65%
Cost per tonne ($)(5)	106.27	80.86	31%
Cash cost per Ag/Eq ounce ($) (1)(2)(5)	18.22	15.84	15%
AISC per Ag/Eq ounce ($) (1)(3)(5)	22.91	21.55	6%
Financial	**$**	**$**	
Revenue	66,167,081	36,880,204	79%
Cost of Sales	77,966,369	43,763,193	78%
Mine operating loss	(11,799,288)	(6,882,989)	71%
Mine operating cashflow before taxes(7)	(156,654)	2,037,914	(108%)
Net loss	(31,943,447)	(26,771,585)	19%
EBITDA(4)(5)	(14,232,397)	(13,825,789)	3%
Adjusted EBITDA(4)(5)	(10,883,541)	(9,192,344)	18%
Realized silver price per ounce(6)	23.41	21.23	10%
Realized gold price per ounce(6)	1,947.59	1,783.36	9%
Realized lead price per pound(6)	0.97	0.92	5%
Realized zinc price per pound(6)	1.22	1.42	(14%)
Working capital(5)	(18,441,013)	(5,972,704)	209%
Shareholders			
Loss per share – basic and diluted	(0.10)	(0.10)	0%
Weighted Average Shares Outstanding	335,853,982	256,318,795	31%

1. Silver equivalents set out in this news release are calculated using 82.91:1 (Ag/Au), 0.04:1 (Ag/Pb) and 0.05:1 (Ag/Zn) ratio for YTD 2023 and an 83.22:1 (Ag/Au), 0.05:1 (Ag/Pb) and 0.07:1 (Ag/Zn) ratio for YTD 2022, respectively. Silver equivalents for 2021 are calculated using 80:1 (Ag/Au) for Q4 2021.
2. Cash cost per silver equivalent ounce include mining, processing, and direct overhead.
3. AISC per Ag/Eq oz include mining, processing, direct overhead, corporate general and administration expenses, on-site exploration, reclamation, and sustaining capital.
4. See Reconciliation of earnings before interest, taxes, depreciation, and amortization on page 29 of the MD&A and below in this news release.

5. Mine Operating Cashflow Before Taxes, Cash cost per silver equivalent, cost per tonne, AISC per Ag/Eq ounce, EBITDA, Adjusted EBITDA and working capital are non-IFRS financial measure with no standardized meaning under IFRS, and therefore they may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations of non-IFRS financial measures to the most directly comparable IFRS measures see "Non-IFRS Financial Measures" below in this news release.
6. Based on provisional sales before final price adjustments, before payable metal deductions, treatment, and refining charges.
7. Mine operating cash flow before taxes is calculated by adding back depreciation, depletion, and inventory write-downs to mine operating loss.
8. Non-cash items include depreciation, stock-based compensation, loss or gain on derivatives, change of fair value on contingent payments and unrealized FX.

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 Fellow 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.* Mr. Rivera has verified the data that supports the technical information disclosed in this press release by reviewing production reports from each of the Company's mining operations.

ON BEHALF OF THE BOARD OF DIRECTORS
"James Anderson"
Chairman and CEO

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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 improved assets in terms of production efficiency, scale, and economics; the positive impact of capex investments; the intention to build Guanajuato Silver into a mid-tier precious metals producer; and the Company's status as one of the fastest growing silver producers in Mexico.

Such forward-looking statements and information reflect management's current beliefs and expectations 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: our estimates of mineralized material at El Cubo, VMC, San Ignacio and Topia and the assumptions upon which they are based, including geotechnical and metallurgical characteristics of rock 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; the ability of the Company to ramp up processing of mineralized material at its processing plants at the projected rates and source sufficient high grade mineralized material to fill such processing capacity; 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 cost estimates; 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, future prices of gold, silver and other metals, currency rate fluctuations, rising inflation and interest rates, actual results of production, exploration and development activities, actual resource grades and recoveries of silver, gold and other metals, availability of third party mineralized material for processing, unanticipated geological or structural formations and characteristics, geopolitical conflicts including wars, environmental risks, 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 successfully discover and mine sufficient quantities of high grade mineralized material at El Cubo, VMC, San Ignacio and Topia for processing at its existing mills to increase production, tonnage milled and recoveries rates of gold, silver, and other metals in the amounts, grades, recoveries, costs and timetable anticipated. In addition, GSilver's decision to process mineralized material from El Cubo, VMC, San Ignacio, Topia and its other mines 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 production of silver, gold and other metals 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 impact of the resurgence of COVID-19, the ongoing war in Ukraine and Israel-Palestine conflict, inflation and rising interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, supplies, 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 most recently filed annual information form. 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.

