



Guanajuato  
Silver CO  
LTD

# New Silver-Gold Producer

GUANAJUATO, MEXICO



November 11, 2021

TSX VENTURE  
EXCHANGE **TSX** : GSVR  
OTC MARKETS : GSVRF

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### **Forward-looking information**

This presentation contains certain forward-looking statements and information, which relate to future events or future performance including, but not limited to, the company’s successful acquisition of El Cubo on the proposed terms and estimated timing for closing thereof, the ability of GSilver to raise the necessary funding to purchase El Cubo on the terms and conditions contemplated, the ability of GSilver to successfully re-start the El Cubo mill, supply sufficient mineralized material from the company’s El Pinguico project and El Cubo for processing through the El Cubo mill at the projected rate, the ability to generate cash flow from the El Cubo mill as contemplated or at all, the exploration and development potential of El Cubo and El Pinguico and the potential existence of mineral resources thereon, and the potential intersection at depth of the “Veta Madre” with the company’s El Pinguico vein. Such forward-looking information and statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the company. Readers are cautioned that such forward-looking information and statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to, market conditions, availability of financing, currency rate fluctuations, actual results of exploration and development activities, unanticipated geological formations and characteristics, environmental risks, future prices of gold, silver and other metals, operating risks, accidents, labor issues, delays in obtaining governmental or regulatory approvals and permits, and other risks in the mining industry. There are no assurances that GSilver will successfully finance and complete the acquisition of the El Cubo on the terms contemplated or at all or, if acquired, that the company will be able to successfully re-start the El Cubo mill to process mineralized materials in the amounts and at the costs anticipated. In addition, there is uncertainty about the spread of COVID-19 and the impact it will have on the company’s operations, supply chains, ability to access El Pinguico or El Cubo or procure equipment, contractors and other personnel on a timely basis or at all and economic activity in general. All the forward-looking statements made in this presentation are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at [www.sedar.com](http://www.sedar.com). These forward-looking information and statements are made as of the date hereof and the company does not assume any obligation to update or revise them to reflect new events or circumstances save as required by law.

### **Quality assurance / quality control**

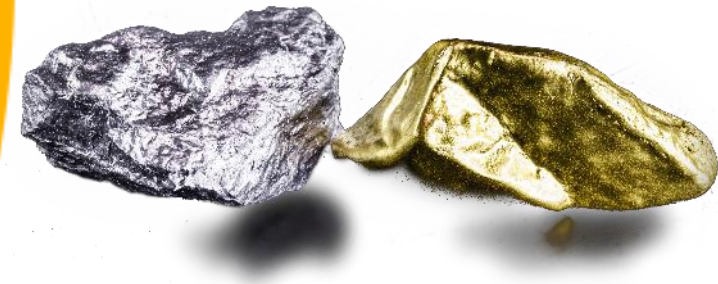
All scientific and technical information in this presentation has been approved by Hernan Dorado, a director of GSilver and a “qualified person” as defined in National Instrument 43-101 of the Canadian Securities Administrators.



# Mexico's Newest Precious Metals Producer

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- Ramp up is: On-track. On-time. On-Budget.
- First precious metals concentrate sales anticipated in October.
- Projected annual average production of 1.8M AgEq ounces.
- Two mines: **El Cubo** – in production.  
**Pingüico** – production imminent.
- Guanajuato is one of the world's great silver-gold districts.



The Sierra Madre Belt has produced over 2 billion ounces of silver and 40 million ounces of gold.







# The El Cubo Mine



# El Cubo - A New Mining Strategy



- △ Paid \$200M in 2012 when silver price was \$30 and heading for \$15
- △ Added \$30M in upgrades
- △ Operated mill at 50,000 t/month
- △ Mined 2.6 metre minimum vein width
- △ Produced over 12M ounces of silver and 144,000 ounces of gold from 2012-2019

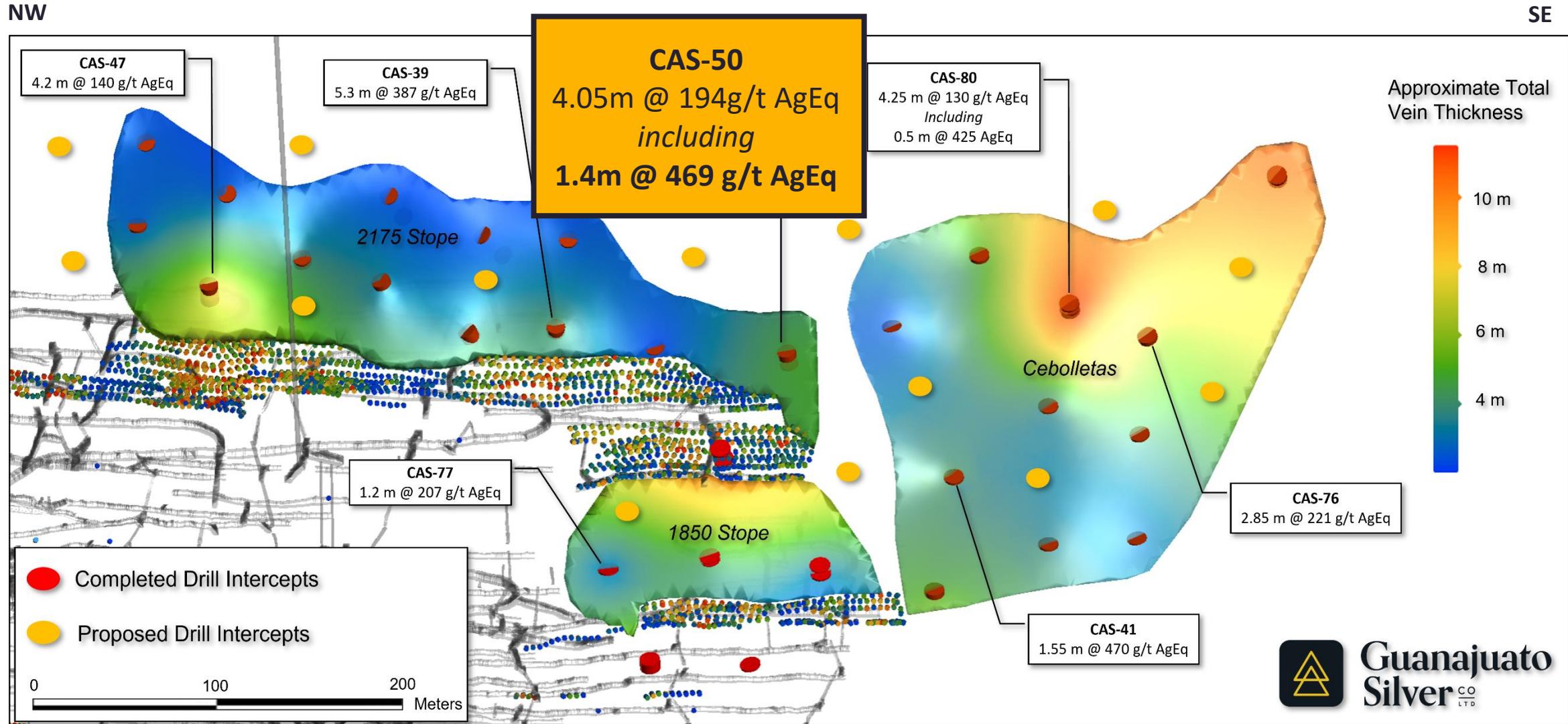


- △ Paid \$15 M in 2019 when silver price was \$22 and heading for ....?
- △ Added \$5.5M in upgrades
- △ Will operate mill at 25,000 t/month
- △ Mining a 1.4 metre minimum vein width
- △ First production 2021

