

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This Prospectus Supplement, together with the short form base shelf prospectus dated August 21, 2024 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference herein or therein, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the province of Quebec.*

*Information has been incorporated by reference in this Prospectus Supplement and the accompanying short form base shelf prospectus dated August 21, 2024 to which it relates from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Guanajuato Silver Company Ltd. at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1, telephone (604) 913-5899, and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).*

*The offering of these securities has not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and such securities may not be offered, sold or otherwise delivered, directly or indirectly, in the United States, its territories or possessions, any state of the United States or the District of Columbia (collectively, the “United States”) except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.*

**PROSPECTUS SUPPLEMENT**  
**To a Short Form Base Shelf Prospectus dated August 21, 2024**

NEW ISSUE

October 3, 2025

**GUANAJUATO SILVER COMPANY LTD.**



**\$43,500,000**

**87,000,000 Units**

This prospectus supplement (this “**Prospectus Supplement**”) of Guanajuato Silver Company Ltd. (the “**Company**”, “**GSilver**”, “**we**” or “**us**”), together with the short form base shelf prospectus dated August 21, 2024 (the “**Prospectus**”), qualifies the distribution (the “**Offering**”) of an aggregate of 87,000,000 units (the “**Units**”) at an offering price of \$0.50 per Unit (the “**Offering Price**”) pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated as of October 3, 2025, among the Company, Canaccord Genuity Corp. (“**Canaccord**”) and Red Cloud Securities Inc. (together with Canaccord, the “**Underwriters**”), as co-lead underwriters and joint bookrunners.

Each Unit is comprised of one common share of the Company (each, a “**Unit Share**”) and one-half of one common share purchase warrant of the Company (each whole common share purchase warrant, a “**Warrant**”). Each Warrant is exercisable into one common share of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.65 per Warrant Share at any time prior to 5:00 p.m. (Pacific time) on the date that is 36 months following the Closing Date (as defined herein), subject to adjustment in certain events. The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on the Closing Date between the Company and Odyssey Trust Corporation, as warrant agent (the “**Warrant Agent**”). The Units will immediately separate into Unit Shares and Warrants upon issuance.

The common shares of the Company (the “**Common Shares**”) are listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the trading symbol “**GSVR**” and quoted on the OTCQX International (the “**OTCQX**”) under the symbol “**GSRVF**”. On October 2, 2025, the last trading day prior to the date hereof, the closing price of the Common Shares on the TSXV was \$0.46 and on the OTCQX was US\$0.3305. GSilver has applied to list the Unit Shares, Warrant Shares and Broker Warrant Shares (as defined herein) qualified hereunder on the TSXV. Listing will be subject to GSilver fulfilling all listing requirements of the TSXV. The Warrants and Broker Warrants (as defined herein) will not be listed on the TSXV or quoted on the OTCQX.

**There is no market through which the Warrants may be sold. Purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. See “Risk Factors”.**

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**Price \$0.50 per Unit**

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	<b>Price to the Public</b>	<b>Underwriting Commission<sup>(1)</sup></b>	<b>Net Proceeds to the Company<sup>(2)</sup></b>
Per Unit.....	\$0.50	\$0.03	\$0.47
Total <sup>(3)</sup> .....	\$43,500,000	\$2,610,000	\$40,890,000

Notes:

- (1) Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters a cash fee (the “**Underwriting Commission**”) representing 6.0% of the aggregate gross proceeds of the Offering, including proceeds realized from the sale of any additional Units pursuant to the exercise of the Over-Allotment Option (as defined herein). See “*Plan of Distribution*” and “*Use of Proceeds*”. The Company has also agreed to issue to the Underwriters that number of non-transferable Common Share purchase warrants of the Company (the “**Broker Warrants**”) as is equal to 6.0% of the aggregate number of Units issued and sold under the Offering (including any Additional Units (as defined herein)). Each Broker Warrant will entitle the holder thereof to acquire one Common Share (a “**Broker Warrant Share**”) at an exercise price of \$0.50 per Broker Warrant Share, at any time until the date that is 36 months following the Closing Date. This Prospectus Supplement also qualifies the distribution of the Broker Warrants. Notwithstanding the foregoing, the Underwriting Commission shall be reduced to 2.0% with respect to Units sold pursuant to the Offering to certain purchasers noted on a president's list, as provided by the Company to the Underwriters, and as agreed to between the Underwriters and the Company (the “**President's List**”). No Broker Warrants shall be issued with respect to Units sold pursuant to the Offering to President’s List purchasers. All calculations assume no sales to President’s List purchasers. The gross proceeds raised from the sale of the Units to purchasers on the President's List shall not exceed \$5,000,000. See “*Plan of Distribution*”.
- (2) After deducting the Underwriting Commission, but before deducting expenses related to the Offering estimated at \$350,000, which will be paid from the proceeds of the Offering. See “*Use of Proceeds*”.
- (3) The Company has granted to the Underwriters an option (the “**Over-Allotment Option**”), exercisable in whole or in part in the sole discretion of the Underwriters at any time until the date which is 30 days following the Closing Date (as defined herein), to purchase up to an additional 13,050,000 Units (the “**Additional Units**”) at a price of \$0.50 per Additional Unit to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters to acquire: (i) Additional Units at the Offering Price; (ii) additional Unit Shares (the “**Additional Shares**”) at a price of \$0.365 per Additional Share; (iii) additional Warrants (the “**Additional Warrants**”) at a price of \$0.27 per Additional Warrant; or (iv) any combination of Additional Shares and/or Additional Warrants (together, the “**Additional Securities**”), so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 13,050,000 Additional Shares and 6,525,000 Additional Warrants. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, the “Underwriting Commission” and the “Net Proceeds to the Company” (before deducting expenses of the Offering and assuming no sales to President’s List purchasers) will be \$50,025,000, \$3,001,500 and \$47,023,500, respectively.

This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Additional Units, Additional Shares and/or Additional Warrants upon exercise of the Over-Allotment Option. Any purchaser who acquires Additional Units, Additional Shares and/or Additional Warrants forming part of the over-allotment position of the Underwriters pursuant to the Over-Allotment Option acquires such securities under this Prospectus Supplement and the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

Unless the context otherwise requires, when used herein, all references to “**Units**”, “**Unit Shares**” and “**Warrants**” include the Additional Units, Additional Shares and Additional Warrants, as applicable, issuable upon exercise of the Over-Allotment Option.

The Underwriters, as principals, conditionally offer the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*” and subject to approval of certain legal matters on behalf of the Company by MLT Aikins LLP and on behalf of the Underwriters by Bennett Jones LLP.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

Closing is expected to take place on or about October 9, 2025 or such other date as may be agreed upon by the Company and the Underwriters (the “**Closing Date**”).

Global certificates or an instant deposit through the non-certificated inventory (“**NCI**”) system representing the Unit Shares and Warrants comprising the Units will be issued and deposited with CDS Clearing and Depository Services Inc. (“**CDS**”). Except as set forth herein, a subscriber who purchases Units will receive only a customer confirmation from the registered dealer who is a CDS participant (a “**CDS Participant**”) from or through whom Units are purchased. CDS will record the CDS Participants who hold the Unit Shares and Warrants on behalf of owners who have purchased or transferred Unit Shares or Warrants in accordance with the book entry only system of CDS. Physical certificates evidencing Unit Shares and Warrants will not be issued except in limited circumstances and unless a request for a certificate is made to the Company.

**The Underwriters may decrease the price at which the Units are distributed from the Offering Price. See “Plan of Distribution”. In connection with the Offering and subject to applicable laws, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares in accordance with applicable market stabilization rules. Such transactions, if commenced, may be discontinued at any time. The Units sold by the Underwriters to the public will initially be offered at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the Offering Price specified on the cover page, the Underwriters may change the Offering Price to an amount not greater than the Offering Price set forth on the cover page, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Units is less than the gross proceeds paid by the Underwriters to the Company. See “Plan of Distribution”.**

The following table sets forth the number of Additional Units, Additional Shares and/or Additional Warrants issuable under the Over-Allotment Option:

<b>Underwriters’ Position</b>	<b>Maximum Size</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-Allotment Option	13,050,000 Additional Units	Up to 30 days following the Closing Date	\$0.50 per Additional Unit
	13,050,000 Additional Shares	Up to 30 days following the Closing Date	\$0.365 per Additional Share
	6,525,000 Additional Warrants	Up to 30 days following the Closing Date	\$0.27 per Additional Warrant
Broker Warrants	783,000 Broker Warrants	Within 36 months following the Closing Date	\$0.50 per Broker Warrant Share

Notes:

(1) The Prospectus Supplement qualifies the grant of the Broker Warrants. See “Description of Securities Being Distributed”.

The Company’s head office and registered office is located at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1.

Each of Daniel Oliver Jr, William Gehlen and Carlos A. Silva, directors or officers of the Company, reside outside of Canada. These director and officers have appointed MLT Aikins LLP, Suite 2600 - 1066 West Hastings Street, Vancouver, B.C., V6E 3X1, Canada, as agent for service of process in Canada.

**Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.**

Investors should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Prospectus. The Company has not authorized anyone to provide investors with different information. Information contained on our website shall not be deemed to be a part of this Prospectus Supplement or the Prospectus or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities. Neither the Company nor the Underwriters are making an offer of the Units in any jurisdiction where such offer is not permitted. An investor should assume that the information appearing in this Prospectus Supplement or the Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference herein or therein is accurate only as of the date of that document unless specified otherwise. The Company’s business, financial condition, results of operations and prospects may have changed since those dates. See “Risk Factors”.

**Purchasers of the Units should be aware that the acquisition of the Units may have tax consequences in Canada and elsewhere. Such consequences for purchasers may not be described fully herein. Purchasers of the Units should read the tax discussion contained in this Prospectus Supplement and consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, territorial, local, foreign and other tax consequences of acquiring, holding or disposing of Units. See “Certain Canadian Federal Income Tax Considerations”.**

**Investment in the securities being offered is highly speculative and involves significant risks that you should consider before purchasing such securities. You should carefully review the “Risk Factors” section of this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein as well as the information**

**under the heading “*Cautionary Note Regarding Forward-Looking Information*” and consider such risks and information in connection with an investment in the securities. See “*Risk Factors*”.**

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## IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of the Units being offered and also adds to, supplements, and updates information contained in the Prospectus and the documents incorporated by reference therein. The second part, the Prospectus, gives more general information, some of which may not apply to the Units being offered under this Prospectus Supplement. This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the Offering constituted by this Prospectus Supplement. Other documents are also incorporated, or are deemed to be incorporated by reference, into the Prospectus and reference should be made to the Prospectus for full particulars thereof.

Investors should rely only on the information contained in or incorporated by reference in this Prospectus Supplement and the Prospectus. **No person is authorized by the Company or the Underwriters to provide any information or make any representations other than as contained in this Prospectus Supplement or the Prospectus in connection with the issue and sale of the Units.** Neither the Company nor the Underwriters are making an offer of the Units in any jurisdiction where such offer is not permitted. An investor should assume that the information appearing in this Prospectus Supplement or the Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference herein or therein is accurate only as of the date of that document unless specified otherwise. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

If the description of the Units or any other information varies between this Prospectus Supplement and the Prospectus (including the documents incorporated by reference herein and therein), the information in this Prospectus Supplement supersedes the information in the Prospectus. The Units are not being offered in any jurisdiction where such offer or sale is not permitted. This Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering.

Market data and certain industry forecasts used in this Prospectus Supplement and the Prospectus and the documents incorporated by reference herein and therein were obtained from market research, publicly available information and industry publications. The Company believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. The Company has not independently verified such information, and it does not make any representation as to the accuracy of such information.

Unless otherwise indicated, all information in this Prospectus Supplement assumes no exercise of the Over-Allotment Option.

The Company may use certain non-GAAP and other financial measures in this Prospectus Supplement, the short form base shelf prospectus or in documents incorporated by reference herein or therein, which are not defined under IFRS Accounting Standards, as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"). Prospective investors are cautioned that non-GAAP financial measures should not be construed as an alternative to the consolidated statements of income (loss) and comprehensive income (loss) or other information contained in financial statements prepared in accordance with IFRS Accounting Standards. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. Further, these measures do not have any standardized meaning and the Company's method of calculating each measure may not be comparable to calculations used by other companies bearing the same description.

In this Prospectus Supplement, unless the context otherwise requires, references to "we", "us", "our" or similar terms, as well as references to "GSilver" or the "Company", refer to Guanajuato Silver Company Ltd. together with our subsidiaries.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement and the prospectus, including the documents incorporated by reference herein, contain "forward-looking information" or "forward-looking statements" within the meaning of applicable securities legislation (collectively, "**forward-looking statements**"). The forward-looking statements in this Prospectus Supplement are provided as of the date of this Prospectus Supplement and forward-looking statements incorporated by reference are made as of the date of those documents. The Company does not intend to and does not assume any obligation to update forward-looking statements after it files this Prospectus Supplement, whether as a result of new information, future events or otherwise,

except as required by applicable law. For this reason and the reasons set forth below, investors should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are based on current expectations, estimates, forecasts, projections, beliefs and assumptions made by management of the Company about the industry in which it operates. Such statements include, but are not limited to, statements about the Company's plans, strategies and prospects. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. These forward-looking statements are made as of the date of this Prospectus Supplement.

The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the Offering, including the expected Closing Date, the estimated net proceeds from the Offering and our intended use of the net proceeds from the Offering;
- the satisfaction of the conditions for the closing of the Offering, including those contained in the Underwriting Agreement and the receipt, in a timely manner, of regulatory and other required approvals and clearances, including the approval of the TSXV, as applicable;
- the Company's expectations regarding its revenue, expenses and operations;
- industry trends and overall market growth;
- the Company's growth strategies;
- the future price of silver, gold and other metals;
- the development of and production from the Company's mineral properties;
- the Company's planned exploration and development activities, and costs associated therewith;
- the estimation of mineral resources;
- realization of mineral resource estimates;
- success of mining operations;
- mine life and production rates;
- costs and timing of future development;
- results of future development programs;
- production and processing estimates;
- capital and operating cost estimates;
- requirements for additional capital and expected use of proceeds;
- statements relating to the economic viability of the Company's mineral properties, including mine life, total tonnes mined and processed and mining operations;
- approvals, consents and permits under applicable legislation;
- the Company's relationship with community, government and other third party stakeholders;
- expectations relating to director and executive officer compensation levels;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's intention to grow the business and its operations;
- expectations with respect to future costs;
- environmental and operational risks;
- unanticipated contamination or reclamation expenses;
- the Company's competitive position and the regulatory environment in which the Company operates;
- the Company's expectation that revenues derived from its operations, together with fund-raising activities, will be sufficient to cover its expenses over the next 12 months;
- the Company's expected business objectives for the next 12 months;
- the Company's ability to obtain additional funds through the sale of equity or debt commitments; and

- the effect of any pandemic on the ability of the Company to carry on business.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. In making the forward-looking statements included in this Prospectus Supplement, the Company has made various material assumptions, including but not limited to:

- the results of the Company's proposed exploration, development and mining activities on its mineral properties including the El Cubo-Villalpando Mine Complex, El Pinguico, San Ignacio, Valenciana, Topia and El Horcon mines will be consistent with current expectations;
- the Company's assessment and interpretation of potential geological structures and mineralization at its mineral properties are accurate in all material respects;
- the quantity and grade of mineral resources and mineralized material contained within its mineral properties are accurate in all material respects;
- the sufficiency of the Company's current working capital and credit facilities to carry out the planned development and ramp-up of production at its mineral properties on a timely basis;
- the price for silver, gold and other precious metals will not fall significantly below current levels;
- the Company will be able to secure additional financing to continue exploration, development and mining on its mineral properties and meet future obligations as required from time to time;
- the Company will be able to obtain regulatory approvals and permits in a timely manner and on terms consistent with current expectations;
- the Company will be able to procure drilling and other mining equipment, energy, supplies and contractors in a timely and cost efficient manner to meet the Company's needs from time to time;
- the Company will be able to successfully integrate the San Ignacio, Valenciana and Topia mines into its current operations in a timely and cost efficient manner and to generate the operational synergies and production results on a basis consistent with current expectations;
- the Company will be able to successfully ramp up production, improve efficiencies and reduce operating costs at its existing mines to generate positive cash flow and achieve profitability on a basis consistent with current expectations;
- the Company's capital and operating costs will not increase significantly from current or anticipated levels;
- key personnel will continue their employment with the Company and the Company will be able to obtain and retain additional qualified personnel, as needed, in a timely and cost efficient manner;
- there will be no significant adverse changes in the Canada/U.S./Mexico currency exchange rates;
- there will be no significant changes in the ability of the Company to comply with environmental, safety and other regulatory requirements;
- there will be no significant adverse changes and/or restrictions on the Company's ability to carry out mining operations at its mineral properties as currently planned due a pandemic or otherwise; and
- the absence of any material adverse effects arising as a result of political instability, war (including the ongoing war in Ukraine or conflict in Gaza), terrorism, sabotage, vandalism, theft, labor disputes, natural disasters, adverse weather conditions, equipment failures or adverse changes in government legislation or the socio-economic conditions in Mexico with respect to the Company's mineral properties and mining operations.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of Units should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors" in this Prospectus Supplement, which include:

- the Company's history of losses and uncertainty regarding future profitability;
- the Interim Financial Statements (defined below) include a going concern outlining factors that give rise to material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent in the near-term on its ability to obtain additional financing and in the longer-term on a combination of additional financing and the generation of

cash flows from operations. Management is of the opinion that sufficient funds will be obtained from external financing and cash flows from operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing or cash flows from operations will not be available on a timely basis or on terms acceptable to the Company;

- the existence of mineral resources and mineralized material on the Company's mineral properties;
- fluctuations in the market price of silver, gold and other metals;
- foreign currency fluctuations;
- higher inflation and interest rates;
- the involvement by some of the Company's directors and officers with other natural resource companies;
- the uncertain nature of estimating mineral resources and reserves;
- uncertainty surrounding the Company's ability to successfully develop and operate its mineral properties;
- exploration, development and mining risks, including risks related to infrastructure, accidents and equipment breakdowns;
- risks related to the Company's ability to acquire new projects and to successfully integrate them into the Company's existing operations;
- title defects or disputes related to the Company's mineral properties;
- the Company's ability to obtain and maintain all necessary permits and other approvals;
- risks related to equipment shortages, access restrictions and inadequate infrastructure;
- the Company's quarterly operating results may fluctuate from period to period;
- foreign exchange rate fluctuations;
- a change in the Company's effective tax rate can have a significant adverse impact on its business;
- the Company may be unable to generate sufficient cash flows or have access to external financing necessary to fund planned operations and make adequate capital investments in mining project development;
- the Company may incur substantial additional indebtedness in the future;
- the Company is subject to risks from supply chain issues;
- if the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the mineral production market;
- compliance with environmental laws and regulations can be expensive;
- the Company has limited insurance coverage;
- the Company will be reliant on information technology systems and may be subject to damaging cyberattacks;
- the Company does not anticipate paying cash dividends;
- the Company may become subject to litigation;
- discretion of the Company on the use of the net proceeds of the Offerings;
- an investment in the Units may result in the loss of an investor's entire investment;
- the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- the Company will continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders; and
- future dilution as a result of financings.

