

Americas Gold & Silver (USA CN / USAS)

Initiation: Stars & Silver: Paul Huet's American Dream

RECOMMENDATION: **BUY**

PRICE TARGET: **C\$9.65/sh**

RISK RATING: **HIGH**

SHARE DATA

Shares (basic, FD)	272 / 301
52-week high/low	6.78 / 1.28
Market cap (C\$m)	1842
Net cash (debt) (US\$m)	(82)
1.0xNAV5% @ US\$3000/oz (US\$m)	1,393
1.0xNAV5% FD (C\$/sh)	C\$6.40
1.0xNAV5% FD + FF (C\$/sh)	C\$4.63
P/NAV (x)	1.06x
Average daily value (C\$m, 3M)	\$2.84

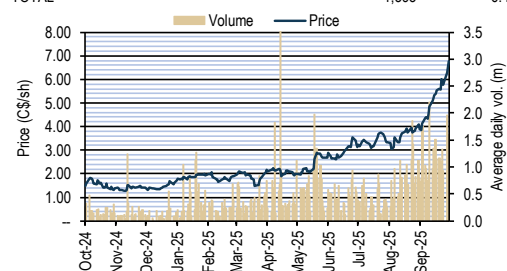
FINANCIALS

	CY25E	CY26E	CY27E
Silver Eq produced (000oz)	3,968	5,180	6,942
Revenue (US\$m)	128	170	215
Group AISC (US\$/oz AuEq)	16	19	15
Net Income (US\$m)	(27.6)	11.4	35.2
EPS (C\$/sh)	(0.12)	0.04	0.13
PER (x)	(54.0)	116.1x	37.6x
CFPS (C\$/sh)	0.03	0.15	0.29
P/CF (x)	71.0x	30.7x	15.7x
EBITDA (US\$m)	20.6	71.6	117.1
EV/EBITDA (x)	68.7x	19.7x	11.5x

SPOT VALUATION

	CY25E	CY26E	CY27E
1xNAV5% FD + FF (C\$/sh)	5.26	5.64	6.29

SOTP 1xNAV5% US\$3000/oz	US\$m	C\$/sh
Galena (Idaho) NPV 4Q25	1,333	6.15
Cosala (Mexico) NPV 4Q25	136	0.63
Central SG&A & fin costs 4Q25	(221)	(1.02)
Resources outside SCPe mine plans (\$1/oz AgEq)	227	1.05
Net cash incl ITM options, debt, metal contract lib.	(82)	(0.38)
TOTAL	1,393	6.40



Source: SCPe; Factset for trading metrics

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Silver turnaround story shooting for 7-9Moz AgEq/year

Americas Gold and Silver (USAS) is a TSX and NYSE-listed silver producer with producing mines in Sinaloa, Mexico and Idaho, USA, each producing 1.0-2.0Moz AgEq. The company is now recapitalized and pursuing growth led by former Karora and Klondex CEO Paul Huet, and his team, many of whom played key roles at those companies. The target is to grow Galena into a 5Mozpa Ag (6.5Moz AgEq) producer and group production to the 7-9Moz AgEq / year range.

Paul Huet and Karora team brought in for turnaround

Under prior management, USAS made a series of missteps, including underinvesting in Galena, selling 40% of the asset to Eric Sprott in an attempt to recapitalize the company, and developing the Relief Canyon heap leach (unexpected carbonaceous material caused recovery issues, now on care & maintenance). Paul Huet was originally brought in as a consultant and following the acquisition of Karora by Westgold in August 2024, the Karora team moved to USAS, concurrent with a C\$50m placing to recapitalize the company.

Galena targeting 5Mozpa driven by shaft, mining and payability

Galena (Idaho) is USAS's flagship asset, with nearly 200Moz at >400g/t of Ag and ~250Moz at >550g/t of AgEq in total resources, including byproducts. Increasing mining rates is the key focus and opportunity, as there's plenty of processing capacity at ~1,100tons/day vs the current mining rate of ~400tons/day. This is management's specialty, and they've identified several key improvements: Upgrading hoist capacity to 1,000tons/day through 1) motor and 2) braking system upgrades; and 3) adding long-hole stoping in areas of good vertical continuity. Increased tonnage plus better payability on byproducts are the pathway from 1.5-2.0Mozpa to >5Mozpa Ag (6.5Moz AgEq) at Galena.

Cosalá – steady state ~2Mozpa cash generator

Cosalá, located in Sinaloa, Mexico, has been a steady cash generator. We expect the operation to maintain production around the 2Moz/year AgEq, SCPe US\$10-25m FCF/year range over an SCPe 10-year modelled mine life with potential to further optimize operations in the future.

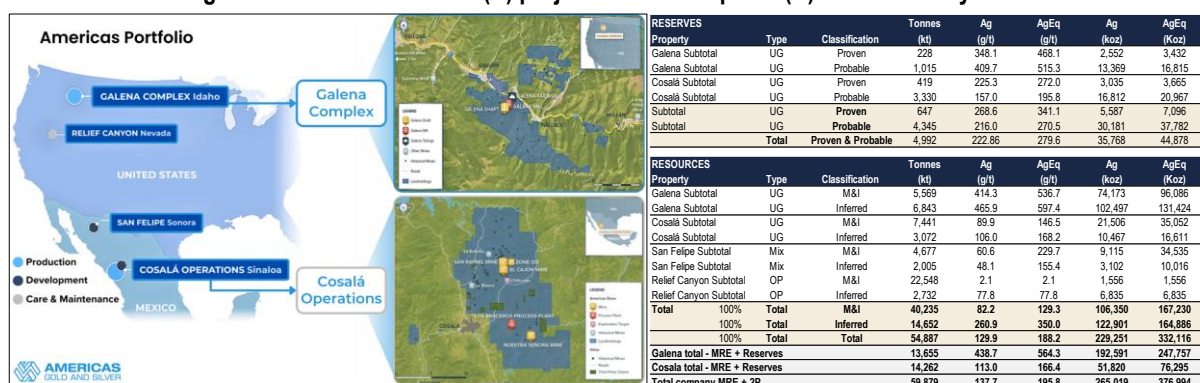
Initiate with BUY rating and C\$9.65/sh price target

We model a 20-year mine life at Galena with production increasing to 6.4Moz AgEq (incl 4.8Mozpa Ag) steady state 2028-2045. This generates a US\$1.33bn NPV5% at US\$35/oz Ag LT. We model a 10-year mine life at Cosalá generating US\$136m NPV5%. We subtract SCPe US\$221m for SG&A, add US\$227m for resources outside our modelled mine plans, and subtract US\$82m for net debt, generating a US\$1.4bn NAV or C\$6.40/sh. We initiate with a 1.5x P/NAV multiple and C\$9.65/sh price target, which equates to US\$245m per 1Mozpa AgEq EV/production at steady state, conservatively within where the top silver producers (FRES, CDE, HL, FM, EDR) trade (US\$250-320m per 1Mozpa).

Mid-tier targeting growth from 3-4Moz AgEq to 9Mozpa AgEq (6Moz Ag) driven by Galena

America's Gold and Silver is a multi-asset silver producer with two producing mines in Idaho, USA and Sinaloa, Mexico. Their flagship is the Galena Mine in Idaho, which is currently producing at ~1.5-2.0Moz AgEq with plans to increase production to 7Mozpa AgEq through shaft improvements, transition to long-hole stoping, and better concentrate payable terms. Their secondary asset Cosalá in Sinaloa, Mexico, is a ~2.0-3.0Moz silver-zinc-lead concentrate producer which is operating at steady state and generating ~US\$20m FCF/year. The operational turnaround story is led by former Klondex and Karora CEO Paul Huet, an underground mining specialist, and many of his familiar senior management colleagues. Newly recapitalized, the opportunity is to build the company into an SCPe ~7-9Mozpa AgEq producer and then participate in an Idaho Silver Valley district (includes Hecla's Lucky Friday, the private Sunshine Mine, Bunker Hill) consolidation play as either the consolidator or potentially a target.

Figure 1. Galena and Cosalá (A) project location map and (B) R&R summary table

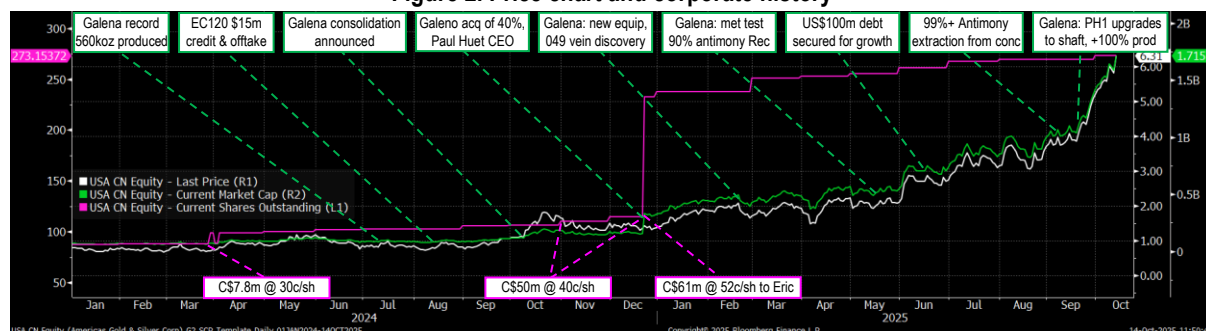


Source: America's Gold & Silver

Overview / History: Operational missteps behind it, execution and strategic rebuild now in focus

Americas Silver was formed through the 2014 merger of Scorpio Mining (brought Cosalá into production in 2008) and US Silver (bought Galena from Coeur in 2006, Eric Sprott was a major shareholder) which was meant to add stability by combining two smaller producers. The company survived low silver prices, optimizing mine plans to increase base metal production at both assets, including shifting Galena to processing silver-lead (more base metal credits) mineralization compared to silver-copper tetrahedrite ore (higher silver grades, lower base metal credits). In 2019, the company sold 40% of Galena at asset level to Eric Sprott for US\$20m and merged with Pershing Gold for its Relief Canyon gold heap leach project in Nevada, becoming Americas Gold and Silver. USAS faced a challenging 2020–2023 period, as low gold recoveries caused by carbonaceous material idled Relief Canyon, Cosalá experienced a 20-month shutdown until July 2021, and Galena remained undercapitalized. Eric Sprott brought in Paul Huet as an advisor, and following the acquisition of Karora by Westgold, Paul Huet became CEO in 2024. Concurrently, Eric Sprott exchanged his 40% asset-level stake for a 20% USAS shareholding, and the company executed a recapitalization that included C\$50m at C\$0.40/sh equity in October 2024 and secured a US\$100m debt financing from SAF (SOFR +6%). The plan is to increase Galena production to 1,000 short tons/day (stpd) or 6-7Mozpa AgEq as a first step (~7-9Mozpa at group level) with a large resource base to grow from there.

Figure 2. Price chart and corporate history



Source: Bloomberg, SCP, America's Gold & Silver

Successful mgmt history of ramping up UG assets, building camps, leading to mid-tier take-outs

USAS CEO Paul Huet and his team (includes COO Mike Doolin and Corp Dev Oliver Turner) have a successful history of turning around struggling UG miners. At Klondex (2012-2018), they acquired the Midas mine and processing plant from Newmont, and the Hollister Mine from Waterton, and lifted production to 200kozpa, selling to Hecla for C\$650m in 2018. At Karora (2018-2024, was initially named RNC Minerals), they started with Beta Hunt, a ~60kopza mine that had historically chased high grade gold nuggets and was toll processing at other operators, acquired the Higginsville gold operations (incl 1.4Mtpa mill) in 2019, Spargos Mine in 2020, and Lakewood Mill (1Mtpa) in 2022. They also restructured the royalty on Beta Hunt, eliminated toll milling by acquiring their own milling capacity, and transformed the mining method to longhole stoping to boost tonnage, lifting production to >160kozpa, getting acquired for C\$2.1bn (25% premium) by Westgold in 2024. Eric Sprott was a major shareholder at Karora, with 9.9% of the stock. Both stories highlight the team's success: Increasing production, strategically adding ounces and processing capacity to build assets that were sought after by mid-tiers.

