

Sierra Madre Starts US\$3.5 Million Exploration Program at the East District of Guitarra Project

Vancouver, British Columbia--(Newsfile Corp. - October 23, 2025) - Sierra Madre Gold and Silver Ltd. (TSXV: SM) (OTCQX: SMDRF) ("**Sierra Madre**" or the "**Company**") is pleased to announce that exploration work has begun at the East District of the Guitarra silver-gold project in Estado de Mexico, Mexico; this District covers the historic Temascaltepec mining area.

Greg Liller, Chief Operating Officer and Executive Chair, commented: "We are very pleased to be restarting exploration within the under-explored East District portion of the Company's concessions holdings, following the successful re-start of the Guitarra and Coloso mines. The East district is the last of the six major Spanish Colonial production centres in Mexico that has not been systematically mapped, drilled, and evaluated using modern tools and methods. Based on historic data, the company sees strong potential for additional resources in this District, with over 39 km of structures mapped to date, numerous historic mines, and a current deposit already defined at Mina de Agua."

Alex Langer, Chief Executive Officer, added: "Restarting exploration at the East District is a key step to unlocking the full value of Guitarra. With a fully funded two-stage plant expansion underway in the West District, we see potential for additional discoveries in this eastern portion of the property. We anticipate funding this exploration program from our treasury and cash flow, with a C\$19.5 million private placement closed in July 2025."

Exploration Program Plans

With a US\$3.5-million budget, the East District exploration program will consist of two parts. First, drill target definition through additional detailed geologic surface mapping, including the historic El Rincon mine (Marmajas-Echada system), surveying, mapping and sampling of historic workings, and a structural analysis in order to determine the geologic controls of historically mined mineralization. This program is estimated to take nine months to complete.

Upon completion of the target definition program, a 20,000 to 25,000 metre drill program would then be undertaken to further assess the targets' economic potential. The drilling will be conducted over a period of 12 to 18 months. Based on the results of this program, the Company then may undertake a larger delineation drilling program.

Figure 1 below shows the mapping completed by Sierra Madre.

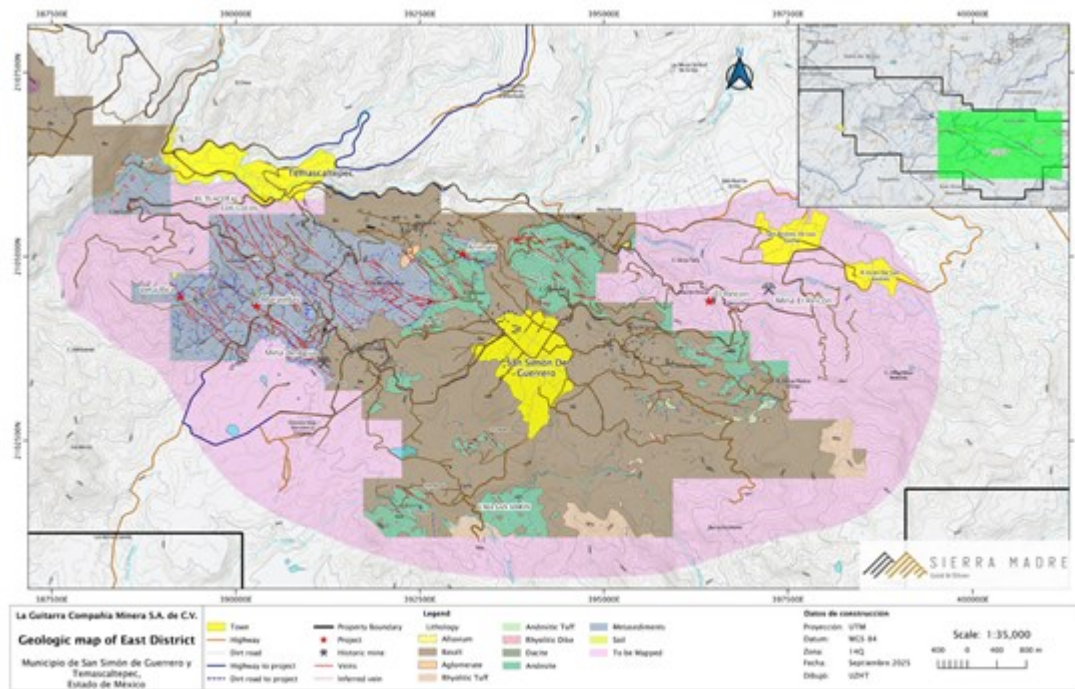


Figure 1: East District Mapping by Sierra Madre

To view an enhanced version of this graphic, please visit:

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Exploration Potential

The 2023 NI 43-101 report¹ contains an estimate of the exploration potential for six (6) of the vein systems in the East District. See quote below from section 9.6 of the report for an estimate of the exploration target range at the East District.