These factors should not be considered exhaustive. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Information contained in forward-looking statements in this Prospectus Supplement is provided as of the date of this Prospectus Supplement, and we disclaim any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

Prospective purchasers of securities of the Company should carefully consider the risk factors described in a document incorporated by reference in this Prospectus Supplement (including subsequently filed documents incorporated by reference) and those described in a prospectus. Discussions of certain risks affecting the Company in connection with its

business are provided in the Company's disclosure documents filed with the various securities regulatory authorities which are incorporated by reference in this Prospectus Supplement.

*All of the forward-looking statements contained in this Prospectus Supplement are expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus Supplement and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.*

#### **CAUTIONARY NOTE TO UNITED STATES INVESTORS REGARDING MINERAL REPORTING STANDARDS**

The disclosure in this Prospectus Supplement, including the documents incorporated by reference herein, has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Disclosure, including scientific or technical information, has been made in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ from the requirements of the United States Securities and Exchange Commission (“**SEC**”) in the United States. In particular, the terms “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” in this Prospectus Supplement, including the documents incorporated by reference herein, are defined in accordance with NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards for Mineral Resources and Mineral Reserves 2014 (“**CIM Definition Standards**”). Mining disclosure under U.S. securities law was previously required to comply with item 102 of Regulation S-K under the U.S. Securities Act and the Securities Exchange Act of 1934, as amended and SEC Industry Guide 7 (“**SEC Industry Guide 7**”). The SEC has adopted rules to replace SEC Industry Guide 7 with new mining disclosure rules under sub-part 1300 of Regulation S-K of the U.S. Securities Act (“**Regulation S-K 1300**”) which became mandatory for U.S. reporting companies beginning with the first fiscal year commencing on or after January 1, 2021. Under Regulation S-K 1300, the SEC now recognizes estimates of “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources” which are substantially similar to the corresponding CIM Definition Standards. The SEC has also amended its definition of “proven mineral reserves” and “probable mineral reserves” to be substantially similar to the corresponding CIM Definitions. However, U.S. investors are cautioned that while the foregoing terms adopted by the SEC are “substantially similar” to corresponding definitions under CIM Definition Standards, there are differences between the terms and definitions used in Regulation S-K 1300 and mining terms defined in the CIM Definition Standards. As such, there is no assurance any mineral resources that the Company may report as “measured mineral resources”, “indicated mineral resources” or “inferred mineral resources” under NI 43-101 would be the same had the Company prepared the resource estimates under the standards adopted by the SEC. United States investors are also cautioned that while the SEC will now recognize “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, they should not assume that all or any part of the mineral deposits in these categories would ever be converted into a higher category of mineral resources or into mineral reserves. Mineralization described by these terms has a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Accordingly, investors are cautioned not to assume that any “measured mineral resources”, “indicated mineral resources”, or “inferred mineral resources” that the Company reports are or will ever be converted into mineral reserves or economically or legally mineable. Further under Canadian securities laws, estimates of “inferred mineral resources” cannot form the basis of feasibility, pre-feasibility or other economic studies, except in rare cases, although it is reasonably expected that the majority of “inferred resources” could be upgraded to “indicated resources” with continued exploration. Nonetheless, investors are cautioned not to assume that all or any part of an “inferred mineral resource” exists or is economically or legally mineable. Also, disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian securities laws; however, historically the SEC only permits issuers to report mineralization that does not constitute “mineral reserves” as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this Prospectus Supplement, including the documents incorporated by reference herein, may not be comparable with information made public by companies that report in accordance with U.S. securities laws.

#### **CURRENCY AND EXCHANGE RATE INFORMATION**

Unless stated otherwise or the context otherwise requires, all references to dollar amounts in this Prospectus Supplement are references to Canadian dollars. All references to “US\$” are to United States dollars and references to “\$” or “C\$” are to Canadian dollars.

The Company presents its financial statements in United States dollars. The audited financial statements of the Company for the year ended December 31, 2024 as well as the unaudited condensed consolidated interim financial statements of the Company for the three and six months ended June 30, 2025 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. Certain financial information incorporated by reference in this Prospectus Supplement is derived from such financial statements.

The high, low and average rates for the Canadian dollar in terms of one United States dollar for each of the years ended December 31, 2024 and December 31, 2023 and each of the two most recent six-month periods ended June 30, 2025 and June 30, 2024, as quoted by the Bank of Canada, were as follows:

	<b>Six Months Ended June 30</b>		<b>Year Ended December 31</b>	
	<b>(C\$)</b>		<b>(C\$)</b>	
<b>US\$1.00</b>	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
High	1.4603	1.3821	1.4416	1.3875
Low	1.3558	1.3316	1.3316	1.3128
Average	1.4094	1.3586	1.3698	1.3497

The rate of exchange on October 2, 2025 as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was US\$1.00 equals \$1.3963.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

**This Prospectus Supplement is deemed to be incorporated by reference in the prospectus solely for the purpose of the distribution of the Offered Shares. Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar authorities in the provinces and territories of Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Company at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1, telephone (604) 913-5899 or by accessing the disclosure documents through the Internet on SEDAR+, under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca). Our filings through SEDAR+ are not incorporated by reference in this Prospectus Supplement except as specifically set forth herein. The following documents, filed by the Company with the securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus Supplement and the prospectus:

- (a) the Company’s annual information form for the fiscal year ended December 31, 2024, dated as of April 25, 2025 (the “**AIF**”);
- (b) the audited consolidated financial statements of the Company as at and for the years ended December 31, 2024 and 2023, together with the notes thereto and the auditor’s report thereon (the “**Annual Financial Statements**”);
- (c) the management’s discussion and analysis of the Company for the year ended December 31, 2024;
- (d) the unaudited condensed consolidated interim financial statements of the Company as at and for the three and six months ended June 30, 2025 and 2024, together with the notes thereto (the “**Interim Financial Statements**”);
- (e) the management’s discussion and analysis of the Company for the three and six months ended June 30, 2025;
- (f) the management information circular of the Company dated May 9, 2025 for the annual general meeting held on June 25, 2025;
- (g) the material change report of the Company dated August 26, 2025 with respect to the 2025 LIFE Offering (as such term is defined herein); and

- (h) the “template version” (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements* (“NI 41-101”)) of the term sheet in respect of the Offering dated October 1, 2025 (the “Term Sheet”).

Any document of the type referred to in item 11.1 of Form 44-101F1 – *Short Form Prospectus* of National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators (other than confidential material change reports, if any) filed by the Company with any securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference in this Prospectus Supplement and the prospectus. These documents will be available on SEDAR+, which can be accessed under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca). Documents referenced in this Prospectus Supplement, the prospectus or any of the documents incorporated by reference herein or therein, but not expressly incorporated by reference herein or therein and not otherwise required to be incorporated by reference herein or therein, are not incorporated by reference in this Prospectus Supplement.

**Any statement contained in this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference in this Prospectus Supplement will be deemed to be modified or superseded for purposes of this Prospectus Supplement to the extent that a statement contained herein, in any Prospectus Supplement hereto or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement.**

References to our website in any documents that are incorporated by reference into this Prospectus Supplement do not incorporate by reference the information on such website into this Prospectus Supplement, and we disclaim any such incorporation by reference.

## MARKETING MATERIALS

In connection with the Offering, the Underwriters may use “marketing materials” (as such terms are defined in NI 41-101), including the Term Sheet. Any template version of any marketing materials that are utilized by the Underwriters in connection with the Offering, including the Term Sheet, will not form part of this Prospectus Supplement to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus Supplement. Any template version of any marketing materials that are filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) after the date of this Prospectus Supplement and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) will be deemed to be incorporated by reference into this Prospectus Supplement.

## THE COMPANY

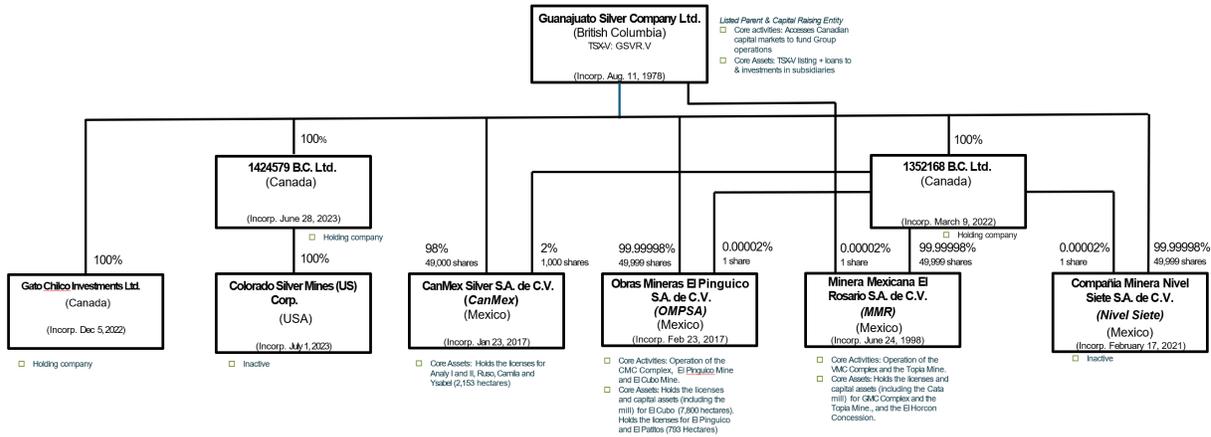
*The following description of the Company does not contain all of the information about the Company and its properties and business that you should consider before investing in the Units. You should carefully read this Prospectus Supplement in its entirety and the Shelf Prospectus, including the sections titled “Risk Factors”, as well as the documents incorporated by reference herein and therein before making an investment decision.*

### Overview of the Company

Headquartered in Vancouver, B.C., the Company is a Canadian based mining, development and exploration company engaged in reactivating past producing silver and gold mines in central Mexico, predominantly near the city of Guanajuato. Since 2017, the Company has acquired a 100% interest in five past producing silver and gold mines: the El Pinguico mine in 2017, the El Cubo mine and mill complex in 2021, and the San Ignacio mine, Valenciana Mine Complex and Topia mine in 2022, as well as several exploration concessions within the Mexican silver states of Guanajuato and Querétaro. The Company does not consider its exploration concessions to be material properties for the purposes of National Instrument (“NI”) 51-102 or NI 43-101.

## Intercorporate Relationships

The following chart illustrates, as of the date hereof, the Company’s subsidiaries, including their respective places of incorporation and percentage of voting securities in each that are held by the Company:



## Principal Operations

At present, the Company is focused on increasing production from its El Cubo, San Ignacio, Valenciana and Topia mines, as well as the conversion of historical mineral resource estimates to current mineral resource estimates, and the delineation of additional silver and gold resources through underground and surface drilling. El Cubo, El Pinguico, San Ignacio and Valenciana are all located within the Guanajuato mining district of central Mexico which has an established 480-year mining history. The Topia mine and mill complex is located near the town of Topia in the state of Durango, Mexico.

The Company acquired El Cubo from Endeavour Silver Corp. (“**Endeavour**”) in April 2021, completed a refurbishment of the El Cubo Mill in September 2021 and began mining and processing of resources and mineralized material from underground mining operations at El Cubo and above ground stockpiled material at El Pinguico (collectively the “**El Cubo-Villalpando Mine Complex**”) in October 2021.

In August 2022, the Company acquired San Ignacio, Valenciana and Topia as part of its purchase of Minera Mexicana El Rosario S.A. de C.V. (“**MMR**”) from Great Panther Mining Limited (“**Great Panther**”). Valenciana and San Ignacio had been placed on “care and maintenance” by Great Panther in late 2021 and early 2022, respectively, due to a lack of available tailings capacity. Within two weeks following its acquisition of MMR in August 2022, the Company had re-started mining operations at San Ignacio and shortly thereafter the Company began mining at Valenciana. Initially, mined material from San Ignacio and Valenciana was shipped by truck to the Company’s El Cubo Mill for processing. In December 2022, the Company finished recommissioning the Cata Processing Plant at Valenciana and is currently processing mineralized material mined from Valenciana and San Ignacio at Cata. At present, the Company produces silver and gold concentrates at the El Cubo Mill and Cata Processing Plant with material derived from El Cubo, San Ignacio and Valenciana which is currently sold to Ocean Partners UK Limited (“**Ocean Partners**”) pursuant to an existing offtake agreement.

Great Panther operated the Topia mine and mill continuously from December 2005 until its sale to the Company on August 4, 2022. Since acquiring Topia, the Company has successfully integrated Topia into its mining operations without any stoppage in production. Currently, Topia produces a zinc, lead, silver and gold concentrate for sale to offtake purchasers.

During the year ended December 31, 2024, the Company produced a total of 3,321,273 AgEq (“**AgEq**”) ounces<sup>1</sup>, derived from 1,625,912 ounces of silver, 16,554 ounces of gold, 3,231,921 pounds of lead and 3,901,785 pounds of zinc.

The following map outlines the Company’s mining operations in the Guanajuato region of Mexico including El Cubo, El Pinguico, San Ignacio and Valenciana and Topia in Durango, Mexico.

<sup>1</sup> Silver equivalents are calculated using 82.91:1 (Ag/Au), 0.04:1 (Ag/Pb) and 0.05:1 (Ag/Zn) ratio for 2024.



Further information regarding the business of the Company, its operations and its mineral properties can be found in the AIF, the Prospectus, and documents incorporated by reference therein and herein. See “*Documents Incorporated by Reference*”.

### Recent Developments

On August 21, 2025 the Company closed its non-brokered private placement (the "**2025 LIFE Offering**") for aggregate gross proceeds to the Company of C\$18 million under the Listed Issuer Financing Exemption.

The Offering consisted of 87,000,000 units of the Company (the "**2025 LIFE Units**") at a price of C\$0.30 per 2025 LIFE Unit. Each 2025 LIFE Unit consists of one Common Share and one-half of one common share purchase warrant of the Company (each whole such warrant, a "**2025 LIFE Warrant**"). Each Warrant entitles the holder to purchase an additional Common Share at an exercise price of \$0.45 for a period of 36 months, subject to customary anti-dilution adjustments, until August 21, 2028.

Net proceeds from the 2025 LIFE Offering are expected to be used to, inter alia:

- add to the Company's underground fleet and ramp up production at GSilver's producing mines in Guanajuato and Durango;
- fund certain improvements to expand and modernize the processing facilities at the Topia mine and mill complex including capital expenditures and related costs;
- fund corporate head office general and administrative expenses including legal, audit, overhead and salaries for the ensuing 12 months; and
- carry out detailed exploration at GSilver's mineral properties, particularly San Ignacio and Valenciana.

## RISK FACTORS

*Investing in our securities is speculative and involves a high degree of risk due to the nature of our business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of our securities to lose part or all of their investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations and prospects. In addition to the other information contained in this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein, you should carefully consider the risks described below, as well as the risks described under the “Risk Factors” section of the Prospectus, the AIF, Audited Financial Statements and Annual MD&A before purchasing the Units.*

***Future sales or issuances of debt or equity securities could decrease the value of any existing Common Shares, dilute investors’ voting power, reduce our earnings per share and make future sales of our equity securities more difficult.***

We may sell or issue additional debt or equity securities in offerings to finance our operations, exploration, development, acquisitions or other projects. We may also issue Common Shares to finance future acquisitions and other projects. We cannot predict the size of future issuances of securities of the Company or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares.

Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company’s earnings per share. Sales of our Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that we deem appropriate.

***Our Common Share price has experienced volatility and may be subject to fluctuation in the future based on market conditions.***

The market prices for the securities of mining companies, including our own, have historically been highly volatile. The market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of any particular company. In addition, because of the nature of our business, certain factors such as our announcements and the public’s reaction, our operating performance and the performance of competitors and other similar companies, fluctuations in the market prices of our resources, government regulations, changes in earnings estimates or recommendations by research analysts who track our securities or securities of other companies in the resource sector, general market conditions, announcements relating to litigation, the arrival or departure of key personnel and the factors listed under the heading “*Cautionary Note Regarding Forward-Looking Statements*” can have an adverse impact on the market price of our Common Shares.

Any negative change in the public’s perception of our prospects could cause the price of our securities, including the price of our Common Shares, to decrease dramatically. Furthermore, any negative change in the public’s perception of the prospects of mining companies in general could depress the price of our securities, including the price of our Common Shares, regardless of our results. Following declines in the market price of a company’s securities, securities class-action litigation is often instituted. Litigation of this type, if instituted, could result in substantial costs and a diversion of our management’s attention and resources.

***Future issuances of securities by us or sales by our existing shareholders may cause the price of our securities to fall.***

Our articles of incorporation allow us to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the board of directors of GSilver, in many cases, without the approval of the shareholders.

The Company has incentive stock options to purchase Common Shares (“**Options**”) issued, representing a right to receive Common Shares upon their exercise. In addition, the Company has restricted share units (“**RSUs**”) issued, representing a right to receive Common Shares on vesting and satisfaction of the settlement conditions. The exercise and settlement of the aforementioned securities and the subsequent resale of such Common Shares in the public market could adversely affect

the prevailing market price and the Company's ability to raise equity capital in the future at a time and price which deems appropriate. The Company may also enter into commitments in the future which would require the issuance of additional Common Shares or may grant Common Share purchase warrants and the Company is expected to grant additional Options, RSUs, or other equity incentive securities. Any share issuances from the Company's treasury will result in immediate dilution to existing shareholders' percentage interest in the company.

The market price of our securities could decline as a result of issuances of securities by us or sales by our existing shareholders in the market, or the perception that these sales could occur. Sales of our Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that we deem appropriate. With an additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in earnings per share.

***GSilver does not intend to pay dividends in the foreseeable future.***

No dividends on the Company's Common Shares have been declared or paid by GSilver to date. GSilver does not currently anticipate that dividends will be declared in the foreseeable future. Payment of future dividends, if any, will be at the discretion of GSilver's board of directors after taking into account many factors, including GSilver's operating results, financial condition and current and anticipated cash needs.

***You may be unable to enforce actions against us, certain of our directors and officers or the experts named in this Prospectus Supplement under U.S. federal securities laws.***

We are incorporated under the laws of the Province of British Columbia. Some of our directors and officers, as well as some of the experts named in this Prospectus Supplement, reside principally in Canada and other jurisdictions outside the United States. Because all or a substantial portion of the assets of these persons are located outside of the United States, it may not be possible for you to effect service of process within the United States upon us or those persons. Furthermore, it may not be possible for you to enforce against us or those persons in the United States, judgments obtained in U.S. courts based upon the civil liability provisions of the U.S. federal securities laws or other laws of the United States. There is doubt as to the enforceability, in original actions in Canadian courts, of liabilities based upon U.S. federal securities laws and as to the enforceability in Canadian courts of judgments of U.S. courts obtained in actions based upon the civil liability provisions of the U.S. federal securities laws. Therefore, it may not be possible to enforce those actions against us, certain of our directors and officers or the experts named in this Prospectus Supplement.