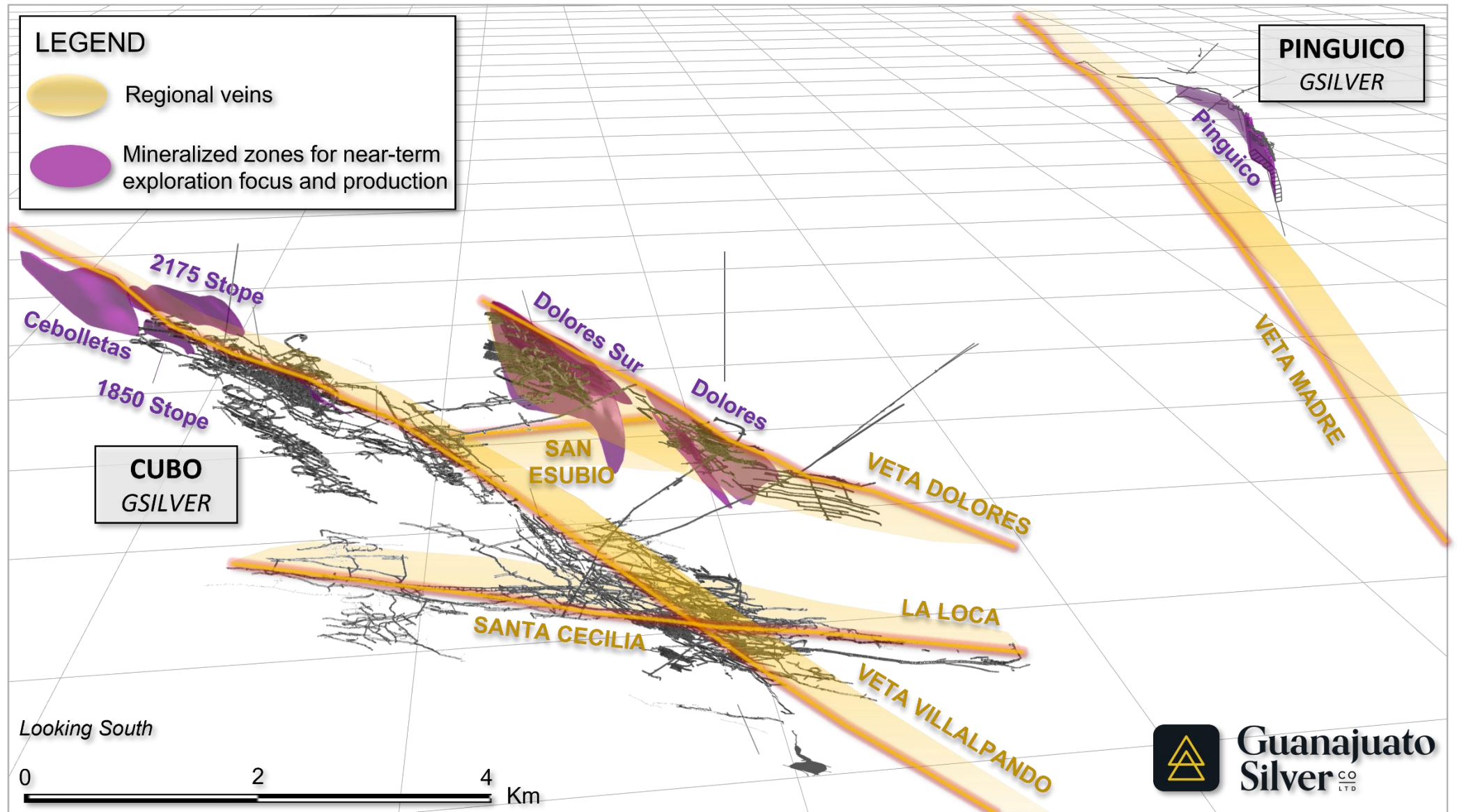




# Villalpando Vein Long-Section - Ongoing expansion drilling at El Cubo



# El Cubo - 3-D view of principle veins





# Villalpando Vein Expansion

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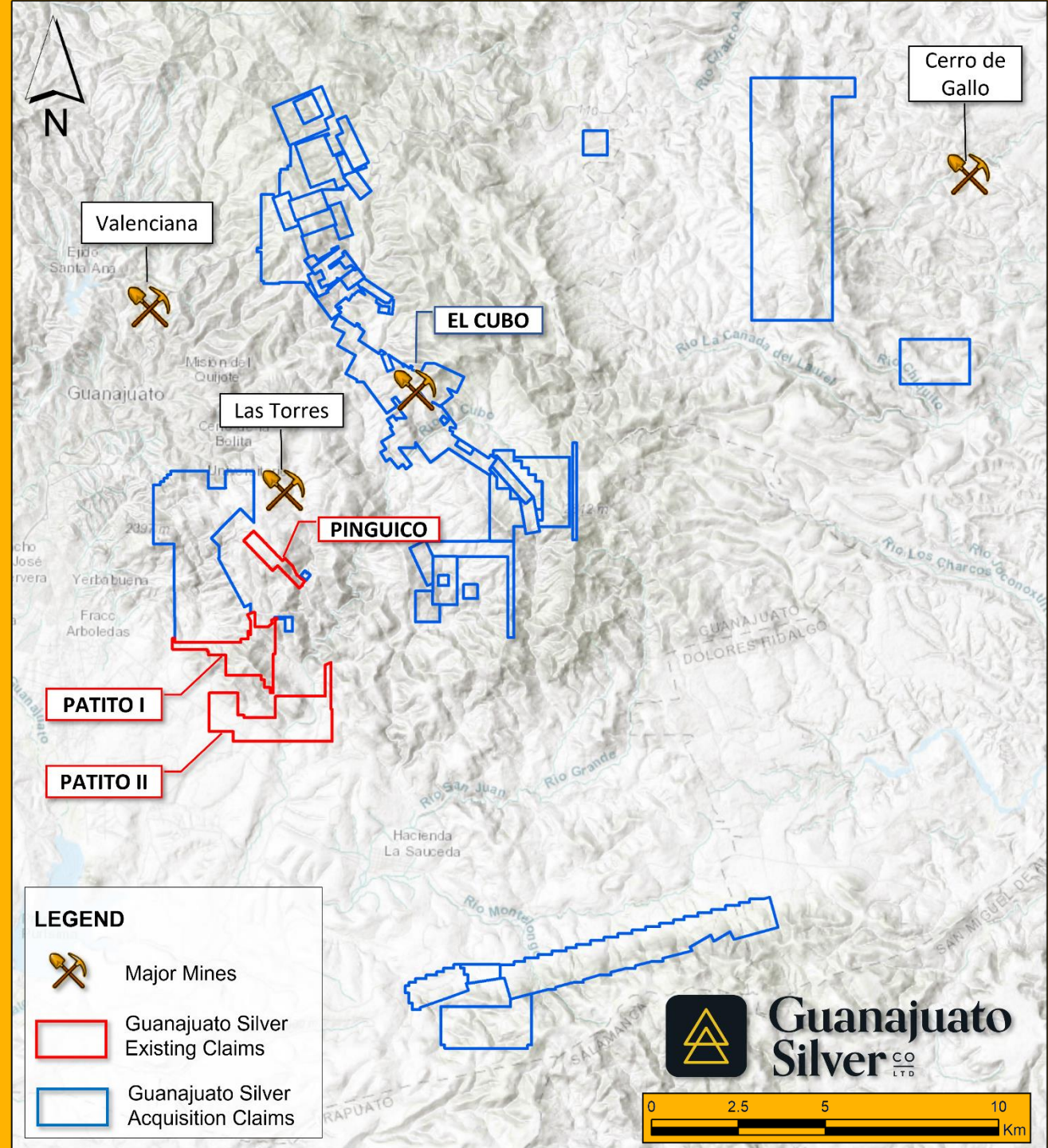




# Guanajuato



With 7,800 hectares of mining claims, GSilver has become the dominant claim holder in the Guanajuato Mining District.



# EL PINGÜICO MINE

Highest-grade silver mine in the Guanajuato region from 1890 to 1913.



12,000 tonne/month mine was owned by NYSE-listed “Pingüico Mines Company” until 1913 when operations ceased.





Game Changer  
drill target at  
confluence of  
Veta Madre and  
Pingüico System.





# Above-ground stockpile

185,000 tonnes at 103 grams per tonne AgEq = 611,000 ounces and ensures ample material for the El Cubo mill.

Easy transport – 5 miles from El Cubo.