Figure 3. Klondex, Karora and America's price chart and history under same management teams



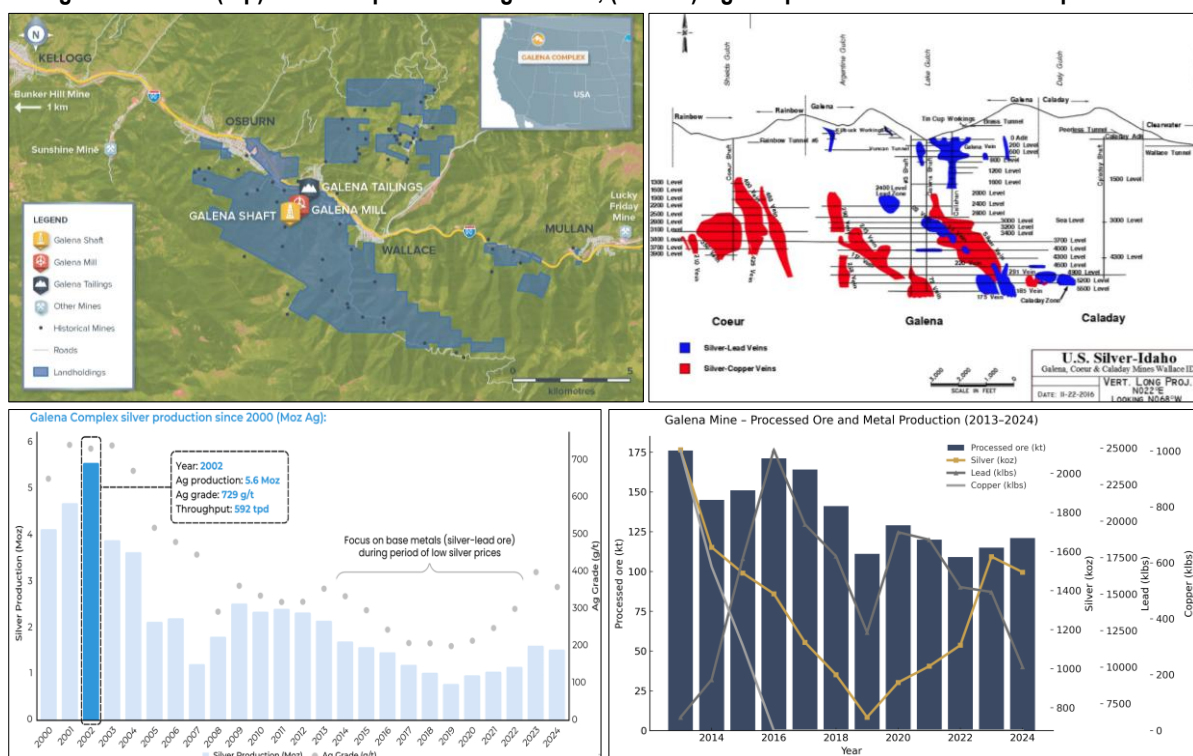
Source: America's Gold & Silver

Galena the key turnaround for USAS: 200Moz resource base, potential for 7Moz/year AgEq

With a >130-year history, including >50-years of recent operations, the Galena Complex boasts extensive surface and underground infrastructure across its 8,915 ac (3,608 ha) property. This includes: Four shafts – three of which are equipped with hoisting capabilities (Galena, #3, and Coeur), over 88km of underground workings, complete underground mine service systems (ventilation, dewatering, process water, and compressed air), two surface processing facilities (active 750stpd Galena mill and 500stpd Coeur mill on care and maintenance), backfill plant (sandfill), mine dry, mine and administrative offices, warehouses, timber framing yard, core storage facilities, electrical powerlines and substations, mine and surface water treatment circuits, and the Osburn Tailings impoundment (~3km from the processing plant) capable of handling handle tails from both mills at full capacity (1,250tpd) for ~20-years.

Galena produced a peak of 5.6Moz Ag at 729g/t at 592tpd throughput in 2002, indicating the mine can do significantly more production and throughput than the current run rate (~400-430 tpd vs ~592 tpd in 2002). Despite the extensive history of mining, few operational improvements were reported between 2012 to 2018 as focus shifted to the company's other operations, meaning equipment upgrades, infrastructure updates, exploration and development spend were in dire need of capital injection to achieve a more profitable operation. Moreover, the mine plan shifted from higher silver grade tetrahedrite mineralization in 2015, to target lower grade silver-lead mineralization due to low silver prices, reconfiguring the mill to produce a silver-lead concentrate. The 2019 US\$20m Sprott recapitalization plan presented the first opportunity to exploit Galena's existing resources, improve operational performance, and increase margins. From 2020 to 2024 this involved making key underground development improvements, including access to high grade silver ore from 3700L, developing the 4300L to access the upper 360 complex, as well as the Upper Country Lead Zone between 2400-2800L, accelerating the 55-179 decline, rehabilitating the 5500L loading pocket, and making critical repairs to the Coeur shaft. Additionally, the company procured equipment and resumed exploration drilling to support the ability to grow towards a near-term 2Moz pa plan. These modest improvements saw some operational benefits, but the Galena Complex remained under-capitalized after years of neglect, with Huet's experienced mine-turnaround team and larger pool of capital key to unlocking Galena's true potential in our view.

Figure 4. Galena (top) mine complex and long-section, (bottom) Ag and processed ore and metals production



Source: America's Gold and Silver; SCP

In addition to extensive existing infrastructure, Galena hosts 20Moz @ 507g/t AgEq in reserves at ~49/51 Ag-Pb/Ag-Cu on an AgEq ounce basis and 228Moz @ 570g/t AgEq resources exclusive of reserves at ~66/34 Ag-Pb/Ag-Cu on an AgEq ounce basis (all using SCPe LT prices), with approximately 50% of total ounces in M&I and P&P providing an impressive back-stop to current operations. Since 1953, the complex has held only 3-9 years of reserves, hence we see the ~120Moz of inferred resources as both a low risk and low-capital opportunity to further bulk out or extend the existing LOM plan.

Table 1. Galena Reserve and Resource statement as of December 31, 2024

RESERVES											RESOURCES										
Property	Classification	Tonnes	Ag (g/t)	Pb (%)	Cu (%)	AgEq (g/t)	Ag (koz)	Pb (kt)	Cu (kt)	AgEq (Koz)	Property	Classification	Tonnes	Ag (g/t)	Pb (%)	Cu (%)	AgEq (g/t)	Ag (koz)	Pb (kt)	Cu (kt)	AgEq (Koz)
Galena - Ag-Pb	Proven	154	257.1	8.01%	—	413.7	1,273	12.3	—	2,049	Galena - Ag-Pb	M&I	4,064	325.9	7.74%	—	477.3	42,576	314.7	—	62,360
Galena - Ag-Pb	Probable	630	257.5	6.92%	—	392.8	5,216	43.6	—	7,956	Galena - Ag-Pb	Inferred	4,912	395.7	7.98%	—	551.8	62,498	392.1	—	87,143
Galena - Ag-Cu	Proven	74	537.6	—	0.55%	581.4	1,279	—	0.4	1,383	Galena - Ag-Cu	M&I	1,505	653.0	—	0.55%	697.0	31,597	8.3	—	33,726
Galena - Ag-Cu	Probable	385	658.7	—	0.72%	715.7	8,153	—	2.8	8,859	Galena - Ag-Cu	Inferred	1,931	644.3	—	0.87%	713.2	39,999	16.8	—	44,280
Galena Subtotal	Proven	228	348.1	5.41%	0.18%	468.1	2,552	12.3	0.4	3,432	Galena Subtotal	M&I	5,569	414.3	5.65%	0.15%	536.7	74,173	314.7	8.3	96,086
Galena Subtotal	Probable	1,015	409.7	4.29%	0.27%	515.3	13,369	43.6	2.8	16,815	Galena Subtotal	Inferred	6,843	465.9	5.73%	0.25%	597.4	102,497	392.1	16.8	131,424
	Total	1,243	398.39	4.50%	0.26%	506.6	15,921	55.9	3.2	20,246		Total	12,412	442.7	5.69%	0.20%	570.1	176,670	707	25	227,510

Source: Americas Gold & Silver

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While the path forward to scaling-up operations will broadly involve modifications to mining methods and materials handling, recent exploration drilling continues to provide resource upside with both extensions and new zones emerging at depth, including the new high-grade 034 vein that hit 3.4m @ 983g/t in 2Q25. In addition to, up-dip hits on vein extensions including recent 149 vein that saw high grade 0.2m @ 24,913g/t Ag and 16.9% Cu.

The plan: De-constrain hoisting, then increase mining rates with LH stoping

Recent company evaluations identified hoisting as a key bottleneck to increasing the mine production rate. Of the three shafts with existing hoisting capabilities, the #3 shaft is primarily used for fresh air, and the movement of ore/waste, personnel and materials – a logical starting point for hoist optimization. Americas completed Phase 1 upgrades on the #3 shaft in September, changing the motor (from 1,750hp to 2,250hp), installing a second 2,250hp spare motor (backup to derisk operations), and installing weight measuring systems on skips to optimise hoisting efficiencies already seeing a 28% increase on skips. Phase 2 upgrades are scheduled to begin before YE25 to upgrade hoist pads and braking system to decrease creep times in loading and dump zones, install new hoist-control automation technology, and leaky feeder (communications). Once complete, the #3 shaft upgrade project is expected to increase skipping times from 690ft/min to 1,200-1,400ft/min, more doubling of skipping capacity from 40tons/h to ~100tons/h. Assuming a 15h skipping day that means operations could see a lift from 660-690tons/day total (~400-430tons/day of ore) to 1200-1300tons/day total.

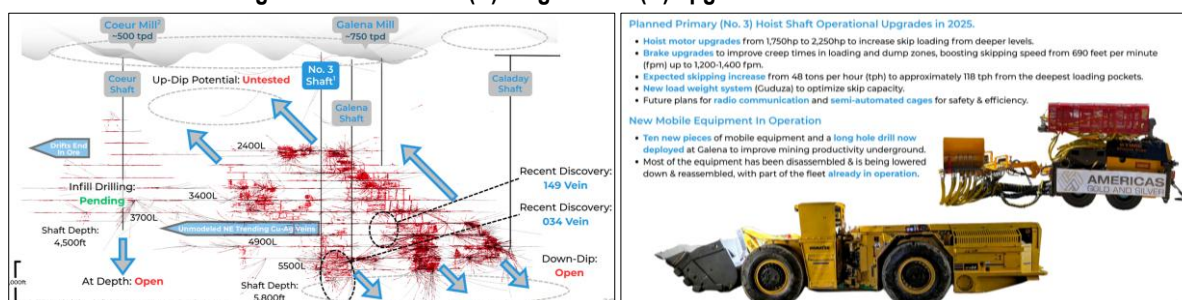
The Coeur shaft is currently only capable of moving limited personnel and materials, but an upcoming motor replacement will allow all waste above 3700L (#3)/3400L (Coeur) to be skipped to surface, alleviating waste movement on #3, and providing another opportunity to de-constraining hoisting. Further, with four main shafts underground, the company has optionality on future hoist and ventilation configurations to support operations trending at depth.

Following hoist debottlenecking, the operations will next have to produce more ore. Given the limitations on throughput from current selective under-hand and over-hand cut and fill operations, and the favourable geometry of vein mineralization (~95% with dips >70°), the mine plan will shift to incorporate more bulk longhole stopes. The first test stope achieved a 10-foot break over 100 feet in 2Q25. The second test stope is currently underway. The company is targeting ~60% of future tons to LH/BH stoping with the remainder to be mined by existing cut-and-fill methods (due to geometry and geotechnical considerations). Currently mining requires ~6-8 cut and fill stopes across 12-18 active headings. Looking ahead upward of 4 LH/BH stopes will be required with an additional 5-7 being developed for ~20 active headings to achieve growth targets.