***Tariffs or Other International Trade Disputes***

The Company is subject to risks associated with doing business in foreign jurisdictions including, but not limited to, trade protection measures such as the imposition of or increase in tariffs. Future changes to trade or investment policies, treaties and tariffs, or the perception that these changes could occur, could adversely affect the Company's financial condition and results of operations.

Changes in cross-border tariffs between the United States, Canada and Mexico could have an impact on our operations, costs, and competitiveness. The Company's mining operations rely on cross-border collaboration, services, and specialized equipment. Increased tariffs may raise costs, disrupt supply chains, or delay project timelines.

In addition, actions by foreign governments to implement further trade policy changes, including limiting foreign investment or trade, increasing regulatory scrutiny, imposing quotas or supply limitations or taking other actions which could apply to the jurisdictions in which the Company operates, could negatively impact its business, which may be material. The Company continues to monitor trade policies and may need to adjust supply chain strategies, or operational structures to mitigate the financial and strategic risks posed by evolving tariff regulations.

***There is no assurance of a sufficient liquid trading market for the Company's Common Shares in the future.***

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Company's Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSXV or achieve listing on any other public listing exchange.

***There is currently no market through which the Warrants may be sold.***

The Warrants will not be listed on either the TSXV or the OTCQX. Investors may be unable to sell the Warrants at the prices desired or at all. There is no existing trading market for the Warrants and there can be no assurance that a liquid market will develop or be maintained for the Warrants, or that an investor will be able to sell any of the Warrants at a particular time (if at all). The liquidity of the trading market in the Warrants and the sale price, if any, for the Warrants, may be adversely affected by, among other things: (i) changes in the overall market for the Warrants; (ii) changes in our financial performance or prospects; (iii) changes or perceived changes in our creditworthiness; (iv) the prospects for companies in the industry generally; (v) the number of holders of the Warrants; and (vi) the interest of securities dealers in making a market for the Warrants.

***Warrants are speculative in nature and may not have any value.***

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Common Shares and pay an exercise price of \$0.65 per Common Share, subject to certain adjustments, prior to the date that is 36 months following the Closing Date, after which date any unexercised Warrants will expire and have no further value. Moreover, following completion of the Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There can be no assurance that the market price of the Common Shares will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

***Investors may lose their entire investment.***

An investment in the Units is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company. There is no guarantee that an investment in the Units will earn any positive return in the short term or long term.

***Discretion over use of proceeds.***

The Company intends to allocate the net proceeds it will receive from the Offering as described under "Use of Proceeds" in this Prospectus Supplement; however, the Company will have discretion in the actual application of the net proceeds. The Company may elect to allocate the net proceeds differently from that described in "Use of Proceeds" in this Prospectus Supplement if the Company believes it would be in the Company's best interests to do so. The Company's investors may not agree with the manner in which the Company chooses to allocate and spend the net proceeds from an Offering. The failure by the Company to apply these funds effectively could have a material adverse effect on the business of the Company.

***Dilution from exercise of outstanding stock options, restricted share units and warrants.***

The Company has outstanding stock options and restricted share units representing a right to receive Common Shares upon vesting and the exercise of the stock options or vesting of the restricted share units. The Company also has outstanding warrants representing a right to receive Common Shares upon exercise of the warrants. The vesting of restricted share units, and the exercise of stock options or warrants (including the Warrants) and the subsequent resale of any Common Shares issued upon the exercise thereof in the public market could adversely affect the prevailing market price of the Common Shares and the Company's ability to raise equity capital in the future at a time and price which deems it appropriate. The Company may also enter into commitments in the future which would require the issuance of additional Common Shares or may grant additional share purchase warrants and the Company is expected to grant additional stock options and restricted share units. Any share issuances from the Company's treasury will result in immediate dilution to existing shareholders' percentage interest in the Company.

***Negative Operating Cash Flow.***

The Company had negative operating cash flow for its financial year ended December 31, 2024; however, the Company had positive operating cash flow for the three and six month periods ended June 30, 2025. To the extent that the Company has negative operating cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund

such negative cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

### CONSOLIDATED CAPITALIZATION

Except as described in the Interim Financial Statements and as outlined under “Prior Sales”, there have been no material changes in the share and loan capital of the Company, on a consolidated basis, since June 30, 2025. As a result of the Offering, the shareholders’ equity of the Company will increase by the amount of the net proceeds of the Offering and the number of issued and outstanding Common Shares will increase by the number of Offered Shares actually distributed under the Offering.

As at June 30, 2025, the Company had:

- 475,994,461 Common Shares outstanding (on an undiluted basis);
- 123,909,116 Common Share purchase warrants outstanding;
- 26,060,000 stock options outstanding; and
- 1,245,000 restricted share units outstanding.

After giving effect to the Offering and the transactions since June 30, 2025 outlined under “Prior Sales”:

- the number of issued and outstanding Common Shares will be 640,606,174 (on an undiluted basis), and the number of issued and outstanding Common Share purchase warrants will be 147,384,986 (including the Warrants and Broker Warrants), in each case assuming no exercise of the Over-Allotment Option, or 653,656,174 Common Shares and 154,692,986 Common Share purchase warrants (including the Warrants and Broker Warrants) assuming full exercise of the Over-Allotment Option for Additional Units;
- 27,230,000 stock options outstanding; and
- 1,245,000 restricted share units outstanding.

### USE OF PROCEEDS

The estimated net proceeds received by the Company from the Offering (assuming no exercise of the Over-Allotment Option) will be C\$40,540,000 (determined after deducting the Underwriting Commission of C\$2,610,000 and estimated expenses of the Offering of C\$350,000). If the Over-Allotment Option is exercised in full for Additional Units, the estimated net proceeds received by the Company from the Offering will be C\$46,673,500 (determined after deducting the Underwriting Commission of C\$3,001,500 and estimated expenses of the Offering of C\$350,000). All amounts in this section assume no sales to investors on the President’s List.

The Company intends to use the net proceeds from the Offering for working capital requirements and for the development, sustaining capital and maintenance of the Company’s mineral properties.

<u>Activity or Nature of Expenditure</u>	<u>Approximate Use of Proceeds</u>
General Working Capital <sup>(1)</sup>	C\$24,540,000
Sustaining and Development Capital <sup>(2)</sup>	C\$16,000,000
Total	C\$40,540,000

Notes:

- (1) Funds included in general working capital will be used to pay for operating costs, power and labor and may be allocated to corporate expenses, business development, investor relations and legal expenses.
- (2) Funds included in sustaining and development capital will be used as follows: (i) \$2.0 million for development capital at the Pinguico Project (part of the El Cubo-Villalpando Mine Complex); (ii) \$1.5 million for capitalized exploration across all of the Company's mineral projects; and (iii) \$12.5 million in sustaining and development capital across all of the Company's mineral projects.

If the Over-Allotment Option is exercised in full for Additional Units, the Company will receive additional net proceeds of approximately C\$6,133,500. The net proceeds from the exercise of the Over-Allotment Option as well as any proceeds received from the exercise of the Warrants, if any, are expected to be used for working capital and general corporate purposes.

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary from those allocations set out above, depending on future developments in relation to the above objectives or unforeseen events, including those listed under the "Risk Factors" section of the Prospectus, this Prospectus Supplement and the AIF, Audited Financial Statements and Annual MD&A. Potential investors are cautioned that, notwithstanding the Company's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of the net proceeds may be advisable for reasons that management believes, in its discretion, are in the Company's best interests. See "Risk Factors".

The Company had negative operating cash flow for its financial year ended December 31, 2024; however, the Company had positive operating cash flow for the three and six month periods ended June 30, 2025. The Company's future cash flow from operating activities will be dependent on future prices of gold, silver, zinc and lead. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital to fund such negative cash flow. See "Risk Factors".

### Business Objectives and Milestones

The net proceeds of the Offering will allow the Company to progress with development and production activities over the next twelve months at its four producing mines as detailed further in the table below:

Business Objective	Milestone	Timeline	Expected Cost (\$)
Pinguico Project	Complete development work with a focus on accessing and extracting additional historic mineralized backfill within the mine.	October 2025 – September 2026	\$2,000,000
Exploration	Complete exploration work across all of the Company's mineral properties for the purpose of identifying additional mineralization capable of economic extraction.	October 2025 – September 2026	\$1,500,000
Sustaining Capital and Development Capital	Fund certain improvements to maintain, expand and modernize the processing and mining facilities at the Company's four producing mines, including capital expenditures and related costs.	October 2025 – September 2026	\$12,500,000
General Working Capital	General working capital will be used to pay for operating costs, power and labor and may be allocated to corporate expenses, business development, investor relations and legal expenses.	October 2025 – September 2026	\$24,540,000

### DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Our authorized share capital consists of an unlimited number of Common Shares. As of the date of this Prospectus Supplement, we had 553,606,174 Common Shares issued and outstanding. In addition, as of the date of this Prospectus Supplement, there were 27,230,000 Common Shares issuable upon the exercise of outstanding stock options, 1,245,000 Common Shares issuable upon the vesting of outstanding restricted share units and 97,756,298 Common Share purchase warrants.

### Common Shares

All of our Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on

a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of our Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, the holders of our Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of our Common Shares are entitled to receive any dividends declared by the Company in respect of the Common Shares, subject to the rights of holders of other classes ranking in priority to our Common Shares with respect to the payment of dividends, on a pro rata basis. Any alteration of the rights attached to our Common Shares must be approved by at least two-thirds of the Common Shares voted at a meeting of our shareholders. Provisions as to the modification, amendment or variation of such rights or provisions are contained in our articles and in the BCBCA. See “*Risk Factors*”.

### **Dividend Policy**

We have not paid any dividends to date on our Common Shares. We do not currently expect to pay any dividends on our Common Shares for the foreseeable future.

### **Warrants**

The Warrants issued under the Offering will be governed by the Warrant Indenture. The following description is subject to the detailed provisions of the Warrant Indenture. Reference should be made to the Warrant Indenture for the full text of attributes of the Warrants.

There is currently no market through which the Warrants may be sold, and purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. The Warrants will not be listed on the TSXV or quoted on the OTCQX.

The Unit Shares and the Warrants will immediately separate following the closing of the Offering. Each Warrant will entitle the holder to acquire one Warrant Share at an exercise price of \$0.65 until 5:00 p.m. (Pacific Time) on the date that is 36 months following the Closing Date, subject to adjustment in certain events, after which time the Warrant will be void and of no value.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants may not be exercised by or on behalf of a person in the United States or a U.S. Person unless an exemption from such registration is available and documentation to that effect is provided in accordance with the terms of the Warrant Indenture.

The Warrants may be issued in uncertificated form. Any Warrants issued in certificated form shall be evidenced by a warrant certificate in the form attached to the Warrant Indenture. All Warrants issued in the name of CDS may be in either a certificated or uncertificated form, such uncertificated form being evidenced by a book-entry position on the register of warrant holders to be maintained by the Warrant Agent at its principal offices in Calgary, Alberta.

The Warrant Indenture will provide that the share ratio and exercise price of the Warrants will be subject to adjustment in the event of a subdivision or consolidation of the Common Shares. The Warrant Indenture will also provide that if there is (a) a reclassification or change of the Common Shares, (b) any consolidation, amalgamation, arrangement or other business combination of the Company resulting in any reclassification, or change of the Common Shares into other shares, or (c) any sale, lease, exchange or transfer of the Company’s assets as an entity or substantially as an entirety to another entity, then each holder of a Warrant which is thereafter exercised shall receive, in lieu of Common Shares, the kind and number or amount of other securities or property which such holder would have been entitled to receive as a result of such event if such holder had exercised the Warrants prior to the event.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth (1/100th) of a Common Share, as the case may be.

The Warrant Indenture will also provide that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date

or effective date, as the case may be, of such events.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either (a) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66<sup>2/3</sup>% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (b) adopted by an instrument in writing signed by the holders of not less than 66<sup>2/3</sup>% of the aggregate number of all then outstanding Warrants.

**No fractional Warrant Shares will be issuable upon the exercise of any Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.**

### **Broker Warrants**

The Company has agreed to issue Broker Warrants, the distribution of which are qualified by this Prospectus Supplement. The number of Broker Warrants to be issued to the Underwriters will be equal to 6.0% of the aggregate number of Units issued and sold under the Offering (including any Additional Units but excluding any Units issued to President’s List purchasers). For greater certainty, no Broker Warrants will be issued for sales to President’s List purchasers. Each Broker Warrant will entitle the holder thereof to acquire one Broker Warrant Share at an exercise price of \$0.50 per Broker Warrant Share at any time until the date that is 36 months following the Closing Date.

## **PRIOR SALES**

During the 12 months preceding the date of this Prospectus Supplement, the Company did not issue any Common Shares or securities that are or may be convertible into Common Shares other than the following:

<u>Date of Issuance</u>	<u>Type of Security</u>	<u>Number of Securities</u>	<u>Issue / Exercise / Conversion Price / CS</u>
September 3, 2024	Stock Options	500,000	\$0.25
September 3, 2024	Restricted Share Units	40,000	n/a
October 29, 2024	Common Shares	38,175,020	\$0.24
October 29, 2024	Warrants	18,167,500	\$0.35
October 29, 2024	Warrants	1,840,020	\$0.24
October 30, 2024	Common Shares	5,506,530	\$0.245
October 30, 2024	Common Shares	10,081,555	\$0.25
November 12, 2024	Common Shares	172,500	\$0.41
March 18, 2025	Common Shares	67,500	\$0.21
April 25, 2025	Stock Options	7,850,000	\$0.20
May 30, 2025	Common Shares	750,000	\$0.175
June 3, 2025	Common Shares	1,000,000	\$0.175
June 10, 2025	Common Shares	1,250,000	\$0.175
June 12, 2025	Common Shares	500,000	\$0.175
June 16, 2025	Warrants	4,550,000	\$0.24
June 18, 2025	Common Shares	250,000	\$0.175
July 9, 2025	Common Shares	333,334	\$0.20
July 11, 2025	Common Shares	487,846	\$0.33
July 11, 2025	Common Shares	100,000	\$0.30
July 18, 2025	Common Shares	823,241	\$0.33
July 18, 2025	Common Shares	4,550,000	\$0.24
July 21, 2025	Common Shares	50,000	\$0.30
July 28, 2025	Common Shares	250,000	\$0.20
July 28, 2025	Stock Options	200,000	\$0.32
July 29, 2025	Stock Options	2,200,000	\$0.32

August 7, 2025	Common Shares	600,000	\$0.30
August 13, 2025	Common Shares	133,333	\$0.25
August 13, 2025	Common Shares	116,667	\$0.20
August 21, 2025	Common Shares	60,000,000	\$0.30
August 21, 2025	Warrants	30,000,000	\$0.45
August 21, 2025	Warrants	1,727,904	\$0.30
September 3, 2025	Common Shares	116,666	\$0.20
September 3, 2025	Common Shares	1,111,000	\$0.30
September 4, 2025	Warrants	458,500	\$0.30
September 5, 2025	Stock Options	450,000	\$0.385
September 5, 2025	Common Shares	462,000	\$0.30
September 8, 2025	Common Shares	1,100,000	\$0.30
September 9, 2025	Common Shares	50,000	\$0.20
September 10, 2025	Common Shares	113,000	\$0.30
September 11, 2025	Common Shares	1,150,000	\$0.30
September 12, 2025	Common Shares	2,650,000	\$0.30
September 15, 2025	Common Shares	250,000	\$0.30
September 16, 2025	Common Shares	400,000	\$0.33
September 16, 2025	Common Shares	180,000	\$0.20
September 16, 2025	Common Shares	100,000	\$0.30
September 22, 2025	Common Shares	127,000	\$0.30
September 23, 2025	Common Shares	600,000	\$0.30
September 24, 2025	Common Shares	380,000	\$0.30
September 24, 2025	Common Shares	100,000	\$0.33
September 24, 2025	Common Shares	1,054,626	\$0.20
September 24, 2025	Common Shares	152,000	\$0.30
September 29, 2025	Common Shares	71,000	\$0.30

## PRICE RANGE AND TRADING VOLUME

The Common Shares are listed for trading on the TSXV under the trading symbol “GSVR” and quoted on the OTCQX under the symbol “GSVRF”. The following table sets forth information relating to the trading of the Common Shares on the TSXV for the periods indicated.

Period	TSXV		
	C\$ High	C\$ Low	Volume
October 1 – 2, 2025	0.48	0.42	32,951,202
September 2025	0.62	0.32	81,344,500
August 2025	0.350	0.260	52,932,300
July 2025	0.370	0.260	27,747,300
June 2025	0.280	0.220	28,689,200
May 2025	0.240	0.160	23,203,100
April 2025	0.190	0.140	16,247,300
March 2025	0.220	0.160	18,951,800
February 2025	0.220	0.170	13,426,900
January 2025	0.210	0.170	6,504,900
December 2024	0.210	0.170	9,367,900
November 2024	0.280	0.180	30,122,200
October 2024	0.320	0.230	27,975,000

Source: Yahoo! Finance

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the “**Tax Act**”) generally applicable to a holder who: (i) acquires as beneficial owner Unit Shares and Warrants pursuant to the Offering; (ii) for the purposes of the Tax Act and at all relevant times, acquires and holds the Unit Shares and any Warrant Shares acquired on the exercise of Warrants (for the purpose of this summary, sometimes collectively referred to as “**Shares**”), and Warrants as capital property; and (iii) for purposes of the Tax Act and at all relevant times, deals at arm’s length with the Company and each of the Underwriters and is not affiliated with the Company or any of the Underwriters (a “**Holder**”). The Shares and Warrants will generally be capital property to a Holder provided that the Holder does not hold or use, is not deemed to use or hold and will not (and will not be deemed to) use or hold the Shares or Warrants in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired or been deemed to have acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a “financial institution” (as defined in the Tax Act for the purposes of the mark-to-market rules); (ii) an interest in which is or would be a “tax shelter investment” (as defined in the Tax Act); (iii) that is a “specified financial institution” (as defined in the Tax Act); (iv) that has elected to report its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian currency; (v) that is exempt from tax under the Tax Act; (vi) has entered or will enter into a “derivative forward agreement” or “synthetic disposition arrangement” (as those terms are defined in the Tax Act), with respect to the Shares or Warrants, (vii) that receives dividends on the Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act); or (viii) that is otherwise of special status or in special circumstances. Such investors should consult their own tax advisors with respect to an investment in the Units.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada that is or becomes (or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes) as part of a transaction or event or series of transactions or events that includes the acquisition of the Units controlled by a non-resident person (or a group of non-resident persons not dealing with each other at arm’s length) for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Units.

This summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Units.