NON-IFRS FINANCIAL MEASURES

The Company has disclosed certain non-IFRS financial measures and ratios in this news release as discussed below. These non-IFRS financial measures and non-IFRS ratios are widely reported in the mining industry as benchmarks for performance and are used by Management to monitor and evaluate the Company's operating performance and ability to generate cash. The Company believes that, in addition to financial measures and ratios prepared in accordance with IFRS, certain investors use these non-IFRS financial measures and ratios to evaluate the Company's performance. However, the measures do not have a standardized meaning under IFRS and may not be comparable to similar financial measures disclosed by other companies. Accordingly, non-IFRS financial measures and non-IFRS ratios should not be considered in isolation or as a substitute for measures and ratios of the Company's performance prepared in accordance with IFRS.

Non-IFRS financial measures are defined in National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure ("NI 52-122") as a financial measure disclosed that (a) depicts the historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) is not disclosed in the financial statements of the entity, and (d) is not a ration, fraction, percentage or similar representation.

A non-IFRS ratio is defined by NI 52-112 as a financial measure disclosed that (a) is in the form of a ratio, fraction, percentage, or similar representation, (b) has a non-IFRS financial measure as one or more of its components, and (c) is not disclosed in the financial statements.

WORKING CAPITAL

Working capital is a non-IFRS measure that is a common measure of liquidity but does not have any standardized meaning. The most directly comparable measure prepared in accordance with IFRS is current assets net of current liabilities. Working capital is calculated by deducting current liabilities from current assets. Working capital should not be considered in isolation or as a substitute from measures prepared in accordance with IFRS. The measure is intended to assist readers in evaluating the Company's liquidity.

As at	December 31, 2023	December 31, 2022
	$	$
Current assets	20,658,097	27,182,590
Current liabilities	39,099,110	33,155,294
Working capital	(18,441,013)	(5,972,704)

MINE OPERATING CASH FLOW BEFORE TAXES

Mine operating cash flow before taxes is a non-IFRS measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Mine operating cash flow is calculated as revenue minus production costs, transportation and selling costs and inventory changes. Mine operating cash flow is used by management to assess the performance of the mine operations, excluding corporate and exploration activities, and is provided to investors as a measure of the Company's operating performance.

	Three months ended					
	31-Dec 2023	30-Sep 2023	30-Jun 2023	31-Mar 2023	31-Dec 2022	30-Sep 2022
			$	$	$	$
Revenues	16,581,967	15,643,649	16,823,042	17,118,424	15,487,714	8,871,863
Production cost	(14,825,898)	(16,138,682)	(16,415,956)	(15,723,907)	(12,911,041)	(9,670,274)
Transportation and other support cost	(768,203)	(719,251)	(878,096)	(825,173)	(596,916)	(178,676)
Inventory changes	(149,798)	(361,927)	865,285	(382,130)	387,765	626,923
Mine operating cash flows before taxes	**838,068**	**(1,576,211)**	**394,275**	**187,214**	**2,367,522**	**(350,164)**

	For the period ended					
	31-Dec 2023	30-Sep 2023	30-Jun 2023	31-Mar 2023	31-Dec 2022	30-Sep 2022
			$	$	$	$
Revenues	66,167,081	49,585,115	33,941,466	17,118,424	36,880,204	21,392,490
Production cost	(63,104,443)	(48,278,545)	(32,139,863)	(15,723,907)	(33,868,210)	(20,957,169)
Transportation and other support cost	(3,190,722)	(2,422,519)	(1,703,268)	(825,173)	(1,011,081)	(414,164)
Inventory changes	(28,570)	121,228	483,155	(382,130)	37,001	(350,765)
Mine operating cash flows before taxes	**(156,654)**	**(994,721)**	**581,490**	**187,214**	**2,037,914**	**(329,608)**

EBITDA

EBITDA is a non-IFRS financial measure, which excludes the following from net earnings:

- Income tax expense;
- Finance costs;
- Amortization and depletion.