LH/BH stopes will also provide excess waste storage underground, alleviating hoisting requirement for non-ore sources. In areas where consolidated fill will be required, the company plans to upgrade the current sandfill system to pastefill – reducing pressure on the dewatering system and ensuring a rapid turn-around on stoping activities (given the generally high flow rates and cure times associated with paste).

The company has already purchased 10 new pieces of equipment including seven loaders (2-4yard scoops), three 20t haul trucks, and a longhole drill. The fleet is expected to support productivity gains and reduce unit costs expected to be achieved as increased LH stoping is implemented. While we anticipate some retiring and procurement of new equipment going forward, we do not anticipate fleet size to change dramatically with the transition to LH/BH given the higher ton/man-hour associated with the bulk method.

Figure 5. Galena Mine (A) long section (B) upgrades and enhancements



Source: Americas Gold and Silver

Antimony an ace up the sleeve, Galena is a meaningful producer and this should increase

We think the antimony/critical metals aspect of Galena is overlooked, noting Galena produced 447klbs of antimony YTD through 3Q25 and is the only major US producer. Antimony production wasn't previously reported as it was a penalty element in the concentrate, but is important going forward because: 1) antimony prices have increased by ~5x since 2023 due to a Chinese export bans; 2) antimony has significant military importance in ammunition, explosives and other applications; and 3) the market has reacted, with antimony prices increasing to US\$50k/t (US\$25/lb), US Antimony (UAMY US) increasing to a ~US\$2.0bn market cap (+1800% 1Y performance) and Perpetua Resources (PPTA CN) increasing to a US\$3.0bn market cap (+194% 1Y).

We currently model throughput increases from 400stpd to 1,000stpd which increases SCPe antimony production to SCPe 1.4Mlbs/year which we model at 35% payability and a conservative US\$30/kt antimony price for ~US\$10m/year of revenue. Upside includes potential to shift the mine plan to more copper-silver tetrahedrite ore (~0.7:1 ratio of antimony to copper which could increase Sb production to 2.5-5Mlbs/year (1.1-2.3ktpa), while payabilities could improve with addition of an antimony circuit to produce a 19% Sb concentrate, as supported by recent met test work. Current US demand is ~50Mlbs/year and we think Galena is one of three key US mine sources along with Perpetua's Stibnite and Sunshine Silver's Sunshine Mine.

Economics: Galena production increase results in 7-9Moz/year AgEq group production profile

Galena throughput increases are the main growth driver in our forecasts, which sees production lift from ~4.0Moz AgEq in 2024 to SCPe 8.1-8.8Moz AgEq steady state from 2030-2035. We model throughput increasing to 550stpd in 2026, ~800stpd in 2029 and 1,000stpd in 2030, resulting in production lifting to SCPe 6.4Moz/year AgEq at Galena including 4.8Moz/year Ag. Increased volumes result in SCPe unit costs falling from SCPe US\$240/t (metric tonne) in 2026 to SCPe US\$140/t in 2028, which sees cash flow inflection from SCPe US\$27m next year to US\$120m steady state. At Cosalá we model five years of mining at the EC120 Zone, followed by five years at San Rafael, with production of 1.8-2.4Moz AgEq per year or US\$11-23m of FCF/year. This results in group FCF of US\$90-140m at steady state production of 8.8Moz/year, including 6Moz/year of silver, making USAS a strong mid-tier silver producer on our base case alone.

Table 2. Summary of SCP group estimates

Year ended 31 Dec. Currency in US\$ unless otherwise noted.	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E	2041E	2042E	2043E	2044E	2045E
Silver Price	\$/oz	36	36	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Group Metrics																					
Silver produced	Koz	2,594	3,941	5,208	6,040	6,100	6,100	5,966	5,966	5,966	5,966	5,966	4,758	4,758	3,819	3,819	3,819	3,819	3,819	3,819	3,819
Silver Eq produced	Koz	3,968	5,180	6,942	8,080	8,160	8,160	8,781	8,781	8,781	8,781	8,781	6,391	6,391	5,453	5,453	5,453	5,453	5,453	5,453	5,453
Revenue	US\$m	128.4	169.8	215.1	247.8	250.3	250.3	268.8	268.8	268.8	268.8	268.8	197.7	197.7	166.5	166.5	166.5	166.5	166.5	166.5	166.5
Cash costs	US\$/oz AgEq	14.4	10.6	8.1	7.2	7.2	7.2	6.6	6.6	6.7	6.7	6.7	5.4	5.4	6.3	6.3	6.3	6.3	6.3	6.3	6.3
AISC	US\$/oz AgEq	16.3	19.1	14.7	13.1	13.0	13.0	12.1	12.1	12.1	12.1	12.1	10.4	10.4	11.8	11.8	11.8	11.8	11.8	11.8	11.8
Operating cash flow	US\$m	6.1	40.6	81.0	112.6	121.5	127.3	140.5	145.0	116.5	138.2	138.8	122.4	119.1	99.3	96.7	97.1	97.6	98.0	98.5	99.4
EBITDA	US\$m	20.6	71.6	117.1	151.1	153.2	153.2	171.7	171.7	171.5	171.5	171.5	138.0	138.0	108.7	108.7	108.7	108.7	108.7	108.7	108.7
EBITDA margin	%	16%	42%	54%	61%	61%	61%	64%	64%	64%	64%	64%	70%	70%	65%	65%	65%	65%	65%	65%	65%
Net income	US\$m	-27.6	11.4	35.2	56.3	60.5	60.5	82.7	82.7	75.3	75.3	75.3	61.0	61.5	47.2	47.6	48.1	48.5	48.9	49.4	50.3
Group FCF	US\$m	-26.4	4.1	78.6	104.7	112.4	118.2	133.2	135.8	128.4	128.9	129.2	109.8	109.8	87.0	87.4	88.3	88.7	89.2	89.6	90.1
Cash balance	US\$m	28.4	20.1	58.3	141.6	241.6	318.9	450.2	586.1	693.3	822.2	951.7	1,064.9	1,174.7	1,264.7	1,352.1	1,440.0	1,528.3	1,617.0	1,706.2	1,795.8
Debt balance	US\$m	59.0	76.0	65.9	53.2	40.9	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Net cash	US\$m	-30.6	-55.9	-7.6	88.3	200.7	318.9	450.2	586.1	693.3	822.2	951.7	1,064.9	1,174.7	1,264.7	1,352.1	1,440.0	1,528.3	1,617.0	1,706.2	1,795.8
Metal contracts	US\$m	57.2	32.4	7.5	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Net cash (inc. metal contracts)	US\$m	-87.8	-88.2	-15.2	88.3	200.7	318.9	450.2	586.1	693.3	822.2	951.7	1,064.9	1,174.7	1,264.7	1,352.1	1,440.0	1,528.3	1,617.0	1,706.2	1,795.8
Galena Complex																					
One processed	Kt	106	162	271	330	334	334	334	334	334	334	334	334	334	334	334	334	334	334	334	334
AgEq processed	Koz	2,223	3,534	5,369	6,539	6,622	6,622	6,622	6,622	6,622	6,622	6,622	6,622	6,622	5,669	5,669	5,669	5,669	5,669	5,669	5,669
AgEq recoveries	%	88.4%	96.7%	96.6%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.2%	96.2%	96.2%	96.2%	96.2%	96.2%	96.2%
Silver Eq produced	Koz	1,964	3,417	5,175	6,311	6,391	6,391	6,391	6,391	6,391	6,391	6,391	6,391	6,391	5,453	5,453	5,453	5,453	5,453	5,453	5,453
Blended payability	%	93%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%	87%	87%	87%	87%	87%	87%	87%
Mine AISC	US\$/oz AgEq	13.7	13.8	9.8	8.6	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Mine FCF	US\$m	17	27	93	117	119	119	119	119	119	119	119	119	119	94	94	94	94	94	94	94
Cosalá Operations																					
One processed	Kt	503	500	500	500	500	500	500	500	500	500	--	--	--	--	--	--	--	--	--	--
AgEq processed	Koz	2,292	2,111	2,117	2,118	2,118	2,118	2,769	2,769	2,769	2,769	--	--	--	--	--	--	--	--	--	--
AgEq recoveries	%	77%	84%	84%	83%	83%	83%	85%	85%	85%	85%	--	--	--	--	--	--	--	--	--	--
Silver Eq produced	Koz	2,004	1,763	1,767	1,768	1,768	1,768	2,389	2,389	2,389	2,389	--	--	--	--	--	--	--	--	--	--
Blended payability	%	50%	85%	85%	85%	85%	85%	85%	85%	85%	85%	--	--	--	--	--	--	--	--	--	--
Mine AISC	US\$/oz AgEq	9.2	20.2	20.2	20.2	20.2	20.2	14.9	14.9	15.0	15.0	--	--	--	--	--	--	--	--	--	--
Mine FCF	US\$m	10	12	12	11	11	11	23	23	23	23	--	--	--	--	--	--	--	--	--	--

Source: SCP

Upside potential: The blue-sky upside from there is potential to restart production at the Galena and Caladay shafts, fully utilize the 1,300stpd of milling capacity between the Galena and Coeur Mills and potentially expand processing capacity from there. Antimony is another source of upside, as we currently model antimony production increasing linearly from current production levels based on the increase in tonnage, and we assume just 35% payability as a byproduct credit in a bulk concentrate. The upside to this includes i) targeting silver-copper-antimony rich tetrahedrite to increase the production profile to 2-5Mlbs/year and ii) putting in a specific antimony recovery circuit to produce an antimony concentrate, which we believe would see significantly higher payability; and iii) potentially participating in a western US antimony refinery.

Comps: Market paying US\$1bn for 5Moz/year, we think Americas will add quality premium

In the comp (Table 3), we highlight silver producers globally. In the current high silver price environment, silver producers are trading at a 2.2x P/NAV average, as shareholders and investors price in growth, margin improvements, and higher longer term average silver prices, resulting in top producers trading up to 3.1x P/NAV. Applying current P/NAV multiples to Americas SCPe NAV of US\$1.4Bn (using SCPe LT price of US\$35/oz) implies a US\$2.8–4.3Bn market cap (US\$4.1–6.1Bn @ spot US\$50/oz) – a 110–210% gain from current prices. Meanwhile, EBITDA margins stand at 16% with expectations of margin expansion to 61% in 2028E. More conservatively, looking at valuation as a derivative of production, silver companies trade between ~US\$180–210m for each 1Mozpa of yearly silver equivalent production or ~US\$1Bn for every 5Mozpa. Premium producers – Endeavour Silver, Coeur and First Majestic – trade at an average of US\$288m/1Mozpa. Using US\$200–290m/1Mozpa, Americas' implied value is US\$1.8–2.5Bn.

Table 3. Silver producer comparable companies

Company	Ticker	Market	Mcap	EV	Production		AISC	TAC	P/NAV	EBITDA Margin		EV1Mozpa		EV/oz AgEq		Life	FCF Yield		EV/EBITDA	
					2024A	2025E				2025E	2026E	2024A	2025E	Reserve	Resource		2025E	2026E	2025E	2026E
			(US\$m)	(US\$m)	(Moz)	(Moz)	(US\$/oz)	(US\$/oz)	(x)	%	%			(US\$/oz)	(US\$/oz)	(years)	%	%	(x)	(x)
Silver producers																				
Fresnillo	FRES	LN	26,017	25,160	110.6	96.5	—	—	3.1x	57%	59%	227.5	260.7	27.4	4.6	9.5	6%	4%	10.9x	9.5x
Pan American	PAAS	CN	17,745	14,599	120.5	97.4	17	30	1.4x	48%	60%	121.2	148.8	13.0	3.3	11.5	46.0	5%	7%	8.8x
Coeur	CDE	US	14,789	14,610	41.9	55.1	17	42	2.2x	52%	68%	348.9	265.2	24.7	9.6	10.7	27.6	4%	6%	14.5x
Hedra	HL	US	10,090	9,339	36.5	37.3	21	38	1.9x	45%	64%	255.5	250.7	17.7	3.6	14.1	69.3	2%	3%	18.1x
First Majestic	AG	CN	7,500	7,437	39.8	31.6	20	64	2.8x	49%	59%	187.0	235.3	43.9	9.5	5.4	24.7	3%	6%	13.6x
Hochschild	HOC	LN	3,049	3,229	30.4	32.5	18	39	—	46%	59%	106.4	99.4	20.4	1.9	4.9	53.1	4%	10%	6.6x
Endeavour Silver	EDR	CN	2,916	2,803	8.0	7.7	26	52	1.8x	26%	57%	352.3	362.7	26.9	2.7	13.5	133.9	-3%	6%	25.7x
Aya	AYA	CN	1,913	1,813	1.6	5.2	—	—	1.0x	43%	51%	1,101.1	352.0	27.9	3.5	12.6	100.4	0%	3%	23.5x
Silvercorp	SVM	CN	1,631	1,456	9.7	10.8	20	33	0.9x	51%	62%	149.9	135.4	13.4	4.4	10.1	30.9	-2%	4%	8.0x
Andean Precious	APM	CN	867	818	9.3	9.8	23	35	2.0x	45%	43%	87.9	83.4	12.5	7.1	6.7	11.7	8%	18%	5.3x
Avino	ASM	US	975	922	2.7	2.7	—	—	1.2x	—	—	347.7	348.0	44.3	2.5	7.9	137.2	1%	2%	—
Santacruz	SCZ	CN	680	652	18.7	—	—	—	1.8x	39%	42%	34.9	—	31.9	5.5	—	—	7%	8%	5.3x
Average / Sum			88,172	82,839	438	386	19	42	2.2x	50%	60%	192.8	214.4	21.4	4.4	10.0	49.1	4%	5%	11.4x
Americas	USA	CN	1,326	1,110	4.4	3.9	17	41	1.0x	15%	42%	251.2	284.2	24.7	2.9	11.5	96.6	n/m	0%	73.1x

Source: SCPE, Factset market data, company disclosure, compiled by SCP. FY24 production and AISC based on company filings. FY25E prodn and AISC are guidance averages. Financial metrics per factset. R&R metrics company reported. Market data updated 25-10-15. Values for Americas Silver and Gold are based on SCP model estimates

Below we illustrate a selection of the silver mining, development, and exploration pipeline (note this is not exhaustive, there may be some names missing, especially explorers). What stands out to us about the investible universe is the recent acquisition of Gatos, Silvercrest, and MAG really reduced the availability of emerging mid-tier silver dominant producers. We think the big winners this year have been producers who either have or could show a pathway to at least 7-10Mozpa – Andean Precious, USAS, Avino and Santacruz are all among the strongest producers and have seen increased institutional shareholders and higher liquidity. While we think it is already in institutional territory, USAS has more room to run as a well-known and well followed institutional name if they can deliver on the growth that we are anticipating.

Figure 6. The silver mining landscape



Source: SCP

Recommendation: Initiate coverage with BUY rating and C\$9.65/sh PT

At our LT US\$35/oz silver price, US\$2,500/t Zn, US\$2,200/t Pb and a conservative US\$30k/t Sb, our base case estimates of a 20-year mine life at 6.4Moz/year AgEq (4.8Moz Ag) at Galena generates a US\$1,333m NPV_{5%}. Our Cosalá base case (10 years averaging 2Mozpa AgEq generates a US\$136m NPV_{5%}. We subtract US\$221m for G&A (SCPe US\$20m/year) plus financing costs, add US\$1/oz AgEq for resources outside our modelled mine plans, and add US\$56m for cash and ITM options and subtract US\$138m for debt drawn, the silver payments due to Eric Sprott and gold stream due to Sandstorm. This generates a US\$1.4bn SCPe NAV, or C\$6.40/sh. At spot Ag: US\$50/oz, this increases to US\$2.0bn or C\$9.20/sh. We assign a 1.5x multiple and **initiate with a BUY rating and C\$9.65/sh price target with a high risk rating.**

Table 4. SCPe SOTP valuation and key metrics for America's Gold and Silver

Group-level SOTP valuation	4Q25				1xNAV sensitivity to silver price and discount / NAV multiple				
	US\$m	O/ship	NAVx	FD	1xNAV asset (US\$m)	\$30oz	\$33oz	\$35oz	\$38oz
Galena (Idaho) NPV 4Q25	1,333	100%	1.00x	6.15	8% discount	1,033	1,110	1,187	1,265
Cosala (Mexico) NPV 4Q25	136	100%	1.00x	0.63	7% discount	1,106	1,188	1,271	1,354
Central SG&A & fin costs 4Q25	(221)	-	1.00x	(1.02)	6% discount	1,186	1,275	1,364	1,454
Resources outside SCPe mine plans (\$1/oz AgEq)	227	100%	1.00x	1.05	5% discount	1,277	1,373	1,469	1,566
Cash 3Q25 + ITM options	56		1.00x	0.26	Valuation (C\$/sh)	\$30oz	\$33oz	\$35oz	\$38oz
Debt and Metal Liabilities	(138)		1.00x	(0.64)	0.80xNAV	4.41	4.78	5.15	5.51
1xNAV5% US\$3000/oz - FD pre build	1,393		1.00x	6.40	1.00xNAV	5.51	5.97	6.43	6.89
Assumed development equity issuance	-		1.00x	-	1.50xNAV	8.27	8.96	9.65	10.34
1.5xNAV5% US\$3000/oz - Fully Funded	1,393	-	1.50x	9.65					

Source: SCP

At our C\$9.65/sh target price, America's would be trading at US\$245m per 1Mozpa silver eq. at our steady state 8.8Moz production estimate, which is at the lower end of the range that Fresnillo, Coeur, Hecla, First Majestic, and Endeavor Silver trade at today. We think this illustrates our investment case well: USAS has a strong management team with a good operational track record and comes into an asset base with significant growth potential. We think that as they deliver production growth and falling unit costs, the market will re-rate the stock towards our steady state production estimates, at multiples in line with where the top North American silver producers trade, especially as USAS would rank strongly within the peer group in terms of asset quality (location, ounces and grade), margins (>60% EBITDA margin at SCPe US\$35/oz), and management track record.

Catalysts

- 1H26: Updated MRE
- 2026-27: Ramp up Galena with increasing LH stoping
- 2028-onwards: Galena reaches SCPe 1,000stpd production rate for ~6.0-6.5Moz AgEq/year

Risks

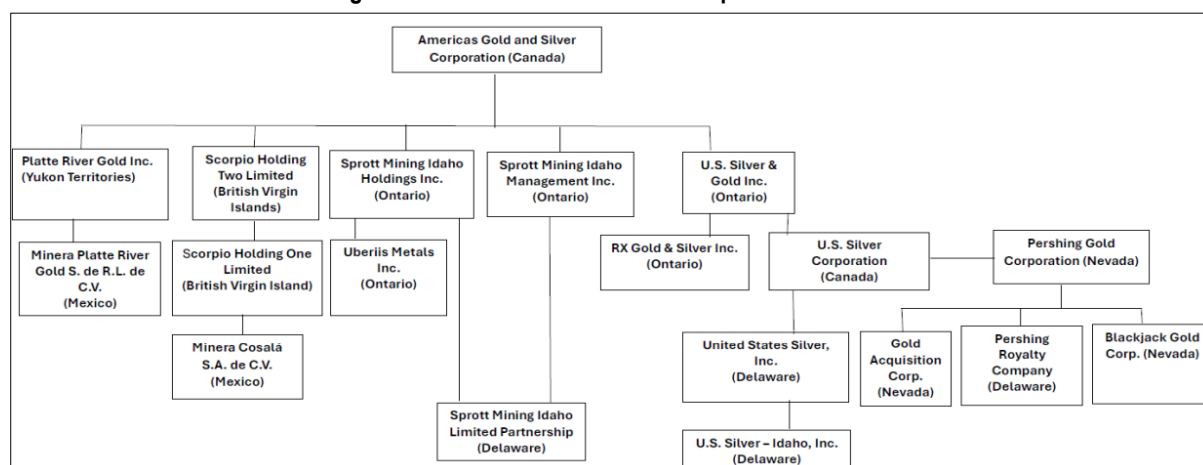
- Geology / resource model: The resource has been mined over many years at head grades similar to the current reserve grade. Continuity is good vertically and reasonable laterally but there are high grade silver veins so there will be variation. We think the key challenge here is estimating reserve grades in the context of a change in mining method to long hole stoping, although we expect a significant amount of cut and fill to remain.
- Mining: Major changes to mining methods and practices comes with operational risks but given managements past success with transitioning multiple mines from selective to bulk mining methods, we think these risks are minimized at Galena. Likewise, any major changes to the materials handling system and associated changes to backfill and other mine systems (e.g. ventilation) have been well explored or are/will be undergoing trade-off studies, further minimizing risk to operations. The team has extensive experience with shaft sinking and hoist optimization and have already derisked the existing/historic systems that were in place in the #3 shaft.
- Processing / Metallurgy: Historical recoveries are very high (>98% silver, >94% lead) even at a relatively course grind so we don't think this is a major risk.
- Site / Infrastructure: The mines are connected to grid power and are located a short drive from the town of Wallace, Idaho, roughly an hour from Coeur D'Alene so access to people, power, equipment and water are not a major concern.
- Permitting: As existing operations, we don't view permitting as a major risk. The key permitting deliverable to monitor is the potential development of an antimony refinery in Idaho or the western United States - which we think is a possibility considering the anticipated production coming from nearby Sunshine Silver (private) and Perpetua's Stibnite project, both located in Idaho.
- Funding / dilution risk: Americas is funded with C\$61.7m of unrestricted cash on the balance sheet as of 30 June 2025 (subsequently a preliminary US\$39m cash balance reported at end of September). We estimate that both outstanding US\$25m tranches of its US\$100m facility, totalling US\$50m, will be enough to cover the infrastructure upgrades, use of LH stoping and the ramp-up at the Galena Complex.

Corporate and Financial Summary

Capital structure: As of 24 September 2025, America's Gold and Silver had 272m shares outstanding, 9m options outstanding at a weighted average exercise price of C\$1.43/sh, and 12m DSUs and RSUs following a recent 2.5:1 share consolidation. We use a basic share count of 272m and fully diluted share count of 300.8m including ITM options and warrants. As of 30 June 2025, Americas Gold and Silver had US\$65m in metals and silver contract liability, US\$13m in credit and pre-payment facilities, and US\$47.5m in term loan facilities. Preliminary cash was reported at US\$39m on October 20, 2025.

Corporate structure: America's registered office is in Toronto with technical services based in Reno, Nevada. The company owns 100% of each of the assets. The Company also owns the Relief Canyon mine ("Relief Canyon") which is currently on care and maintenance in Nevada, USA.

Figure 7. America Gold and Silver corporate structure



Source: SCP

Balance sheet: As of end-June 2025, Americas reported US\$61.7m in cash and US\$4.6m in restricted cash. Total liabilities are divided between conventional term loans and facilities, and outstanding gold and silver contract obligations. Under its conventional facilities, the company drew the first US\$50m tranche of a US\$100m Term Loan Facility with SAF Group on 24 June 2025, and also maintains a US\$15m credit facility with Trafigura and a US\$3m pre-payment facility with Ocean Partners. The respective book values of these facilities are US\$47.5m, US\$9.7m, and US\$3.0m, for a combined total of US\$60.2m. Under its metal's contracts, Americas has a gold purchase and delivery agreement with Sandstorm Gold requiring deliveries of ~5,000oz Au per year through December 2027, and a silver purchase and delivery agreement with Eric Sprott providing for 18,500oz Ag per month over 36 months beginning January 2026. The total book value of these metals purchase agreements is US\$65.6m. Net cash was US\$1.5m (excl. restricted cash) including debt only, and -US\$64.4m including book value of gold and silver contract liabilities outstanding as debt. America's reported a preliminary cash balance of US\$39m on 20 October 2025, along with quarterly production, with the full quarterly financials to come later.