This summary is based upon: (i) the current provisions of the Tax Act and the *Canada-United States Tax Convention* (1980), as amended (the “**Treaty**”), in each case in force as of the date hereof; (ii) all specific proposals to amend the Tax Act that have been publicly and officially announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”); (iii) an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) published in writing by the CRA prior to the date hereof; and (iv) the facts set out in this Prospectus Supplement. This summary assumes the Proposed Amendments will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed or at all. If the Proposed Amendments are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described in this summary in all cases. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law or the CRA’s administrative policies or assessing practices, whether by legislative, regulatory, administrative, governmental or judicial decision or action, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder or prospective Holder of Units, and no representations with respect to the tax consequences to any Holder or prospective Holder are made herein. This summary is not exhaustive of all Canadian federal income tax considerations applicable to an investment in the Units. The tax consequences of acquiring, holding and disposing of the Units will vary according to the Holder’s particular circumstances. Accordingly, Holders and prospective Holders of Units are urged to consult their own tax advisors about the specific tax consequences to them of acquiring, holding and disposing of Units, having regard to their particular circumstances.**

### **Currency Conversion**

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Units (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars, and amounts denominated in any other currency must generally be converted into Canadian dollars using the relevant exchange rate determined in accordance with the Tax Act.

### **Allocation of Purchase Price of Units**

The Offering Price must be allocated on a reasonable basis between the Unit Share and the one-half of one Warrant comprising a Unit to determine the cost of each to the Holder for purposes of the Tax Act. For its purposes, the Company intends to allocate \$0.365 of the Offering Price as consideration for the issue of each Unit Share and \$0.135 of the Offering Price of each Unit as consideration for the issue of each one-half of one Warrant. Although the Company believes that this allocation is reasonable, it is not binding on the CRA or the Holder, CRA may not agree with such allocation and counsel expresses no opinion with respect to such allocation. The Holder’s adjusted cost base of the Unit Share comprising a part of each Unit will be determined by averaging the cost allocated to the Unit Share with the adjusted cost base to the Holder of all Common Shares (if any) owned by the Holder as capital property immediately prior to such acquisition.

### **Exercise of Warrants**

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, no gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder’s cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder’s adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder’s adjusted cost base of the Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base to the Holder of all Common Shares owned by the Holder as capital property (if any) immediately prior to such acquisition.

### **Resident Holders**

The following discussion applies to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be resident in Canada at all relevant times (a “**Resident Holder**”). A Resident Holder whose Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares, and every other “Canadian security” (as defined in the Tax Act), held by such

Resident Holder in the taxation year of the election and each subsequent taxation year to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

#### *Expiry of Warrants*

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Taxation of Capital Gains and Capital Losses*".

#### *Dividends*

Dividends received or deemed to be received on the Shares in a taxation year of a Resident Holder will be included in the Resident Holder's income for the year for the purposes of the Tax Act. Such dividends received by a Resident Holder who is an individual (including certain trusts) will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to "taxable dividends" received from "taxable Canadian corporations" (each as defined in the Tax Act), including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Company as "eligible dividends" (as defined in the Tax Act) in accordance with the Tax Act. There may be limitations on the ability of the Company to designate dividends as "eligible dividends" and the Company has made no commitments in this regard.

Dividends received or deemed to be received on Shares by a Resident Holder that is a corporation will be included in the Resident Holder's income and will generally be deductible in computing its taxable income for that taxation year, subject to all relevant restrictions under the Tax Act. In certain circumstances, a dividend received or deemed to be received by a Resident Holder that is a corporation may be deemed to be proceeds of disposition or a capital gain pursuant to subsection 55(2) of the Tax Act. Resident Holders that are corporations should consult their own tax advisors with respect to the application of subsection 55(2) of the Tax Act having regard to their particular circumstances.

A Resident Holder that is a "private corporation" (as defined in the Tax Act) or a "subject corporation" (as defined for the purposes of Part IV of the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) under Part IV of the Tax Act on dividends received or deemed to be received on a Share to the extent such dividends are deductible in computing the Resident Holder's taxable income for the year. A "subject corporation" is generally a corporation (other than a private corporation) resident in Canada and controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts).

#### *Dispositions of Shares and Warrants*

A disposition or a deemed disposition of a Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) or a Warrant (other than on the exercise thereof) by a Resident Holder will generally result in the Resident Holder realizing a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Share or Warrant exceed (or are less than) the aggregate of the adjusted cost base to the Resident Holder of such Share or Warrant immediately before the disposition or deemed disposition and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the treatment described below under "*Taxation of Capital Gains and Capital Losses*".

#### *Taxation of Capital Gains and Capital Losses*

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year must be included in computing the Resident Holder's income for the year, and one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent year against net taxable capital gains realized in such years (but not against other income), to the extent and under the circumstances described in the Tax Act.

If a Resident Holder is a corporation, the amount of any capital loss realized on the disposition or deemed disposition of a Share may, in certain circumstances, be reduced by the amount of any dividends previously received or deemed to be received by the Resident Holder on such Share (or on a share or shares substituted for such Share) to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a Share is owned by a partnership or trust of

which a corporation, trust or partnership is a member or beneficiary, as applicable. Such Resident Holders to whom these rules may be relevant should consult their own tax advisors.

### **Additional Refundable Tax**

A Resident Holder that: (i) throughout the relevant taxation year, is a “Canadian-controlled private corporation” (as defined in the Tax Act), or (ii) at any time in the relevant taxation year, is a “substantive CCPC” (as defined in the Tax Act), may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income” (as defined in the Tax Act) for the year, including certain amounts in respect of taxable capital gains and dividends or deemed dividends that are not deductible in computing the Resident Holder’s taxable income. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

### **Minimum Tax**

Capital gains realized and dividends received (or deemed to be received) by a Resident Holder who is an individual (including certain trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Resident Holders should consult their own tax advisors in this regard.

### **Non-Resident Holders**

The following discussion applies to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention: (i) is neither resident nor deemed to be resident in Canada; and (ii) does not, and is not deemed to, use or hold Shares or Warrants in connection with carrying on a business (including an adventure or concern in the nature of trade) in Canada (a “**Non-Resident Holder**”).

The term “**U.S. Holder**,” for the purposes of this summary, means a Non-Resident Holder who, for purposes of the Treaty, is at all relevant times a resident of the United States and is a “qualifying person” within the meaning of the Treaty and is eligible for the full benefits of the Treaty.

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an “authorized foreign bank” (as defined in the Tax Act) and such holders should consult their own tax advisors.

#### *Dividends*

Dividends paid or credited, or deemed to be paid or credited, on a Share to a Non-Resident Holder will generally be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced by the terms of an applicable income tax treaty or convention. The rate of Canadian withholding tax applicable to dividends is generally reduced under the Treaty to 15% of the gross amount of the dividend if the beneficial owner of such dividend is a U.S. Holder (or 5% if the beneficial owner of such dividend is a U.S. Holder that is a company that owns at least 10% of the voting stock of the Company). The *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (the “**MLI**”), of which Canada is a signatory, affects many of Canada’s tax treaties (but not the Treaty), including the ability to claim benefits thereunder. Non-Resident Holders should consult their own tax advisors to determine their entitlement to relief under an applicable income tax treaty or convention.

#### *Dispositions of Shares and Warrants*

Generally, a Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition or deemed disposition of a Share or Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share or Warrant constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident at the time of the disposition (including as a result of the application of the MLI).

Generally, provided the Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV) at the time of disposition or deemed disposition, the Shares and Warrants will not constitute taxable Canadian property of a Non-Resident Holder at that time unless, at any time during the 60-month period immediately

preceding the disposition or deemed disposition, the following two conditions are met concurrently: (a) the Non-Resident Holder, persons with which the Non-Resident Holder does not deal at arm's length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder and/or persons which do not deal at arm's length with the Non-Resident Holder, or any combination of the foregoing, owned 25% or more of the issued shares of any class or series of shares of the capital stock of the Company, and (b) more than 50% of the fair market value of the shares of the capital stock of the Company was derived, directly or indirectly, from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), and options in respect of or interests in, or, for civil law, rights in, any such properties (whether or not such property exists). Notwithstanding the foregoing, Shares and Warrants may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances.

Even if the Shares or Warrants of a Non-Resident Holder constitute taxable Canadian property, a Non-Resident Holder may be eligible for relief from taxation in Canada pursuant to the terms of an applicable income tax treaty or convention. Such Non-Resident Holders should consult their own tax advisors.

In the event that a Share or Warrant constitutes "taxable Canadian property" of a Non-Resident Holder and any capital gain that would be realized on the disposition (or deemed disposition) thereof is not exempt from tax under the Tax Act or pursuant to an applicable income tax convention (including as a result of the application of the MLI), the income tax consequences discussed above for Resident Holders under "*Resident Holders - Dispositions of Shares and Warrants*" and "*Resident Holders – Taxation of Capital Gains and Capital Losses*" will generally apply to the Non-Resident Holder.

**Non-Resident Holders whose Shares or Warrants may constitute taxable Canadian property should consult their own advisors regarding the tax and compliance considerations that may be relevant to them.**

## PLAN OF DISTRIBUTION

Under the Underwriting Agreement, the Company has agreed to sell, and the Underwriters have agreed to purchase, on the Closing Date, 87,000,000 Units at the Offering Price, payable in cash to the Company, against delivery of the Units, subject to compliance with all necessary legal requirements and to the conditions contained in the Underwriting Agreement.

The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Units (other than the Additional Units) if any of the Units are purchased under the Underwriting Agreement. Each Underwriter may terminate its obligations under the Underwriting Agreement at its discretion on the basis of a "breach out", "disaster out", "regulatory out" and "material change out" and upon the occurrence of certain other stated events.

The Offering Price was determined by arm's length negotiations between the Company and the Underwriters.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

Units sold by the Underwriters to the public will initially be offered at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the Offering Price, the Underwriters may change the Offering Price to an amount not greater than the Offering Price. Pursuant to the Underwriting Agreement, the Underwriters are obligated to purchase the Units at the prices and upon the terms stated therein and, as a result, bear any risk associated with changing the Offering Price or other selling terms.

The Unit Shares and Warrants will be delivered through the NCI system of CDS or its nominee and deposited in registered or electronic form with CDS on the Closing Date. Except in limited circumstances, a purchaser of Units will receive only a customer confirmation from the registered dealer through which the Units are purchased. No certificates evidencing the Unit Shares and Warrants comprising the Units will be issued to investors except in limited circumstances.

Transfers of ownership of Common Shares must be effected through a CDS Participant, which includes securities brokers and dealers, banks and trust companies. All rights of shareholders who hold securities in CDS must be exercised through, and all payments or other property to which such shareholders are entitled, will be made or delivered by CDS or the CDS

Participant through which the shareholder holds such securities. A holder of Units participating in the NCI system will not be entitled to a certificate or other instrument from the Company or the Company's registrar and transfer agent evidencing that person's interest in or ownership of securities, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS Participant. The ability of a beneficial owner of securities to pledge such securities or otherwise take action with respect to such owner's interest in such securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Offering is being made concurrently in each of the provinces and territories of Canada, excluding Québec. The Units will be offered in Canada through the Underwriters either directly or through their agents, as applicable. Offers and sales of Units outside of Canada will be made in accordance with applicable laws in such jurisdictions.

The Units, Unit Shares, Warrants, Warrant Shares, Broker Warrants and Broker Warrant Shares have not been and will not be registered under the U.S. Securities Act or any United States state securities laws, and accordingly may not be offered, sold or delivered, directly or indirectly, in the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters may offer and resell the Units that they have acquired pursuant to the Underwriting Agreement in the United States to, or for the account or benefit of, persons who are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act, in compliance with Rule 144A thereunder and in compliance with applicable United States state securities laws. The Underwriters will offer and sell the Units outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Units, Unit Shares, Warrants and Warrant Shares, in the United States. In addition, until 40 days after the commencement of the Offering, any offer or sale of the Units, Unit Shares, Warrants and Warrant Shares in the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from such registration requirements. Any Units, Unit Shares, Warrants and Warrant Shares offered or sold in the United States will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable United States state securities laws.

The Common Shares are listed for trading on the TSXV under the trading symbol "GSVR" and quoted on the OTCQX under the symbol "GSVRF". GSilver has applied to list the Unit Shares, Warrant Shares and Broker Warrant Shares qualified under this Prospectus Supplement on the TSXV. Such listing will be subject to GSilver fulfilling all listing requirements of the TSXV. Closing of the Offering is conditional on the Unit Shares, Warrant Shares and Broker Warrant Shares being conditionally approved for listing on the TSXV. The Warrants and Broker Warrants will not be listed on either the TSXV or quoted on the OTCQX.

The Company has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Underwriters at any time until the date which is 30 days following the Closing Date (as defined herein), to purchase up to 13,050,000 Additional Units at a price of \$0.50 per Additional Unit to cover over allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters to acquire: (i) Additional Units at the Offering Price; (ii) Additional Shares at a price of \$0.365 per Additional Share; (iii) Additional Warrants at a price of \$0.27 per Additional Warrant; or (iv) any combination of Additional Securities so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 13,050,000 Additional Shares and 6,525,000 Additional Warrants.

This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Additional Units, the Additional Shares and/or the Additional Warrants.

Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Underwriting Commission representing 6.0% of the aggregate gross proceeds of the Offering, including proceeds realized from the sale of any Units issued pursuant to the exercise of the Over-Allotment Option. The Company has also agreed to issue to the Underwriters that number of Broker Warrants as is equal to 6.0% of the aggregate number of Units issued and sold under the Offering (including any Additional Units). Each Broker Warrant will entitle the holder thereof to acquire one Broker Warrant Share at an exercise price of \$0.50 per Broker Warrant Share, at any time until the date that is 36 months following the Closing Date. This Prospectus Supplement also qualifies the distribution of the Broker Warrants. Notwithstanding the foregoing, the Underwriting Commission shall be reduced to 2.0% with respect to Units sold pursuant to the Offering to President's

List purchasers. No Broker Warrants shall be issued with respect to Units sold pursuant to the Offering to President's List purchasers.

The Company has agreed in the Underwriting Agreement that the Company shall not to issue any Common Shares or securities convertible into Common Shares for a period of 75 days from the Closing Date (except in the case of (iii) below, in respect of which this period will be reduced to 30 days from the Closing Date) without the prior written consent of the Underwriters, such consent not to be unreasonably withheld, conditioned or delayed, except in conjunction with: (i) the grant or exercise or vesting of stock options, restricted share units, deferred share units and other similar issuances pursuant to the equity incentive plans of the Company and other stock-based compensation arrangements including, for greater certainty the sale of any shares issued thereunder; (ii) the exercise or conversion of outstanding convertible securities; (iii) the issuance of securities in respect of an asset acquisition (directly or indirectly) or other strategic transaction of the Company; or (iv) any obligations in respect of existing agreements or agreements under negotiation.

The Company has agreed in the Underwriting Agreement to indemnify the Underwriters against certain liabilities, including liabilities under Canadian securities laws, and, where such indemnification is unavailable, to contribute to payments that the Underwriters may be required to make in respect of such liabilities.

In order to facilitate the Offering, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the market price of the Common Shares in accordance with applicable securities laws. Specifically, the Underwriters may sell more Unit Shares than they are obligated to purchase under the Underwriting Agreement, creating a short position. A short sale is covered if the short position is no greater than the number of Unit Shares available for purchase by the Underwriters under the Over-Allotment Option. The Underwriters can close out a covered short sale by exercising the Over-Allotment Option or purchasing Common Shares in the open market. In determining the source of Common Shares to close out a covered short sale, the Underwriters will consider, among other things, the open market price of Common Shares compared to the price available under the Over-Allotment Option. The Underwriters may also sell Common Shares in excess of the Over-Allotment Option, creating a naked short position. The Underwriters must close out any naked short position by purchasing Common Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market after pricing that could adversely affect investors who purchase in the Offering. As an additional means of facilitating the Offering, the Underwriters may bid for, and purchase, Common Shares in the open market to stabilize the price of the Common Shares. These activities may raise or maintain the market price of the Common Shares above independent market levels or prevent or retard a decline in the market price of the Common Shares. The Underwriters are not required to engage in these activities and may end any of these activities at any time.

Notwithstanding the foregoing, pursuant to the policies of certain Canadian securities regulators, the Underwriters may not, throughout the period of distribution under this Prospectus Supplement, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, including: (a) a bid or purchase permitted under the bylaws and rules of applicable regulatory authorities and stock exchanges, including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada, relating to market stabilization and passive market making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution; (c) a bid or purchase to cover a short position entered into prior to the distribution; and (d) transactions in compliance with U.S. federal securities laws. Any such trades are permitted only on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares.

## LEGAL MATTERS

Certain legal matters of Canadian law in connection with the Offering will be passed upon on behalf of the Company by MLT Aikins LLP and on behalf of the Underwriters by Bennett Jones LLP.

As of the date of this Prospectus Supplement, the designated professionals (as such term is defined in item 16.2(1.1) of Form 51-102F2 – *Annual Information Form* of NI 51-102) of each of MLT Aikins LLP and Bennett Jones LLP, as a group, beneficially own, directly or indirectly, less than 1% of the Company's outstanding securities.

## INTEREST OF EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus Supplement or the prospectus as having prepared or certified a part of that document or report described in this Prospectus Supplement or the prospectus:

Name of Individual or Company	Document Prepared or Certified
KPMG LLP Chartered Professional Accountants	Independent Auditor’s Report in respect of the audited consolidated financial statements of the Company as at December 31, 2024 and December 31, 2023 and for the years then ended.
MLT Aikins LLP Bennett Jones LLP	This Prospectus Supplement.
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo Fallon T. Clarke, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report on the San Ignacio mine dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the San Ignacio Property, Guanajuato, Mexico” (the “ <b>2024 San Ignacio Report</b> ”)
Michael B. Dufresne, M.Sc., P. Geo, P. Geo Christopher W. Livingstone, B. Sc., P. Geo Fallon T. Clarke, B. Sc., P. Geo Warren E. Black, M.Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report on the El Cubo-Villalpando Mine Complex (previously referred to as the El Cubo/El Pinguico Mine Complex) dated January 16, 2025 (effective date August 1, 2024) titled “NI 43-101 Technical Report on the El Cubo and El Pinguico Silver Gold Complex” (the “ <b>2025 El Cubo Report</b> ”)
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report on the Topia Property dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the Topia Property, Durango, Mexico” (the “ <b>2024 Topia Report</b> ”)
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo Fallon T. Clarke, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the Valenciana Mines Complex, Guanajuato, Mexico” (the “ <b>2024 Valenciana Report</b> ”).

Certain scientific and technical information relating to the Company’s mineral properties contained in the Prospectus Supplement, the prospectus and the documents incorporated by reference, is derived from, and in some instances is an extract from the 2024 San Ignacio Report, 2025 El Cubo Report, 2024 Topia Report and 2024 Valenciana Report (collectively, the “**Technical Reports**”), prepared by the authors of the Technical Reports set forth in the table above (the “**Technical Report Authors**”). Each of the Technical Report Authors is a “qualified person” for the purposes of NI 43-101. The Technical Reports have been filed with the Canadian securities regulatory authorities and are available electronically on the SEDAR+ website located at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company’s SEDAR+ profile. Reference should be made to the full text of the Technical Reports for a complete description of the assumptions, qualifications, references, reliances and procedures associated with the information in the Technical Reports.

