



25 January 2023

**FIRST PASS DRILLING OF PERSEGUIDA VEIN CONFIRMS HIGH-GRADE INTERCEPTS  
AT AgMR's RELIQUIAS MINE**

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**Highlights**

- **Underground drilling encountered high-grade silver-polymetallic intercepts in the Perseguida and Meteysaca vein and adjacent vein splays, including:**
- **1.20m @ 331.67 g/t Ag, 1.74% Pb, 3.16% Zn, 0.31% Cu, and 1.34 g/t Au in the Perseguida vein, in drill hole SMR-60-22-PER, and**
- **0.60m @ 281.00 g/t Ag, 1.60% Pb, 5.00% Zn, 0.48% Cu, and 0.32 g/t Au in the Meteysaca vein, in the same hole SMR-60-22-PER**
- **0.50m @ 302.00 g/t Ag, 1.70% Pb, 2.60% Zn, 0.17% Cu, and 1.31 g/t Au, in the Perseguida vein, in hole SMR-64-22-PER**

**Toronto, Ontario, January 25, 2023** - Silver Mountain Resources Inc. TSXV:AGMR | OTCQB:AGMRF | BVL:AGMR ("**Silver Mountain**", "**AGMR**" or the "**Company**") is pleased to provide further results from its recently completed 2022 underground drilling campaign with a total of 16,955 metres drilled in 71 bore holes at the Company's 100% owned Reliquias silver mine in

Huancavelica, central Peru.<sup>1</sup> The assay results of 4 holes drilled to test the Perseguida vein are reported in this release (Table 1).

The northwest-southeast striking Perseguida vein system, located about 200 m northeast and subparallel to the Meteysaca vein, has seen limited underground exploitation from four mine levels, predominantly above the 560 m-level. Four exploratory bore holes were designed to investigate the continuity and mineralization of the northwestern part of the Perseguida vein, approximately 100 to 150 m below the lowest historic mine development. The mineralized structure has been encountered in all holes, reaching thicknesses between 0.30 and 1.25 m. The brecciated Perseguida vein is composed of silver sulpho-salts, galena, sphalerite, chalcopyrite, in gangue material including quartz, pyrite, and rhodochrosite.

Alfredo Bazo, President and CEO, commented: *“Aimed at expanding the known mineralization below the historic resources at Perseguida, these initial drill holes identified promising intercepts from this structure. High silver grades are accompanied by elevated lead, zinc, and gold values in this vein. Drill hole SMR-60-22-PER also intercepted a high-grade interval of the Meteysaca vein, proving the extension of the structure at least 250 m to the southeast of the existing 415 m-level. We are also excited that a previously unknown vein was recognized between the Meteysaca and Perseguida structures (see Table 1). Its initial intercepts returned up to 132 g/t Ag, 4.2% Pb, 11.8% Zn, and 0.52 g/t Au over thicknesses of 0.3-0.5 m, which warrants follow-up drilling during the upcoming drill campaign.”*

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<sup>1</sup> For additional information in respect of the Castrovirreyna Project, please refer to the Company's technical report, titled *National Instrument 43-101 Technical Report—Castrovirreyna Project, Peru*, dated October 6, 2021, amended November 18, 2021, effective date August 17, 2021, available on the Company's profile on [www.sedar.com](http://www.sedar.com).

