



Sierra Metals Provides Update on Shareholder Rights Plan

Toronto, ON – January 22, 2025 – Sierra Metals Inc. (TSX: SMT | OTCQX: SMTSF | BVL: SMT) (“Sierra Metals” or the “Company”) announces that it has been notified by the Toronto Stock Exchange (the “TSX”) that the TSX will defer its consideration of the acceptance of the Company’s shareholder rights plan dated December 30, 2024 (the “Rights Plan”) until (i) such time as the TSX is satisfied that the appropriate securities regulatory authority will not intervene pursuant to National Instrument 62-102 – *Take-Over Bids – Defensive Tactics* and, (ii) the ratification of the Rights Plan by shareholders of the Company by no later than June 30, 2025.

The Rights Plan remains operative and in effect, even though the TSX has deferred its review. The TSX normally defers the acceptance of shareholder rights plans adopted in response to a specific take-over bid. The Rights Plan was adopted following the announcement by Alpayana S.A.C. of its intention to make an unsolicited take-over bid (the “Hostile Bid”) for all of the common shares of Sierra. As a consequence, the Rights Plan will continue to remain operative and effective for a minimum of six months from the date of adoption on December 30, 2024, unless earlier terminated.

A copy of the Rights Plan is available under the Company’s issuer profile on SEDAR+ (www.sedarplus.ca). Shareholders with questions about the Rights Plan or other matters relating to their Sierra common shares and the Hostile Bid are encouraged to contact Carson Proxy Advisors, Sierra’s Information Agent and strategic shareholder advisor, by North American toll-free phone at 1-800-530-5189, local and text: 416-751-2066 or by email at info@carsonproxy.com.

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 statements in this press release include, but are not limited to, statements with respect to the acceptance by the TSX of the Rights Plan.

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.