Each of the Technical Report Authors is a “qualified person” for the purposes of NI 43-101. Each Technical Report Author, as applicable, has reviewed certain scientific and technical information relating to the Company’s mineral properties contained or incorporated by reference in this Prospectus Supplement or the prospectus, or has supervised the preparation of information upon which such scientific and technical information is based as detailed in the Technical Reports.

The remainder of scientific and technical disclosure contained in this Prospectus Supplement, the prospectus and the documents incorporated by reference, has been reviewed and approved by William Gehlen, Director of the Company. Mr.

Gehlen is a Certified Professional Geologist with the American Institute of Professional Geologists (No. 10626) and a Qualified Person within the meaning of NI 43-101.

To the knowledge of management of the Company, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Company or of an associate or affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of an associate or affiliate thereof.

#### **INDEPENDENT AUDITOR**

The Company's independent auditor, KPMG LLP, Chartered Professional Accountants, at its office located at 777 Dunsmuir Street, 11th floor, Vancouver, British Columbia V7Y 1K3, has issued an Independent Auditor's Report dated April 25, 2025 for the financial years ended December 31, 2024 and December 31, 2023 and is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

#### **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Odyssey Trust Corporation at its principal office in the City of Calgary, Alberta.

#### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after the later of (a) the date that the issuer (i) filed the prospectus or any amendment on SEDAR+ and a receipt is issued and posted for the document, and (ii) issued and filed a news release on SEDAR+ announcing that the document is accessible through SEDAR+, and (b) the date that the purchaser or subscriber has entered into an agreement to purchase the securities or a contract to purchase or a subscription for the securities. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

#### **ELIGIBILITY FOR INVESTMENT**

In the opinion of MLT Aikins LLP, counsel to the Company, and Bennett Jones LLP, counsel to the Underwriters, subject to the provisions of any particular plan, based on the current provisions of the Tax Act, a Unit Share, Warrant or Warrant Share, if issued on the date hereof, would at the time of acquisition be a "qualified investment" under the Tax Act for a trust governed by a "registered retirement savings plan" ("RRSP"), "registered retirement income fund" ("RRIF"), "tax-free savings account" ("TFSA"), "registered education savings plan" ("RESP"), "deferred profit sharing plan", "registered disability savings plan" ("RDSP"), or first home savings account ("FHSA") (as those terms are defined in the Tax Act and each, a "Plan") provided that at the time of acquisition: (a) in the case of Unit Shares and Warrant Shares, the Unit Shares or Warrant Shares, as applicable, are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the TSXV) or the Company is otherwise a "public corporation" as defined in the Tax Act (other than a "mortgage investment corporation" as defined in the Tax Act); and (b) in the case of Warrants, the Warrant Shares are qualified investments as described in (a) above and the Company is not a "connected person" (as defined in the Tax Act) under the Plan. A "connected person" under a Plan is defined in the Tax Act as a

person who is an annuitant, a beneficiary, an employer, or a subscriber under, or a holder of, the Plan and any person who does not deal at arm's length with that person.

Notwithstanding that a Unit Share, Warrant, or Warrant Share may be a qualified investment for a TFSA, RRSP, RRIF, RESP, RDSP, or FHSA (each, a "**Registered Plan**"), if the Unit Share, Warrant, or Warrant Share is a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the holder or subscriber of, or an annuitant under, the Registered Plan, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Unit Shares, Warrants, and Warrant Shares will generally not be a "prohibited investment" for a Registered Plan provided the holder, annuitant or subscriber, as the case may be, deals at arm's length with the Company for the purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act for the purposes of the prohibited investment rules) in the Company. In addition, the Unit Shares and Warrant Shares will not be a "prohibited investment" if the Unit Shares and Warrant Shares are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for the Registered Plan.

**Prospective investors who intend to hold Units in a Registered Plan should consult their own tax advisors as to whether such securities will be prohibited investments in their particular circumstances, including with respect to whether the Unit Shares or Warrant Shares would be excluded property.**

## CERTIFICATE OF THE COMPANY

October 3, 2025

This short form prospectus, together with the documents incorporated in this prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) JAMES ANDERSON  
Chief Executive Officer

(Signed) DANNY LEE  
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) RICHARD SILAS  
Director

(Signed) DANIEL OLIVER JR.  
Director

**CERTIFICATE OF THE UNDERWRITERS**

October 3, 2025

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

**CANACCORD GENUITY CORP.**

(Signed) EARLE MCMASTER

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Earle McMaster  
Managing Director, Investment Banking

**RED CLOUD SECURITIES INC.**

(Signed) BRUCE TATTERS

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Bruce Tatters  
Chief Executive Office

*This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements is available.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories and possessions, any state of the United States or the District of Columbia (the “**United States**”), or to a “**U.S. person**” (as such term is defined in Regulation S under the U.S. Securities Act) (a “**U.S. Person**”) unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available. This short form base shelf prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See “**Plan of Distribution**”.*

*Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request, without charge from the Corporate Secretary of Guanajuato Silver Company Ltd. at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1, telephone (604) 913-5899, and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).*

## SHORT FORM BASE SHELF PROSPECTUS

NEW ISSUE AND/OR SECONDARY OFFERING

August 21, 2024



### GUANAJUATO SILVER COMPANY LTD.

US\$65 MILLION

Common Shares  
Debt Securities  
Warrants  
Subscription Receipts  
Share Purchase Contracts  
Units

Guanajuato Silver Company Ltd. (the “**Company**” or “**GSilver**”) may offer (the “**Offerings**”) and sell, from time to time, common shares of the Company (the “**Common Shares**”), debt securities (“**Debt Securities**”), warrants to purchase securities (“**Warrants**”), subscription receipts (“**Subscription Receipts**”), share purchase contracts (“**Share Purchase Contracts**”), or any combination of such securities (“**Units**”) (all of the foregoing, collectively, the “**Securities**”) up to an aggregate initial offering price of US\$65 million (or the equivalent thereof, at the date of issue, in any other currency or currencies, as the case may be) at any time during the 25-month period that this short form base shelf prospectus (including any amendments hereto) (the “**Prospectus**”), remains effective. The Securities may be sold by the Company or certain of the Company’s security holders (“**Selling Securityholders**” and each, a “**Selling Securityholder**”). Securities offered hereby may be offered separately or together, in separate series, in amounts, at prices and on terms to be determined based on market conditions at the time of sale, including potentially by way of an “at-the-market distribution” (as defined under applicable Canadian securities legislation), and set forth in one or more prospectus supplements (collectively or individually, as the case may be, “**Prospectus Supplements**”). In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Company or one of its subsidiaries. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. The prices at which the Securities may be offered and sold may vary as between purchasers and during the period of distribution. If, in connection with the offering of Securities at a fixed price or prices, the underwriters have made a bona fide effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial offering

price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company or any Selling Securityholder. See “*Plan of Distribution*”.

The specific terms of the Securities with respect to a particular Offering will be set out in the applicable Prospectus Supplement and may include, where applicable (i) in the case of Common Shares, the number of Common Shares offered, the offering price, whether the Common Shares are being offered for cash, and any other terms specific to the Common Shares being offered, (ii) in the case of Debt Securities, the specific designation, the aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, the maturity, the interest provisions, the authorized denominations, the offering price, where the Debt Securities are being offered for cash, the covenants, the events of default, any terms for redemption or retraction, any exchange or conversion rights attached to the Debt Securities and any other terms specific to the Debt Securities being offered, (iii) in the case of Warrants, the number of such Warrants offered, the offering price, whether the Warrants are being offered for cash, the designation, the number and the terms of the Common Shares or Debt Securities purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, the dates and periods of exercise, the currency in which the Warrants are issued and any other terms specific to the Warrants being offered, (iv) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, whether the Subscription Receipts are being offered for cash, the procedures for the exchange of the Subscription Receipts for Common Shares, Debt Securities or Warrants, as the case may be, and any other terms specific to the Subscription Receipts being offered, (v) in the case of Share Purchase Contracts, the number and terms of the Common Shares subject to such contracts, and (vi) in the case of Units, the designation, number and terms of the Common Shares, Warrants, Subscription Receipts, Share Purchase Contracts or Debt Securities comprising the Units. Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the Prospectus Supplement describing the Securities.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus, except in cases where an exemption from such delivery requirements has been obtained. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

This Prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell the Securities in such jurisdictions. We may offer and sell Securities to, or through, underwriters or dealers purchasing as principals, directly to one or more other purchasers, or through agents pursuant to applicable statutory exemptions. A Prospectus Supplement relating to each issue of Securities will set forth the names of any underwriters, dealers or agents involved in the Offering and sale of the Securities and will set forth the terms of the Offering, the method of distribution of the Securities, including, to the extent applicable, the proceeds to us and any fees, discounts, concessions or other compensation payable to the underwriters, dealers or agents, and any other material terms of the plan of distribution.

The Company or any Selling Securityholder may sell the Securities to or through underwriters or dealers purchasing as principals and may also sell the Securities to one or more purchasers directly, through applicable statutory exemptions, or through agents designated by the Company or any Selling Securityholder from time to time. The Prospectus Supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent engaged in connection with the offering and sale of the Securities, as well as the method of distribution and the terms of the offering of such Securities, including the net proceeds to the Company or any Selling Securityholder and, to the extent applicable, any fees, discounts, concessions or any other compensation payable to underwriters, dealers or agents and any other material terms. See “*Plan of Distribution*”.

This Prospectus may qualify an “at-the-market distribution” as defined in National Instrument 44-102 – Shelf Distributions.

In connection with any offering of Securities, other than an “at-the-market distribution”, subject to applicable laws, unless otherwise specified in a Prospectus Supplement, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize, maintain or otherwise affect the market price of the Securities at a level other than those which otherwise might prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time. A purchaser who acquires Securities forming part of the underwriters’, dealers’ or agents’ over-allocation position acquires those securities under this Prospectus and the Prospectus Supplement relating to the particular offering of Securities, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See “*Plan of Distribution*”.

The outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the “TSXV”) under the symbol “GSVR” and trade on the OTCQX in the United States under the symbol “GSVRF”. The closing price of the Common Shares on the TSXV on August 20, 2024 the last trading day of the Common Shares prior to the date of this Prospectus, was C\$0.255.

**Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities, the Warrants, the Subscription Receipts, the Share Purchase Contracts and the Units will not be listed on any securities exchange. There is no market through which the Securities, other than the Common Shares, may be sold and purchasers may not be able to resell these Securities purchased under this Prospectus. This may affect the pricing of these Securities in the secondary market, the transparency and availability of trading prices, the liquidity of these Securities, and the extent of issuer regulation (see “Risk Factors”).**

Prospective investors should be aware that the acquisition of the Securities may have tax consequences both in the United States and Canada that may not be fully described in this Prospectus or in any Prospectus Supplement. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein or in any applicable Prospectus Supplement. Prospective investors should carefully review the tax discussion, if any, contained in the applicable Prospectus Supplement with respect to a particular Offering and consult their own tax advisors with respect to their own particular circumstances.

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY UNITED STATES STATE SECURITIES COMMISSION NOR HAS THE SEC OR ANY UNITED STATES STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is organized under the laws of British Columbia, that some or all of the Company’s officers and directors are residents of Canada, that some or all of the underwriters or the experts named in this Prospectus are residents of Canada, and that all or a substantial portion of the assets of the Company and said persons are located outside the United States.

Investing in the Securities involves significant risks. Prospective investors should carefully consider the risk factors described under the heading “Risk Factors” in this Prospectus, in the applicable Prospectus Supplement with respect to a particular Offering and in the documents incorporated by reference herein and therein.

No underwriter, dealer or agent has been involved in the preparation of this Prospectus or performed any review of the content of this Prospectus.

This Prospectus does not qualify for issuance Debt Securities, or Securities convertible or exchangeable into Debt Securities, in respect of which the payment of principal or interest may be determined, in whole or in part, by reference to one or more underlying interests, including, for example, an equity or debt security, or a statistical measure of economic or financial performance (including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items). For greater certainty, this Prospectus may qualify for issuance Debt Securities, or Securities convertible or exchangeable into Debt Securities, in respect of which the payment of principal or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers’ acceptance rate, or to recognized market benchmark interest rates such as CORRA (the Canadian Overnight Repo Rate Average), SOFR (Secured Overnight Financing Rate), EURIBOR (the Euro Interbank Offered Rate) or a U.S. federal funds rate.

The Company’s head office and registered office is located at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1.

Each of Daniel Oliver Jr, Hernan Dorado Smith, William Gehlen, Reynaldo Rivera Abundis and Carlos A. Silva, directors or officers of the Company, reside outside of Canada. These director and officers have appointed MLT Aikins LLP, Suite 2600 - 1066 West Hastings Street, Vancouver, BC, V6E 3X1, Canada, as agent for service of process in Canada.

Each of Mark K. Jorgensen, MMSA #012020QP; Reinis N. Sipols, P.E., MMSA #1440QP; Joseph A. Kantor, MMSA #1309QP; Robert E. Cameron, Ph.D., MMSA #01357QP; and John E. Thompson, MMSA #01448QP (“qualified

persons” under NI 43-101) (as defined herein) are persons named as having prepared or certified a report which is referenced in this Prospectus or in a document incorporated by reference (see “Interest of Experts” below). Each of the individuals reside outside of Canada.

**Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.**

Unless otherwise indicated, all references to “\$” or “US\$” in this Prospectus refer to United States dollars and all references to “C\$” in this Prospectus refer to Canadian dollars. See “*Currency Presentation and Exchange Rate Information*”. On August 20, 2024, the average exchange rate for Canadian dollars, as quoted by the Bank of Canada was US\$1.00 = C\$1.3627, or C\$1.00 = US\$0.7338.

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## ABOUT THIS PROSPECTUS

In this Prospectus and any Prospectus Supplement, unless the context otherwise requires, the terms “we”, “our”, “us” and the “Company” refer to GSilver and our direct and indirect subsidiaries.

This Prospectus is a base shelf prospectus that the Company has filed with the securities commissions in each of the provinces and territories in Canada in order to qualify the offering of the Securities described in this Prospectus in accordance with National Instrument 44-102–Shelf Distributions (“NI 44-102”).

Under this shelf registration process, GSilver may sell any combination of the Securities described in this Prospectus in one or more offerings up to an aggregate offering price of US\$65 million. This Prospectus provides you with a general description of the Securities that the Company may offer. Each time the Company sells Securities under this Prospectus, the Company will provide a Prospectus Supplement that will contain specific information about the terms of that specific offering. The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the Prospectus Supplement. Each shelf prospectus supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the securities to which the shelf Prospectus Supplement pertains.

**You should rely only on the information contained in or incorporated by reference in this Prospectus and any applicable Prospectus Supplement in connection with an investment in the Securities. We have not authorized anyone to provide you with different information. We are not making an offer of the Securities in any jurisdiction where such offer is not permitted. You should assume that the information appearing in this Prospectus or any Prospectus Supplement is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference herein or therein is accurate only as of the date of that document unless specified otherwise. Our business, financial condition, financial performance and prospects may have changed since those dates.**

### CAUTIONARY NOTE TO UNITED STATES INVESTORS REGARDING MINERAL REPORTING STANDARDS

The disclosure in this Prospectus, including the documents incorporated by reference herein, has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Disclosure, including scientific or technical information, has been made in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ from the requirements of the SEC in the United States. In particular, the terms “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” in this Prospectus, including the documents incorporated by reference herein, are defined in accordance with NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards for Mineral Resources and Mineral Reserves 2014 (“CIM Definition Standards”). Mining disclosure under U.S. securities law was previously required to comply with SEC Industry Guide 7 (“SEC Industry Guide 7”) under the the United States Securities Act of 1934, as amended. The SEC has adopted rules to replace SEC Industry Guide 7 with new mining disclosure rules under sub-part 1300 of Regulation S-K of the United States Securities Act of 1933, as amended (“Regulation S-K 1300”) which became mandatory for U.S. reporting companies beginning with the first fiscal year commencing on or after January 1, 2021. Under Regulation S-K 1300, the SEC now recognizes estimates of “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources” which are substantially similar to the corresponding CIM Definition Standards. The SEC has also amended its definition of “proven mineral reserves” and “probable mineral reserves” to be substantially similar to the corresponding CIM Definitions. However, U.S. investors are cautioned that while the foregoing terms adopted by the SEC are “substantially similar” to corresponding definitions under CIM Definition Standards, there are differences between the terms and definitions used in Regulation S-K 1300 and mining terms defined in the CIM Definition Standards. As such, there is no assurance any mineral resources that the Company may report as “measured mineral resources”, “indicated mineral resources” or “inferred mineral resources” under NI 43-101 would be the same had the Company prepared the resource estimates under the standards adopted by the SEC. United States investors are also cautioned that while the SEC will now recognize “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”, they should not assume that all or any part of the mineral deposits in these categories would ever be converted into a higher category of mineral resources or into mineral reserves. Mineralization described by these terms has a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Accordingly, investors are cautioned not to assume that any “measured mineral resources”, “indicated mineral resources”, or “inferred mineral resources” that the Company reports are or will ever be converted into mineral reserves or economically or legally mineable. Further under Canadian

securities laws, estimates of “inferred mineral resources” cannot form the basis of feasibility, pre-feasibility or other economic studies, except in rare cases, although it is reasonably expected that the majority of “inferred resources” could be upgraded to “indicated resources” with continued exploration. Nonetheless, investors are cautioned not to assume that all or any part of an “inferred mineral resource” exists or is economically or legally mineable. Also, disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian securities laws; however, historically the SEC only permits issuers to report mineralization that does not constitute “mineral reserves” as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this Prospectus, including the documents incorporated by reference herein, may not be comparable with information made public by companies that report in accordance with U.S. securities laws.

## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus, including the documents incorporated by reference herein, contains “forward-looking information” or “forward-looking statements” within the meaning of applicable securities legislation (collectively, “**forward-looking statements**”). The forward-looking statements in this Prospectus are provided as of the date of this Prospectus and forward-looking statements incorporated by reference are made as of the date of those documents. The Company does not intend to and does not assume any obligation to update forward-looking statements, except as required by applicable law. For this reason and the reasons set forth below, investors should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are based on current expectations, estimates, forecasts, projections, beliefs and assumptions made by management of the Company about the industry in which it operates. Such statements include, but are not limited to, statements about the Company’s plans, strategies and prospects. In some cases, these forward-looking statements can be identified by words or phrases such as “may”, “might”, “will”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “indicate”, “seek”, “believe”, “predict” or “likely”, or the negative of these terms, or other similar expressions intended to identify forward-looking statements. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. The Company does not intend, and disclaims any obligation, to update any forward-looking statements after it files this Prospectus, whether as a result of new information, future events or otherwise, except as required by the securities laws. These forward looking statements are made as of the date of this Prospectus.