Adjusted EBITDA excludes the following additional items from EBITDA:

- Share based compensation;
- Non-recurring impairments (reversals);
- Loss (gain) on derivative;
- Significant other non-routine finance items.

Adjusted EBITDA per share is calculated by dividing Adjusted EBITDA by the basic weighted average number of shares outstanding for the period.

Management believes EBITDA is a valuable indicator of the Company's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures. Management uses EBITDA for this purpose. EBITDA is also frequently used by investors and analysts for valuation purposes whereby EBITDA is multiplied by a factor or "EBITDA multiple" based on an observed or inferred relationship between EBITDA and market values to determine the approximate total enterprise value of a Company. Management believes that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results because it is consistent with the indicators management uses internally to measure the Company's performance, and is an indicator of the performance of the Company's mining operations.

EBITDA is intended to provide additional information to investors and analysts. It does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of operating performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore is not necessarily indicative of operating profit or cash flow from operations as determined by IFRS. Other companies may calculate EBITDA and Adjusted EBITDA differently.

			Three months ended			
	December 31, 2023	September 30, 2023	June 30 2023	March 31, 2023	December 31, 2022	September 30, 2022
			$	$	$	$
Net loss per financial statements	(7,624,676)	(7,062,157)	(8,557,538)	(8,699,078)	(9,905,707)	(8,405,337)
Depreciation and depletion – cost of sales	2,771,418	2,748,795	2,784,515	3,337,906	2,515,349	2,991,577
Depreciation and depletion – general and administration	118,143	116,383	70,544	56,782	59,208	57,210
Interest and finance costs (income), net	1,154,485	1,167,308	1,126,420	1,210,414	1,452,284	1,045,309
Current income tax	1,021,369	-	-	-	(118,287)	118,287
EBITDA	**(2,559,261)**	**(3,029,672)**	**(4,576,059)**	**(4,093,976)**	**(5,997,153)**	**(4,192,955)**
Share based compensation	172,535	226,334	650,135	251,175	268,164	601,100
(Gain) loss on derivatives	492,081	(455,394)	(239,601)	(134,138)	1,677,253	(754,358)
ARO unrealized foreign exchange (gain) loss	772,846	(596,485)	1,098,944	1,182,666	629,811	73,358
Other finance items, net	20,529	191,707	-	450,619	115,212	80,150
Transaction cost associated with the acquisition of MMR	-	-	-	-	145,387	1,216,992
Union payment associated with acquisition of "EL Cubo Mines Complex"	-	-	(477,232)	-	-	488,634
Gain on change of fair value on gold contingent payments to Endeavour	-	-	-	-	(1,624)	(516,824)
Loss on change of fair value on silver contingent payments to MMR	-	-	-	-	269,478	-
Allowance on receivable amount from Great Panther	-	-	-	-	1,300,000	-
Other expenses	(112,119)	(64,671)	-	(118,287)	-	-
VAT write-off	113,809	116,008	133,885	162,144	93,412	318,975
Adjusted EBITDA	**(1,099,580)**	**(3,612,173)**	**(3,409,928)**	**(2,299,797)**	**(1,500,059)**	**(2,684,927)**