Funding assumptions: We assume a further US\$25m draw down of the US\$100m SAF debt facility (US\$50m drawn current). We don't model any further capital raising beyond this.

Board: The board of Americas Gold and Silver comprises eight members, led by Chairman Paul Huet, a Mining Engineering Technologist and Chairman/CEO of Karora from 2018-2024 at which point it was acquired by Westgold and CEO/Director of Klondex from 2012-2018 until its acquisition by Hecla. He will be leading the team in the turnaround. Lead Director Scott Hand a seasoned mining executive he served as Chairman/CEO of Inco until its sale to Vale for C\$19b. NED Peter Goudie previously EVP Marketing at Inco (1997-2008) and was a Director at Karora Resources (2008-2024). NED Tara Hassan is a mining engineer and a 13-year precious metals equity research analyst, is currently serving a Director at Orezone (TSX-ORE) and was SVP Corp Dev at SilverCrest (2020-2025). NED Gordon Pridham the Principal at Edgewater Capital, with over 25 years of experience in IB, capital markets, and Corporate. NED Bradley Kipp is a CPA and previous TSX and AIM CFO and Director. NED Meri Verli, CPA and PHD is a director of Culico Metals and was formerly a Director and Audit

Chair at Karora. NED Shirley In't Veld is currently on the board of Westgold Resources (ASX-WGX) and Develop Global (ASX-DVP) and was previously a Director of Karora.

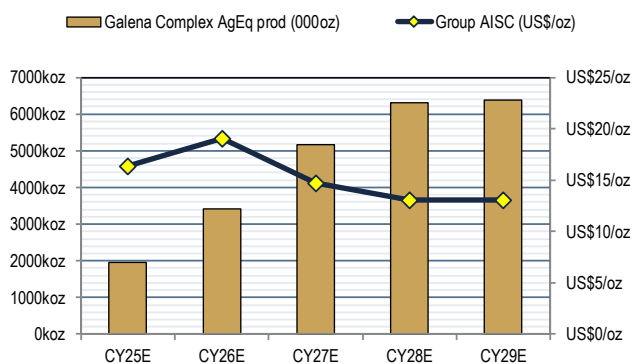
Table 5. Management, Board and Major Shareholders

Name	Role	Equity Ownership*	Background
Board of Directors			
Paul Huet	Chairman / CEO	4.36%	30+ years exp in the mining sector, as CEO- led Klondex Mines to C\$600M sale to Hecla and grew Karora Resources to a A\$1.1B merger with Westgold
Scott Hand	Lead Director	0.19%	40+ years exp in the mining sector, former Chairman and CEO of Inco Ltd., oversaw its C\$19B acquisition, serves as Chair of Kharrouba Copper
Peter Goudie	Director	0.17%	40+ years in global mining and metals marketing, former EVP at Inco, director for Karora Resources, various senior roles in accounting, audit, and finance
Gordon Pridham	Director	0.10%	25+ years in IB and capital markets, Principal at Edgewater Capital and advisory for Enertech Capital, served on over 17 boards of which he has chaired five
Bradley R. Kipp	Director	0.09%	20+ years exp in the mining sector, previously served as CFO and/or Director of several public Toronto and London companies
Tara Hassan	Director	0.02%	PEng with 20+ years exp in mining and capital markets, former equity analyst and SVP at SilverCrest Metals, prev Vice Chair of AME, Dir of Maverix Metals
Meri Verli	Director	0.02%	20+ years exp in mining finance, CPA and PhD in Econ Sciences, curr. Senior Advisor to Discovery Silver, prev CFO at McEwen Mining, VP at Lake Shore Gold
Shirley In't Veld	Director	0.02%	30+ years exp in mining, renewables and energy sector, serves on board of Westgold Resources and Develop Global, formerly Deputy Chair of CSIRO
Senior Management			
Michael Doolin	COO	1.84%	35+ years exp in underground mining operations, former COO of Klondex Mines, CEO/COO of Silver Elephant Mining, SVP at Karora Resources.
Warren Varga	CFO	0.61%	20+ years exp in mining finance and operations, CFA holder and former CFO of US Silver & Gold, Senior Director Corp Dev. at Barrick Gold
Peter McRae	SVP, Corporate Affairs & CLO	0.28%	15+ years exp in corporate and commercial law, attorney at Weil, Gotshal & Manges LLP, serves on board of Barkdale Resources
SEDI insiders (>10% holders)			
ASA Gold and Precious Metals Limited		9.48%	One of the oldest investment management firms focused solely on the precious metals and mining industry, managed by Merk Investments
Ingalls & Snyder, LLC		2.92%	NYC-based investment advisory firm, with \$10.5 billion in client assets under management
Eric Sprott		16.28%	A leader in the investment community and one of the world's premiere gold and silver investors with over 50 years of experience in the investment industry

Source: System for Electronic Disclosure by insider (SEDI); sedit.ca.

*Assuming exercise of warrants and options on a fully diluted basis - accounting for 2.5:1 consolidation

Ticker: USA CN		Price / mkt cap: C\$6.78/sh, C\$1842m		Market P/NAV: 1.06x		Assets: Galena / Cosala	
Authors: J Chan		Rec / 1.5x NAV: BUY / C\$9.65		1xNAVFD: C\$6.40/sh		Country: Idaho / Mexico	
Group-level SOTP valuation		4Q25		FD		Resource / Reserve	
		US\$m	O/ship	NAVx	C\$/sh	Mt	Moz Ag Moz AgEq EV/2P EV/M&I&I
Galena (Idaho) NPV 4Q25		1,333	100%	1.00x	6.15	13.7	192.6 247.8
Cosala (Mexico) NPV 4Q25		136	100%	1.00x	0.63	14.3	51.8 76.3
Central SG&A & fin costs 4Q25		(221)	-	1.00x	(1.02)	59.9	265.0 377.0 25.2 3.0
Resources outside SCPe mine plans (\$1/oz AgEq)		227	100%	1.00x	1.05	Share data	
Cash 3Q25 + ITM options		56	-	1.00x	0.26	Basic shares (m): 271.6	FD shares (m): 300.8 FD + FF 300.8
Debt and Metal Liabilities		(138)	-	1.00x	(0.64)	Commodity price	CY25E CY26E CY27E CY28E CY29E
1xNAV5% US\$3000/oz - FD pre build		1,393		1.00x	6.40	Silver price (US\$/oz)	36.20 37.55 35.42 35.00 35.00
Assumed development equity issuance				1.00x		Ratio analysis	CY25E CY26E CY27E CY28E CY29E
1.5xNAV5% US\$3000/oz - Fully Funded		1,393		1.50x	9.65	FD shares out (m)	289.2 289.2 289.2 289.2 289.2
1xNAV sensitivity to silver price and discount / NAV multiple							
1xNAV asset (US\$m)		\$30.0oz	\$32.5oz	\$35.0oz	\$37.5oz	\$40.0oz	
8% discount		1,033	1,110	1,187	1,265	1,343	EPS (C\$/sh)
7% discount		1,106	1,188	1,271	1,354	1,438	CFPS before w/c (C\$/sh)
6% discount		1,186	1,275	1,364	1,454	1,544	CFPS pre growth (C\$/sh)
5% discount		1,277	1,373	1,469	1,566	1,663	FCF/sh (C\$/sh)
Valuation (C\$/sh)		\$30.0oz	\$32.5oz	\$35.0oz	\$37.5oz	\$40.0oz	FCF per oz (C\$/sh)
0.80xNAV		4.41	4.78	5.15	5.51	5.88	FCF yield - pre growth (%)
1.00xNAV		5.51	5.97	6.43	6.89	7.36	FCF yield (%)
1.50xNAV		8.27	8.96	9.65	10.34	11.03	EBITDA margin (%)
Valuation over time		Today	2025E	2026E	2027E	2027E	
Galena (Idaho) NPV		1,333	1,295	1,342	1,380	1,352	FCF margin (%)
Cosala (Mexico) NPV		136	139	136	130	124	ROA (%)
Cntrl G&A & fin costs (US\$m)		(221)	(251)	(214)	(186)	(157)	ROE (%)
Net cash at 1Q (US\$m)		(82)	(88)	(88)	(15)	88	EV/EBITDA (x)
Resources outside SCPe mine plans		227	227	227	227	227	Income statement
1xNAV (US\$m)		1,166	1,095	1,175	1,310	1,407	Revenue (US\$m)
1xNAV share px FD (C\$/sh)		6.40	5.26	5.64	6.29	6.76	COGS (US\$m)
P/NAV (x)		1.06x	1.29x	1.20x	1.08x	1.00x	Gross profit (US\$m)
ROI to equity holder (% pa)		-6%	-22%	-9%	-2%	0%	Depreciation (US\$m)
Geared company C\$ 1xNAVPS diluted for mine build, net G&A and interest							
4Q25 1xNAV FF FD (C\$/sh)^		\$30.0oz	\$32.5oz	\$35.0oz	\$37.5oz	\$40.0oz	
9.0% discount		6.30	6.80	7.31	7.82	8.33	G&, C&M, central (US\$m)
7.0% discount		7.17	7.75	8.34	8.93	9.52	Impairment & other (US\$m)
5.0% discount		8.27	8.96	9.65	10.34	11.03	Net finance costs (US\$m)
4Q25 1xNAV FF FD (C\$/sh)^		\$30.0oz	\$32.5oz	\$35.0oz	\$37.5oz	\$40.0oz	
20% increase in cost per tonne		7.56	8.25	8.94	9.63	10.32	Tax (US\$m)
10% increase in cost per tonne		7.91	8.60	9.29	9.98	10.68	Minority interest (US\$m)
0% increase in cost per tonne		8.27	8.96	9.65	10.34	11.03	Net income attr. (US\$m)
-10% increase in cost per tonne		8.63	9.32	10.01	10.70	11.39	EBITDA
4Q25 1xNAV FF FD (C\$/sh)^		\$30.0oz	\$32.5oz	\$35.0oz	\$37.5oz	\$40.0oz	
20.0% change in capex		8.05	8.74	9.43	10.12	10.81	Cash flow
10.0% change in capex		8.16	8.85	9.54	10.23	10.92	Profit/(loss) after tax (US\$m)
0.0% change in capex		8.27	8.96	9.65	10.34	11.03	Add non-cash items (US\$m)
-10.0% change in capex		8.38	9.07	9.76	10.45	11.14	Less w/kg cap / other (US\$m)
							Cash flow ops (US\$m)
							PP&E (US\$m)
							Exploration & Other (US\$m)
							Cash flow inv. (US\$m)
							Debt draw (repayment) (US\$m)
							Equity issuance (US\$m)
							Other (US\$m)
							Cash flow fin. (US\$m)
							Net change post forex (US\$m)
							FCF (US\$m)
Balance sheet		CY25E	CY26E	CY27E	CY28E	CY29E	
Cash (US\$m)		28	20	58	142	242	Total assets (US\$m)
Restricted cash (US\$m)		5	5	5	5	5	Accounts payable (US\$m)
Accounts receivable (US\$m)		15	18	22	24	24	Debt (US\$m)
Inventories (US\$m)		7	7	7	7	7	Metal and silver contract (US\$m)
PPE & exploration (US\$m)		175	182	140	88	36	Other liabilities (US\$m)
Other (US\$m)		4	4	4	4	4	Shareholders equity (US\$m)
Total assets (US\$m)		233	235	235	269	318	Equity reserve
Accounts payable (US\$m)		33	34	34	35	35	Retained earnings (US\$m)
Debt (US\$m)		59	76	66	53	41	Minority int. & other (US\$m)
Metal and silver contract (US\$m)		57	32	8	-	-	Liabilities+equity (US\$m)
Other liabilities (US\$m)		54	55	56	57	57	Net Cash
Shareholders equity (US\$m)		609	609	609	609	609	Net Debt to NTM EBITDA (x)
Equity reserve		61	61	61	61	61	
Retained earnings (US\$m)		(607)	(598)	(564)	(511)	(450)	
Minority int. & other (US\$m)		-	-	-	-	-	
Liabilities+equity (US\$m)		233	235	235	269	318	
Net Cash		(31)	(56)	(8)	88	201	
Net Debt to NTM EBITDA (x)		0.4x	0.5x	0.1x	(0.6x)	(1.3x)	