The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the completion, size, pricing, expenses and timing of the closing of any Offerings;
- the Company’s discretion in the use of net proceeds from Offerings;
- the Company’s expectations regarding its revenue, expenses and operations;
- industry trends and overall market growth;
- the Company’s growth strategies;
- the future price of silver, gold and other metals;
- the development of and production from the Company’s mineral properties;
- the Company’s planned exploration and development activities, and costs associated therewith;
- the estimation of mineral resources;
- realization of mineral resource estimates;
- success of mining operations;
- mine life and production rates;
- costs and timing of future development;
- results of future development programs;
- production and processing estimates;
- capital and operating cost estimates;
- requirements for additional capital and expected use of proceeds;
- statements relating to the economic viability of the Company’s mineral properties, including mine life, total tonnes mined and processed and mining operations;
- approvals, consents and permits under applicable legislation;
- the Company’s relationship with community, government and other third party stakeholders;

- expectations relating to director and executive officer compensation levels;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's intention to grow the business and its operations;
- expectations with respect to future costs;
- environmental and operational risks;
- unanticipated contamination or reclamation expenses;
- the Company's competitive position and the regulatory environment in which the Company operates;
- the Company's expectation that revenues derived from its operations, together with fund-raising activities, will be sufficient to cover its expenses over the next 12 months;
- the Company's expected business objectives for the next 12 months;
- the Company's ability to obtain additional funds through the sale of equity or debt commitments; and
- the effect of any pandemic on the ability of the Company to carry on business.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. In making the forward-looking statements included in this Prospectus, the Company has made various material assumptions, including but not limited to:

- the results of the Company's proposed exploration, development and mining activities on its mineral properties including the El Cubo-Villalpando Mine Complex, El Pinguico, San Ignacio, Valenciana, Topia and El Horcon mines will be consistent with current expectations;
- the Company's assessment and interpretation of potential geological structures and mineralization at its mineral properties are accurate in all material respects;
- the quantity and grade of mineral resources and mineralized material contained within its mineral properties are accurate in all material respects;
- the sufficiency of the Company's current working capital and credit facilities to carry out the planned development and ramp-up of production at its mineral properties on a timely basis;
- the price for silver, gold and other precious metals will not fall significantly below current levels;
- the Company will be able to secure additional financing to continue exploration, development and mining on its mineral properties and meet future obligations as required from time to time;
- the Company will be able to obtain regulatory approvals and permits in a timely manner and on terms consistent with current expectations;
- the Company will be able to procure drilling and other mining equipment, energy, supplies and contractors in a timely and cost efficient manner to meet the Company's needs from time to time;
- the Company will be able to successfully integrate the recently acquired San Ignacio, Valenciana and Topia mines into its current operations in a timely and cost efficient manner and to generate the operational synergies and production results on a basis consistent with current expectations;
- the Company will be able to successfully ramp up production, improve efficiencies and reduce operating costs at its existing mines to generate positive cash flow and achieve profitability on a basis consistent with current expectations;
- the Company's capital and operating costs will not increase significantly from current or anticipated levels;
- key personnel will continue their employment with the Company and the Company will be able to obtain and retain additional qualified personnel, as needed, in a timely and cost efficient manner;
- there will be no significant adverse changes in the Canada/U.S./Mexico currency exchange rates;
- there will be no significant changes in the ability of the Company to comply with environmental, safety and other regulatory requirements;
- there will be no significant adverse changes and/or restrictions on the Company's ability to carry out mining operations at its mineral properties as currently planned due a pandemic or otherwise; and
- the absence of any material adverse effects arising as a result of political instability, war (including the ongoing war in Ukraine or conflict in Gaza), terrorism, sabotage, vandalism, theft, labor disputes, natural disasters, adverse weather conditions, equipment failures or adverse changes in government legislation or the socio-economic conditions in Mexico with respect to the Company's mineral properties and mining operations.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of Securities should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's

expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under “Risk Factors”, which include:

- the Company’s history of losses and uncertainty regarding future profitability;
- the existence of mineral resources and mineralized material on the Company’s mineral properties;
- fluctuations in the market price of silver, gold and other metals;
- foreign currency fluctuations;
- high inflation and rising interest rates;
- the involvement by some of the Company’s directors and officers with other natural resource companies;
- the uncertain nature of estimating mineral resources and reserves;
- uncertainty surrounding the Company’s ability to successfully develop and operate its mineral properties;
- exploration, development and mining risks, including risks related to infrastructure, accidents and equipment breakdowns;
- risks related to the Company’s ability to acquire new projects and to successfully integrate them into the Company’s existing operations;
- title defects or disputes related to the Company’s mineral properties;
- the Company’s ability to obtain and maintain all necessary permits and other approvals;
- risks related to equipment shortages, access restrictions and inadequate infrastructure;
- the Company’s quarterly operating results may fluctuate from period to period;
- foreign exchange rate fluctuations;
- a change in the Company’s effective tax rate can have a significant adverse impact on its business;
- the Company may be unable to generate sufficient cash flows or have access to external financing necessary to fund planned operations and make adequate capital investments in solar project development;
- the Company may incur substantial additional indebtedness in the future;
- the Company is subject to risks from supply chain issues;
- if the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the mineral production market;
- compliance with environmental laws and regulations can be expensive;
- the Company has limited insurance coverage;
- the Company will be reliant on information technology systems and may be subject to damaging cyberattacks;
- the Company does not anticipate paying cash dividends;
- the Company may become subject to litigation;
- discretion of the Company on the use of the net proceeds of the Offerings;
- no guarantee on how the Company will use its available funds;
- the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- the Company will continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders; and
- future dilution as a result of financings.

These factors should not be considered exhaustive. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Information contained in forward-looking statements in this Prospectus is provided as of the date of this Prospectus, and we disclaim any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

Prospective purchasers of Securities should carefully consider the risk factors described in a document incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference) and those described in a Prospectus Supplement relating to a specific offering of Securities. Discussions of certain risks affecting the Company in connection with its business are provided in the Company’s disclosure documents filed with the various securities regulatory authorities which are incorporated by reference in this Prospectus.

***All of the forward-looking statements contained in this Prospectus are expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.***

## **CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION**

Unless stated otherwise or the context otherwise requires, all references to dollar amounts in this Prospectus are references to United States dollars. All references to “\$” or “US\$” are to United States dollars and references to “C\$” are to Canadian dollars.

The Company presents its financial statements in United States dollars. The audited financial statements of the Company for the year ended December 31, 2023 as well as the unaudited condensed consolidated interim financial statements of the company for the three months ended March 31, 2024 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. Certain financial information incorporated by reference in this Prospectus is derived from such financial statements.

The high, low, average and closing rates for the Canadian dollar in terms of one United States dollar for each of the years ended December 31, 2023 and December 31, 2022 and each of the two most recent three-month periods ended March 31, as quoted by the Bank of Canada, were as follows:

	<b>Three Months Ended March 31</b>		<b>Year Ended December 31</b>	
	(C\$)		(C\$)	
<b>US\$1.00</b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
High	1.3593	1.3807	1.3875	1.3856
Low	1.3316	1.3312	1.3128	1.2451
Average	1.3488	1.3526	1.3497	1.3011
Closing	1.3550	1.3533	1.3226	1.3544

The rate of exchange on August 20, 2024 as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was US\$1.00 equals C\$1.3627

## **MARKET AND INDUSTRY DATA**

Unless otherwise indicated, information contained in this Prospectus concerning the Company’s industry and the markets in which it operates, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

Unless otherwise indicated, the Company’s estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from the Company’s internal research and knowledge of the market for silver, gold and other metals, and economy, and include assumptions made by the Company which management believes to be reasonable based on their knowledge of the Company’s industry and markets. The Company’s internal research and assumptions have not been verified by any independent source, and it has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company’s future performance and the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading “Forward-Looking Statements” and “Risk Factors”. For the avoidance of doubt, nothing stated in this paragraph operates to relieve any party from liability for any misrepresentation contained in this Prospectus under applicable Canadian securities laws.

## **DOCUMENTS INCORPORATED BY REFERENCE**

**Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in the provinces and territories of Canada (collectively, the “Commissions”). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary**

of the Company at 999 Canada Place, Suite 578, Vancouver, B.C., Canada, V6C 3E1, telephone (604) 913-5899. These documents are also available through the internet on SEDAR+, which can be accessed online at [www.sedarplus.ca](http://www.sedarplus.ca).

The following documents of the Company, filed by the Company with the Commissions, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Company's annual information form for the fiscal year ended December 31, 2023, dated as of June 21, 2024 (the "AIF");
- (b) the audited financial statements of the Company as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the auditor's report thereon (the "Annual Financial Statements");
- (c) the management's discussion and analysis of the Company for the year ended December 31, 2023;
- (d) the unaudited condensed consolidated interim financial statements of the Company as at and for the three months ended March 31, 2024 and 2023, together with the notes thereto (the "Interim Financial Statements");
- (e) the management's discussion and analysis of the Company for the three months ended March 31, 2024;
- (f) the material change report of the Company dated May 9, 2024 with respect to the closing of a C\$11,350,460 brokered private placement financing; and
- (g) the management information circular of the Company dated May 14, 2024 for the annual general meeting held on June 28, 2024.

Any document of the types referred to in the preceding paragraph (excluding press releases and confidential material change reports) or of any other type required to be incorporated by reference into a short form prospectus pursuant to National Instrument 44-101 - *Short Form Prospectus Distributions* that are filed by us with a Commission after the date of this Prospectus and prior to the termination of the Offering under any Prospectus Supplement shall be deemed to be incorporated by reference in this Prospectus.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.**

A Prospectus Supplement containing the specific terms of an Offering will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement, but only for the purposes of the Offering covered by that Prospectus Supplement.

Any template version of any "marketing materials" (as such term is defined in NI 44-101) filed after the date of a Prospectus Supplement and before the termination of the distribution of the Securities offered pursuant to such Prospectus Supplement (together with this Prospectus) is deemed to be incorporated by reference in such Prospectus Supplement.

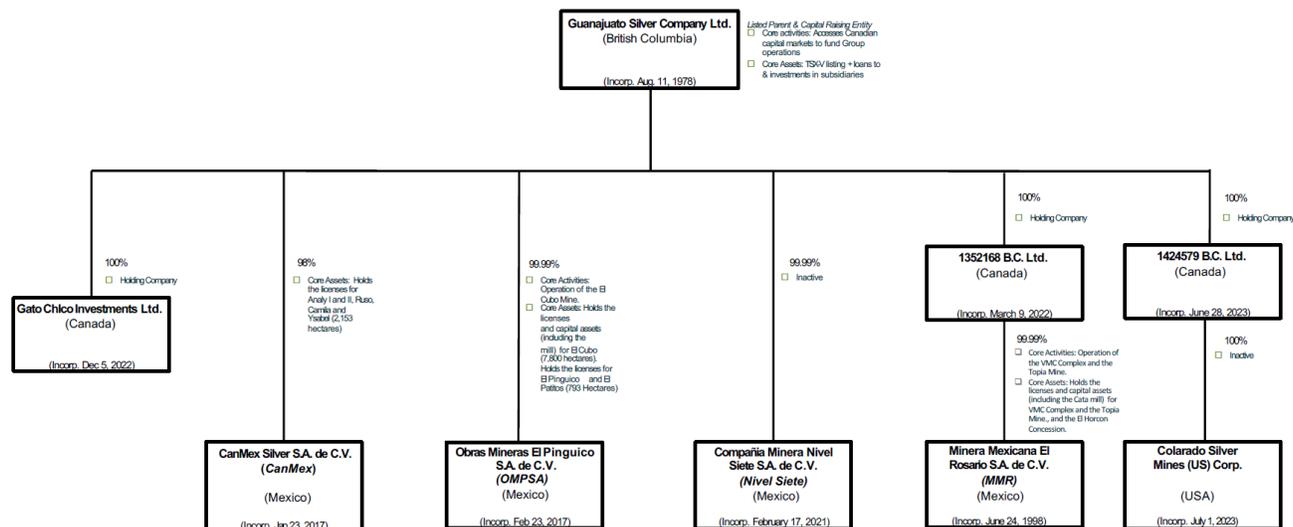
Reference to the Company's website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and the Company disclaims any such incorporation by reference.

## BUSINESS OF THE COMPANY

### Name, Address and Incorporation

The Company was incorporated under the name “*Lightning Minerals Inc.*” pursuant to the *Companies Act* (British Columbia) on August 11, 1978 and transitioned under the BCBCA on May 28, 2004. The Company changed its name to “*Vangold Resources Inc.*” on September 2, 1988, “*Pacific Vangold Mines Ltd.*” on March 4, 1994, “*Paccomm Ventures Inc.*” on April 18, 2000, “*Vangold Resources Ltd.*” on August 29, 2003 and again to “*Vangold Mining Corp.*” on May 10, 2017. The Company has also consolidated its share capital on various occasions since its incorporation, most recently on a two old shares for one new share basis on March 12, 2019. On June 10, 2021 the Company changed its name to its current name “*Guanajuato Silver Company Ltd.*”.

The following chart illustrates the inter-corporate relationships among the Company and its subsidiaries as of the date of this Prospectus.



### Overview of the Company and Principal Operations

Headquartered in Vancouver, B.C., the Company is a Canadian based mining, development and exploration company engaged in reactivating past producing silver and gold mines in central Mexico, predominantly near the city of Guanajuato. Since 2017, the Company has acquired a 100% interest in five past producing silver and gold mines: the El Pinguico mine in 2017, the El Cubo mine and mill complex in 2021, and the San Ignacio mine, Valenciana Mine Complex and Topia mine in 2022, as well as several exploration concessions within the Mexican silver states of Guanajuato and Querétaro. The Company does not consider its exploration concessions to be material properties for the purposes of National Instrument (“NI”) 51-102 or NI 43-101.

At present, the Company is focused on increasing production from its El Cubo, San Ignacio, Valenciana and Topia mines, as well as the conversion of historical mineral resource estimates to current mineral resource estimates, and the delineation of additional silver and gold resources through underground and surface drilling. El Cubo, El Pinguico, San Ignacio and Valenciana are all located within the Guanajuato mining district of central Mexico which has an established 480-year mining history. The Topia mine and mill complex is located near the town of Topia in the state of Durango, Mexico.

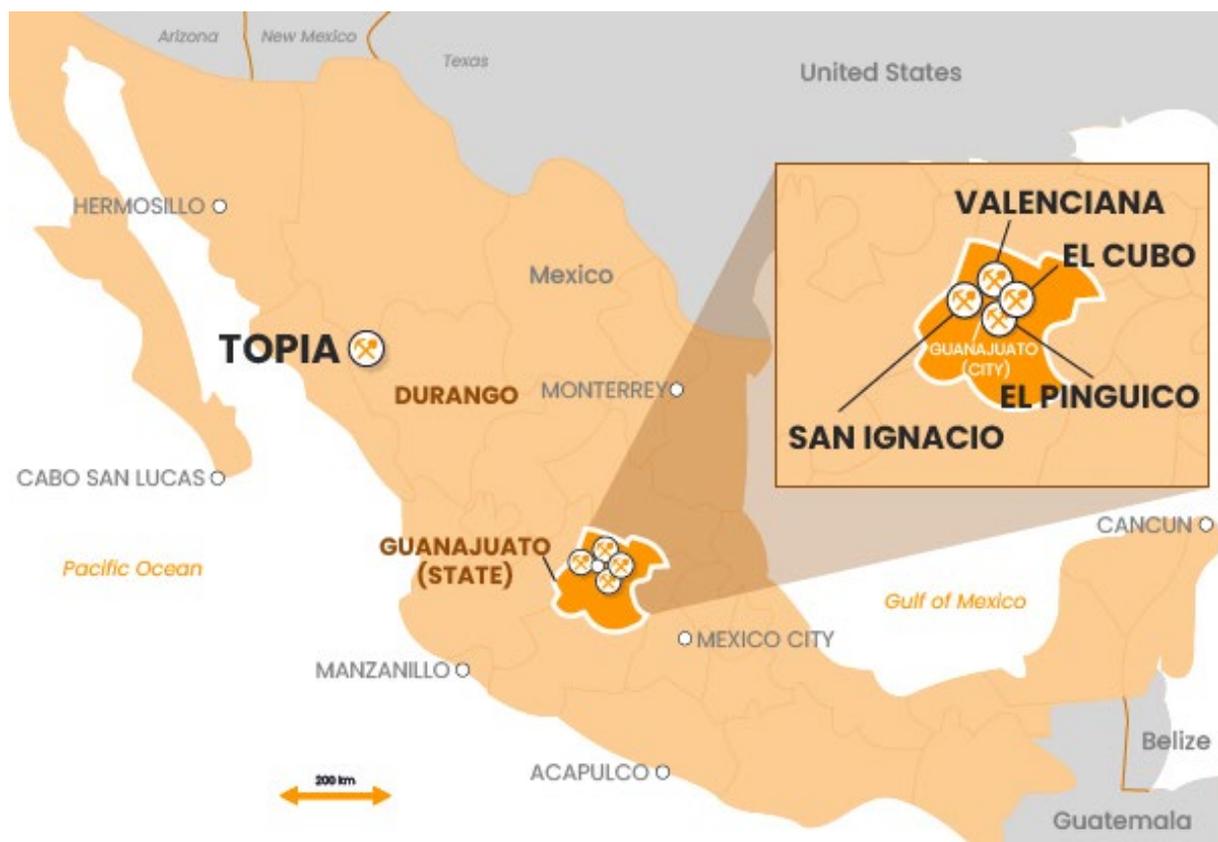
The Company acquired El Cubo from Endeavour Silver Corp. (“**Endeavour**”) in April 2021, completed refurbishment of the El Cubo Mill in September 2021 and began mining and processing of resources and mineralized material from underground mining operations at El Cubo and above ground stockpiled material at El Pinguico (collectively the “**El Cubo-Villalpando Mine Complex**”) in October 2021.

In August 2022, the Company acquired San Ignacio, Valenciana and Topia as part of its purchase of Minera Mexicana El Rosario S.A. de C.V. (“**MMR**”) from Great Panther Mining Limited (“**Great Panther**”). Valenciana and San Ignacio had been placed on “care and maintenance” by Great Panther in late 2021 and early 2022, respectively, due to a lack of available tailings capacity. Within two weeks following its acquisition of MMR in August 2022, the Company had re-started mining operations at San Ignacio and shortly thereafter the Company began mining at Valenciana. Initially, mined material from San Ignacio and Valenciana was shipped by truck to the Company’s El Cubo Mill for processing. In December 2022, the Company finished recommissioning the Cata Processing Plant at Valenciana and is currently processing mineralized material mined from Valenciana and San Ignacio at Cata. At present, the Company produces silver and gold concentrates at the El Cubo Mill and Cata Processing Plant with material derived from El Cubo, San Ignacio and Valenciana which is currently sold to Ocean Partner UK Limited (“**Ocean Partners**”) pursuant to an existing offtake agreement.

Great Panther operated the Topia mine and mill continuously from December 2005 until its sale to the Company on August 4, 2022. Since acquiring Topia, the Company has successfully integrated Topia into its mining operations without any stoppage in production. Currently, Topia produces a zinc, lead, silver and gold concentrate for sale to offtake purchasers.

