

# Sierra Madre Reports Q4 and Year-End 2025 Financial Results, Positive Operating Performance

**628,196 Silver Equivalent Ounces Sold in 2025**

**Annual Net Revenues of US\$25 Million and Adjusted EBITDA of US\$6 Million**

**Two-Stage La Guitarra Capacity Expansion on Schedule for Phase 1 Commissioning by the End of Q2 2026**

Vancouver, British Columbia--(Newsfile Corp. - April 29, 2026) - Sierra Madre Gold and Silver Ltd. (TSXV: SM) (OTCQX: SMDRF) ("**Sierra Madre**" or the "**Company**") is pleased to announce its audited consolidated financial results for the year ended December 31, 2025 including results for the fourth quarter. Unless otherwise noted, all amounts are expressed in U.S. dollars.

Alex Langer, Chief Executive Officer, commented, "As we report our full year results, 2025 marked a transformational year for the Company with the restart of La Guitarra at the start of 2025. On the mine operations front, we saw consecutive improvements in head grades through each quarter of 2025, as well as sequential increases in quarterly net revenues, for a total of US\$24.96 million recorded for the year and US\$2.57 million in income before income taxes. We also delivered on growth strategies, with the ongoing ramp up of two higher-grade centres – Coloso and Nazareno – as well as the start of a two-phase La Guitarra plant expansion that could more than double capacity by Q3, 2027. I would like to thank our team for delivering an exceptional first full year of operations at La Guitarra for Sierra Madre."

Mr. Langer continued, "Heading into 2026, we see several growth milestones on the horizon. The acquisition of the Del Toro mine is expected to close in May, and we are looking forward to replicating the successful restart of La Guitarra at a second site. We are also excited to see the start-up of Phase 1 of the La Guitarra plant expansion – expected to increase throughputs by +50% from current levels and positively impact costs from economies of scale. Prolonged power outages were caused by an extended rainy season in 2025, and we anticipate seeing fewer interruptions in 2026 with the installation of multiple backup diesel generators across our operations; which are currently underway. Exploration in the East District of La Guitarra – the first modern campaign – is expected to kick off in H2 2026 with over 30,000 metres of drilling planned. We look forward to delivering strong news flow over the rest of 2026."

## Full Year 2025 Highlights

- **Revenues:** Gross silver revenues for 2025 totalled \$10.68 million (\$39.37 per ounce) and gross gold revenues totalled \$13.77 million (\$3,407 per ounce). Revenues for the year ended December 31, 2024 reflect a six-month Test Program period, during which silver revenues totalled approximately \$3.28 million (\$30.37 per ounce) and gold revenues totalled approximately \$3.73 million (\$2,594 per ounce). Provisional and final settlements of the concentrate shipments generated an additional \$2.22 million in revenues for 2025.
- **Sales:** During 2025, the Company sold 271,204 ounces of silver ("**Ag**") and 4,041 ounces of gold ("**Au**") or 628,196 silver equivalent ("**AgEq**") ounces, based on the ratio of Au and Ag prices realized for each shipment in the year.
- **Cash Costs:** For 2025, cash costs were \$27.90 per AgEq ounce sold as compared to \$22.97 per AgEq ounce sold in 2024 when the mine was in the testing phase.
- **Net Income:** Net income was \$8.13 million or \$0.05 per share for 2025, as compared to a loss of \$4.08 million or (\$0.03) per share in 2024. Included in net income for 2025 is a \$6.1 million income tax recovery.

- **Cash from Operations:** The Company generated \$4.09 million of cash from operating activities in 2025, as compared to a use of cash of \$3.65 million in 2024.
- **Cost Drivers:** Cash costs for 2025 increased compared to 2024 due to the impact of the strengthening of the Mexican peso versus the US dollar on our MXN denominated mining costs, an extended holiday season with minimal operations in the last two weeks of December, the impacts of the rainy season in Mexico, and the accompanying power outages, on our production volumes and the ramp up of operations at Coloso and Nazareno.
- **Adjusted EBITDA** increased to \$6.03 million for 2025, as compared to a loss of \$1.99 million for 2024.
- **Cash and cash equivalents and short-term investments** at December 31, 2025 totalled \$17.3 million.
- **Del Toro Acquisition and Financing:** In December 2025, the Company announced its intention to acquire the Del Toro silver mine from First Majestic Silver Corp. ("**First Majestic**") and complete a concurrent financing, which subsequently closed in escrow for gross proceeds of CAD\$57.5 million – see the Company's [December 17, 2025](#) press release for details of the acquisition and financing; and [January 14, 2026](#) and [January 30, 2026](#) press releases for details of the financing closing.
- **La Guitarra Expansion:** As announced on [September 8, 2025](#), the Company has initiated a plan to expand production capacity at Guitarra in a two-phase program, with the first phase anticipated for completion by the end of Q2 2026, with the aim to increase name plate capacity from 500 tonnes per day ("**tpd**") to a range of 750 tpd - 800 tpd and the second phase anticipated for completion by Q3 2027, with the aim of increasing the capacity to a range of 1,200 tpd - 1,500 tpd at La Guitarra.
- **Exploration:** On [October 23, 2025](#), the Company announced the start of a \$3.5 million exploration program at the East District of the Guitarra mine complex. Upon completion, 30,000 metre drill program would then be undertaken to further assess the targets' economic potential, expected to start in H2 2026.
- **Closed C\$19.5M Private Placement:** In July 2025, the Company closed a C\$19.5 million brokered private placement. The key participants in the financing were Franklin Templeton, Eric Sprott and Commodity Capital, with strong participation by the management of the Company.
- **First Majestic Loan Payment:** On February 5, 2026, the Company made a principal payment of \$2.5 million on the \$5 million senior secured project financing loan with First Majestic. Please see the Company's [March 24, 2026](#) press release for details.
- **Sierra Madre Named as a 2026 Top 50 Company by the TSX Venture Exchange:** As announced on [February 18, 2026](#), Sierra Madre was named a 2026 TSX Venture Top 50 Company, recognized for its 264% share price appreciation and 342% market cap growth in 2025.