			For the period ended			
	December 31, 2023	September 30, 2023	June 30 2023	March 31, 2023	December 31, 2022	September 30, 2022
			$	$	$	$
Net loss per financial statements	(31,943,447)	(24,318,773)	(17,256,616)	(8,699,078)	(26,771,585)	(16,865,880)
Depreciation and depletion – cost of sales	11,642,634	8,871,216	6,122,421	3,337,906	8,920,902	6,405,553
Depreciation and depletion – general and administration	388,420	270,277	153,894	56,782	238,145	180,508
Interest and finance costs (income), net	4,658,627	3,504,142	2,336,834	1,210,414	3,786,748	2,334,464
Current income tax	1,021,369	-	-	-	-	118,287
Deferred income tax expense (recovery)	-	-	-	-	-	-
EBITDA	**(14,232,397)**	**(11,673,138)**	**(8,643,467)**	**(4,093,976)**	**(13,825,790)**	**(7,827,068)**
Share based compensation	1,300,179	1,127,644	901,310	251,175	1,511,071	1,242,907
(Gain) loss on derivatives	(337,052)	(829,133)	(373,739)	(134,138)	(54,567)	(1,731,820)
ARO unrealized foreign exchange (gain) loss	2,457,971	1,685,125	2,281,610	1,182,666	805,937	176,125
Other finance items:	185,623	165,094	-	450,619	(137,489)	(252,701)
Loss (gain) on Settlement of Debts	-	-	-			
Loss (gain) on marketable securities	-	-	-			
Other One Time items	-	-	-			
Transaction cost associated with the acquisition of MMR	-	-	461,622	-	1,362,379	1,216,992
Union payment associated with acquisition of "EL Cubo Mines Complex"	(488,634)	(488,634)	(488,235)	-	488,634	488,634
Gain on change of fair value on gold contingent payments to Endeavour	-	-	-	-	(518,448)	(516,824)
Loss on change of fair value on silver contingent payments to MMR	-	-	-	-	269,478	-
Allowance on receivable amount from Great Panther	-	-		-	1,300,000	-
Account receivable write-off on lead and zinc concentrate						
Other expenses	(295,077)	(182,958)	(118,287)	(118,287)		
VAT write-off	525,846	412,037	296,029	162,144	412,387	-
Adjusted EBITDA	**(10,883,541)**	**(9,783,963)**	**(5,683,156)**	**(2,299,797)**	**(8,386,408)**	**(7,203,755)**

Cash Cost per Ag/Eq Ounce, All-In Sustaining Cost per Ag/Eq Ounce and Production Cost per Tonne

Cash costs per silver equivalent oz and production costs per tonne are measures developed by precious metals companies in an effort to provide a comparable standard; however, there can be no assurance that the Company's reporting of these non-IFRS measures and ratios are similar to those reported by other mining companies. Cash costs per silver equivalent ounce and total production cost per tonne are non-IFRS performance measures used by the Company to manage and evaluate operating performance at its operating mining unit, in conjunction with the related IFRS amounts. They are widely reported in the silver mining industry as a benchmark for performance, but do not have a standardized meaning and are disclosed in addition to IFRS measures. Production costs include mining, milling, and direct overhead at the operation sites**.** Cash costs include all direct costs plus royalties and special mining duty. Total production costs include all cash costs plus amortization and depletion, changes in amortization and depletion in finished goods inventory and site share-based compensation. Cash costs per silver equivalent ounce is calculated by dividing cash costs and total production costs by the payable silver ounces produced. Production costs per tonne are calculated by dividing production costs by the number of processed tonnes. The following tables provide a detailed reconciliation of these measures to the Company's direct production costs, as reported in its consolidated financial statements.

All-in Sustaining Costs ("AISC") is a non-IFRS performance measure and was calculated based on guidance provided by the World Gold Council ("WGC"). WGC is not a regulatory industry organization and does not have the authority to develop accounting standards for disclosure requirements. Other mining companies may calculate AISC differently as a result of differences in underlying accounting principles and policies applied, as well as differences in definitions of sustaining capital expenditures. AISC is a more comprehensive measure than cash cost per ounce and is useful for investors and management to assess the Company's operating performance by providing greater visibility, comparability and representation of the total costs associated with producing silver from its current operations, in conjunction with related IFRS amounts. AISC helps investors to assess costs against peers in the industry and help management assess the performance of its mine.

AISC includes total production costs (IFRS measure) incurred at the Company's mining operation, which forms the basis of the Company's total cash costs. Additionally, the Company includes sustaining capital expenditures, corporate general and administrative expense, operating lease payments and reclamation cost accretion. The Company believes this measure represents the total sustainable costs of producing silver and gold concentrate from current operations and provides additional information of the Company's operational performance and ability to generate cash flows. As the measure seeks to reflect the full cost of silver and gold concentrate production from current operations, new projects capital at current operation is not included. Certain other cash expenditures, including share-based payments, tax payments, dividends and financing costs are also not included.

The following tables provide detailed reconciliations of these measures to cost of sales, as reported in notes to the Company's consolidated financial statements.