During the year ended December 31, 2023, the Company produced a total of 3,516,684 AgEq ounces<sup>1</sup>, derived from 1,756,911 ounces of silver, 16,967 ounces of gold, 3,555,466 pounds of lead and 3,868,262 pounds of zinc.

The following map outlines the Company’s mining operations in the Guanajuato region of Mexico including El Cubo, El Pinguico, San Ignacio and Valenciana and Topia in Durango, Mexico.



<sup>1</sup> Silver equivalents are calculated using 82.91:1 (Ag/Au), 0.04:1 (Ag/Pb) and 0.05:1 (Ag/Zn) ratio for 2023.

## Recent Developments

On June 20, 2024 the Company settled \$805,000 in outstanding liabilities of the Company by the issuance of 2,683,333 common shares in the capital of the Company at a deemed price of \$0.30 per share (the “**Debt Settlement**”). The shares issued for the Debt Settlement are subject to a four-month hold period that expires on October 21, 2024.

On July 4, 2024 the Company announced that Ramon Davila has resigned as President of the Company and a member of the Board of Directors. Mr. Davila has been replaced on the Company’s Audit Committee by Ms. Miranda Werstiuk and Ms. Werstiuk has also been appointed as the new chair of the Audit Committee.

Ms. Werstiuk has over 30 years of experience as an innovative corporate finance and investment banking professional working within the resource sector. Ms. Werstiuk has acquired financial literacy through her significant experience in the finance industry. From 2011 to 2019, as Senior Vice-President, Investment Banking for the Canadian investment banking firm IBK Capital, Ms. Werstiuk led financing initiatives consisting primarily of debt and equity transactions totaling in excess of US\$200 million. In 2020, she joined Geneva-based OCIM, a strategic assets financier and precious metals trader; as Director of Corporate Development, Ms. Werstiuk identified investment opportunities and designed and implemented alternative financing products and strategies. Most recently, she is the founder of Fuchsia Capital Advisors, a boutique financial advisory firm focused on the resource sector. A graduate of Queen’s University, Ms. Werstiuk has been a member of the Toronto Chapter of “Women in Mining” (WIM) since 2017, holding various executive roles, including Co-Vice Chair, and helping to grow the organization into Canada’s most influential association focused on advancing the role of women within the mining industry. She is also a member in good standing of WIM UK, PDAC and CIM, as well as the Artemis Project, which is a coalition of Canadian women entrepreneurs in the mining industry focused on advancing and supporting women within the mining sector. Miranda is Chair, Program Advisory Group of the planetGOLD program - a global partnership with governments, the private sector, and artisanal and small-scale gold mining (ASGM) communities to improve the production practices and work environment of artisanal and small-scale miners, with the aim to reduce mercury use in ASGM.

## Supplemental Disclosure

On August 10, 2023, the Company completed a bought-deal private placement and issued 22,250,000 Units at \$0.27 (C\$0.36) per unit for gross proceeds of \$5,973,600 (C\$8,010,000). The Company disclosed that the net proceeds from the Offering will be used for working capital and general corporate purposes. The Company did not disclose a specific dollar amount that would be spent on the use of proceeds. The Company confirms the net proceeds were used to fund working capital and for general corporate purposes.

On December 22, 2022, the Company completed the first tranche of a non-brokered Listed Issuer Financing Exemption private placement and issued 15,952,196 units at \$0.312 (C\$0.425) per unit for gross proceeds of \$4,971,307 (C\$6,779,683). On January 11, 2023, the Company completed the second and final tranche of a non-brokered Listed Issuer Financing Exemption private placement and issued 4,080,486 units at \$0.313 (C\$0.425) per unit for gross proceeds of \$1,277,061 (C\$1,734,206.55). The total proceeds from both tranches of this financing were \$6,248,908 (C\$8,513,889.85). The table below provides the disclosure the Company previously made about how it was going to use proceeds from the financing, an explanation of variances and the impact of the variances, if any, on the Company’s ability to achieve its business objectives and milestones.

<u>Use of Proceeds</u>	<u>Initial Estimated Amount (C\$)</u>	<u>Actual Amount (C\$)</u>	<u>Explanation of Variances and Impact of Variances</u>
To ramp up production at GSilver’s producing mines in and about Guanajuato, Mexico including El Cubo, San Ignacio and Valenciana mines and as a reserve against future operating deficits therefrom	4,586,072	3,430,460	Offering proceeds were less than forecasted. There was no impact on the Company’s ability to achieve its business objectives and milestones.
To fund corporate head office G&A expenses including legal, audit, overhead and salaries for ensuing 12 months	950,000	900,000	Offering proceeds were less than forecasted. There was no impact on

			the Company's ability to achieve its business objectives and milestones.
To fund certain improvements to expand and modernize the processing facilities at the Topia mine and mill complex including capital expenditures and related costs	2,225,000	1,949,400	Offering proceeds were less than forecasted. There was no impact on the Company's ability to achieve its business objectives and milestones.
To carry out brownfields' exploration at GSilver's mineral properties, particularly San Ignacio and Valenciana	450,000	546,666	Offering proceeds were less than forecasted; however, this item ended up costing more than expected and certain proceeds were reallocated. There was no impact on the Company's ability to achieve its business objectives and milestones.
Unallocated working capital	1,561,630	1,687,363	Offering proceeds were less than forecasted. There was no impact on the Company's ability to achieve its business objectives and milestones.
<b>Total</b>	<b>9,772,702</b>	<b>8,513,889</b>	

On July 21, 2022, the Company completed a private placement and issued 41,885,388 units at \$0.256 (C\$0.33) per unit for gross proceeds of \$10,722,659. The Company disclosed that the net proceeds of this financing would be used to, among other things, finance the purchase price for the acquisition of MMR (\$8 million in cash), fund ongoing mining operations and for general corporate and working capital purposes. Other than the \$8 million cash purchase price for the acquisition of MMR, the Company did not disclose a specific dollar amount that would be spent on the use of proceeds. The Company confirms \$8 million was paid for the ash purchase price for the acquisition of MMR and the remaining net proceeds were used to fund ongoing mining operations and for general corporate and working capital purposes.

The Company's Chief Financial Officer, Danny Lee, was the chief financial officer of Interfield Global Software Inc. that was subject to a failure to file cease trade order regarding its unfiled audited annual financial statements for the year ended December 31, 2023. The failure to file cease trade order was in effect from April 3, 2024 to June 17, 2024.

## RISK FACTORS

An investment in the Company should be considered highly speculative and involves certain risks, including risks relating the Company's history of net losses; the need for and availability of capital and associated financing risks; the speculative nature of mineral exploration, development and production, and the risks inherent in the mining industry; title to the Company's properties; international market prices of metals; currency fluctuations; government regulation, authorities and approvals, including in relation to mining and environmental matters; changes to legislation; litigation and regulatory proceedings; competition; key personnel; global and local market conditions; insurance; related party transactions; reliance on third party contractors; and any additional risks incorporated by reference or described herein (including in the AIF and subsequently filed documents incorporated by reference) or in a particular Prospectus Supplement.

Prospective investors in a particular offering of the securities should carefully consider, in addition to information contained in the Prospectus Supplement relating to that offering and the information incorporated by reference herein for the purposes of that offering, the risk factor listed below and the risks described in the Company's then-current AIF, as well as the Company's then-current annual management's discussion and analysis and interim management's discussion and analysis, if applicable, to the extent incorporated by reference herein for the purposes of that particular offering of securities. See "*Documents Incorporated by Reference*".

There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below (or incorporated by reference herein) or other unforeseen risks. If any of the risks described below or in any of the documents incorporated by reference herein actually occur, then the Company's business, financial condition and operating results could be adversely affected.

The risks and uncertainties described or incorporated by reference herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company is unaware of or that are currently deemed immaterial, may also adversely affect the Company and its business. Investors should consult with their professional advisors to assess any investment in the Company.

#### *Uncertainty Relating to Mineral Resources*

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty which may be attached to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to measured or indicated mineral resources as a result of continued exploration.

#### *Mineral Reserves Have Not Been Established for any of the Company's projects*

None of the Company's projects currently have proven or probable mineral reserves. Only those mineral deposits that the Company can economically and legally extract or produce, based on a comprehensive evaluation of cost, grade, recovery and other factors, are considered mineral reserves. No assurance can be given that any particular level of recovery of silver, gold or other minerals from mineralized material will in fact be realized or that an identified mineralized deposit will ever qualify as a commercially mineable (or viable) reserve. Substantial additional work, including mine design and mining schedules, metallurgical flow sheets and process plant designs, would be required in order to determine if any economic deposits exist at any of the Company's projects. Substantial expenditures would be required to establish mineral reserves through drilling and metallurgical and other testing techniques which the Company did or will not expect to complete before entering into production, and there is no assurance any such activities will ever take place. No assurance can be given that any level of recovery of any mineral resources will be realized or that any identified mineral deposit will ever qualify as a commercially mineable ore body that can be legally and economically exploited.

Even if such proven or probable mineral reserves were to be identified in respect of any of the Company's projects, given that mines have limited lives based on proven and probable mineral reserves, the Company must continually replace and expand its mineral resources and mineral reserves, if and when available and discover, develop, or acquire mineral reserves for production. The Company's ability to maintain or increase its annual production will depend in significant part on its ability to bring new mines into production and/or to expand mineral reserves or extend the life of its projects. Notwithstanding the foregoing, the Company has elected to commence mining operations on its El Cubo, San Ignacio, Valenciana and Topia mines, and may choose to commence mining operations on future projects, without basing its production decision on a feasibility or pre-feasibility study, which carries significant additional risks which include, but are not limited to, the inclusion of inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

#### *Future Dilution*

In order to raise additional capital, the Company may in the future offer additional Common Shares or other securities convertible into or exchangeable for Common Shares at prices that may not be the same as the price per share paid by an investor in an offering in a subsequent Prospectus Supplement. The Company may sell Common Shares or other securities in any other offering at a price per share that is less than the price per share paid by any investor in an offering in a subsequent Prospectus Supplement, and investors purchasing other securities in the future could have rights superior to you. The price per share at which the Company sells additional Common Shares or securities convertible or exchangeable into Common

Shares, in future transactions may be higher or lower than the price per share paid by any investor in an offering under a subsequent Prospectus Supplement.

#### *Future Debt*

If, in the future, the Company issues debt securities that rank senior to the Common Shares, it is likely that such securities will be governed by an indenture or other instrument containing covenants restricting the Company's operating flexibility. Any convertible or exchangeable securities that the Company issues in the future may have rights, preferences and privileges more favorable than those of the Common Shares and may result in dilution to holders of Common Shares. The Company and, indirectly, its shareholders, will bear the cost of issuing and servicing such securities. Because the Company's decision to issue debt securities or equity securities in any future offering will depend on market conditions and other factors beyond the Company's control, the Company cannot predict or estimate the amount, timing or nature of future offerings. Thus, holders of Common Shares will bear the risk of future offerings reducing the market price of Common Shares and diluting the value of their stock holdings.

#### *No Assurance of Active or Liquid Market*

There is no public market for warrants, subscription receipts or debt securities of the Company and, unless otherwise specified in the applicable Prospectus Supplement, the Company does not intend to apply for listing of these securities on any securities exchange. If these securities are traded after their initial issue, they may trade at a discount from their initial offering prices depending on the market for similar securities, prevailing interest rates and other factors, including general economic conditions and the Company's financial condition. There can be no assurance as to the liquidity of the trading market for any warrants, subscription receipts or debt securities of the Company or that a trading market for these securities will develop.

#### *Market Price Volatility*

The market price of the Common Shares may be adversely affected by a variety of factors relating to the Company's business, including fluctuations in the Company's operating and financial results, the results of any public announcements made by the Company and the failure to meet analysts' expectations.

The market price of the Common Shares has experienced wide fluctuations which may not necessarily be related to the financial condition, operating performance, underlying asset values or prospects of the Company. Securities small-cap and mid-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries.

The price of the Common Shares is also likely to be significantly affected by short-term changes in gold, silver and other metal prices. Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares include (among others) the following: (i) the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Common Shares; (ii) lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; (iii) the size of the Company's public float may limit the ability of some institutions to invest in the Common Shares; and (iv) a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares to be delisted from the TSXV or from any other exchange upon which the Common Shares may trade from time to time, further reducing market liquidity.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

#### *Broad Discretion over the Use of Proceeds*

The Company's management will have broad discretion with respect to the application of net proceeds received by the Company from the sale of securities under this Prospectus and may spend such proceeds in ways that do not improve the Company's results of operations or enhance the value of the Common Shares or the Company's other issued and outstanding securities from time to time. Any failure by management to apply these funds effectively could result in financial losses that

could have a material adverse effect on the Company's business or cause the price of the Company's issued and outstanding securities to decline.

#### *Negative Operating Cash Flow and Going Concern*

The Company is devoting significant resources to the exploration and development of its projects, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as the revenue generated from its operations exceeds costs incurred and will not generate consolidated revenues sufficient to fund the continuing operation of the Company's projects. The Company has had negative operating cash flows from operations to date and reported a comprehensive loss of \$31,983,433 for the year ended December 31, 2023 and a comprehensive loss of \$7,398,871 for the three months ended March 31, 2024. See the Annual Financial Statements and Interim Financial Statements. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow.

#### **USE OF PROCEEDS**

Unless otherwise specified in the applicable Prospectus Supplement, the net proceeds from the sale of Securities will be used to advance the Company's business objectives and for general corporate purposes, including funding ongoing operations or working capital requirements, for the development, sustaining capital and maintenance of the Company's mineral properties, repaying indebtedness outstanding from time to time and potential future acquisitions. At this time, the Company does not have any proposed acquisitions.

Future developments in the Company's mineral properties or unforeseen events may also impact the ability of the Company to use the proceeds from the sale of the Securities as intended or disclosed in each Prospectus Supplement. See "*Risk Factors*".

Each Prospectus Supplement will contain specific information concerning the use of proceeds from that sale of Securities.

During the most recent financial year ended December 31, 2023 and for the period ended March 31, 2024, the Company had negative cash flow from operating activities. To the extent that the Company has negative cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. If necessary, proceeds from the sale of Securities may be used to fund negative cash flow from operating activities in future periods which will be indicated in a Prospectus Supplement as applicable. There can be no assurance that the Company will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company. All expenses relating to an Offering and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the proceeds from the sale of such Securities, unless otherwise stated in the applicable Prospectus Supplement.

The Company will not receive any proceeds from any sale of Securities by any Selling Securityholder.

#### **CONSOLIDATED CAPITALIZATION**

Since the date of the Interim Financial Statements, which are incorporated by reference in this Prospectus, there has been no material change to the share and loan capital of the Company on a consolidated basis, other than as disclosed in this Prospectus or in any document incorporated by reference herein. See "*Prior Sales*".

#### **DESCRIPTION OF MATERIAL INDEBTEDNESS**

The Company has two loans outstanding. The first loan is a US\$5,000,000 silver and gold pre-payment facility (the "**OCIM Facility**") with Swiss-based precious metals trading firm OCIM Metals & Mining S.A. ("**OCIM**"). Pursuant to the 2023 OCIM Facility, on March 29, 2023, OCIM prepaid to GSilver the sum of US\$5,000,000 in consideration for the future delivery by GSilver to OCIM of a total of 1,241 ounces of gold and 157,323 ounces of silver, such number of ounces determined on the basis of a fixed annualized percentage discount to the LBMA closing market prices for gold and silver on March 29, 2023. The prepaid ounces are deliverable to OCIM in 16 equal monthly installments of 77.56 ounces of gold and 9,833 ounces of silver, commencing on June 29, 2023 (after giving effect to a three (3) month delivery free grace period) up to and including September 27, 2024.

The Company's second outstanding loan is the gold loan credit facility having a principal amount of US\$13,300,000 (the "OP Facility") with Ocean Partner UK Limited. The 2023 OP Facility is repayable in equal fixed monthly installments of gold totalling approximately 191 troy ounces per month for a period of 30 months commencing in June 2024. The number of ounces to be delivered per month is based on a discount to the LBMA (London Bullion Market Association) gold closing price of US\$2,046.95 on November 29, 2023.

## PLAN OF DISTRIBUTION

The Company or any Selling Securityholder may sell the Securities, separately or together: (a) to one or more underwriters or dealers; (b) through one or more agents; or (c) directly to one or more other purchasers. Each Prospectus Supplement relating to a particular offering of Securities will set forth the terms of the applicable Offering, including the (a) terms of the Securities to which the Prospectus Supplement relates, including the type of Security being offered, and the method of distribution; (b) the name or names of any underwriters, dealers or agents involved in the offering of Securities; (c) the purchase price or prices of the Securities offered thereby and the proceeds to, and the expenses borne by, the Company from the sale of the Securities; (d) any commission, underwriting discount and other items constituting compensation payable to underwriters, dealers or agents; and (e) any discounts or concessions allowed or re-allowed or paid to underwriters, dealers or agents. In addition, Securities may be offered and issued in consideration for the acquisition (an "Acquisition") of other businesses, assets or securities by the Company or its subsidiaries. The consideration for any such Acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, securities, cash and assumption of liabilities.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales in transactions that are deemed to be "at-the-market distributions" as defined in National Instrument 44-102 – *Shelf Distributions*, including sales made directly on the TSXV or other existing trading markets for the securities, and sales pursuant to a dividend reinvestment plan. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with an offering of Securities at a fixed price or prices, the underwriters have made a bona fide effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company or any Selling Securityholder. The Selling Securityholders will not engage in any "at-the-market distributions."

Only underwriters, dealers or agents so named in the Prospectus Supplement are deemed to be underwriters, dealers or agents in connection with the Securities offered thereby. If underwriters are used in an offering, the Securities offered thereby will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase Securities will be subject to the conditions precedent agreed upon by the parties and the underwriters will be obligated to purchase all Securities under that offering if any are purchased. If agents are used in an offering, unless otherwise indicated in the applicable Prospectus Supplement, such agents will be acting on a "best efforts" basis for the period of their appointment. Any public offering price and any discounts or concessions allowed or re-allowed or paid to underwriters, dealers or agents may be changed from time to time.

Underwriters, dealers or agents who participate in the distribution of Securities may be entitled under agreements to be entered into with the Company or any Selling Securityholder to indemnification by the Company or any Selling Securityholder against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers or agents with whom the Company or any Selling Securityholder enters into agreements may be customers of, engage in transactions with, or perform services for, the Company or any Selling Securityholder in the ordinary course of business.

Any offering of Debt Securities, Subscription Receipts, Share Purchase Contracts, Warrants or Units will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities, Subscription Receipts, Share Purchase Contracts, Warrants or Units will not be listed on any securities exchange. Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Debt Securities, Subscription Receipts, Share Purchase Contracts, Warrants or Units may be sold and purchasers may not be able to resell Debt Securities, Subscription Receipts, Share Purchase Contracts, Warrants or Units purchased under this Prospectus

or any Prospectus Supplement. This may affect the pricing of the Debt Securities, Subscription Receipts, Share Purchase Contracts, Warrants or Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. Subject to applicable laws, certain dealers may make a market in these Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that any dealer will make a market in these Securities or as to the liquidity of the trading market, if any, for these Securities.