"In 2002, Luismin completed an assessment of the exploration potential in the East District (Nuevo Descubrimiento, Las Animas-Socorro, Marmajas-Echada, Magdalena-Zayas and Purisima veins) using the results of surface mapping, historical mine records, and preliminary drilling at Santa Ana (Mina de Agua).

The QP has used Luismin's estimates of the strike length, the width of the veins, an assumption of a 200-metre vertical depth, an assumed bulk density of 2.6, and a range of 20% to 40% of the vein being mineralized to estimate a tonnage of between 0.77 million tonnes and 1.54 million tonnes. A grade range of $\pm 20\%$ Luismin's average grades was used to estimate silver grades between 440 g/t to 670 g/t Ag and to estimate gold grades of between 2.4 g/t and 3.6 g/t Au. Combined total strike length of these vein systems is 7.7 km.

The potential quantity and grade are conceptual in nature; there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource."

The 2023 Mineral Resource Estimate included an East District component at Mina de Agua, with an indicated resource of 761,000 tonnes grading 159 g/t silver and 0.19 g/t gold and an inferred resource of 545,000 tonnes grading 178 g/t silver and 0.13 g/t gold¹.

¹A copy of the 2023 NI 43-101 report, prepared by TechSer Mining Consultants Ltd. ("TechSer") of Vancouver B.C., by David Thomas, P.Geo. and QP Geology and Cristian Garcia, P.Eng. and QP Mining, titled "La Guitarra Mineral Resource Estimate Guitarra Silver-Gold Project, Terrascaltepec, Estado de México, México" with an effective date of October 24, 2023, is available on SEDAR+ and the company's website at <https://sierramadregoldandsilver.com/presentations/NI-43-101-La-Guitarra-Mineral-Resource-Estimate.pdf>

Program Progress

New senior-level geologists, along with support personnel, have been hired and field work has begun to determine the condition of historic workings.

In addition, access has been regained to the Rampa Carolina on the Santa Ana vein system. The ramp and associated crosscuts and drives were constructed in 2007 and contain more than 300 meters of workings. The development was sized for modern production mining and haulage equipment. Sampling for metallurgical tests is underway.

Figure 2 below shows photos of the historic Donostiva mine portal.



Figure 2: Historic Mine Portal

To view an enhanced version of this graphic, please visit:

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Figure 3 below shows these workings.



Figure 3: Rampa Carolina Development

To view an enhanced version of this graphic, please visit:

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Marketing & Investor Awareness

The Company has entered into a marketing and investor awareness agreement dated October 9, 2025 with New Era Publishing Inc ("New Era"). Under the terms of the agreement, New Era will provide marketing and promotional services to the Company for a period of two months in exchange for a fee of \$225,000 USD. New Era is a digital marketing and media firm established in 2016 based in Vancouver, BC. New Era provides digital marketing, email and market awareness services and assist its clients with reaching potential investors. New Era will further engage www.carboncredits.com to connect North American and European audiences to bolster awareness of the Company through the carboncredits.com website, articles and e-mail newsletters. New Era and www.carboncredits.com and

the Company are unrelated and unaffiliated entities at arm's length of each other, and neither New Era, nor its principals have an interest, directly or indirectly, in the securities of the company.

The Company has entered into a Service Agreement dated effective October 23, 2025, with Departures Capital Inc. ("DC"), under which DC will provide investor communications, digital media production, and investor marketing-related promotional services to Sierra Madre for a six-month term. Under the agreement, Sierra Madre will pay DC US\$8,500 plus applicable taxes in advance of the provision of any services. The promotional activities will include the creation and distribution of video content on the Departures Capital YouTube channel and associated email list, as well as Google Ads campaigns designed to increase investor awareness of Sierra Madre's story and visibility of the content. DC is arm's length to Sierra Madre and, to the knowledge of the Company, neither DC nor its principals have any present equity interest in Sierra Madre's securities, directly or indirectly, nor any right or intent to acquire any such interest.

Management Update

The Company announces that Chief Financial Officer Ken Scott, will be appointed as Corporate Secretary on November 1st, 2025. Current Corporate Secretary Kerry Spong will maintain his positions of Controller and Senior Manager of Finance.

Qualified Person

Mr. Gregory Smith, P. Geo, Director of Sierra Madre, is a Qualified Person as defined by NI 43-101, and has reviewed and approved the technical data and information contained in this news release. Mr. Smith has verified the technical and scientific data disclosed herein.

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 Production Decisions

The Company's decision to place the mine into commercial production, expand a mine, make other production related decisions, or otherwise carry out mining and processing operations, is largely based on internal non-public Company data and reports from previous operations and the results of test mining and processing. The Company is not basing any production decisions on NI 43-101 compliant reserve

estimates, preliminary economic assessments or feasibility studies and, as a result, there is greater risk and uncertainty as to future economic results from the Guitarra Mine Complex, including increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit, and a higher technical risk of failure than would be the case if a feasibility study were completed and relied upon to make a production decision.

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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