Production (100%)	CY25E	CY26E	CY27E	CY28E	CY29E
Galena Complex AgEq prod (000oz)	1,964	3,417	5,175	6,311	6,391
Cosala Operations AgEq prod (000oz)	2,004	1,763	1,767	1,768	1,768
Group AgEq prod (000oz)	3,968	5,180	6,942	8,080	8,160
Group Ag prod (000oz)	2,594	3,941	5,208	6,040	6,100
Group cash cost (US\$/oz)	14.4	10.6	8.1	7.2	7.2
Group AISC (US\$/oz)	16.3	19.1	14.7	13.1	13.0

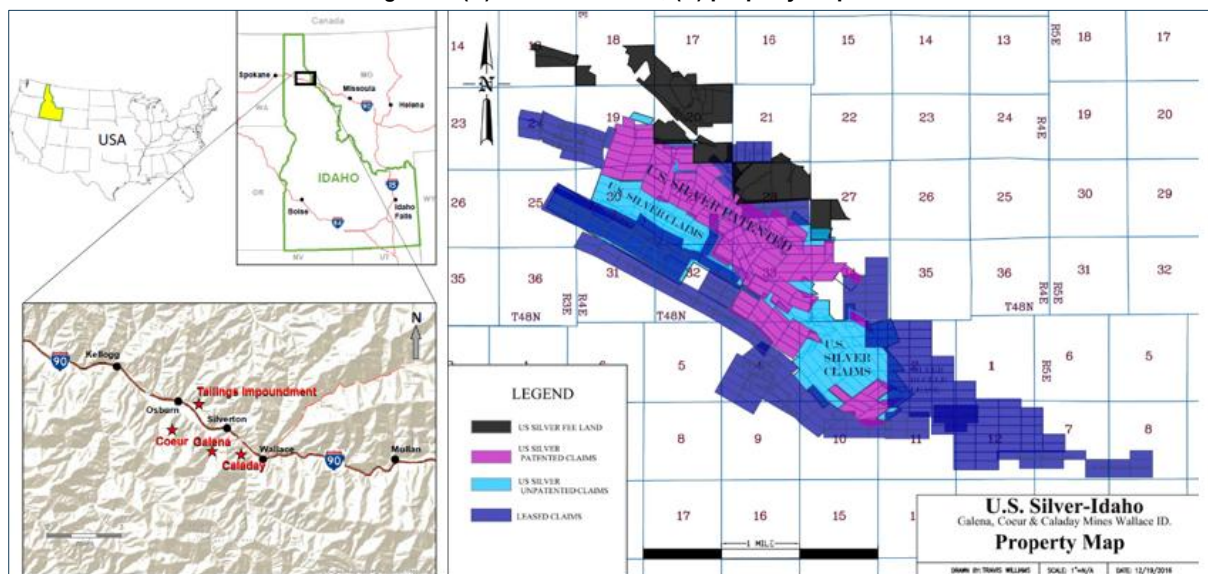
Source: SCP estimates

Galena Overview

Overview:

History: Placer gold was first found in the Coeur D'Alene district in 1858. Silver-lead veins were discovered by 1860 and mined in various gold rushes. Modern mining operations were commenced by ASARCO in 1947. From 1953-2013, operations mined primarily silver-copper tetrahedrite ore, with minor production of silver-lead ore. Beginning in 2014, silver-lead galena ore became the predominant ore type due to low silver prices. Total Galena Mine (excludes the Coeur Shaft) production from 1953-2015 was 189.5Moz Ag from 9.3Mst of ore (avg 699g/t Ag head grade). The Coeur Mine, now part of the Galena complex, was collared in 1963 by Coeur D'Alene mines and produced from 1976-1991, 1996-1997 and from 2012-2014 but was placed on care and maintenance in 2014. The Caladay shaft was sunk during the early 1980s, and an exploration drift was developed on the 4900L, intersecting the Galena Mine's 4900L. The Caladay shaft and workings were purchased by Coeur D'Alene Mines in the early 1980s, and the shaft is now used as ventilation for the Galena workings. Coeur D'Alene became 100% owners of Galena in 1999, and United States Silver acquired Galena, Coeur and Caladay in 2006. In 2014 US Silver merged with Scorpio Mining to form Americas Gold & Silver.

Figure 8. (A) Galena location; (B) property map



Source: Americas Gold & Silver; NI 43-101 Technical Report, 2016

Location/infrastructure: Galena is in Shoshone County, Idaho, in the Coeur D'Alene Mining District, 2 miles west of the town of Wallace. Spokane, WA (pop ~200k) is located 75 miles west, Coeur D'Alene (pop ~57k), ID is 47 miles west of Missoula, MT (pop ~78k) is located 110 miles east. The project is 1 mile south of Interstate-90 and accessed via paved roads. The project covers 8,915 acres (36.1km²), roughly 7 miles (11.3km) long east-west by 2 miles (3.2km) wide north to south. Drive times are ~50mins to Coeur D'Alene, 1h20mins to Spokane and 1h50mins to Missoula.

Geology: Mineralization occurs as structurally controlled veins in a thick sedimentary basin that was metamorphosed and then cracked open along deep-seated faults, allowing metal-rich fluids to circulate and deposit mineralization. The Silver Valley deposits are primarily hosted in the Belt/Purcell Supergroup, a package of proterozoic clastic sediments (1470-1400Ma). The Coeur d'Alene mineral belt extends roughly 40km east to west at the intersection of the E-SE trending Lewis and Clark Line, and the Osburn Fault. At Galena, the strata are composed of fine-grained quartz and clay which have been metamorphosed to sericite or white mica. Mineralization occurs in steeply dipping fissure filling veins and wide disseminated zones occurring near four major fracture systems and three major faults. Veins range in thickness from a few inches to over 15 feet. Vein mineralization includes silver-copper mineralization containing tetrahedrite, and silver-lead mineralization dominated by galena.

Resource: With an effective date of December 31, 2024 Galena boasts a reserve of 20.2Moz AgEq @ 507g/t P&P and a resource of 227.5Moz @ 570g/t AgEq at SCPe LT prices. With Mineral reserves estimated at an NSR cut-off value of \$225/tonne and mineral resources estimated at \$198/tonne. With prices of \$1,300/oz Au, \$20.00/oz Ag, \$2.75/lb Cu, \$0.90/lb Pb and \$1.15/lb Zn for reserves and \$1,500/oz Au, \$22.00/oz Ag, \$3.50/lb Cu, \$1.10/lb Pb and \$1.30/lb Zn for resources. A minimum mining width of 4.5 feet was used for estimating the reserves, with a minimum additional dilution of 0.5 feet from both the hanging wall and footwall. A mining recovery of 90% was used.

Table 6. Galena MRE table

RESERVES			Tonnes	Ag	Sb	Pb	Cu	AgEq	Ag	Sb	Pb	Cu	AgEq	Cutoff
Property	Type	Classification	(kt)	(g/t)	(%)	(%)	(%)	(g/t)	(koz)	(kt)	(kt)	(kt)	(Koz)	\$/t
Galena - Ag-Pb	UG	Proven	154	257.1	—	8.01%	—	413.7	1,273	—	12.3	—	2,049	225
Galena - Ag-Pb	UG	Probable	630	257.5	—	6.92%	—	392.8	5,216	—	43.6	—	7,956	225
Galena - Ag-Cu	UG	Proven	74	537.6	0.39%	—	0.55%	581.4	1,279	0.3	—	0.4	1,383	225
Galena - Ag-Cu	UG	Probable	385	658.7	—	—	0.72%	715.7	8,153	—	—	2.8	8,859	225
Galena Subtotal	UG	Proven	228	348.1	0.13%	5.41%	0.18%	468.1	2,552	0.3	12.3	0.4	3,432	225
Galena Subtotal	UG	Probable	1,015	409.7	—	4.29%	0.27%	515.3	13,369	—	43.6	2.8	16,815	225
Total		Proven & Probable	1,243	398.39	0.02%	4.50%	0.26%	506.6	15,921	0.3	55.9	3.2	20,246	

RESOURCES			Tonnes	Ag	Sb	Pb	Cu	AgEq	Ag	Sb	Pb	Cu	AgEq	Cutoff
Property	Type	Classification	(kt)	(g/t)	(%)	(%)	(%)	(g/t)	(koz)	(kt)	(kt)	(kt)	(Koz)	\$/t
Galena - Ag-Pb	UG	M&I	4,064	325.9	—	7.74%	—	477.3	42,576	—	314.7	—	62,360	198
Galena - Ag-Pb	UG	Inferred	4,912	395.7	—	7.98%	—	551.8	62,498	—	392.1	—	87,143	198
Galena - Ag-Cu	UG	M&I	1,505	653.0	—	—	0.55%	697.0	31,597	—	—	8.3	33,726	198
Galena - Ag-Cu	UG	Inferred	1,931	644.3	—	—	0.87%	713.2	39,999	—	—	16.8	44,280	198
Galena Subtotal	UG	M&I	5,569	414.3	—	5.65%	0.15%	536.7	74,173	—	314.7	8.3	96,086	198
Galena Subtotal	UG	Inferred	6,843	465.9	—	5.73%	0.25%	597.4	102,497	—	392.1	16.8	131,424	198
Total		Total	12,412	442.7	—	5.69%	0.20%	570.1	176,670	—	707	25	227,510	

Source: Americas Gold & Silver, Resources are reported exclusive of Reserves. Reserves: \$1,300/oz Au, \$20.00/oz Ag, \$2.75/lb Cu, \$0.90/lb Pb and \$1.15/lb Zn. Resources: \$1,500/oz Au, \$22.00/oz Ag, \$3.50/lb Cu, \$1.10/lb Pb and \$1.30/lb Zn.

Mining: There are four shafts – the No 3 shaft is the main hoisting shaft (~400stpd before improvements) although the Galena shaft was also used for hoisting in the past. The Coeur shaft is used for ventilation (exhaust) and alternate egress and the Caladay shaft is also used for exhaust. The upper levels of the mine are 2400 level (2,400 feet or 731m below surface) and the deepest level is 5500L (1,676m). From the shafts, drifts (10x10 feet or 3x3m) extend thousands of feet laterally. Veins (generally E-W orientation, 86–90-degree dip) are accessed using cross-cuts and then mined along the vein orientation using overhand and underhand cut and fill. Ore is mucked by slushers and LHDs to ore passes, loaded onto rail cars and trammed to shafts, then skipped to surface. Backfill is primarily slurried tailings, thickened to 65-70% solids. Waste is kept underground and used to fill in old headings and open stopes, or in some cases hauled to the surface.

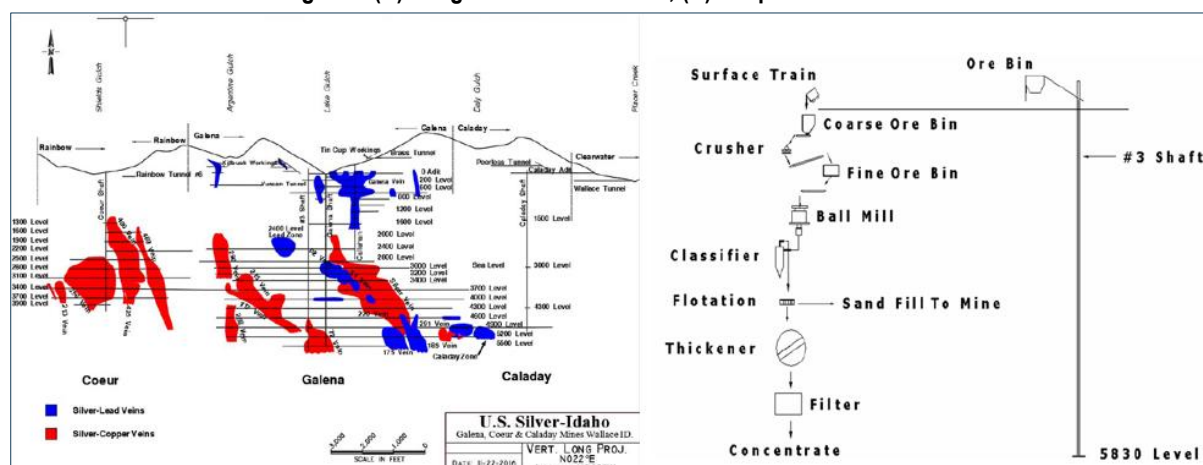
The veins can vary from several inches to up to ten feet but from our site visit, the veins targeted in the mine plan are typically between four and ten feet (1.2-3.0m). Sampling is done every 3rd round (every 12-16ft or 3.7-4.9m) to help manage grade and update the short term mine model. Operating costs are ~US\$100/t for cut and fill. Development rates are ~40,000ft/month (12,191m) and development costs averaged ~US\$43/mt.

Improvements planned and upside: There are three major planned improvements at Galena on the mining side: hoisting, mining, and tramming. First, management plans to increase hoisting capacity from 42 tons/hour (assume 16 hours/day = ~670tons/day or ~400 tons of ore assuming ~60% ore and 40% waste) to 100tons/hour through upgrading the hoist motor to 2,250hp from 1,750hp and improving the braking system, both to shorten cycle times. That should increase ore hoisting capacity to 1200-1300tons/day total.

Next is implementing long hole stoping to increase mining rates. This should enable them to mine larger stopes, produce more tons, and increase tons per man hour. We visited the first test stope – they achieved a 3-foot break over a 62ft (vertical) by 20-30ft long. Their target is ~60% LH stoping over the medium term. Hecla's nearby Lucky Friday uses majority LH stoping. The key considerations in our view will be 1) training the operators to achieve the breaks required with low dilution, and 2) ensuring there's enough vein continuity to deploy LH stoping without risking dilution, and 3) geotechnical stability of stopes – particularly in new areas and at depth. Estimated LH stoping costs are ~US\$70/t vs the current ~US\$100/t for underhand cut and fill per our site trip.

The third major area to improve is stope turn-around times via a backfill system upgrade. With a change from sandfill to paste fill we expect lower line pressures (and associated maintenance), higher flow rates, and faster stope curing times, while reducing pressure on the dewatering system. We think this will be beneficial with the transition to LH given the narrow nature of veins and the likely longitudinal stope sequencing that will rely on mining up against fill but should also benefit cut-and-fill headings as well.

Figure 9.(A) Long section of the mine; (B) Simplified Flowsheet



Source: Americas Gold & Silver: NI 43-101 Technical Report, 2016

Processing: Currently ore is processed at the 750stpd Galena Mill while the 500stpd Coeur Mill is on care and maintenance. Ore is crushed primary jaw crusher and secondary cone crusher to minus 5/8" product, then fed to the ball mill (9x12ft) for product size P₈₀ 100 mesh (~200 micron) followed by rougher, scavenger and two stages of cleaner flotation (four Denver Cells for each stage). Currently the product is one bulk silver-lead concentrate, and they are considering plans to add a copper flotation circuit to produce a 25% Cu concentrate, especially as the mine plan incorporates more copper-silver tetrahedrite ore.

What we model: At Galena, we model throughput rising from 320stpd in 2025E to 550stpd in 2026, 820stpd in 2027 and 1,000stpd steady state from 2028 onward, following completion of infrastructure upgrades and increased LH stoping in the mine plan. We model head grades of 450g/t Ag and 617g/t AgEq at weighted average 96.5% AgEq recovery, resulting in 6.4Mozpa AgEq production including 4.8Mozpa of Ag (74% of AuEq production and 79% of revenue). We assume payability for copper and antimony in 2026 at 35% for Sb and 85% for Cu, respectively resulting in weighted average 88% AgEq payability. As throughput scales from 330tpd to ~915tpd, unit mining and G&A costs fall—from US\$266.7/t to US\$100/t and US\$62.5/t to US\$22.5/t through 2028—while processing costs are modelled at US\$20/t. These efficiencies reduce cash costs to US\$7.5/oz and AISC to US\$8.5/oz AgEq, yielding steady-state FCF of ~US\$120m pa. At our LT price assumptions of US\$35/oz Ag, US\$2,500/t Zn and US\$2,200/t Pb, we estimate an SCPe US\$1.33bn NPV_{5%}

Table 7. Galena Complex SCPe mine plan

		2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Silver Price	\$/oz	36	38	35	35	35	35	35	35	35	35	35
Galena Complex												
Ore processed	Kt	106	182	271	330	334	334	334	334	334	334	334
AgEq grade	g/t	651	603	614	617	617	617	617	617	617	617	617
Ag grade	g/t	472	450	450	450	450	450	450	450	450	450	450
AgEq processed	Koz	2,223	3,534	5,359	6,539	6,622	6,622	6,622	6,622	6,622	6,622	6,622
Ag processed	Koz	1,614	2,638	3,924	4,770	4,830	4,830	4,830	4,830	4,830	4,830	4,830
AgEq recoveries	%	88.4%	96.7%	96.6%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%
Ag recoveries	%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%	98.5%
Silver produced	Koz	1,589	2,599	3,866	4,698	4,758	4,758	4,758	4,758	4,758	4,758	4,758
Silver Eq produced	Koz	1,964	3,417	5,175	6,311	6,391	6,391	6,391	6,391	6,391	6,391	6,391
Silver Eq sold	Koz	1,964	3,417	5,175	6,311	6,391	6,391	6,391	6,391	6,391	6,391	6,391
AgEq payability	%	93%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%
Unit costs	US\$/t	197.2	236.6	165.6	143.0	142.5	142.5	142.5	142.5	142.5	142.5	142.5
Cash costs	US\$/oz AgEq	11.3	12.7	8.7	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Mine AISC	US\$/oz AgEq	13.7	13.8	9.8	8.6	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Mine EBITDA	US\$m	44	70	117	148	150	150	150	150	150	150	150
Mine FCF	US\$m	17	27	93	117	119	119	119	119	119	119	119

Source: SCP

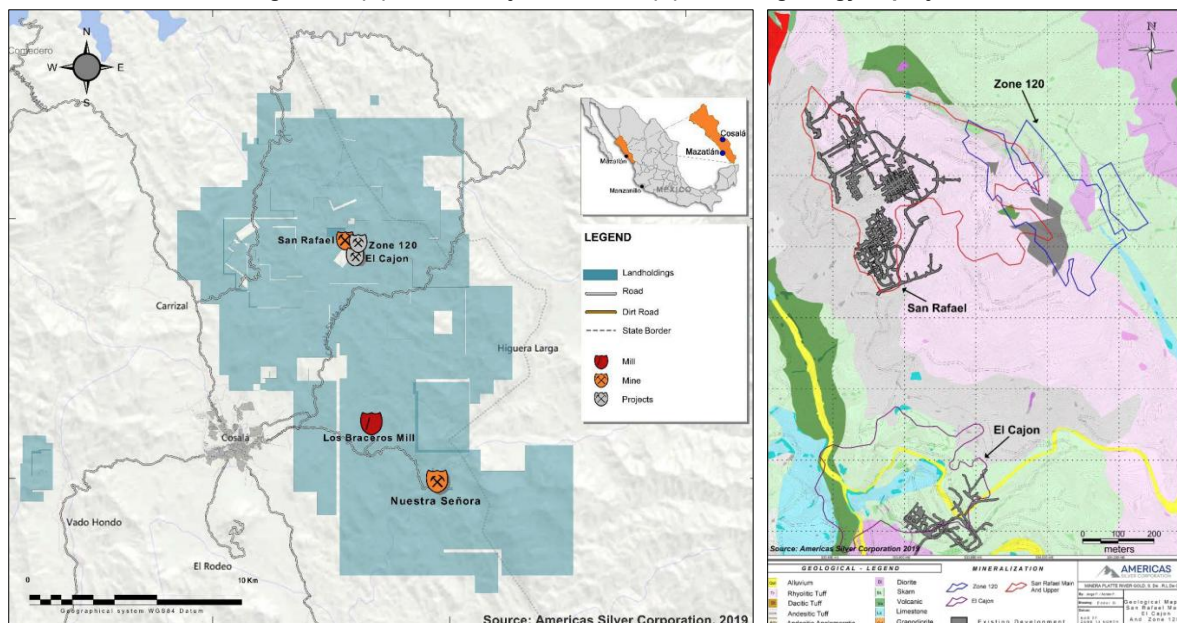
Upside potential includes further production and throughput increases beyond 1,000stpd through use of the Caladaya shaft. Silver, copper, and antimony grades could also rise relative to our base case if the mine plan incorporates more silver-copper tetrahedrite ore, although this is not currently modelled.

Cosalá Overview

History: Originally discovered and worked by the Spanish ~400 years ago; no record remains from their activities. French engineers through Negociación Minera La República reportedly developed and worked the Nuestra Señora mine at the turn of the 19th century and may have halted activities after the 1910 revolution. Over the years, there have been numerous companies that have owned, operated and explored the property. Americas Silver acquired the property through its merger with Scorpio Mining Corporation (“Scorpio”) on December 23, 2014. During this time, the Nuestra Señora mine was in operation and processing ore at its Los Braceros plant. In early 2017, production at the Nuestra Señora mine declined as the Cosalá Operation prepared to shift to new ore sources, while the El Cajón mine was reactivated and began limited production in Q1 2017. The San Rafael mine continued advancing underground development into the Main Zone during 2018, at which time San Rafael supplied all ore to the processing plant with Main Zone production being increasingly supplemented by the Upper Zone ore starting in 2022. In late 2023 mining began in the Zone 120 deposit.

Location: The San Rafael mine, EC120 Project and Los Braceros plant are in Sinaloa, Mexico near the town of Cosalá (pop. ~6k) ~180km north of Mazatlán (pop. ~500k). The site is accessed via Highway 15N and then SIN Highway 1 for a ~2.5hours drive from Mazatlán to Cosalá followed by a ~15km rural paved/dirt road to site, the Los Braceros plant is ~6km East of the town. The project is accessible year-round with two-wheel-drive vehicles. Mazatlán hosts an international airport. Ports can be found in Mazatlán and Los Mochis (300km NW) and are both capable of handling bulk material as well as containers.

