



Sierra Metals Reports First Quarter 2024 Consolidated Financial Results

Q1 2024 Highlights:

- Revenues of \$63.1 million, 65% higher than in Q1 2023
- Adjusted EBITDA⁽¹⁾ of \$17.9 million, higher than the Adjusted EBITDA of \$15.5 in Q1 2023
- Continue to generate positive Operating cash flows of \$16.5 million, 28% higher than Q1 2023
- Higher copper, silver, gold and lead production than in Q1 2023
- Record metal production at Bolivar
- Development below the 1120 level at Yauricocha is on-track and expected to reach full capacity in Q4 2024, which is a 40% increase in production from current levels.
- Q1 2024 production and financial performance reaffirms 2024 production and cost guidance

Management will host a conference call and webcast at 11:00 am EST on May 13, 2024.

All dollar figures are in USD.

(1) This is a non-IFRS performance measure, see non-IFRS Performance Measures section of this press release

Toronto, ON – May 13, 2024 – Sierra Metals Inc. (TSX:SMT | OTCQX:SMTSF) (“Sierra Metals” or the “Company”) reports consolidated financial results for the three months ending March 31, 2024 (“Q1 2024”). The information provided below are excerpts from the Company’s Q1 2024 financial statements and Management’s Discussion and Analysis (“MD&A”), which are available on the Company’s website (www.SierraMetals.com) and on SEDAR+ (www.sedarplus.ca) under the Company’s profile. Consolidated results include results from the Company’s Yauricocha Mine (“Yauricocha”) in Peru and the Bolivar Mine (“Bolivar”) in Mexico.

Ernesto Balarezo, Sierra Metals’ CEO, comments, *“We are pleased to deliver another strong quarter of operating and financial performance. Operationally, Bolivar had a record quarter of metal production, while at Yauricocha the mine maximized production above the 1120 level as development at depth is progressing on track, which will allow us to reach full capacity in the fourth quarter of 2024. This was the Company’s best financial quarter since early 2021 as both mines continue to produce positive cash flow from operations, and we continue to improve our balance sheet. Overall, 2024 has gotten off to a tremendous start.”*

Conference Call & Webcast

Management will host a conference call and webcast at 11:00 am EST on May 13, 2024 to discuss Q1 2024 consolidated operating and financial results. Participate on the telephone at 1-844-763-8276 (North America) or +1-647-484-8814 (rest of world) or register for the webcast [HERE](#).

Q1 2024 Consolidated Operating and Financial Highlights

<i>(In thousands of dollars, except per share and cash cost amounts, consolidated figures unless noted otherwise)</i>	Q1 2024	Q4 2023	Q1 2023
Operating			
Ore Processed / Tonnes Milled	638,916	673,846	518,162
Copper Pounds Produced (000's)	11,247	12,096	8,285
Zinc Pounds Produced (000's)	10,132	9,629	10,579
Silver Ounces Produced (000's)	427	468	389
Gold Ounces Produced	4,505	4,708	3,791
Lead Pounds Produced (000's)	3,049	2,481	2,778
Copper Equivalent Pounds Produced (000's) ¹	19,973	20,902	16,465
Cash Cost per CuEqLb (Yauricocha) ^{2,3}	\$ 3.27	\$ 2.88	\$ 3.00
AISC per CuEqLb (Yauricocha) ^{2,3}	\$ 3.69	\$ 3.47	\$ 3.12
Cash Cost per CuEqLb (Bolivar) ^{2,3}	\$ 2.44	\$ 2.63	\$ 2.58
AISC per CuEqLb (Bolivar) ^{2,3}	\$ 3.12	\$ 3.47	\$ 3.10
Financial			
Revenues	\$ 63,140	\$ 60,632	\$ 53,537
Net income (loss)			
- Continuing operations	\$ 1,630	\$ (11,266)	\$ 3,709
- Discontinued Operations	\$ (865)	\$ (1,907)	\$ (1,570)
Net income (loss) attributable to shareholders, including discontinued operations	\$ 1,159	\$ (13,724)	\$ 2,053
Adjusted EBITDA ² from continuing operations	\$ 17,913	\$ 12,233	\$ 15,482
Operating cash flows before movements in working capital	\$ 16,486	\$ 12,845	\$ 12,851
Adjusted net income (loss) attributable to shareholders ²			
- Continuing operations	\$ 5,174	\$ (8,470)	\$ 5,688
- Discontinued Operations	\$ (865)	\$ (1,829)	\$ (942)
Cash and cash equivalents	\$ 11,220	\$ 9,122	\$ 3,864

