

Sierra Madre Announces Extension to First Majestic Loan

Vancouver, British Columbia--(Newsfile Corp. - June 5, 2025) - Sierra Madre Gold and Silver Ltd. (TSXV: SM) (OTCQX: SMDRF) ("**Sierra Madre**" or the "**Company**") is pleased to announce an amendment to the non-revolving, secured term loan ("**Loan**") in the amount of US\$5 million between the Company and First Majestic Silver Corp. ("**First Majestic**"); please see Sierra Madre press release dated [May 8, 2024](#) for details of the original loan announcement.

The Loan now has a maturity date of May 7, 2027, which represents a 12-month extension of the original term, with no other changes. The Loan bears interest at a rate of 15% per annum with payments of interest only due monthly. In accordance with the original agreement, the Company has deferred payment of the first six months' interest in the amount of US\$365,000, which is payable upon maturity of the Loan. The Company may repay the Loan and accrued interest at any time, without penalty.

Alex Langer, Sierra Madre's President and CEO, states: "We are very pleased about the extension of this Loan and are grateful for First Majestic's ongoing support. This amendment is expected to provide the flexibility for Sierra Madre to potentially increase plant and mill capacity at our Guitarra silver-gold mine in Mexico's silver belt and also allow us expedite a district-wide exploration program."

Sierra Madre also announces that, pursuant to its Stock Option Plan, it has granted stock options to new employees of La Guitarra Compania Minera, S.A. de C.V. and consultants of the Company, to purchase an aggregate of 950,000 common shares of the Company at the price of \$0.69 per share for a period of five years from the grant date. The options will vest 1/3 immediately as of the date of grant; 1/3 6 months after the date of the grant; and 1/3 12 months after the date of the grant. This stock option grant is subject to acceptance by the TSX Venture Exchange.

About Sierra Madre

Sierra Madre Gold and Silver Ltd. (TSXV: SM) (OTCQX: SMDRF) is a precious metals development and exploration company focused on the Guitarra mine in the Temascaltepec mining district, Mexico, and the exploration and development of its Tepic property in Nayarit, Mexico. The Guitarra mine is a permitted underground mine, which includes a 500 t/d processing facility that operated until mid-2018 and restarted commercial production in January 2025.

The +2,600 ha Tepic Project hosts low-sulphidation epithermal gold and silver mineralization with an existing historic resource.

Sierra Madre's management team has played key roles in managing the exploration and development of silver and gold mineral reserves and mineral resources. Sierra Madre's team of professionals has collectively raised over \$1 billion for mining companies.

On behalf of the board of directors of Sierra Madre Gold and Silver Ltd.,

"Alexander Langer"

Alexander Langer

President, Chief Executive Officer and Director

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Cautionary Note Regarding Forward-Looking Information

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 news release.

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. The forward-looking statements herein are made as of the date of this press release only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements include, without limitation, statements regarding discussions of future plans, including the expected timing of concentrate shipments; the Company increasing production; the Company receiving revenues on a weekly basis and such revenues allowing the Company to comfortably expand to without further capital needs; production and the expected timing and production levels thereof.

The forward-looking statements involve numerous risks and uncertainties, and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things, that predicted production levels will be achieved and that existing production levels will be maintained.

In making the forward-looking statements in this news release, the Company has applied certain material assumptions, including without limitation, that the Company will be able to execute its future plans as intended, that predicted production levels will be achieved and that existing production levels will be maintained.

Although management of the Company has attempted identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

SOURCE: Sierra Madre Gold and Silver Ltd.



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