#### Q4 2025 Highlights

- **Net revenues** for Q4 2025 increased by 40.5% to \$8.32 million as compared to \$5.92 million in Q3 2025, \$5.76 million in Q2 2025, and \$4.96 million in Q1 2025.
- **Sales:** During Q4 2025, the Company sold 63,043 ounces Ag and 963 ounces of Au or 135,958 AgEq ounces, based on the ratio of Au and Ag prices realized for each shipment in the period.
- **Cost of sales** was \$4.58 million for Q4 2025 or \$33.70 per AgEq ounce sold as compared to \$3.82 million for Q3 2025, or \$24.85 per AgEq ounce sold, \$4.07 million for Q2 2025, or \$23.45 per AgEq ounce sold, and \$3.60 million for Q1 2025, or \$21.84 per AgEq ounce sold.
- **Gross Profit** was \$3.72 million for Q4 2025, as compared to \$2.10 million for Q3 2025, \$1.69 million for Q2 2025 and \$1.36 million for Q1 2025.

#### Q4 2025 Operational Details and Expansion Progress

- **Mine Operations:** Milled 40,869 tonnes of material, with silver recoveries averaging 73.89% and gold recoveries averaging 71.53%. In Q3 2025, the Company milled 38,433 tonnes of material,

with silver recoveries averaging 76.96% and gold recoveries averaging 75.55%.

- **Production:** Produced 68,296 ounces of silver and 1,050 ounces of gold (vs. production of 67,785 ounces of silver and 967 ounces of gold in Q3 2025).
- **Development:** 770.20 metres of development completed in Q4 2025, compared to 653.0 metres in Q3 2025.
- **Coloso Mining:** At the end of Q1 2025, Sierra Madre made the decision to re-start production at the Coloso underground mine. The estimated resource grades at Coloso are significantly higher in both silver and gold compared to the Guitarra mine veins<sup>1</sup>.
- Since initiating production, the Company has expanded to six active stopes across two veins, with accelerated dewatering of lower mine levels expected to unlock additional resource blocks in H2 2026. Production from resource blocks below the existing workings is expected to come online next year.
- **Nazareno Mining:** Development work at Nazareno is well underway. Two Ramps have been started off the main 180 level haulage way, one to connect with the upper 150 level workings and one down to develop the lower blocks of mineralization and connect with the 200 level workings. Two stopes have been developed in the 180 level. The mineralized structure averages more than 4.5 meters in width hence both stopes have been developed for long hole mining. Blast hole drilling is now complete with full production beginning in May.
- In January 2026, the Company began the installation of an underground electrical substation and other mine services necessary for the use of a jumbo drill in Nazareno - the jumbo has since replaced jack leg drills. The transition to a jumbo drill has accelerated ramp construction and production sill development. Full production from long-hole stopes at the 180 level is expected to begin in late April.
- **Expansion Progress:** In Q4 2025 and into 2026, work continued on the two-phase expansion of the La Guitarra plant. For Phase 1, a used 3-ft crusher was purchased, refurbished, and came online in April 2026. This addition, together with modifications to the primary crusher, are expected to allow the circuit to meet the 750 tpd - 800 tpd Phase 1 objective.
- For Phase 1, a used 11 ft × 12.5 ft ball mill (600 tpd –700 tpd capacity) was purchased in December 2025 and refurbishment is close to completion. Installation is planned for May 2026, pending geotechnical test results, and would bring total milling capacity to ~1,200 tpd. A fourth ball mill is also planned for redundancy and for Phase 2 expansion
- Construction of a thickener tank, with an 800 tpd capacity, was started in January 2026 with completion expected in June 2026. Thickened tailings (60%+ solids) will be pumped into underground stopes, preserving capacity in the current tailings facility until Phase 2 is complete. A high-capacity piston pump will be needed for stopes more than 30–40 meters above the San Raphael level.
- An additional seven underground and surface haul trucks are being purchased in 2026 to support the expansion.

## Outlook

- With head grades improvements in each quarter of 2025, Sierra Madre anticipates further improved head grades of the mineralized material in the first quarter of 2026, resulting in increased production and a decrease in mining costs on a per-ounce basis.
- Improved head grades are anticipated as development work and de-watering to access the anticipated higher-grade stopes in Guitarra, Coloso, and Nazareno continue.
- With the first phase of the La Guitarra expansion expected to come on-line in late Q2 2026, Sierra Madre expects to see a meaningful reduction of unit costs from efficiencies of scale as throughputs increase from the current 500 tpd run rate to the 750 tpd - 800 tpd rate.

## Quarterly Financial Overview

Selected financial information set out below is based on and derives from the unaudited condensed consolidated interim financial statements of the Company for each of the quarters listed, which have been prepared in accordance with IFRS, as applicable to quarterly reporting:

	Dec. 31, 2025 (Q4) (\$)	Sep. 30, 2025 (Q3) (\$)	Jun. 30, 2025 (Q2) (\$)	Mar. 31, 2025 (Q1) (\$)	Dec 31, 2024 (Q4) (\$)	Sep. 30, 2024 (Q3) (\$)	Jun. 30, 2024 (Q2) (\$)	Mar. 31, 2024 (Q1) (\$)
Revenues	8,318,599	5,919,211	5,756,997	4,960,887	3,911,542	2,668,991	-	-
Gross profit	3,719,115	2,103,308	1,687,796	1,355,999	1,085,167	381,405	-	-
Care and maintenance expenses	-	-	-	-	-	-	349,401	553,693
Foreign exchange loss (gain)	187,989	94,727	56,879	(64,065)	(175,607)	52,302	(207,388)	48,921
Interest expense	192,874	220,152	220,813	199,845	191,469	55,250	28,350	-
Share-based compensation	345,298	654,394	242,758	153,241	330,820	477,867	812,762	-
Deferred income tax recovery (expense)	6,205,844	(70,890)	(26,019)	(6,028)	(1,079)	(5,791)	24,706	(32,050)
Income (loss) for the quarter	7,454,684	67,842	276,160	335,875	(37,936)	(855,766)	(1,977,200)	(1,204,826)
Total assets	66,963,559	51,676,308	37,714,506	36,182,560	34,891,015	34,479,382	33,931,187	30,226,383
Total non-current liabilities	8,123,194	8,961,154	8,817,414	8,710,461	8,431,885	8,249,918	7,929,490	2,935,772
Income (loss) per share – basic and diluted	0.04	0.00	0.00	0.00	(0.00)	(0.01)	(0.01)	(0.01)
Weighted average number of shares - basic	186,044,769	176,309,293	154,225,345	153,942,993	153,942,993	152,869,623	152,692,993	149,827,944
Weighted average number of shares - diluted	198,142,297	177,912,944	155,576,337	154,295,653	153,942,993	152,869,623	152,692,993	149,827,944

This news release should be read in conjunction with the Company's consolidated annual financial statements for the year ended December 31, 2025 and associated Management Discussion and Analysis ("MD&A"), both are available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and on the Company's website ([www.sierramadregoldandsilver.com](http://www.sierramadregoldandsilver.com)).

AgEq ounces produced have been determined using a ratio of 76.89 Au:Ag for Q4 2025, 87.63 Au:Ag for Q3 2025, 97.86 Au:Ag for Q2 2025 and 83.33 Au:Ag for Q1 2025.

Ag equivalent ounces sold have been determined using the actual Ag and Au prices obtained during the year. The determined ratio used was 88.35 Au:Ag for 2025 and 84.81 for 2024. AgEq quarterly ounces sold have been determined using the actual Ag and Au prices obtained during the quarter. The determined ratio used was 74.80 Au:Ag for Q4 2025, 88.70 Au:Ag for Q3 2025, 98.43 for Q2 2025 and 90.87 Au:Ag for Q1 2025.

The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per AgEq ounce sold, All-in Sustaining Cash Cost per AgEq ounce sold and Average Realized Price per AgEq ounce sold and Adjusted EBITDA. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP and Other Financial Measures" section of the Company's Year End 2025 MD&A for definitions and reconciliations to GAAP measures.

## **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

778-820-1189

## **Contact:**

[investor@sierramadregoldandsilver.com](mailto:investor@sierramadregoldandsilver.com)

## ***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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<sup>1</sup> A copy of the 2023 NI 43-101 report, prepared by TechSer Mining Consultants Ltd. ("TechSer") of Vancouver B.C., by David Thomas, P.Geol. and QP Geology and Cristian Garcia, P.Eng. and QP Mining, titled "La Guitarra Mineral Resource Estimate Guitarra Silver-Gold Project, Temascaltepec, 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>



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