No underwriter of the “at-the-market distribution” as defined under applicable Canadian securities legislation, and no person or company acting jointly or in concert with an underwriter, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Securities or Securities of the same class as the Securities distributed under the at-the-market prospectus, including selling an aggregate number or principal amount of Securities that would result in the underwriter creating an over-allocation position in the Securities.

In connection with any offering of Securities, other than an “at-the-market distribution”, subject to applicable laws, the underwriters or agents may over-allot or effect transactions that stabilize or maintain the market price of the offered Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time.

A purchaser who acquires Common Shares, Debt Securities, Warrants, Subscription Receipts, Share Purchase Contracts, or Units forming part of the underwriters’ over-allocation position acquires those securities under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the overallotment option or secondary market purchases.

The Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold or otherwise transferred or disposed of, directly or indirectly, in the United States or to or for the account or benefit of U.S. Persons absent registration under the U.S. Securities Act and all applicable state securities laws, or pursuant to applicable exemption therefrom. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer (whether or not participating in such offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption under the U.S. Securities Act.

## **SELLING SECURITYHOLDERS**

Securities may be sold under this Prospectus by way of secondary offering by Selling Securityholders. The Prospectus Supplement for or including any offering of Securities by Selling Securityholders will include the following information, to the extent required by applicable securities laws: (i) the name or names of the Selling Securityholders (if a Selling Securityholder is not an individual, the name of each individual who is a principal securityholder of the Selling Securityholder); (ii) the number or amount of Securities owned, controlled or directed by each Selling Securityholder; (iii) the number or amount of Securities being distributed for the account of each Selling Securityholder; (iv) the number or amount of Securities to be owned, controlled or directed by the Selling Securityholders after the distribution and the percentage that number or amount represents of the total number of outstanding Securities; (v) whether the Securities are owned by the Selling Securityholders both of record and beneficially, of record only, or beneficially only; (vi) if any Selling Securityholder acquired any Securities in the 12 months preceding the date of the applicable Prospectus Supplement, the date or dates on which such Selling Securityholder acquired such Securities and the cost thereof to such Selling Securityholder in the aggregate and on an average cost per security basis; (vii) if applicable, the disclosure required by Item 1.11 of Form 44-101F1, and, if applicable, the Selling Securityholders will file a non-issuer’s submission to jurisdiction form with the corresponding Prospectus Supplement; and (viii) all other information that is required to be included in the applicable Prospectus Supplement.

## **PRIOR SALES**

Information in respect of the Common Shares issued by the Company within the previous twelve (12) month period, including Common Shares that the Company issued either upon the exercise of options or warrants, will be provided as required in a Prospectus Supplement with respect to the issuance of the Securities pursuant to such Prospectus Supplement.

The AIF includes disclosure of each class of securities of the company that is outstanding but not listed or quoted on a marketplace, the price at which the securities of the class have been issued during the most recently completed financial year, the number of securities issued at that price and the date at which the securities were issued. In addition, the Company

also granted the following restricted share units during the most recently completed financial year and to the date of this Prospectus:

<b>Restricted Share Units</b>			
<b>Date of Grant</b>	<b>Number of Restricted Share Units</b>	<b>Exercise Price (C\$)</b>	<b>Expiry Date</b>
April 19, 2023	295,000	n/a	April 19, 2024
November 29, 2023	230,000	n/a	November 29, 2024
January 3, 2024	120,000	n/a	January 3, 2025
March 15, 2024	920,000	n/a	March 15, 2025

### **PRICE RANGE AND TRADING VOLUME**

The outstanding Common Shares are traded on the TSXV under the trading symbol “GSVR” and trade on the OTCQX in the United States under the symbol “GSVRF”. Trading price and volume of the Common Shares will be provided in each Prospectus Supplement.

### **DIVIDEND POLICY**

We have not declared any dividends or distributions on the Common Shares since our incorporation. Any future determination to pay dividends or make distributions will be at the discretion of the board of directors and will depend on our capital requirements, financial performance and such other factors as the board of directors considers relevant.

### **DESCRIPTION OF COMMON SHARES**

The Company is authorized to issue an unlimited number of Common Shares. As of the close of business on August 20, 2024, there were 415,241,356 Common Shares issued and outstanding.

All of the issued and outstanding Common Shares have been fully paid for and none are subject to any future call or assessment. Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Company and to receive all notices and other documents required to be sent to shareholders in accordance with the Company’s articles, corporate law and the rules of any applicable stock exchange. On a poll, every shareholder has one vote for each Common Share. The holders of Common Shares are entitled to dividends if, as and when declared by the board of directors of the Company and, upon the liquidation, dissolution or winding-up of its affairs or other distribution of its assets for the purpose of winding-up its affairs, to receive, on a pro rata basis, all of the remaining assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking fund or purchase fund provisions.

### **DESCRIPTION OF DEBT SECURITIES**

The following sets forth certain general terms and provisions of Debt Securities. The particular terms and provisions of Debt Securities offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement.

The Debt Securities will be issued in series under one or more trust indentures to be entered into between the Company and a financial institution to which the *Trust and Loan Companies Act* (Canada) applies or a financial institution organized under the laws of any province of Canada and authorized to carry on business as a trustee. Each such trust indenture, as supplemented or amended from time to time, will set out the terms of the applicable series of Debt Securities. The statements in this Prospectus relating to any trust indenture and the Debt Securities to be issued under it are summaries of anticipated provisions of an applicable trust indenture and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of such trust indenture, as applicable.

Each trust indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by the Company. Any Prospectus Supplement for Debt Securities will contain the terms and other information with respect to the Debt Securities being offered, including (i) the designation, aggregate principal amount and authorized denominations of such Debt Securities, (ii) the currency for which the Debt Securities may be purchased and the currency in which the principal and any interest is payable (in either case, if other than Canadian dollars), (iii) the percentage of the principal amount at which such Debt Securities will be issued, (iv) the date or dates on which such Debt Securities will mature, (v) the rate or rates at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any), (vi) the dates on which any such interest will be payable and the record dates for such payments, (vii) any redemption term or terms under which such Debt Securities may be defeased, (viii) any exchange or conversion terms, and (ix) any other specific terms.

Each series of Debt Securities may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

The Debt Securities will be direct obligations of the Company. The Debt Securities will be senior or subordinated indebtedness of the Company as described in the relevant Prospectus Supplement.

### **DESCRIPTION OF WARRANTS**

We may issue Warrants to purchase Common Shares, Debt Securities or other securities of the Company. This section describes the general terms that will apply to any Warrants issued pursuant to this Prospectus.

Warrants may be offered separately or together with other Securities and may be attached to or separate from any other Securities. Unless the applicable Prospectus Supplement otherwise indicates, each series of Warrants will be issued under a separate warrant indenture to be entered into between us and one or more banks or trust companies acting as Warrant agent. The Warrant agent will act solely as our agent and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The applicable Prospectus Supplement will include details of the Warrant indentures, if any, governing the Warrants being offered. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set out in the applicable Prospectus Supplement.

Notwithstanding the foregoing, we will not offer Warrants for sale separately to any member of the public in Canada unless the Offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless the Prospectus Supplement containing the specific terms of the Warrants to be offered separately is first approved for filing by the securities regulators in Canada, if applicable, where the Warrants will be offered for sale.

The Prospectus Supplement relating to any Warrants that we offer will describe the Warrants and the specific terms relating to the Offering. The description will include, where applicable:

- the designation and aggregate number of Warrants;
- the price at which the Warrants will be offered;
- the currency or currencies in which the Warrants will be offered;
- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;
- the designation, number and terms of the Common Shares, Debt Securities or other securities, as applicable, that may be purchased upon exercise of the Warrants, and the procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;
- the designation and terms of the Securities, if any, with which the Warrants will be offered, and the number of Warrants that will be offered with each Security;
- if the Warrants are issued as a Unit with another Security, the date, if any, on and after which the Warrants and the other Security will be separately transferable;

- any minimum or maximum amount of Warrants that may be exercised at any one time;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- whether the Warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material United States and Canadian federal income tax consequences of owning the Warrants; and
- any other material terms or conditions of the Warrants.

Warrant certificates will be exchangeable for new Warrant certificates of different denominations at the office indicated in the Prospectus Supplement. Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the Securities subject to the Warrants. We may amend the Warrant indenture(s) and the Warrants, without the consent of the holders of the Warrants, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision or in any other manner that will not prejudice the rights of the holders of outstanding Warrants, as a group.

### **DESCRIPTION OF SUBSCRIPTION RECEIPTS**

We may issue Subscription Receipts, separately or together, with Common Shares, Debt Securities or Warrants, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement. This section describes the general terms that will apply to any Subscription Receipts that we may offer pursuant to this Prospectus.

The applicable Prospectus Supplement will include details of the subscription receipt agreement covering the Subscription Receipts being offered. We will file a copy of the subscription receipt agreement relating to an Offering with securities regulatory authorities in Canada after we have entered into it. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts;
- the price at which the Subscription Receipts will be offered and whether the price is payable in instalments;
- conditions to the exchange of Subscription Receipts into Common Shares, Debt Securities or Warrants, as the case may be, and the consequences of such conditions not being satisfied;
- the procedures for the exchange of the Subscription Receipts into Common Shares, Debt Securities or Warrants;
- the number of Common Shares or Warrants that may be exchanged upon exercise of each Subscription Receipt;
- the aggregate principal amount, currency or currencies, denominations and terms of the series of Debt Securities that may be exchanged upon exercise of the Subscription Receipts;
- the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;
- the dates or periods during which the Subscription Receipts may be exchanged into Common Shares, Debt Securities or Warrants;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- material United States and Canadian federal income tax consequences of owning the Subscription Receipts;
- any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

Subscription Receipt certificates will be exchangeable for new Subscription Receipt certificates of different denominations at the office indicated in the Prospectus Supplement. Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the Securities subject to the Subscription Receipts.

Under the subscription receipt agreement, a Canadian purchaser of Subscription Receipts will have a contractual right of rescission following the issuance of Common Shares, Debt Securities or Warrants, as the case may be, to such purchaser, entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the Common Shares, Debt Securities or Warrants, as the case may be, if this Prospectus, the applicable Prospectus Supplement, and any amendment thereto, contains a misrepresentation, provided such remedy for rescission is exercised within 180 days of the date the Subscription Receipts are issued. This right of rescission does not extend to holders of Subscription Receipts who acquire such Subscription Receipts from an initial purchaser, on the open market or otherwise, or to initial purchasers who acquire Subscription Receipts in the United States or other jurisdictions outside Canada.

Such subscription receipt agreement will also specify that we may amend any subscription receipt agreement and the Subscription Receipts, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision or in any other manner that will not materially and adversely affect the interests of the holder.

### **DESCRIPTION OF SHARE PURCHASE CONTRACTS**

The Company may issue share purchase contracts, representing contracts obligating holders to purchase from or sell to the Company, and obligating the Company to purchase from or sell to the holders, a specified number of Common Shares at a future date or dates, and including by way of instalment.

The price per Common Share and the number of Common Shares may be fixed at the time the share purchase contracts are issued or may be determined by reference to a specific formula or method set forth in the share purchase contracts. The Company may issue share purchase contracts in accordance with applicable laws and in such amounts and in as many distinct series as it may determine.

The share purchase contracts may be issued separately or as part of units consisting of a share purchase contract and beneficial interests in debt obligations of third parties, securing the holders' obligations to purchase the Common Shares under the share purchase contracts, which are referred to in this prospectus as share purchase units. The share purchase contracts may require the Company to make periodic payments to the holders of the share purchase units or vice versa, and these payments may be unsecured or refunded and may be paid on a current or on a deferred basis. The share purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

Holders of share purchase contracts are not shareholders of the Company. The particular terms and provisions of share purchase contracts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the applicable Prospectus Supplement filed in respect of such share purchase contracts. This description will include, where applicable: (i) whether the share purchase contracts obligate the holder to purchase or sell, or both purchase and sell, Common Shares and the nature and amount of those securities, or the method of determining those amounts; (ii) whether the share purchase contracts are to be prepaid or not or paid in instalments; (iii) any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied; (iv) whether the share purchase contracts are to be settled by delivery, or by reference or linkage to the value or performance of Common Shares; (v) any acceleration, cancellation, termination or other provisions relating to the settlement of the share purchase contracts; (vi) the date or dates on which the sale or purchase must be made, if any; (vii) whether the share purchase contracts will be issued in fully registered or global form; (viii) the material income tax consequences of owning, holding and disposing of the share purchase contracts; and (ix) any other material terms and conditions of the share purchase contracts including, without limitation, transferability and adjustment terms and whether the share purchase contracts will be listed on a securities exchange or automated interdealer quotation system.

Original purchasers of share purchase contracts will be granted a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such share purchase contract. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under

section 130 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (British Columbia) or otherwise at law.

### **DESCRIPTION OF UNITS**

We may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each of the Securities included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement, if any, under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date. The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the foregoing general terms and provisions may apply thereto, will be described in the Prospectus Supplement filed in respect of such Units.

### **CERTAIN FEDERAL INCOME TAX CONSIDERATIONS**

The applicable Prospectus Supplement will describe certain Canadian and U.S. federal income tax consequences to investors described therein of acquiring any Securities offered thereunder, as may be required by applicable securities laws.

### **EXEMPTION FROM TRANSLATION REQUIREMENTS**

Pursuant to a decision of the Autorité des marchés financiers dated July 23, 2024, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus, as well as the documents incorporated by reference herein, and any Prospectus Supplement to be filed in relation to an “at-the-market” distribution. This exemption is granted on the condition that this Prospectus and any Prospectus Supplement (other than in relation to an “at-the-market” distribution) be translated into French if the Company offers Securities to Québec purchasers in connection with an offering other than in relation to an “at-the-market” distribution.

### **LEGAL MATTERS**

Certain legal matters related to the Securities offered by this Prospectus will be passed upon by MLT Aikins LLP on behalf of the Company. As of the date hereof, the partners and associates of MLT Aikins LLP own, directly or indirectly, less than 1% of the Common Shares.

### **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Odyssey Trust Corporation at its principal office in the City of Calgary, Alberta.

### **INTEREST OF EXPERTS**

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in this Prospectus:

Name of Individual or Company	Document Prepared or Certified
KPMG LLP Chartered Professional Accountants	Independent Auditor’s Report in respect of the audited consolidated financial statements of the Company as at December 31, 2023 and December 31, 2022 and for the years then ended.
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo Fallon T. Clarke, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report on the San Ignacio mine dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the San Ignacio Property, Guanajuato, Mexico” (the “ <b>2024 San Ignacio Report</b> ”)
Mark K. Jorgensen, MMSA #012020QP Reinis N. Sipols, P.E., MMSA #1440QP Joseph A. Kantor, MMSA #1309QP Robert E. Cameron, Ph.D., MMSA #01357QP John E. Thompson, MMSA #01448QP Behre Dolbear & Company (USA), Inc.	The technical report on the El Cubo-Villalpando Mine Complex dated April 27, 2024 (effective date December 31, 2023) titled “Technical Report – El Cubo/El Pinguico Silver Gold Complex Project, State of Guanajuato, Mexico” (the “ <b>2024 El Cubo Report</b> ”)
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report on the Topia Property dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the Topia Property, Durango, Mexico” (the “ <b>2024 Topia Report</b> ”)
Michael B. Dufresne, M.Sc., P. Geo, P. Geol Christopher W. Livingstone, B. Sc., P. Geo Fallon T. Clarke, B. Sc., P. Geo James L. Pearson, P. Eng APEX Geoscience Ltd. P&E Mining Consultants Inc.	The technical report dated March 7, 2024 (effective date December 31, 2023) titled “Technical Report on the Valenciana Mines Complex, Guanajuato, Mexico” (the “ <b>2024 Valenciana Report</b> ”).

Certain scientific and technical information relating to the Company’s mineral properties contained in this Prospectus and the documents incorporated by reference herein, is derived from, and in some instances is an extract from the 2024 San Ignacio Report, 2024 El Cubo Report, 2024 Topia Report and 2024 Valenciana Report (collectively, the “**Technical Reports**”), prepared by the authors of the Technical Reports set forth in the table above (the “**Technical Report Authors**”). Each of the Technical Report Authors is a “qualified person” for the purposes of NI 43-101. The Technical Reports have been filed with the Canadian securities regulatory authorities and are available electronically on the SEDAR+ website located at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company’s SEDAR+ profile. Reference should be made to the full text of the Technical Reports for a complete description of the assumptions, qualifications, references, reliances and procedures associated with the information in the Technical Reports.

Each of the Technical Report Authors is a “qualified person” for the purposes of NI 43-101. Each Technical Report Author, as applicable, has reviewed certain scientific and technical information relating to the Company’s mineral properties contained or incorporated by reference in this Prospectus or has supervised the preparation of information upon which such scientific and technical information is based as detailed in the Technical Reports.

The remainder of scientific and technical disclosure contained in this Prospectus, and the documents incorporated by reference, has been reviewed and approved by Reynaldo Rivera, Vice-President, Exploration of the Company. Mr. Rivera is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM - Registration Number 220979) and a Qualified Person within the meaning of NI 43-101.

To the knowledge of management of the Company, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Company or of an associate or affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of an associate or affiliate thereof.

The Company's independent auditor, KPMG LLP, Chartered Professional Accountants, at its office located at 777 Dunsmuir Street, 11th floor, Vancouver, British Columbia V7Y 1K3, has issued an Independent Auditor's Report dated April 8, 2024 for the financial years ended December 31, 2023 and December 31, 2022 and is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

### **PROMOTERS**

No person or company has, within the two years immediately preceding the date of this Prospectus, been a promoter of the Company, within the meaning of applicable securities laws, received anything of value directly or indirectly from the Company or a subsidiary.

### **PURCHASER'S STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price damages if the Prospectus and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an Offering of convertible, exchangeable or exercisable Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable Securities are offered to the public under an Offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

### **PURCHASER'S CONTRACTUAL RIGHTS**

Original purchasers of Warrants (if offered separately), Units (where the Units consist of convertible securities), Subscription Receipts and Share Purchase Contracts will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Warrant, convertible security forming part of a Unit, Subscription Receipt or Share Purchase Contract, as the case may be.

The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the Warrant, Unit, Subscription Receipt or Share Purchase Contract, as the case may be, the amount paid upon conversion, exchange or exercise upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the convertible, exchangeable or exercisable security under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

Original purchasers are further advised that in certain provinces and territories the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal adviser.

**CERTIFICATE OF GUANAJUATO SILVER COMPANY LTD.**

August 21, 2024

This short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories in Canada.

*(signed) James Anderson*  
JAMES ANDERSON  
Chief Executive Officer

*(signed) Danny Lee*  
DANNY LEE  
Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

*(signed) Richard Silas*  
RICHARD SILAS  
Director

*(signed) Daniel Oliver, Jr.*  
DANIEL OLIVER, JR.  
Director