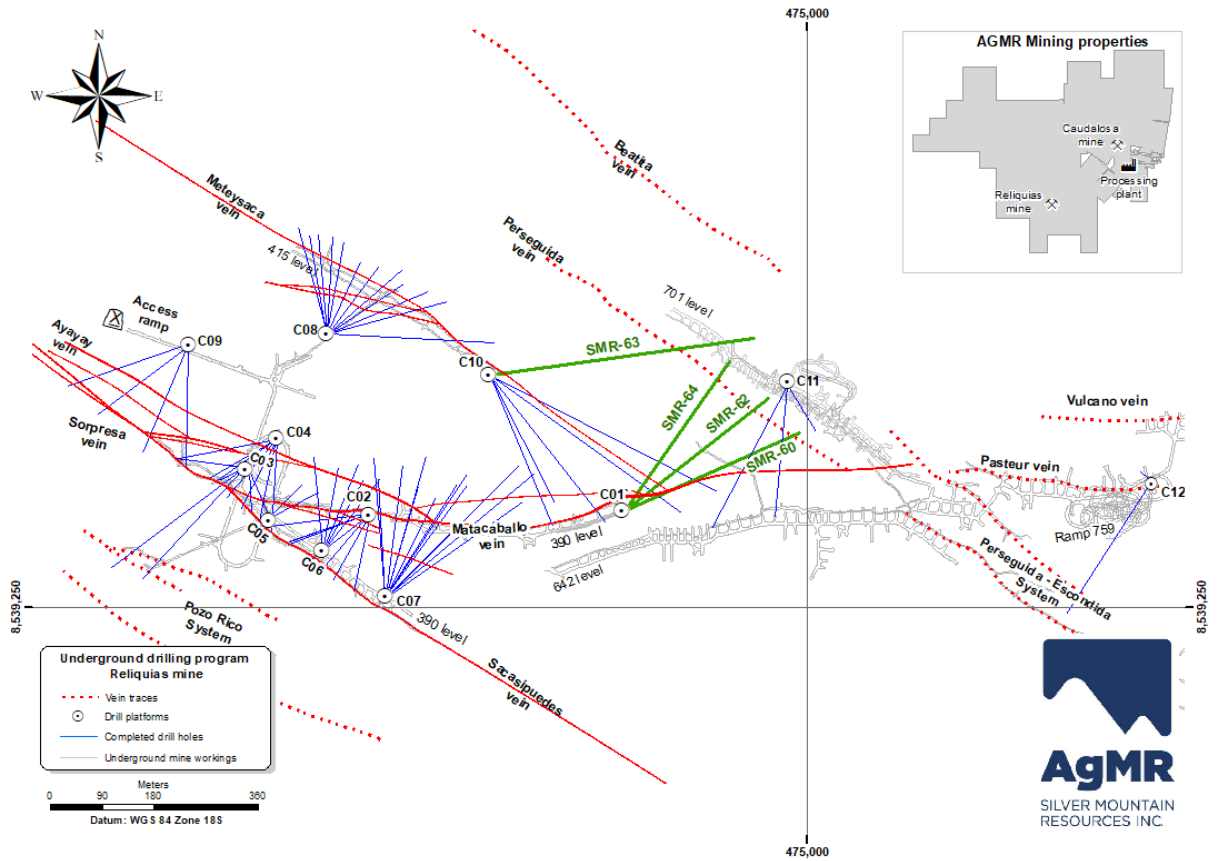


Fig. 1: Plan view of underground drilling program at the Reliquias silver mine, showing traces of drill holes completed in 2022 (in blue). The four holes reported in this release are labelled and highlighted in bold green lines. Additionally, underground workings, main mineralized veins, and drill platforms are displayed. Inset map shows Reliquias property block with locations of both silver mines and the processing plant.

The following table shows the results of mineralized intercepts encountered in the drill holes reported in this news release in more detail.

Hole ID	From m	To m	Interval m	Silver g/t	Copper %	Lead %	Zinc %	Gold g/t	Vein
<b>SMR-060-22-PER</b>	39.00	39.45	0.45	32.40	0.06	0.81	1.30	0.55	Splay
	45.00	47.00	2.00	76.40	0.18	0.45	2.29	0.41	Matacaballo
<i>including</i>	45.00	45.55	0.55	129.00	0.41	0.51	1.70	0.24	
	<b>93.25</b>	<b>93.55</b>	<b>0.30</b>	<b>86.60</b>	<b>0.34</b>	<b>3.20</b>	<b>6.80</b>	<b>0.38</b>	Splay
	<b>109.75</b>	<b>110.35</b>	<b>0.60</b>	<b>281.00</b>	<b>0.48</b>	<b>1.60</b>	<b>5.00</b>	<b>0.32</b>	Metseysaca
	113.10	113.45	0.35	81.40	0.38	2.10	4.40	1.15	Splay
	246.25	246.55	0.30	115.00	0.01	0.25	0.24	0.42	new vein
	<b>253.15</b>	<b>253.45</b>	<b>0.30</b>	<b>132.00</b>	<b>0.03</b>	<b>4.20</b>	<b>11.80</b>	<b>0.52</b>	new vein
	<b>318.90</b>	<b>320.10</b>	<b>1.20</b>	<b>331.67</b>	<b>0.31</b>	<b>1.74</b>	<b>3.16</b>	<b>1.34</b>	Perseguida
<b>SMR-062-22-PER</b>	126.25	126.55	0.30	52.70	0.02	0.18	0.18	0.12	Splay
	295.30	296.55	1.25	61.58	0.05	0.30	0.24	0.34	Perseguida
<b>SMR-063-22-PER</b>	20.40	21.60	1.20	69.65	0.18	1.49	1.00	0.11	Splay
	23.70	24.25	0.55	81.30	0.01	0.12	0.16	0.69	Splay
	26.30	26.75	0.45	54.20	0.02	0.32	0.48	0.84	Splay
	<b>30.05</b>	<b>30.35</b>	<b>0.30</b>	<b>25.70</b>	<b>0.02</b>	<b>2.40</b>	<b>11.60</b>	<b>0.07</b>	Splay
	31.65	32.15	0.50	95.80	0.02	0.20	0.29	1.22	Metseysaca
	159.90	160.20	0.30	110.00	0.01	0.33	1.00	1.33	Splay
	<b>225.95</b>	<b>226.30</b>	<b>0.35</b>	<b>171.00</b>	<b>0.01</b>	<b>0.09</b>	<b>0.13</b>	<b>0.31</b>	new vein
	<b>454.15</b>	<b>454.45</b>	<b>0.30</b>	<b>182.00</b>	<b>0.01</b>	<b>0.22</b>	<b>0.76</b>	<b>0.85</b>	Perseguida
<b>SMR-064-22-PER</b>	233.15	233.65	0.50	36.70	0.04	0.09	0.18	0.28	new vein
	<b>302.00</b>	<b>302.50</b>	<b>0.50</b>	<b>302.00</b>	<b>0.17</b>	<b>1.70</b>	<b>2.60</b>	<b>1.31</b>	Perseguida

