

GATOS SILVER REPORTS 2024 PRODUCTION AT THE TOP END OF GUIDANCE

Vancouver, BC — January 9, 2025 — Gatos Silver, Inc. (NYSE/TSX: GATO) (“Gatos Silver” or the “Company”) today announced production results for the quarter and year ended December 31, 2024 at its 70%-owned Cerro Los Gatos (“CLG”) mine in Mexico. Silver production was at the top end of the 2024 guidance range and silver equivalent production was slightly above the top end of the 2024 guidance range. Guidance for both metrics was upwardly revised in October 2024.

Dale Andres, CEO of Gatos Silver, commented: “The CLG mine delivered another excellent quarter of production to end another very strong year in 2024. We achieved our eighth consecutive quarterly record for mill throughput in the fourth quarter of 2024, with an average throughput rate of above 3,300 tonnes per day, which is 33% above the original design capacity. Production across all of our metals met or slightly exceeded the top end of our upwardly revised 2024 guidance ranges, which is a testament to the dedication and effort of our CLG operating team. The solid progress we made in 2024 on increasing mining and milling rates and on our near mine and greenfield exploration programs position the Company well to deliver significant value into the combination with First Majestic.”

2024 CLG Production Results Compared with Guidance (100% basis)

Contained Metal	Original 2024 Guidance	Updated 2024 Guidance	2024 Actual
Silver ounces (millions)	8.4 – 9.2	9.2 - 9.7	9.68
Zinc pounds - in zinc conc. (millions)	61 - 69	61 – 69	69.7
Lead pounds - in lead conc. (millions)	40 - 46	40 – 46	46.4
Gold ounces - in lead conc. (thousands)	4.5 – 5.5	4.5 – 5.5	5.53
Silver Equivalent ounces (millions) ¹	13.5 – 15.0	14.7 - 15.5	15.57

¹ Silver equivalent production is calculated using prices of US\$23/oz silver, US\$1.20/lb zinc, US\$0.90/lb lead and US\$1,800/oz gold to “convert” zinc, lead and gold production contained in concentrate to “equivalent” silver ounces (contained metal, multiplied by price, divided by silver price).

As shown in the table above, 2024 silver production was 9.68 million ounces, compared with guidance as upwardly revised in October 2024, of 9.2 million ounces to 9.7 million ounces. Silver equivalent production was 15.57 million ounces, slightly above the high end of guidance at 15.5 million ounces as upwardly revised in October 2024. Zinc production of 69.7 million pounds, lead production of 46.4 million pounds, and gold production of 5.53 thousand ounces were all slightly above the high end of guidance, which did not change during 2024.

Production Results (100% basis)

CLG comparative production highlights are summarized below:

CLG Production	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Tonnes milled (dmt)	305,807	277,318	1,191,377	1,071,400
Tonnes milled per day (dmt)	3,324	3,014	3,255	2,935
Feed Grades				
Silver (g/t)	294	318	284	299
Zinc (%)	4.28	3.86	4.22	3.90
Lead (%)	2.17	1.86	2.00	1.85
Gold (g/t)	0.26	0.30	0.29	0.29
Contained Metal				
Silver ounces (millions)	2.58	2.56	9.68	9.21
Zinc pounds - in zinc conc. (millions)	18.3	14.6	69.7	57.3
Lead pounds - in lead conc. (millions)	12.9	10.2	46.4	38.9
Gold ounces - in lead conc. (thousands)	1.33	1.39	5.53	5.26
Silver Equivalent ounces (millions) ¹	4.15	3.88	15.57	14.33
Recoveries				
Silver - in both lead and zinc concentrates	89.4%	90.3%	88.9%	89.4%
Zinc - in zinc concentrate	63.3%	61.8%	63.0%	62.1%
Lead - in lead concentrate	88.0%	89.8%	88.6%	88.7%
Gold - in lead concentrate	51.2%	51.6%	50.4%	52.4%

¹ Silver equivalent production for 2024 is calculated using prices of US\$23/oz silver, US\$1.20/lb zinc, US\$0.90/lb lead and US\$1,800/oz gold to “convert” zinc, lead and gold production contained in concentrate to “equivalent” silver ounces (contained metal, multiplied by price, divided by silver price). Silver equivalent production for 2023 is calculated using prices of US\$22/oz silver, US\$1.20/lb zinc, US\$0.90/lb lead and US\$1,700/oz gold.

Mill throughput averaged 3,324 tonnes per day during the fourth quarter of 2024, an increase of 10% compared to the fourth quarter of 2023, and averaged 3,255 tonnes per day during 2024, an increase of 11% compared to 2023.

Metal production in 2024 was higher than 2023 across all metals, supported by higher mill throughput rates. Silver production in 2024 increased by 5%, despite lower silver grades as expected in the mine plan. Zinc production in 2024 increased by 22% and lead production by 20% as a result of both the higher mill throughput rates and higher zinc and lead grades. Gold production increased by 5%.

Silver production in the fourth quarter of 2024 was 2.58 million ounces, 1% above the 2.56 million ounces in the fourth quarter of 2023. Zinc and lead production increased by 25% and 26%, respectively, compared with the fourth quarter of 2023. Gold production decreased by 5%.

Increased fourth quarter and 2024 mill throughput rates were driven by continued debottlenecking and optimization efforts focused on achieving higher mining rates through increased productivity and improved mine plan flexibility.

During December, mill throughput averaged 3,760 tonnes per day with good metallurgical performance, and the mine achieved an average mining rate of 3,502 tonnes per day.