		Three months ended December 31, 2023				Three months ended December 31, 2022				
		El Cubo	**VMC**	**Topia**	**Consolidated**	**El Cubo**	**VMC**	**Topia**	**Consolidated**	**Change**
Cost of sales		**7,335,371**	**5,588,370**	**5,587,591**	**18,511,332**	**9,554,657**	**403,990**	**5,676,895**	**15,635,542**	**18%**
Transportation and selling cost		(227,833)	(72,611)	(463,773)	(764,217)	(211,806)	-	(385,111)	(596,917)	28%
Inventory changes		346,711	(97,954)	(398,555)	(149,798)	311,878	-	75,889	387,767	(139%)
Depreciation		(1,402,365)	(1,044,312)	(324,744)	(2,771,421)	(2,282,032)	-	(233,317)	(2,515,350)	10%
Production cost	A	**6,051,884**	**4,373,494**	**4,400,519**	**14,825,896**	**7,372,697**	**403,990**	**5,134,356**	**12,911,042**	**15%**
Add (subtract):										
Government royalties and mining taxes		53,308	17,790	121,533	192,631	51,277	14,287	31,938	97,502	98%
Total cash cost	B	**6,105,192**	**4,391,284**	**4,522,052**	**15,018,528**	**7,423,974**	**418,277**	**5,166,294**	**13,008,544**	**15%**
General and administrative - corporate					2,005,941	-			2,303,435	(13%)
Operating lease payments		377,176	134,159	111,342	622,678	560,494	-	71,939	632,433	(2%)
Sustaining capital expenditures		196,552	359,913	91,528	647,992	1,143,303	-	308,724	1,452,027	(55%)
Total All-in sustaining cash cost	C	**6,678,920**	**4,885,356**	**4,724,922**	**18,295,139**	**9,127,771**	**418,277**	**5,546,957**	**17,396,439**	**5%**
Tonnes milled	D	71,233	55,219	10,886	137,339	108,897	3,928	18,516	131,341	5%
Silver equivalent ounces produced	E	285,575	299,461	265,178	850,214	523,223	13,104	300,050	836,376	2%
Production cost per tonne	A/D	**84.96**	**79.20**	**404.22**	**107.95**	**67.70**	**102.85**	**277.29**	**98.30**	**10%**
Cash cost per AgEq ounce produced	B/E	**21.38**	**14.66**	**17.05**	**17.66**	**14.19**	**31.92**	**17.22**	**15.55**	**14%**
All-in sustaining cash cost per AgEq ounce produced	C/E	**23.39**	**16.31**	**17.82**	**21.52**	**17.45**	**31.92**	**18.49**	**20.80**	**3%**
Mining cost per tonne		41.89	48.96	294.43	67.71	38.91	67.61	194.07	61.64	10%
Milling cost per tonne		24.93	17.13	64.94	26.11	17.59	23.56	45.50	21.70	20%
Indirect cost per tonne		18.13	13.10	44.85	19.06	11.21	11.68	37.72	14.96	27%
Production cost per tonne		**84.96**	**79.20**	**404.22**	**112.88**	**67.70**	**102.85**	**277.29**	**98.30**	**15%**
		(0.00)	-	0.00						
Mining		2,984,012	2,703,717	3,205,308	8,893,037	4,236,637	265,573	3,593,341	8,095,550	10%
Milling		1,776,059	946,168	706,982	3,429,209	1,915,649	92,541	842,563	2,850,754	20%
Indirect		1,291,812	723,609	488,229	2,503,650	1,220,410	45,876	698,452	1,964,738	27%
Production Cost		**6,051,884**	**4,373,494**	**4,400,519**	**14,825,896**	**7,372,696**	**403,990**	**5,134,356**	**12,911,042**	**15%**

1. Silver equivalents are calculated using an 85.10:1 (Ag/Au), 0.04:1 (Ag/Pb) and 0.05:1 (Ag/Zn) ratio for Q4 2023, and an 81.35:1 (Ag/Au), 0.05:1 (Ag/Pb) and 0.06:1 (Ag/Zn) ratio for Q4 2022, respectively.
2. Cash cost per silver equivalent ounce include mining, processing, and direct overhead.
3. AISC per oz include mining, processing, direct overhead, corporate general and administration expenses, on-site exploration, reclamation, and sustaining capital.
4. Production costs include mining, milling, and direct overhead at the operation sites.
5. Consolidated amount for the three months ended December 31, 2023, excludes $3,986 in relation to silver bullion transportation and selling cost from cost of sales.

		Year ended December 31, 2023				Year ended December 31, 2022				
		El Cubo	VMC	Topia	Consolidated	El Cubo	VMC	Topia	Consolidated	Change
Cost of sales		**30,030,471**	**23,087,433**	**24,759,358**	**77,877,262**	**33,621,969**	**403,990**	**9,737,234**	**43,763,193**	**78%**
Transportation and other selling cost		(738,958)	(325,560)	(2,037,097)	(3,101,614)	(625,971)	-	(385,112)	(1,011,083)	207%
Inventory changes		(469,341)	346,285	94,487	(28,570)	(109,419)	-	146,422	37,003	(177%)
Depreciation		(5,527,814)	(4,092,037)	(2,022,784)	(11,642,634)	(7,817,781)	-	(1,103,122)	(8,920,902)	31%
Production cost	A	**23,294,357**	**19,016,122**	**20,793,965**	**63,104,443**	**25,068,798**	**403,990**	**8,395,423**	**33,868,211**	**86%**
Add (subtract):										
Government royalties and mining taxes		179,437	44,862	730,027	954,326	150,268	14,287	31,938	196,493	386%
Total cash cost	B	**23,473,794**	**19,060,984**	**21,523,992**	**64,058,770**	**25,219,066**	**418,277**	**8,427,361**	**34,064,704**	**88%**
General and administrative - consolidated		-	-	-	9,334,199	-	-	-	7,389,441	26%
Operating lease payments		1,126,686	481,981	214,919	1,823,586	853,057	-	242,714	1,095,771	66%
Sustaining capital expenditures		1,747,615	1,652,031	1,949,400	5,349,047	3,239,988	-	553,620	3,793,608	41%
Total All-in sustaining cash cost	C	**26,348,096**	**21,194,996**	**23,688,311**	**80,565,602**	**29,312,111**	**418,277**	**9,223,695**	**46,343,524**	**74%**
Tonnes milled	D	306,219	221,595	65,981	593,796	384,777	3,928	30,145	418,850	42%
Silver equivalent ounces produced	E	1,104,063	1,239,476	1,173,145	3,516,684	1,629,244	13,104	507,882	2,150,229	64%
Production cost per tonne	A/D	**76.07**	**85.81**	**315.15**	**106.27**	**65.15**	**102.85**	**278.50**	**80.86**	**31%**
Cash cost per AgEq ounce produced	B/E	**21.26**	**15.38**	**18.35**	**18.22**	**15.48**	**31.92**	**16.59**	**15.84**	**15%**
All-in sustaining cash cost per AgEq ounce produced	C/E	**23.86**	**17.10**	**20.19**	**22.91**	**17.99**	**31.92**	**18.16**	**21.55**	**6%**
Mining cost per tonne		34.97	53.36	233.18	63.86	33.86	67.61	190.05	45.41	41%
Milling cost per tonne		24.41	16.48	49.52	24.24	18.81	23.56	44.86	20.73	17%
Indirect cost per tonne		16.69	15.97	32.44	18.17	12.49	11.68	43.59	14.72	23%
Production cost per tonne		**76.07**	**85.81**	**315.15**	**106.27**	**65.15**	**102.85**	**278.50**	**80.86**	**31%**
Mining		10,709,883	11,825,151	15,385,628	37,920,661	13,027,412	265,573	5,729,068	19,022,053	99%
Milling		7,474,987	3,652,519	3,267,622	14,395,127	7,235,786	92,541	1,352,335	8,680,662	66%
Indirect		5,109,488	3,538,452	2,140,715	10,788,655	4,805,600	45,876	1,314,020	6,165,496	75%
Production Cost		**23,294,357**	**19,016,122**	**20,793,965**	**63,104,444**	**25,068,798**	**403,990**	**8,395,423**	**33,868,211**	**86%**

1. Silver equivalents are calculated using an 82.91:1 (Ag/Au), 0.04:1 (Ag/Pb) and 0.05:1 (Ag/Zn) ratio for YTD 2023 and an 82:78:1 (Ag/Au), 0.05:1 (Ag/Pb) and 0.07:1 (Ag/Zn) ratio for YTD 2022.
2. Cash cost per silver equivalent ounce include mining, processing, and direct overhead.
3. AISC per oz include mining, processing, direct overhead, corporate general and administration expenses, on-site exploration, reclamation, and sustaining capital.
4. Production costs include mining, milling, and direct overhead at the operation sites.
5. Consolidated amount excludes $89,108 in relation to silver bullion transportation and selling cost from cost of sales.