

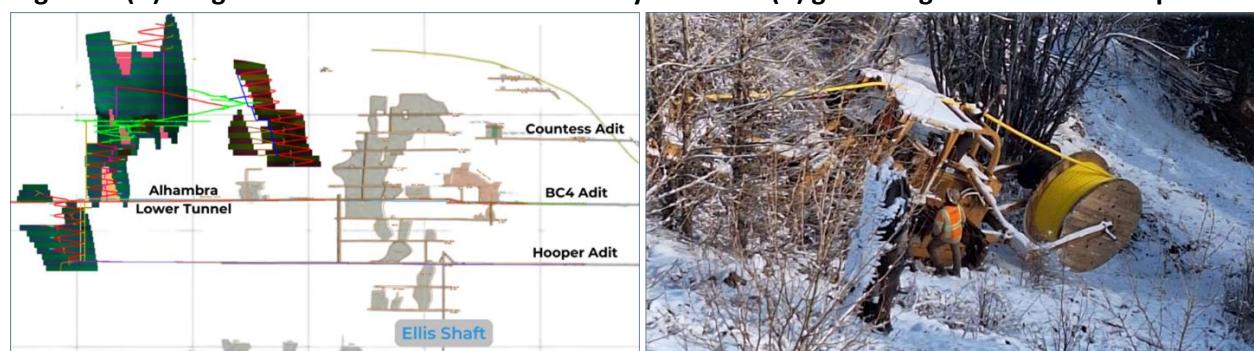
Ticker: USA CN	PF Cash: US\$168m	Project: Galena / Cosalá
Market cap: C\$2.4Bn	Price: C\$7.51/sh	Country: Idaho / Mexico
REC. (unc): BUY	TARGET (unc): C\$11.00/sh	RISK RATING (unc): HIGH

Today's Crescent Mine update shows rapid progress with the three adits now connected to grid power, the mine fleet expanded, and equipment commissioned. In our view the biggest update was guided mid-2026 production restart; we modelled production starting in 2027. We model 250tpd at 500g/t Ag, producing ~1.5Mozpa which lifts Galena to 6.0-6.5Moz/year Ag and 7.5-8.0Moz/year AgEq. Given the strength of this team executing on UG mines, we think there's potential to do better than this – one area of interest would be connecting the levels and hauling out of the lower Hooper adit, which could enable larger trucks to move more tonnes from a dedicated haulage level directly to the Galena Plant. Big picture, we liked the acquisition specifically because we trust this team to add value to an UG asset, and we think USAS could increase production well beyond our currently modelled base case given the 220Moz ounce base. Today's update shows USAS moving decisively to beat our modelled timelines.

Model update: For now, we maintain our modelled scenario – we want to be conservative ahead of 2026 guidance. Having said that, early production at Crescent could either lift production above our modelled 2.6Moz Ag/3.4Moz AgEq or provide production flexibility as they increase long hole stopping at Galena: both are positive in our view.

We maintain our BUY rating and C\$11.00/sh PT based on 1.5xNAV5% at US\$35/oz Ag and US\$3000/oz Au LT. Stepping back, we think USAS has done a great job of driving operational improvement, while putting together a high-grade asset base that now has the scale to matter among silver producers: 8.0-8.5Moz AgEq from the US alone is a tier 1 asset in our books, and there's potential to grow beyond this given the resource base. We think this is a team to back to deliver a new silver mid-tier.

Figure 1: (A) Long section of Crescent Mine with key adits and (B) grid being connected to Hooper Adit



Source: Americas Gold and Silver

USAS delivers immediate value add to Crescent, guides mid-2026 production start

Americas Gold & Silver provided an update on progress at the Crescent Silver Mine in Idaho following completion of the acquisition on 3 Dec 2025. The Company is advancing infrastructure, equipment, and site work to support a mid-2026 restart of silver, copper, and antimony production, with integration alongside the Galena Complex.

Grid electrical power has been connected to the Hooper, BC4, and Countess adits, replacing diesel generation and reducing estimated power costs from ~US\$0.55/kWh to ~US\$0.07/kWh. A 6-inch compressed air line has been installed to service the BC4 Adit, and communication lines now link all three adits. All underground equipment included in the acquisition has been commissioned, and the underground fleet has been expanded to 11 units with the addition of two trucks and three loaders. Laydown areas have been established and upgrades to office and staff facilities have commenced. The Company expects to realize operational and cost synergies with the Galena Complex.

Why we like Americas Gold & Silver

1. High grade flagship US silver asset in Galena (192Moz at 438g/t 2P+MRE)
2. Growth from 2-3Moz AgEq to mid-tier SCPe 7.5Moz silver / 10.5Moz AgEq production profile
3. Led by UG mining specialist Paul Huet and team with successful Klondex/Karora track record

Catalysts

- 1H26: Updated Galena MRE
- 2026-27: Ramp up Galena with increasing LH stoping, development at Crescent
- 2027: SCPe Crescent Mine commercial production
- 2028-onwards: Galena complex reaches SCPe 1,300stpd production rate for ~8.0-8.3Moz AgEq/year at asset level, 10-10.6Moz AgEq at corporate level (Galena plus Cosala)

Research

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Ticker: USA CN	Price / mkt cap:	C\$7.51/sh, C\$2387m		Market P/NAV:	1.05x	Assets:	Galena / Cosala
Authors: J Chan	Rec / 1.5x NAV:	BUY / C\$11.00		1xNAVFD:	C\$7.30/sh	Country:	Idaho / Mexico
Group-level SOTP valuation	1Q24	4Q25	FD	Resource / Reserve	Mt	Moz Ag	Moz AgEq
		US\$m	O/ship	NAVx	C\$/sh		EV/2P
Galena (Idaho) NPV 4Q25		1,635	100%	1.00x	6.47	Galena M&I&I	247.8
Cosala (Mexico) NPV 4Q25		148	100%	1.00x	0.59	Cosala M&I&I	76.3
Central SG&A & fin costs 4Q25		(189)	-	1.00x	(0.75)	Crescent M&I&I	24.1
Resources outside SCPe mine plans (\$1/oz AgEq)		224	100%	1.00x	0.89	Global Resources	61.0
PF Cash + ITM options		168	-	1.00x	0.66		288.0
Debt and Metal Liabilities		(133)	-	1.00x	(0.53)		401.1
1xNAV5% US\$3000/oz - FD pre build	1,853		1.00x	7.30			31.8
Assumed development equity issuance				1.00x			3.6
1.5xNAV5% US\$3000/oz - Fully Funded	1,853		1.50x	11.01			
1xNAV sensitivity to silver price and discount / NAV multiple							
1xNAV asset (US\$m)	\$30.00z	\$32.50z	\$35.00z	\$37.50z	\$40.00z	Resource / Reserve	Mt
8% discount	1,244	1,344	1,444	1,545	1,647	Galena M&I&I	13.7
7% discount	1,330	1,437	1,545	1,653	1,762	Cosala M&I&I	14.3
6% discount	1,427	1,542	1,657	1,774	1,890	Crescent M&I&I	1.1
5% discount	1,534	1,658	1,783	1,908	2,034	Global Resources	61.0
Valuation (C\$/sh)	\$30.00z	\$32.50z	\$35.00z	\$37.50z	\$40.00z		
0.80xNAV	5.05	5.46	5.87	6.28	6.70	Resource / Reserve	Mt
1.00xNAV	6.31	6.82	7.34	7.85	8.37	Galena M&I&I	192.6
1.50xNAV	9.46	10.24	11.01	11.78	12.55	Cosala M&I&I	51.8
Valuation over time	Today	2025E	2026E	2027E	2027E	Resource / Reserve	Mt
Galena (Idaho) NPV	1,635	1,547	1,633	1,707	1,696	Galena M&I&I	247.8
Cosala (Mexico) NPV	148	158	148	140	132	Cosala M&I&I	76.3
Cntrl G&A & fin costs (US\$m)	(189)	(227)	(190)	(154)	(120)	Crescent M&I&I	24.1
Net cash at 1Q (US\$5m)	35	15	0	78	217	Global Resources	61.0
Resources outside SCPe mine plans	224	224	224	224	224		288.0
1xNAV (US\$m)	1,629	1,492	1,592	1,772	1,924	Resource / Reserve	Mt
1xNAV share px FD (C\$/sh)	7.30	7.09	6.57	7.31	7.94	Galena M&I&I	192.6
P/NAV (x):	1.03x	1.06x	1.14x	1.03x	0.95x	Cosala M&I&I	51.8
ROI to equity holder (% pa)	-4%	-6%	-6%	-1%	1%	Crescent M&I&I	24.1
Geared company C\$ 1xNAVPS diluted for mine build, net G&A and interest						Global Resources	61.0
4Q25 1xNAV FF FD (C\$/sh) ^a	\$30.00z	\$32.50z	\$35.00z	\$37.50z	\$40.00z		
9.0% discount	7.34	7.91	8.48	9.06	9.63	Resource / Reserve	Mt
7.0% discount	8.28	8.94	9.60	10.26	10.92	Galena M&I&I	192.6
5.0% discount	9.46	10.24	11.01	11.78	12.55	Cosala M&I&I	51.8
4Q25 1xNAV FF FD (C\$/sh)^a	\$30.00z	\$32.50z	\$35.00z	\$37.50z	\$40.00z	Crescent M&I&I	24.1
20% increase in cost per tonne	8.65	9.42	10.19	10.97	11.74	Global Resources	61.0
10% increase in cost per tonne	9.06	9.83	10.60	11.37	12.15		
0% increase in cost per tonne	9.46	10.24	11.01	11.78	12.55	Income statement	CY25E
-10% increase in cost per tonne	9.87	10.64	11.41	12.19	12.96	CY26E	CY27E
4Q25 1xNAV FF FD (C\$/sh)^a	\$30.00z	\$32.50z	\$35.00z	\$37.50z	\$40.00z	CY28E	CY29E
20.0% change in capex	9.22	9.99	10.76	11.53	12.31	Income statement	CY25E
10.0% change in capex	9.34	10.11	10.88	11.66	12.43	CY26E	CY27E
0.0% change in capex	9.46	10.24	11.01	11.78	12.55	CY28E	CY29E
-10.0% change in capex	9.59	10.36	11.13	11.90	12.68	Income statement	CY25E
Galena Complex AgEq prod (000oz)	1,629	1,492	1,592	1,772	1,924	Income statement	CY26E
Group AISC (US\$/oz)						CY27E	CY28E
1xNAV share px FD (C\$/sh)	7.30	7.09	6.57	7.31	7.94	CY29E	
P/NAV (x):	1.03x	1.06x	1.14x	1.03x	0.95x		
ROI to equity holder (% pa)	-4%	-6%	-6%	-1%	1%		
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ROI to equity holder (% pa)	-4%						

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NEUTRAL: The stock's total returns are expected to be in line with the overall market

SELL: The stock's total returns are expected to be materially lower than the overall market

TENDER: The analyst recommends tendering shares to a formal tender offering

UNDER REVIEW: The stock will be placed under review when there is a significant material event with further information pending; and/or when the research analyst determines it is necessary to await adequate information that could potentially lead to a re-evaluation of the rating, target price or forecast; and/or when coverage of a particular security is transferred from one analyst to another to give the new analyst time to reconfirm the rating, target price or forecast.

NOT RATED (N/R): The stock is not currently rated

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Summary of Recommendations as of January 2026	
BUY:	53
HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	53

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