(1) Copper equivalent pounds were calculated using the following weighted average realized prices for Q1 2024 - \$3.84/lb Cu, \$1.12/lb Zn, \$23.41/oz Ag, \$2.069/oz Au, \$0.94/lb Pb. Copper equivalent production for Q4 2023 and Q1 2023 have been recalculated at the same prices for proper comparison.

(2) This is a non-IFRS performance measure, see Non-IFRS Performance Measures section of this press release.

(3) Copper equivalent payable pounds used for the cash cost and AISC calculations were calculated at the following prices:

Q1 2024 - \$3.84/lb Cu, \$1.12/lb Zn, \$23.41/oz Ag, \$0.94/lb Pb, \$2.069/oz Au.

Q4 2023 - \$3.70/lb Cu, \$1.13/lb Zn, \$23.22/oz Ag, \$0.96/lb Pb, \$1.976/oz Au.

Q1 2023 - \$4.06/lb Cu, \$1.42/lb Zn, \$22.57/oz Ag, \$0.97/lb Pb, \$1.891/oz Au.

Q1 2024 Consolidated Operating Highlights

- Consolidated quarterly throughput during Q1 2024 was 638,916 tonnes, a 23% increase from the same quarter of 2023, as both mines registered increases in throughput during Q1 2024 compared to Q1 2023.
- Grades from the Bolivar Mine during Q1 2024 were higher than Q1 2023 and Q4 2023, while Yauricocha experienced declines in copper grades during Q1 2024 compared to Q4 2023, as well as decreases in grades for precious metals compared to both Q1 2023 and Q4 2023. These lower grades from the Yauricocha Mine were primarily due to the limited available ore above the 1120 level. However, the Company expects that grades will improve as the development below 1120 level progresses.
- Consolidated production for all metals increased in Q1 2024 compared to Q1 2023, excluding zinc. When compared to Q4 2023, consolidated production for copper, silver, and gold were lower by 7%, 9% and 4%, respectively.

- Yauricocha’s cash cost per copper equivalent payable pound was \$3.27 (Q1 2023 - \$3.00), and AISC per copper equivalent payable pound of \$3.69 (Q1 2023 - \$3.12). The increase in cash costs was higher treatment and refining costs, and lower grades, resulting in a 4% decline in copper equivalent payable pounds. Higher AISC was a combined result of higher cash costs and the increase in sustaining capital focused on developing below the 1120 level during Q1 2024.
- Bolivar’s cash cost per copper equivalent payable pound was \$2.44 (Q1 2023 - \$2.58), and AISC per copper equivalent payable pound was \$3.12 (Q1 2023 - \$3.10) for Q1 2024. Cash costs improved during Q1 2024 versus Q1 2023, mainly driven by the 59% increase in copper equivalent payable pounds. AISC for Q1 2024 was slightly higher than Q1 2023, driven by the increase in sustaining capital due to the intensive efforts in mine development meters.

Q1 2024 Consolidated Financial Highlights

- Consolidated revenue from metals payable amounted to \$63.1 million in Q1 2024, marking an 18% increase from the \$53.5 million recorded in Q1 2023, mainly attributed to enhanced metal sales at Bolivar, driven by higher grades and increased production volumes when compared to Q1 2023.
- Adjusted EBITDA⁽¹⁾ of \$17.9 million for Q1 2024 increased 16% compared to \$15.5 million in Q1 2023.
- Adjusted net income attributable to shareholders⁽¹⁾ of \$4.3, or \$0.02 per share, for Q1 2024 as compared to the adjusted net income of \$4.7 million, or \$0.03 per share for Q1 2023.
- Cash flow generated from operations before movements in working capital of \$16.5 million for Q1 2024 increased compared to \$12.9 million in Q1 2023; and
- Cash and cash equivalents of \$11.2 million as at March 31, 2024 compared to the \$9.1 million and the \$5.0 million, at the end of 2023 and March 31, 2023 respectively. Cash and cash equivalents increased during Q1 2024 as a result of cash generated from operating activities of \$16.5 million offset by cash used in investing activities of \$11.4 million and cash used in financing activities of \$2.9 million.

(1) This is a non-IFRS performance measure, see non-IFRS Performance Measures section of this press release

Subsequent to Quarter-end

Identifying additional mineral resources at the Company’s core operating mines, Yauricocha and Bolivar, is a key priority for Sierra Metals. Accordingly, on May 7, 2024, the Company announced the results of the revised reserves and resources under National Instrument 43-101 (“NI 43-101”) for both its mines. The updated technical report indicates the following implied LOMs in terms of mineral resources and reserves:

	Yauricocha ^{2,3}	Bolivar ^{2,4}
Measured & Indicated Resources		
Tonnes	10.4 Mt	18.4 Mt
Life-of-mine	8 years	10 years
Proven & Probable Reserves		
Tonnes	6.4 Mt	5.6 Mt
Life-of-mine	5 years	3 years

(1) Mineral resources are inclusive of mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resources require further technical works and studies to determine their viability to be converted into mineral reserves.

(2) Assumes 347 operating days per year at full plant capacity, assuming 1.5 days per month of maintenance works

(3) Assumes throughput rates of 3,600 tpd

(4) Assumes throughput rates of 5,000 tpd

The Company will file the corresponding NI 43-101 technical reports within 45 days of this announcement, which will be available on SEDAR+ and the Company’s website.

2024 Outlook

Management expects 2024 to be the year to consolidate the optimization efforts that started in 2023 and to establish the platform for growth. In 2023, under the guidance of the new management team, the Company began a process of stabilization and optimization.

Prioritizing safety, employee engagement and streamlining operations have helped restore production levels, while strategic debt refinancing has stabilized the Company's financial position. The refinancing process remains on track and is expected to lead to a formal contract with the lenders before the end of Q2 2024.

In February 2024, the Company obtained the environmental permit to develop and mine below the 1120 level at the Yauricocha mine. This permit provides several significant catalysts for Sierra Metals, such as operational enhancements, maximized operating capacity and cost efficiencies. Using a modest development capital investment, the Company anticipates ramping up to full production levels of 3,600 tonnes per day (40% higher than current levels) by Q4 2024.

At Bolivar, the Company will continue the construction of the new tailings dam, which is expected to be completed over the next three years, allowing the mine to increase its production capacity to 7,500 tpd in the future.

After the robust Q1 2024 results at the Bolivar Mine and with the development activities below the 1120 level at Yauricocha progressing as planned, the Company remains on track to achieve previously announced production, costs, and capital expenditure guidance for 2024. The tables below summarize the 2024 production guidance from the Yauricocha and the Bolivar mines.

Production Guidance

	2024 Guidance	
	Low	High
Copper (000 lbs)	37,500	43,300
Zinc (000 lbs)	38,600	44,500
Silver (000 oz)	1,500	1,750
Gold (oz)	10,100	11,600
Lead (000 lbs)	10,200	11,800

By Mine

Yauricocha	2024 Guidance	
	Low	High
Copper (000 lbs)	13,600	15,700
Zinc (000 lbs)	38,600	44,500
Silver (000 oz)	850	1,000
Gold (oz)	2,100	2,400
Lead (000 lbs)	10,200	11,800

Bolivar	2024 Guidance	
	Low	High
Copper (000 lbs)	23,900	27,600
Silver (000 oz)	650	750
Gold (oz)	8,000	9,200

2024 Cost Guidance

A mine by mine breakdown of 2024 production guidance, cash costs and all-in sustaining costs (“AISC”) are included in the table below. Starting 2024, the Company is modifying its definition of cash cost to include treatment and refining charges, selling costs and site G&A costs. AISC includes cash costs and sustaining capital expenditure.

Mine	Cash costs ⁽¹⁾ range per CuEqLb	AISC ⁽¹⁾ range per CuEqLb
Yauricocha	\$3.31 - \$3.41	\$3.75 - \$3.86
Bolivar	\$2.56 - \$2.72	\$3.28 - \$3.36

⁽¹⁾ This is a non-IFRS performance measure, see Non-IFRS Performance Measures section of this press release. Cash Cost comprise of: operating costs, selling expenses, administrative expenses, commercial terms and discounts. All In Sustaining Costs (AISC) comprise of Cash Costs and sustaining capex

2024 Capex Guidance

A breakdown by mine of the throughput and planned capital investments is shown in the following table:

(Amounts in \$M)	Yauricocha		Bolivar		Consolidated	
	Low	High	Low	High	Low	High
Sustaining	12.5	15.6	17.4	21.8	29.9	37.4
Growth	1.9	2.3	7.4	9.3	9.3	11.6
Total	14.4	17.9	24.8	31.1	39.2	49.0

Total capital for 2024 is expected to range between \$39.2 million to \$49.0 million, with Management retaining the option to adjust the capital expenditure plan depending on the business conditions. Sustaining capital mainly comprises of mine development of up to \$14.7 million (\$8.9 million in Bolivar and \$5.8 million in Yauricocha) mainly targeted towards building mine infrastructure needed to access and develop future mining zones. The remaining sustaining capital expenditure consists of infill drilling and replacement of equipment at the mines.

Growth capital for 2024 is expected to range between \$9.3 million to \$11.6 million, focusing on the new tailings dam at Bolivar.

NON-IFRS PERFORMANCE MEASURES

The non-IFRS performance measures presented do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be directly comparable to similar measures presented by other issuers.

Non-IFRS reconciliation of adjusted EBITDA

EBITDA is a non-IFRS measure that represents an indication of the Company’s continuing capacity to generate earnings from operations before taking into account management’s financing decisions and costs of consuming capital assets, which vary according to their vintage, technological currency, and management’s estimate of their useful life. EBITDA comprises revenue less operating expenses before interest expense (income), property, plant and equipment amortization and depletion, and income taxes. Adjusted EBITDA has been included in this document. Under IFRS, entities must reflect in compensation expense the cost of share-based payments. In the Company’s circumstances, share-based payments involve a significant accrual of amounts that will not be settled in cash but are settled by the issuance of shares in exchange for cash. As such, the Company has made an entity specific

adjustment to EBITDA for these expenses. The Company has also made an entity-specific adjustment to the foreign currency exchange (gain)/loss. The Company considers cash flow before movements in working capital to be the IFRS performance measure that is most closely comparable to adjusted EBITDA.

The following table provides a reconciliation of adjusted EBITDA to the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2023:

	Three months ended March 31,	
	2024	2023
Net income	\$ 765	\$ 2,139
<i>Adjusted for:</i>		
Depletion and depreciation	9,634	7,543
Interest expense and other finance costs	2,405	2,199
NRV adjustments on inventory	-	476
Share-based payments	634	102
Foreign currency exchange and other provisions	2,164	1,372
Income taxes	1,446	1,374
Adjusted EBITDA	\$ 17,048	\$ 15,205
Less: Adjusted EBITDA from discontinued operations	(865)	(277)
Adjusted EBITDA from continuing operations	17,913	15,482

Non-IFRS reconciliation of adjusted net income

The Company has included the non-IFRS financial performance measure of adjusted net income, defined by management as the net income attributable to shareholders shown in the statement of earnings plus the non-cash depletion charge due to the acquisition of Corona and the corresponding deferred tax recovery and certain non-recurring or non-cash items such as share-based compensation and foreign currency exchange (gains) losses. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors may want to use this information to evaluate the Company's performance and ability to generate cash flows. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance in accordance with IFRS.

The following table provides a reconciliation of adjusted net income to the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2022:

<i>(In thousands of United States dollars)</i>	Three months ended March 31,	
	2024	2023
Net loss attributable to shareholders	\$ 1,159	\$ 2,053
Non-cash depletion charge on Corona's acquisition	1,045	1,070
Deferred tax recovery on Corona's acquisition depletion charge	(693)	(327)
NRV adjustments on inventory	-	476
Share-based compensation	634	102
Foreign currency exchange loss (gain)	2,164	1,372
Impairment charges	-	-
Adjusted net income (loss) attributable to shareholders	\$ 4,309	\$ 4,746
Less: Adjusted net loss from discontinued operations	(865)	(942)
Adjusted net income (loss) from continuing operations	5,174	5,688

Cash cost per copper equivalent payable pound

The Company uses the non-IFRS measure of cash cost per copper equivalent payable pound to manage and evaluate operating performance. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flows. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company considers cost of sales per copper equivalent payable pound to be the most comparable IFRS measure to cash cost per copper equivalent payable pound and has included calculations of this metric in the reconciliations within the applicable tables to follow.

All-in sustaining cost per copper equivalent payable pound

All-In Sustaining Cost ("AISC") is a non-IFRS measure and is 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 versus development capital expenditures.

AISC is a more comprehensive measure than cash cost per pound for the Company's consolidated operating performance by providing greater visibility, comparability and representation of the total costs associated with producing copper from its current operations.

The Company defines sustaining capital expenditures as, *"costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of productive output without resulting in an increase in the life of assets, future earnings, or improvements in recovery or grade. Sustaining capital includes costs required to improve/enhance assets to minimum standards for reliability, environmental or safety requirements. Sustaining capital expenditures excludes all expenditures at the Company's new projects and certain expenditures at current operations which are deemed expansionary in nature."*

Consolidated AISC includes total production cash costs incurred at the Company's mining operations, including treatment and refining charges and selling costs, which forms the basis of the Company's total cash costs. Additionally, the Company includes sustaining capital expenditures and corporate general and administrative expenses. AISC by mine does not include certain corporate and non-cash items such as general and administrative expense and share-based payments. The Company believes that this measure represents the total sustainable costs of producing silver and copper from current operations and provides the Company and other stakeholders of the Company with 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 copper production from current operations, new project capital and expansionary capital at current operations are not included. Certain other cash expenditures, including tax payments, dividends and financing costs are also not included.

The following table provides a reconciliation of cash costs to cost of sales, as reported in the Company's condensed interim consolidated statement of income for the three months ended March 31, 2024 and 2023:

<i>(In thousand of US dollars, unless stated)</i>	Three months ended March 31, 2024		Three months ended March 31, 2023	
	Yauricocha	Bolivar	Yauricocha	Bolivar
Cash Cost per Tonne of Processed Ore				
Cost of Sales	23,385	24,215	21,892	14,932
Reverse: Workers Profit Sharing	-	392	-	-
Reverse: D&A/Other adjustments	(5,513)	(6,168)	(5,123)	(2,301)
Reverse: Variation in Inventory	306	326	408	524
Total Cash Cost	18,178	18,765	17,177	13,155
Tonnes Processed	240,686	398,230	219,145	299,017
Cash Cost per Tonne Processed	US\$ 75.53	47.12	78.38	43.99

The following table provides detailed information on Yauricocha's cash cost and all-in sustaining cost per copper equivalent payable pound for the three months ended March 31, 2024 and 2023:

YAURICOCHA		Three months ended	
<i>(In thousand of US dollars, unless stated)</i>		March 31, 2024	March 31, 2023
Cash Cost per zinc equivalent payable pound			
Total Cash Cost		18,178	17,177
Variation in Finished inventory		(306)	(408)
Treatment and Refining Charges		5,625	4,741
Selling Costs		640	616
G&A Costs ⁽¹⁾		1,520	1,640
Total Cash Cost of Sales		25,657	23,766
Sustaining Capital Expenditures		3,318	1,044
All-In Sustaining Cash Costs		28,975	24,810
Copper Equivalent Payable Pounds (000's) ⁽²⁾		7,856	8,197
Cash Cost per Copper Equivalent Payable Pound	(US\$)	3.27	2.90
All-In Sustaining Cash Cost per Copper Equivalent Payable Pound	(US\$)	3.69	3.03

(1) G&A Costs for the quarter ended March 31, 2023 have been adjusted to include site G&A only. Allocation of corporate G&A costs have been excluded for consistency with the G&A costs for the quarter ended March 31, 2024 and those used in the 2024 guidance cash costs and AISC.

(2) Copper equivalent payable pounds were calculated using the following realized prices:

Q1 2024 - \$3.84/lb Cu, \$1.12/lb Zn, \$23.41/oz Ag, \$0.94/lb Pb, \$2,069/oz Au.

Q4 2023 - \$3.70/lb Cu, \$1.13/lb Zn, \$23.22/oz Ag, \$0.96/lb Pb, \$1,976/oz Au.

Q1 2023 - \$4.06/lb Cu, \$1.42/lb Zn, \$22.57/oz Ag, \$0.97/lb Pb, \$1,891/oz Au.

The following table provides detailed information on Bolivar's cash cost, and all-in sustaining cost per copper equivalent payable pound for the three months ended March 31, 2024 and 2023:

BOLIVAR		Three months ended	
<i>(In thousand of US dollars, unless stated)</i>		March 31, 2024	March 31, 2023
Cash Cost per copper equivalent payable pound			
Total Cash Cost		18,765	13,155
Variation in Finished inventory		(326)	(524)
Treatment and Refining Charges		2,854	2,165
Selling Costs		2,639	1,537
Copper Equivalent Payable Pounds (000's) ⁽²⁾		2,579	1,240
Total Cash Cost of Sales		26,511	17,573
Sustaining Capital Expenditures		7,383	3,548
All-In Sustaining Cash Costs		33,894	21,121
Copper Equivalent Payable Pounds (000's)		10,880	6,843
Cash Cost per Copper Equivalent Payable Pound	(US\$)	2.44	2.57
All-In Sustaining Cash Cost per Copper Equivalent Payable Pound	(US\$)	3.12	3.09

(1) G&A Costs for the quarter ended March 31, 2023 have been adjusted to include site G&A only. Allocation of corporate G&A costs have been excluded for consistency with the G&A costs for the quarter ended March 31, 2024 and those used in the 2024 guidance cash costs and AISC.

(2) Copper equivalent payable pounds were calculated using the following realized prices:

Q1 2024 - \$3.84/lb Cu, \$1.12/lb Zn, \$23.41/oz Ag, \$0.94/lb Pb, \$2,069/oz Au.

Q4 2023 - \$3.70/lb Cu, \$1.13/lb Zn, \$23.22/oz Ag, \$0.96/lb Pb, \$1,976/oz Au.

Q1 2023 - \$4.06/lb Cu, \$1.42/lb Zn, \$22.57/oz Ag, \$0.97/lb Pb, \$1,891/oz Au.

Additional non-IFRS measures

The Company uses other financial measures, the presentation of which is not meant to be a substitute for other subtotals or totals presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measures. The following other financial measures are used:

- Operating cash flows before movements in working capital - excludes the movement from period-to-period in working capital items including trade and other receivables, prepaid expenses, deposits, inventories, trade and other payables and the effects of foreign exchange rates on these items.

The terms described above do not have a standardized meaning prescribed by IFRS, and therefore the Company's definitions are unlikely to be comparable to similar measures presented by other companies. The Company's management believes that their presentation provides useful information to investors because cash flows generated from operations before changes in working capital excludes the movement in working capital items. This, in management's view, provides useful information of the Company's cash flows from operations and are considered to be meaningful in evaluating the Company's past financial performance or its future prospects. The most comparable IFRS measure is cash flows from operating activities.

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 press 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 and reflect management's expectations or beliefs regarding such future events and anticipated performance based on an assumed set of economic conditions and courses of action. 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. By its very nature forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual performance of Sierra 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 15, 2024 for its fiscal year ended December 31, 2023 and other risks identified in the Company's filings with Canadian securities regulators, which 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 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.