Important Information for Investors and Stockholders about the Merger and Where to Find It

This news release is not intended to and does not constitute an offer to buy or sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities of First Majestic or Gatos Silver or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities of First Majestic or Gatos Silver in any jurisdiction in contravention of applicable law. This news release may be deemed to be soliciting material relating to First Majestic's proposed acquisition of all of the issued and outstanding shares of common stock of Gatos Silver.

In connection with the proposed Merger between First Majestic and Gatos Silver pursuant to the previously announced Agreement and Plan of Merger (the "Merger Agreement"), First Majestic filed with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form F-4 that includes a Proxy Statement of Gatos Silver that also constitutes a Prospectus of First Majestic (the "Proxy Statement/Prospectus") and other documents. Each of First Majestic and Gatos Silver may also file other relevant documents with the SEC regarding the proposed Merger. The registration statement on Form F-4 was declared effective by the SEC on December 2, 2024. Gatos Silver filed a Proxy Statement/Prospectus with the SEC on December 3, 2024 which it commenced mailing on December 6, 2024 to its stockholders in connection with the proposed Merger. First Majestic filed the Information Circular in connection with the proposed Merger with applicable Canadian securities regulatory authorities on December 10, 2024 and commenced mailing the meeting materials to its shareholders on December 10, 2024. This news release is not a substitute for any registration statement, proxy statement, prospectus or other document First Majestic or Gatos Silver has filed or may file with the SEC or Canadian securities regulatory authorities in connection with the pending Merger. INVESTORS AND SECURITY HOLDERS OF GATOS SILVER AND FIRST MAJESTIC ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND MANAGEMENT PROXY CIRCULAR, RESPECTIVELY, AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC OR CANADIAN SECURITIES REGULATORY AUTHORITIES AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS THERETO CAREFULLY IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BEFORE MAKING ANY VOTING OR INVESTMENT DECISION WITH RESPECT TO THE MERGER BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT FIRST MAJESTIC, GATOS SILVER, THE TRANSACTION AND RELATED MATTERS. Investors and security holders are able to obtain free copies of the Proxy Statement/Prospectus, the filings with the SEC that are and will be incorporated by reference into the Proxy Statement/Prospectus and other documents filed with the SEC by First Majestic and Gatos Silver containing important information about First Majestic or Gatos Silver and the Transaction through the website maintained by the SEC at www.sec.gov. Investors are also able to obtain free copies of the management proxy circular and other documents filed with Canadian securities regulatory authorities by First Majestic, through the website maintained by the Canadian Securities Administrators at www.sedarplus.com. In addition, investors and security holders are able to obtain free copies of the documents filed by First Majestic with the SEC and Canadian securities regulatory authorities on First Majestic's website at www.firstmajestic.com or by contacting First Majestic's investor relations team. Copies of the documents filed with the SEC by Gatos Silver are available free of charge on Gatos Silver's website or by contacting Gatos Silver's investor relations team.

Participants in the Merger Solicitation

First Majestic, Gatos Silver and certain of their respective directors, executive officers and employees may be considered participants in the solicitation of proxies in connection with the proposed Merger. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of the shareholders of First Majestic and the stockholders of Gatos Silver in connection with the Merger, including a description of their respective direct or indirect interests, by security holdings or otherwise, is included in the Proxy Statement/Prospectus described above and other relevant documents filed with the SEC and Canadian securities regulatory authorities in connection with the Merger. Additional information regarding First Majestic's directors and executive officers is also included in First Majestic's Notice of Annual Meeting of Shareholders and 2024 Proxy Statement, which was filed with the SEC and Canadian securities regulatory authorities on April 15, 2024, and information regarding Gatos Silver's directors and executive officers is also included in Gatos Silver's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 20, 2024, as amended by Amendment No. 1 to such annual report filed with the SEC on

May 6, 2024 and Gatos Silver's 2024 Proxy Statement for its 2024 Annual Meeting of Stockholders, which was filed with the SEC on April 25, 2024. These documents are available free of charge as described above.

About Gatos Silver

Gatos Silver is a silver dominant exploration, development and production company that discovered a new silver and zinc-rich mineral district in southern Chihuahua State, Mexico. As a 70% owner of the LGJV, the Company is primarily focused on operating the Cerro Los Gatos mine and on growth and development of the Los Gatos district. The LGJV includes approximately 103,000 hectares of mineral rights, representing a highly prospective and under-explored district with numerous silver-zinc-lead epithermal mineralized zones identified as priority targets.

On September 5, 2024, Gatos Silver and First Majestic Silver Corp. ("First Majestic") announced that they entered into a definitive merger agreement pursuant to which First Majestic will acquire all of the issued and outstanding common shares of Gatos Silver (the "Merger"). The proposed Merger would consolidate three world-class, producing silver mining districts in Mexico to create a leading intermediate primary silver producer. Information relating to the proposed Merger can be found at the Company's website at www.gatossilver.com.

Qualified Person

Scientific and technical disclosure in this press release was approved by Anthony (Tony) Scott, P.Geo., Senior Vice President of Corporate Development and Technical Services of Gatos Silver who is a "Qualified Person" as defined in S-K 1300 and NI 43-101.

Forward-Looking Statements

This press release contains statements that constitute "forward looking information" and "forward-looking statements" within the meaning of U.S. and Canadian securities laws. All statements other than statements of historical facts contained in this press release, including statements regarding the potential for the Company to deliver value into First Majestic following completion of the Merger are forward-looking statements. Forward-looking statements are based on management's beliefs and assumptions and on information currently available to management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements, and such other risks and uncertainties described in our filings with the U.S. Securities and Exchange Commission and Canadian securities commissions. Gatos Silver expressly disclaims any obligation or undertaking to update the forward-looking statements contained in this press release to reflect any change in its expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law. No assurance can be given that such future results will be achieved. Forward-looking statements speak only as of the date of this press release.

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