BAYHORSE
SILVER INC.

December 20, 2023 BHS2023-17

BAYHORSE CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

Bayhorse Silver Inc, (BHS: TSX-V, BHSIF: OTCQB, 7KXN: FRANKFURT) (the "Company" or "Bayhorse") announces that, subject to the approval of the TSX Venture Exchange, it has closed a first tranche of 13,167,500 units of its non-brokered private placement dated December 20, 2023, for gross proceeds of $658,375.

Each unit will consist of one common share, and one transferrable common share purchase warrant. Each warrant will be exercisable into one common share of the Company at a price of $0.10 cents per common share for a period of 24 months from the date of issuance.

The funds received are to conduct the planned initial underground drilling program at the Bayhorse Mine, to conduct a deep penetrating VTEM survey over the entire Bayhorse Property to determine whether a deep seated anomaly is present, to complete the Company's full operating permit application for the Bayhorse Silver Mine, and for general and administrative expenses.

In addition to any other exemption available to the Company, participation in the non-brokered financing is also open to all existing shareholders, even if not accredited investors, under the "existing shareholder" exemption of National Instrument 45-106 as promulgated in Multilateral CSA notice 45-313 in participating jurisdictions.

Finder fees may be payable on a portion of the financing not taken down by insiders according to the policies of the TSX Venture Exchange. Subject to the approval of the TSX Venture Exchange, the Company will pay cash finder fees of $24,430 and issue 488,600 finder warrants, which are exercisable into one common share of the Company at a price of $0.10 cents per common share for a period of 24 months from the date of issuance. Any shares issued pursuant to the finder warrants are subject to a hold period expiring on April 21, 2024.

Securities issued under this first tranche are subject to a hold period expiring on April 21, 2024.

4628 Rumble Street
Burnaby, BC V5J 2A7
Canada

Ph: 604 684 3394
Toll free 866 399 6539
Fax: 888 684 0586

company@bayhorsesilver.com
www.bayhorsesilver.com

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Bayhorse Silver CEO, Graeme O'Neill, has subscribed for 2,600,000 units ($130,000) of the private placement. He has funded his subscription partly through arranged sales and through the facility of the TSX Venture Exchange. Bayhorse Silver CFO, Rick Low, has subscribed for 600,000 units ($30,000) of the private placement. This participation by Bayhorse's CEO and CFO constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the units acquired by the insider, nor the consideration for the units paid by such insider, exceed 25% of the Company's market capitalization.

Bayhorse Silver Inc CEO, Graeme O'Neill, will be attending three Vancouver Conferences in January. The Resource Investment Conference, January 21/22, the Metals Investor Forum, January 19/20, and the Cordilleran Roundup, January 22-25.

This News Release has been prepared on behalf of the Bayhorse Silver Inc. Board of Directors, which accepts full responsibility for its content.

On Behalf of the Board.

Graeme O'Neill, CEO
866-399-6539, 604-684-3394

About Bayhorse Silver Inc.

Bayhorse Silver Inc. is an exploration and production company with a 100% interest in the historic Bayhorse Silver Mine located in Oregon, USA. With state of the art Steinert Ore-Sorting technology reducing waste rock entering the processing stream by up to 85%, we have created a minimum environmental impact facility capable of mining 200 tons of mineralization per day and the ability to process and supply 3,600 tons per year of silver/copper/antimony concentrate ranging between 7,500 to 15,000 g/t silver and 10-12% copper, 10-12% antimony, and 15-18% zinc using standard flotation processing at its milling facility in nearby Payette County, Idaho, USA, with an offtake agreement in place with Ocean Partners UK Limited.. The Company also has an option to acquire an 80% interest in the Brandywine high grade silver/gold property located in B.C. Canada. The Company has an experienced management and technical team with extensive mining expertise in both exploration and building mines.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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