*Table 1: Weighted assay results of four drill holes testing the Perseguida vein. Intervals are downhole drilled core intervals. Drilling data to date is insufficient to determine true width of mineralization. The last column of the table indicates whether a drill intercept corresponds to one of the principal veins or to a vein splay.*



*Fig.2: Photo of mineralized interval of drill core, Perseguida vein, hole SMR-060-22-PER, 319.30 – 319.45 m depth. Vein interval is composed of several generations of grey and milky white quartz, with irregular pods and fine veinlets of silver sulpho-salts, galena, sphalerite, chalcopyrite and pyrite. Late rhodochrosite with interspersed brown iron oxides is also visible.*

On Behalf of the Board of Directors of Silver Mountain Resources Inc.

Alfredo Bazo, Chief Executive Officer and Director

### **Qualified Person**

The scientific and technical information contained in this news release has been reviewed and approved by Antonio Cruz, an independent consultant of the Company and a Qualified Person within the meaning of National Instrument 43-101- Standards of Disclosure for Mineral Projects.

### **About Silver Mountain**

Silver Mountain Resources Inc. is a silver explorer and mine developer planning to restart production at the Reliquias underground mine and undertake exploration activities at its prospective silver camps at the Castrovirreyna Project in Huancavelica, Peru.

For additional information in respect of the Castrovirreyna Project, please refer to the Company's technical report, titled National Instrument 43-101 Technical Report—Castrovirreyna Project, Peru, dated October 6, 2021, amended November 18, 2021, effective date August 17, 2021, available at <https://sedar.com>.

For further information about our drill program, including cross sections of the main veins with drill hole locations, please refer to our corporate presentation, available on our website at [www.agmr.ca](http://www.agmr.ca)

Silver Mountain's subsidiary Sociedad Minera Reliquias S.A.C. owns 100% of its concessions and holds more than 36,000 hectares in the district of Castrovirreyna, Huancavelica, Peru.

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**Sampling, QA/QC, and Analytical Procedures**

Silver Mountain follows systematic and rigorous sampling and analytical protocols which meet industry standards. These protocols are summarized below.

All drill holes are diamond core holes with HQ or NQ core diameters. Drill core is collected at the underground drill site where recovery measurements are taken before the core is transported by truck to the core logging facility at the Caudalosa Grande mine camp, where it is photographed and geologically logged. The core is then cut in half with a diamond saw blade with half the sample retained in the core box for future reference and the other half placed into a pre-labelled plastic bag, sealed with a plastic zip tie, and identified with a unique sample number. The core is typically sampled over a 1-2 metre sample interval unless the geologist determines the presence of an important geological contact. The bagged samples are then stored in a secure area pending shipment to a certified laboratory sample preparation facility. Samples are sent by batch to the

ALS laboratory in Lima for assay. Silver Mountain independently inserts certified control standards, fine and coarse blanks, and duplicates into the sample stream to monitor data quality. These standards are inserted “blindly” to the laboratory in the sample sequence prior to departure from the core storage facilities. At the laboratory, samples are dried, crushed, and pulverized and then analyzed using a fire assay-AA finish analysis for gold and a full multi-acid digestion with ICP-AES analysis for other elements. Samples with results that exceed maximum detection values for the main elements of interest (Ag, Zn, Pb, Cu) are re-analyzed using precise ore-grade ICP analytical techniques, while high gold values are re-analyzed by fire assay with a gravimetric finish.

### Forward Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of Canadian securities legislation (collectively, "**forward-looking statements**") that relate to Silver Mountain's current expectations and views of future events. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release.

Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond Silver Mountain's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the factors set forth under "*Forward-Looking Statements*" and "*Risk Factors*" in the Company's final prospectus dated January 26, 2022, and other disclosure documents available on the Company's profile at [www.sedar.com](http://www.sedar.com). Silver Mountain undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for Silver Mountain to predict all of them or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement.