Guanajuato Silver Receives Drilling Permits for El Horcon Project

Aug 4, 2026 – Vancouver, British Columbia – Guanajuato Silver Company Ltd. (the "**Company**" or "**GSilver**") (**TSXV:GSVR) (OTCQX:GSVRF**) announces the receipt of formal approval from Mexican government agencies to commence a surface drilling program at the Company's wholly owned El Horcon ("Horcon") project located in Jalisco, Mexico, approximately 60km to the Northwest of the city of Guanajuato.

Drill permits have been received from the Mexican ministry of the environment authorizing the Company to establish as many as 45 drill pads along a 3.7km trend that covers approximately one-third of the total length of the structural prospectivity within the Horcon property. Earlier this year, the Company acquired two large "Nevada-style" diamond drill rigs, capable of drilling up to 1000 meters in depth recovering HQ diameter drill core. One of these drill rigs, which is currently active on surface at the Company's EL Cubo mine, will be re-deployed to Horcon in August. The Company expects to drill a total of 5000 metres at Horcon in 2026 as the first phase of a surface drilling program; drill depth is expected to average approximately 260 meters per hole; there is one deeper drill hole planned to test 500 metres in depth. This exploration program will primarily aim to validate and expand upon the property's historical resource, (see below) both laterally and at depth, and expand the company's geological knowledge of the numerous en echelon veins that exist on the property.

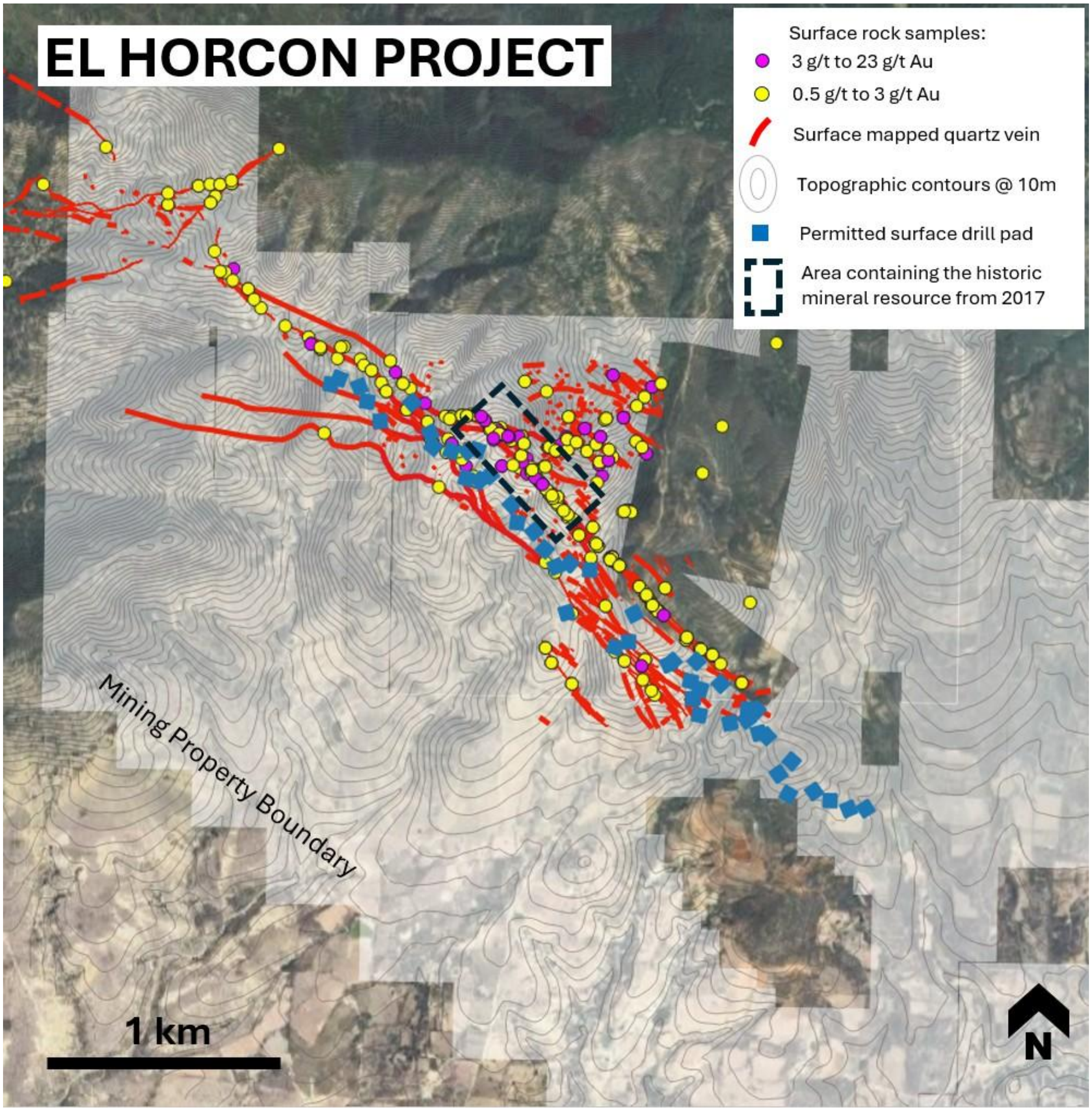

Figure 1 - Horcon Plan View Showing Permitted Drill Pad Locations

Acquired as part of the purchase of Great Panther's Mexican assets (see GSilver's news release dated August 4, 2022 – GSilver Closes Acquisition of Great Panther's Mexican Mining Assets), the Horcon mining concessions cover 7,908 hectares comprising 17 contiguous mining concessions located approximately 60km to the northwest of the Company's Bolanitos Mine. Mineralization at Horcon is dominated by the regional extension of the prolific Veta Madre vein system and consists of numerous quartz-dominated gold-silver bearing veins; mineralization also often contains significant base metal values.

Figure 2 - Horcon Property Landscape, Jalisco State

The Horcon mine is a past producer dating back to the 16th century, with most recent production occurring in the mid-1900s. Several underground workings, drifts, and access points are known to exist and total approximately 5km of underground tunnelling. In 2017, the previous operator established a historical inferred mineral resource that was prepared in accordance with National Instrument 43-101 of over **2.0 million silver-equivalent ounces ("AgEq**") from 162,140 tonnes grading 3.44g/t gold, 76 g/t silver and 2.69% lead, and 3.79% zinc (see table and description below – the inferred mineral resource is considered historical in nature). The geologic resource focused on a 650 meter section of the Diamantillo vein from surface to approximately 100 meters depth. Twenty-four drill holes were drilled at approximately 50 meter vertical spacing on sections spaced 50-100 meters apart.

Historical Inferred Resource El Horcon Project[1]									
Vein	**Tonnes**	**Ag (g/t)**	**Ag (oz)**	**Au (g/t)**	**Au (oz)**	**Pb (%)**	**Zn (%)**	**AgEq (g/t)**	**AgEq (oz)**
Diamantillo	109,649	89	313,468	3.04	10,705	3.11	4.62	398	1,403,358
Diamantillo HW	4,781	54	8,269	4.59	706	2.65	0.47	459	70,518
Natividad	6,038	136	26,347	3.03	587	1.74	0.13	403	78,139
San Guillermo	41,672	37	50,011	4.44	5,943	1.75	2.53	404	540,899
Total Inferred	**162,140**	**76**	**398,094**	**3.44**	**17,942**	**2.69**	**3.79**	**401**	**2,092,913**

1. See NI43-101 Technical Report on the Guanajuato Mine Complex Claims and Mineral Resource Estimations for the Guanajuato Mine, San Ignacio Mine and El Horcon and Santa Rosa Projects dated February 20, 2017 with an effective date of August 31, 2016; prepared for Great Panther Silver Limited by Robert Brown, P. Eng. Qualified Person & VP Exploration.

   Notes: 1) US$110/tonne NSR Cut-off, 2) Silver equivalent was calculated using a 70.6 to 1 ratio of silver to gold value, 3) Rock Density for all veins for Diamantillo is 2.77t/m³, San Guillermo 2.78t/m³, Diamantillo HW is 2.62t/m³, Natividad 2.57t/m³, 4) Totals may not agree due to rounding, 5) Grades in metric units, 6) Contained silver and gold in troy ounces, 7) Minimum true width 1.5m, 8) Metal Prices $18.00USD/oz silver, and $1,300USD/oz gold, and $0.80USD/lb lead, 9) Ag eq (g/t) and AgEq (oz) use only Au, Ag, and Pb values.

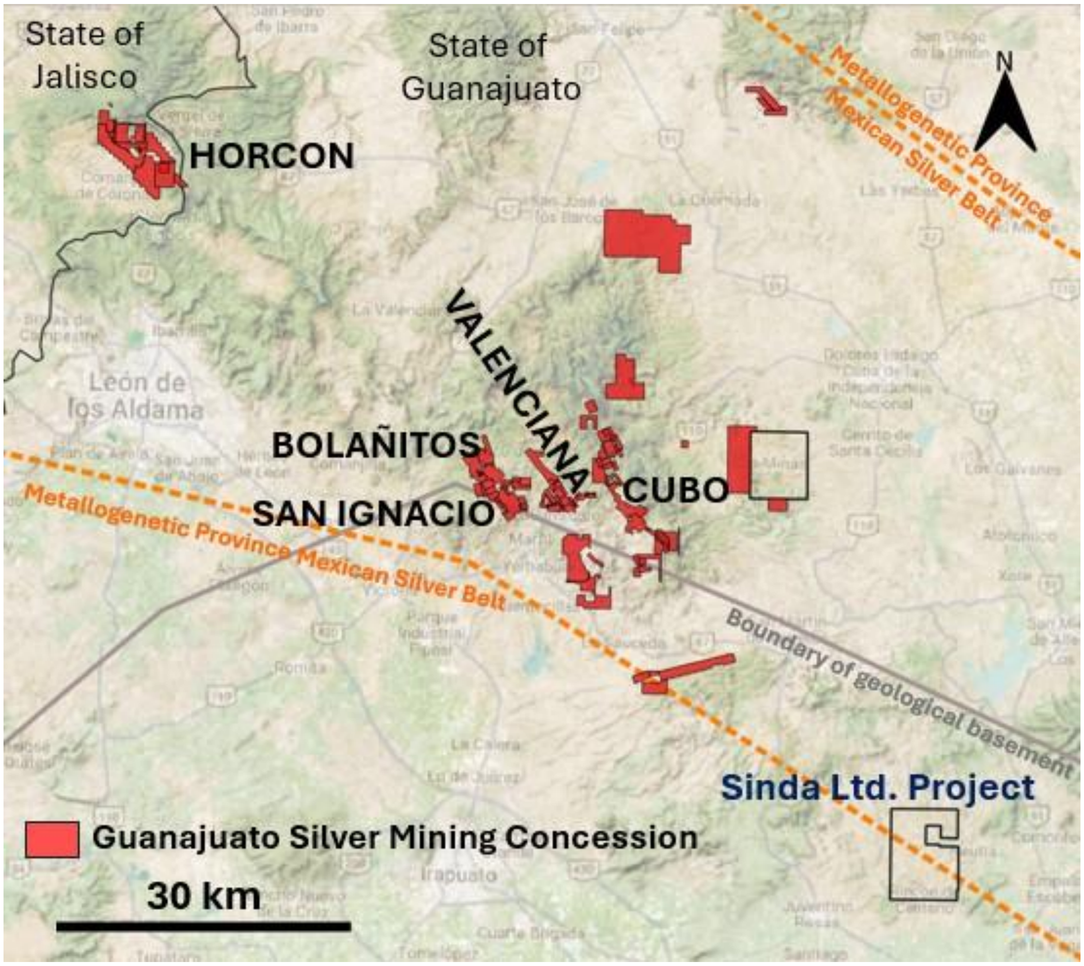

Figure 3 - Regional Concession Map

The Horcon mineral resource estimate is a historical estimate, and the reader is cautioned not to treat them, or any part of them, as a current resource. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the Company is not treating the historical estimate as current mineral resources or mineral reserves. The mineral resource is taken from a Great Panther technical report dated February 20, 2017. However, based on the assumptions, parameters and methods in the prior technical report, as well as literature and data review the Company considers such estimate to be relevant and reliable and provides an indication of the extent of mineralization identified by previous operators at the El Horcon Mine. To verify the historical mineral resource estimate as a current mineral resource, a qualified person would need to complete database validation, undertake a full review of estimation parameters and procedures, and complete an updated mineral resource estimate and a NI 43-101 technical report incorporating additional production, drilling, sampling and resaying of core completed at El Horcon since February 2017.

Guanajuato Silver is also providing an update on the previously announced lawsuit with NucTech Mexico, S.A. de C.V. ("NucTech") against the Company's subsidiary, Minera Mexicana Rosario S.A. de C.V. ("**MMR**"). As previously disclosed, the Company sought an appeal against a ruling of a Mexican court holding MMR liable to pay damages to NucTech. The appeal was denied, thereby confirming the previously issued judgment. The Company will continue to evaluate and pursue legal remedies available to it in this matter. The Company notes that it has already accrued the liability in the Company's financial statements for the year ended December 31, 2025. See GSilver news release dated December 4, 2025 for additional details.

Technical Information

Additional information regarding the Bolañitos mine project can be found in the technical report dated April 23, 2026 (effective date March 19, 2026) titled "NI 43-101 Technical Report: Updated Mineral Resource and Reserve Estimates for the Bolañitos Project, Guanajuato State, Mexico" and prepared by Mr. Richard A. Schwering, SME-RM, P.G., Jeffery Choquette, P.E., Brian Arthur, SME-RM., each employees or contractors of Hard Rock Consulting, LLC and Douglas Grant Feasby, P. Eng. Of P&E Mining Consultants Inc., which is available on SEDAR+ at www.sedarplus.ca.

The scientific and technical information set out under the heading "Mineral Resources Estimate" has been reviewed and approved by Richard A. Schwering, SME-RM, P.G. an employee of Hard Rock Consulting, LLC and a Qualified Person as defined by National Instrument 43-101. Mr. Schwering is independent of the Company.

The scientific and technical information set out under the heading "Mineral Reserve Estimate" has been reviewed and approved by Jeffery Choquette, P.E. an employee of Hard Rock Consulting, LLC and a Qualified Person as defined by National Instrument 43-101. Mr. Choquette is independent of the Company.

Qualified Person

William Gehlen, a Director of Guanajuato Silver, is a Certified Professional Geologist with the American Institute of Professional Geologists (No. 10626), and a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Mr. Gehlen has reviewed and verified technical data disclosed in this news release and detected no significant QA/QC issues during review of the data and is not aware of any sampling, recovery or other factors that could materially affect the accuracy or reliability of the data referred to herein. The verification of data underlying the disclosed information includes reviewing production reports from each of the Company's mining operations.

About Guanajuato Silver

Guanajuato Silver is a precious metals producer with a portfolio of producing silver and gold mines in central Mexico. The Company has a core operational footprint of four operating silver-gold assets in the state of Guanajuato, which has an established 480-year mining history. Additionally, the Company produces silver, gold, lead, and zinc concentrates from the Topia mine in northwestern Durango.

ON BEHALF OF THE BOARD OF DIRECTORS

"James Anderson"

Chairman and CEO

For further information regarding Guanajuato Silver Company Ltd., please contact:

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Guanajuato Silver Bullion Store
Please visit our **Bullion Store**, where Guanajuato Silver coins and bars can be purchased.

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Forward-Looking Statements

This news release contains certain forward-looking statements and information, which relate to future events or future performance including, but not limited to statements regarding GSilver's growth and the repayment of remaining balance of the gold loan. .

Such forward-looking statements and information reflect management's current beliefs and are based on information currently available to and assumptions made by the Company; which assumptions, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: our estimates of the potential quantity, grade and metal content of the mineralized material at El Cubo, Bolanitos, VMC and San Ignacio, the geotechnical and metallurgical characteristics of such material conforming to sampled results and metallurgical performance; available tonnage of mineralized material to be mined and processed; resource grades and recoveries; assumptions and discount rates being appropriately applied to production estimates; prices for silver, gold and other metals remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects and to satisfy current liabilities and obligations including debt repayments; capital, decommissioning and reclamation estimates; prices for energy inputs, labour, materials, supplies and services (including transportation) and inflation rates remaining as estimated; no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

Readers are cautioned that such forward-looking statements and information are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results, level of activity, production levels, performance or achievements of GSilver to differ materially from those expected including, but not limited to, market conditions, availability of financing, currency rate fluctuations, high inflation and interest rates, tariffs, geopolitical conflicts including wars, actual results of exploration, development and production activities, actual grades and recoveries of silver, gold and other metals from the Company's existing mines including El Cubo, Bolanitos, San Ignacio, VMC and Topia, availability of third party mineralized material for processing, unanticipated geological or structural formations and characteristics, environmental risks, future prices of gold, silver and other metals, operating risks, accidents, labor issues, equipment or personnel delays, delays in obtaining governmental or regulatory approvals and permits, inadequate insurance, and other risks in the mining industry. There are no assurances that GSilver will be able to continue to increase production, tonnage milled and recovery rates, improve grades and reduce costs at El Cubo, Bolanitos, San Ignacio, VMC or Topia to process mineralized materials to produce silver, gold and other concentrates in the amounts, grades, recoveries, costs and timetable anticipated. In addition, GSilver's decision to process mineralized material from El Cubo, Bolanitos, San Ignacio, VMC and Topia is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and therefore is subject to increased uncertainty and risk of failure, both economically and technically. Mineral resources and mineralized material that are not Mineral Reserves do not have demonstrated economic viability, are considered too speculative geologically to have the economic considerations applied to them, and may be materially affected by environmental, permitting, legal, title, socio-political, marketing, and other relevant issues. There are no assurances that the Company's projected grades of gold and silver at El Cubo, Bolanitos, VMC and San Ignacio and the anticipated level of production therefrom will be realized. In addition, there are no assurances that the Company will meet its production forecasts or generate the anticipated cash flows from operations to satisfy its scheduled debt payments or other liabilities when due or meet financial covenants to which the Company is subject or to fund its exploration programs and corporate initiatives as planned. There is also uncertainty about the impact of any future global pandemic, ongoing global conflicts, elevated inflation and interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, contractors and other personnel on a timely basis or at all and economic activity in general. Accordingly, readers should not place undue reliance on forward-looking statements or information. All forward-looking statements and information made in this news release are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR+ at www.sedarplus.ca including the Company's most recently filed annual information form. These forward-looking statements and information are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required by law.