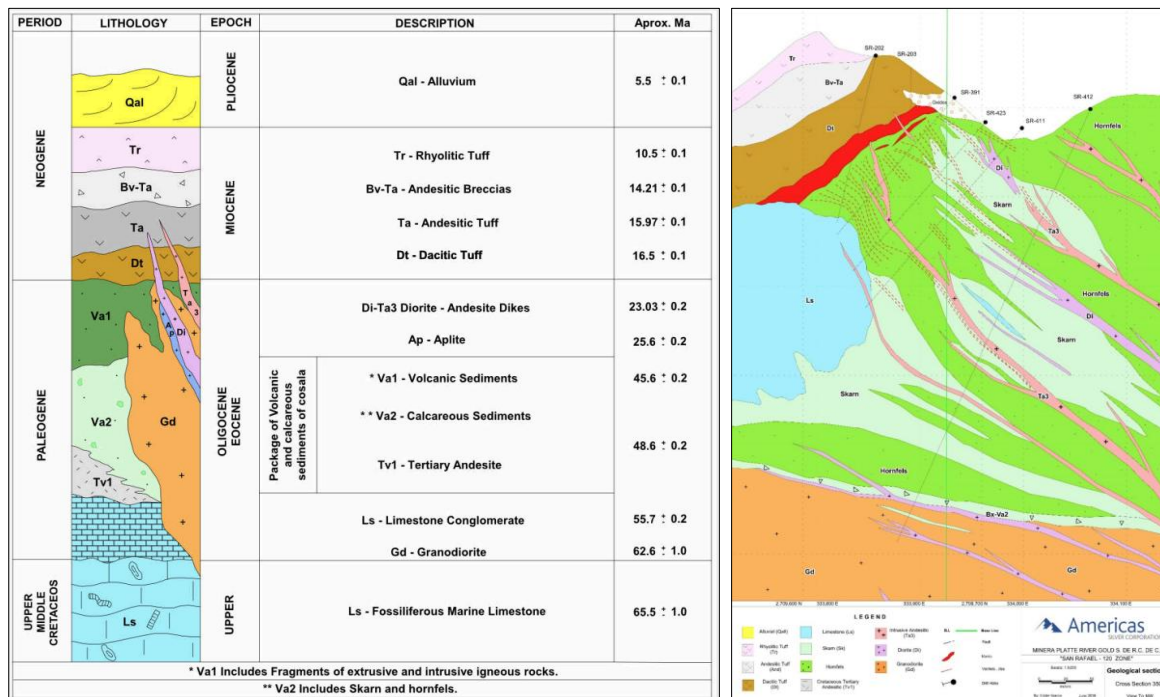
Figure 10. (A) Cosalá Project Location (B) detailed geology of project



Source: Americas Gold and Silver

Geology: The Cosalá mining district lies on the western edge of the Sierra Madre Occidental. An extensional, basin and range-type phase of faulting overprinted the western portion of the Sierra Madre Occidental during the formation of the Gulf of California in Miocene time producing an extensive, NW-trending graben and parallel fault system along with later NE-trending dextral faults. Mineralization in the region is related to granodioritic or granitic intrusions of the Sinaloa Batholith. Three principal zones of sulphide mineralization have been identified within a broad area of skarn alteration in the vicinity of San Rafael and nearby El Cajón occurring as replacements at a contact between Tertiary dacite tuff and Cretaceous limestone. The Zone 120 mineralization is interpreted to occur along near-vertical contacts between diorite and skarn-altered lime rich volc-arenites in the lower parts, and in quartz-sericite-pyrite-altered volc-arenites in the upper portions. Minor oxide mineralization occurs throughout the EC120 area.

Figure 11. (A) Stratigraphic column of Cosalá (B) detailed geology of project



Source: Americas Gold and Silver

Resource: With an effective date of December 31, 2024 Cosalá boasts a reserve of 24.6Moz AgEq @ 204.4g/t P&P and a resource of 51.7Moz @ 152.8g/t AgEq at SCPe LT prices. With Mineral reserves estimated at an NSR cut-off value of \$60/tonne at San Rafael, \$45/tonne at Zone 120, \$45/tonne at El Cajón and mineral resources estimated at \$34/tonne at San Rafael, \$45/tonne at Zone 120, \$45/tonne at El Cajón, \$90/tonne at Nuestra. With prices of of \$1,300/oz Au, \$20.00/oz Ag, \$2.75/lb Cu, \$0.90/lb Pb and \$1.15/lb Zn for reserves and \$1,500/oz Au, \$22.00/oz Ag, \$3.50/lb Cu, \$1.10/lb Pb and \$1.30/lb Zn for resources. A minimum mining width of 4 meters and a 15% dilution factor, at zero grade, with mining recovery of 90% to reflect the proposed mining methods (post-pillar cut and fill and overhand cut and fill), were used for estimating Mineral Reserves at El Cajón and Zone 120.

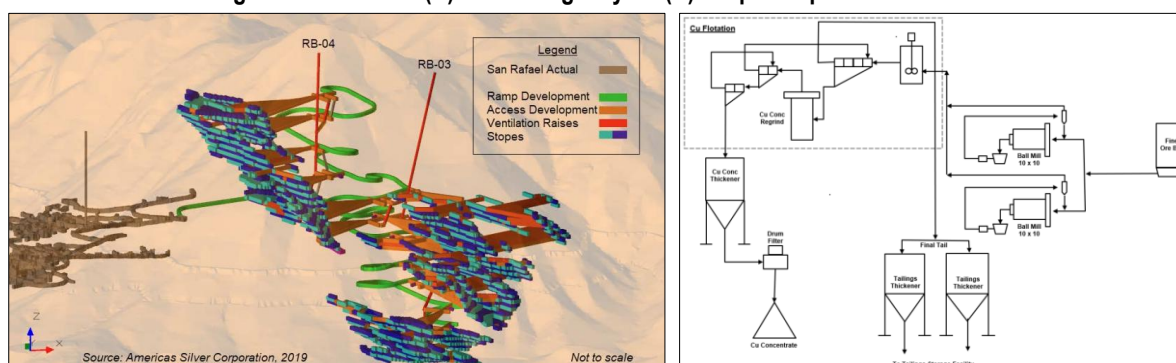
Table 8. Cosalá MRE table

RESERVES			Tonnes	Ag	Zn	Pb	Cu	AgEq	Ag	Zn	Pb	Cu	AgEq	Cutoff
Property	Type	Classification	(kt)	(g/t)	(%)	(%)	(%)	(g/t)	(koz)	(kt)	(kt)	(kt)	(Koz)	\$/t
San Rafael	UG	Proven	419	225.3	1.66%	0.51%	--	272.0	3,035	6.9	2.1	--	3,665	60
San Rafael	UG	Probable	525	129.8	2.20%	0.73%	--	192.9	2,191	11.6	3.8	--	3,257	60
El Cajón	UG	Proven	--	--	--	--	--	--	--	--	--	--	--	45
El Cajón	UG	Probable	788	157.2	--	--	0.49%	196.0	3,982	--	--	3.9	4,966	45
Zone 120	UG	Proven	--	--	--	--	--	--	--	--	--	--	--	45
Zone 120	UG	Probable	2,017	164.1	--	--	0.41%	196.5	10,639	--	--	8.3	12,745	45
Cosalá Subtotal	UG	Proven	419	225.3	1.66%	0.51%	--	272.0	3,035	6.9	2.1	--	3,665	
Cosalá Subtotal	UG	Probable	3,330	157.0	0.35%	0.11%	0.36%	195.8	16,812	11.6	3.8	12.1	20,967	
Total Proven & Probable			3,749	164.66	0.49%	0.16%	0.32%	204.4	19,847	18.5	5.9	12.1	24,632	
RESOURCES			Tonnes	Ag	Zn	Pb	Cu	AgEq	Ag	Zn	Pb	Cu	AgEq	Cutoff
Property	Type	Classification	(kt)	(g/t)	(%)	(%)	(%)	(g/t)	(koz)	(kt)	(kt)	(kt)	(Koz)	\$/t
San Rafael	UG	M&I	3,541	77.1	2.10%	0.92%	--	141.8	8,781	74.3	32.7	--	16,140	34
San Rafael	UG	Inferred	433	134.9	0.35%	2.15%	--	184.6	1,878	1.5	9.3	--	2,569	34
El Cajón	UG	M&I	299	131.4	--	--	0.39%	162.7	1,263	--	--	1.2	1,564	45
El Cajón	UG	Inferred	216	110.7	--	--	0.17%	124.1	769	--	--	0.4	862	45
Zone 120	UG	M&I	1,465	114.3	--	--	0.29%	137.1	5,383	--	--	4.2	6,459	45
Zone 120	UG	Inferred	414	96.2	--	--	0.25%	116.2	1,281	--	--	1.0	1,547	45
Nuestra Señora	UG	M&I	2,136	88.5	1.74%	0.82%	0.19%	158.6	6,079	37.1	17.6	4.1	10,889	90
Nuestra Señora	UG	Inferred	2,009	101.2	1.90%	0.84%	0.26%	180.1	6,539	38.2	16.8	5.1	11,633	90
Cosalá Subtotal	UG	M&I	7,441	89.9	1.50%	0.68%	0.13%	146.5	21,506	111.4	50.3	9.5	35,052	
Cosalá Subtotal	UG	Inferred	3,072	106.0	1.29%	0.85%	0.21%	168.2	10,467	39.7	26.1	6.5	16,611	
100% Total			10,513	94.6	1.44%	0.73%	0.15%	152.8	31,973	151	76	16	51,663	

Source: Americas Gold & Silver, Resources are reported exclusive of Reserves. Reserves: \$1,300/oz Au, \$20.00/oz Ag, \$2.75/lb Cu, \$0.90/lb Pb and \$1.15/lb Zn. Resources: \$1,500/oz Au, \$22.00/oz Ag, \$3.50/lb Cu, \$1.10/lb Pb and \$1.30/lb Zn

Mining: A combination of post-pillar and overhand cut and fill will be used due to depth, variable dip angle and thickness of mineralization; allowing for selectivity and adaptability to changes in mineralization. The designed widths of stoping areas at EC120 range 4-60m with an unconsolidated development waste backfill. Load-haul-dump equipment will be used for ore mucking. Ore will be hauled directly from the underground to the processing plant to avoid re-handling.

Figure 12. Zone 120 (A) mine design layout (B) simplified process flowsheet



Source: Americas Gold and Silver

Processing: The Los Braceros process plant is a conventional polymetallic concentrator, with ~1,750tpd throughput. With key processing equipment including: Three stage crushing plant, 800 tonne fine ore bin, two primary grinding mills, concentrate regrind mill, rougher trough cells, rougher tank cells, cleaner cells, drum filters, bins and hoppers, related support equipment, and tailings storage facility. The plant can easily be reconfigured to suit the various deposits with no need for unit operations to be added or new equipment to be installed when changing feed sources (ie from San Rafael to EC120). Electrical power for the plant is supplied by the national grid averaging ~1.4MWh/month (32kWh/t processed) depending on feed source. Between 67%-75% of water used in the plant is recovered from the tailings thickeners and recirculation from the tailings storage facility. Fresh, make-up water is provided from nearby wells.

What we model – At Cosalá, we model mining from EC120 from 2026-2030 at a head grade of 100g/t Ag and 0.4% Cu. We model a return to Ag-Zn-Pb processing from Nuestra Señora and San Rafael from 2031-2035 at 90g/t Ag + 2.9% Zn and 0.9% Pb. Throughput remains constant at 500ktpa with SCPe 83.5% AgEq recovery, with production of 1.77 Moz AgEq during EC120 and 2.39 Moz AgEq thereafter. Unit mining costs are modelled at US\$65/t, translating to AISC of US\$20.2/oz AgEq at EC120 and ~US\$15.0/oz AgEq post-2029, generating annual FCF of ~US\$12m and ~US\$23m, respectively. At our LT price assumptions of US\$35/oz Ag, US\$2,500/t Zn and US\$2,200/t Pb, we estimate an SCPe US\$136m NPV_{5%}.

Table 9. Cosalá SCPe mine plan

		2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Cosala Operations												
Ore processed	Kt	503	500	500	500	500	500	500	500	500	500	500
AgEq grade	g/t	160	131	132	132	132	132	172	172	172	172	172
Ag processed	g/t	82	100	100	100	100	100	90	90	90	90	90
AgEq processed	Koz	2,592	2,111	2,117	2,118	2,118	2,118	2,769	2,769	2,769	2,769	2,769
Ag processed	Koz	1,321	1,608	1,608	1,608	1,608	1,608	1,447	1,447	1,447	1,447	1,447
AgEq recoveries	%	77%	84%	84%	83%	83%	83%	86%	86%	86%	86%	86%
Ag recoveries	%	76%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%
Silver produced	Koz	1,005	1,342	1,342	1,342	1,342	1,342	1,208	1,208	1,208	1,208	1,208
Silver Eq produced	Koz	2,004	1,763	1,767	1,768	1,768	1,768	2,389	2,389	2,389	2,389	2,389
Silver Eq sold	Koz	2,154	1,763	1,767	1,768	1,768	1,768	2,389	2,389	2,389	2,389	2,389
AgEq payability	%	50%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Unit costs	US\$/t	32.3	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
Cash costs	US\$/oz AgEq	8.2	18.8	18.8	18.8	18.8	18.8	13.9	13.9	14.0	14.0	14.0
Mine AISC	US\$/oz AgEq	9.2	20.2	20.2	20.2	20.2	20.2	14.9	14.9	15.0	15.0	15.0
Mine EBITDA	US\$m	23	24	21	20	20	20	38	38	38	38	38
Mine FCF	US\$m	10	12	12	11	11	11	23	23	23	23	23

Source: SCP

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HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	55

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