1000 tonne bulk sample returned gold recoveries of 75% and silver recoveries of 60% over only three days.





# PEA RESOURCE ESTIMATE JAN 2021

## EL PINGÜICO – EL CUBO COMBINED PROJECT

Calculated at: Ag Spot Price: US\$19.49 Au Spot Price: US\$1,527

Payback Period:	1.87 years
Average AgEq production over 7 years:	1.8M oz/year
IRR	105%
Operating costs per AgEq oz	\$9.42

Indicated Resources					Inferred Resources				
Tonnes	Silver (g/t)	Gold (g/t)	Silver Eq. (g/t)	Silver Eq. (oz)	Tonnes	Silver (g/t)	Gold (g/t)	Silver Eq. (g/t)	Silver Eq. (oz)

### Pingüico:

210,600	79	0.6	127	860,000					
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### Cubo:

508,055	194	2.44	389	6,354,000	1,453,000	214	2.78	435	20,323,000
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Select Data Source: Behre Dolbear & Company (USA Inc.) PEA 01/29/2021

# GSilver Cash Position / Shares Outstanding / 1-Year Share Performance

ALL NUMBERS APPROXIMATE | ALL IN \$CAD

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Cash at 08/31/21	\$9.2 M
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Pro Forma Current Shares Issued	202 M
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Financing Warrants - average price \$0.42 *exercise brings in approx. \$19.4m	46.2 M
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Options Outstanding	12.6 M
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Fully Diluted	264.6 M
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Current Market Cap (@ \$0.50)	\$101 M
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# Major Shareholders

ALL NUMBERS APPROXIMATE

Endeavour Silver Corp.		10.8%
Myrmikan Capital LLC. <i>(Director Daniel Oliver)</i>	 MYRMIKAN CAPITAL LLC	10.3%
GSilver Directors & Advisors	 Guanajuato Silver	7.1%
VBS Exchange Pty Ltd.		4.8%
Eric Sprott		3.4%
EMA Garp Fund LP.		2.8%
Public Shareholders		60.8%



# Dedicated and Experienced Board of Directors

## **JAMES ANDERSON** CHAIRMAN & CEO

Over 20 years of capital market experience as a retail broker investment banker and manager in the Canadian brokerage business. James has been instrumental in the financing of several small-cap public companies in mining exploration and development. Served as CEO of NuLegacy Gold Corp from 2012-2019 before establishing Guanajuato Silver Company. James is a graduate of the University of Alberta.

## **RICHARD SILAS** DIRECTOR & VP CORP DEVELOPMENT

Mr. Silas has been a Director of Gsilver since Oct of 2019; he now also serves as VP of Corporate Development. Previously was President of Barksdale Res. Corp., where he played a vital role in acquiring the Sunnyside project in Arizona, located adjacent to South32's Taylor deposit, which was acquired in 2018 for \$2.1B. Mr. Silas has 20+ years' experience in corporate governance, regulatory compliance, and administration of resource companies. From 2009 until 2017, Mr. Silas was a Director of Gold Standard Ventures Corp. (TSX and NYSE) and during his time at Gold Standard, the Company's market capitalization increased from \$23 million to over \$400 million.

## **HERNAN DORADO** DIRECTOR & COO

Director of Guanajuato Silver Company since 2017, Hernan is a Mining Engineer with more than 15 years of underground and open pit mining experience. He has in depth knowledge of the El Pingüico mine and vast experience with precious metal projects like Pan-American Silver's La Preciosa in Mexico, and New Gold's Peak Mines in Australia. Hernan is a graduate of Mining Engineering with an Executive MBA from Escuela Europea de Negocios, Salamanca, Spain.

## **RAMÓN DÁVILA** DIRECTOR

Mr. Davila was COO and a member of the BOD of First Majestic Silver Corp from 2004 to 2014. Within that 10-year period, he led a team that created five new silver mining operations in Mexico, taking the company from two employees to more than 4000, growing First Majestic's production from zero to +12 million oz of silver equivalent production per year. From 2016 to 2020, Mr. Davila was appointed Minister of Economic Development for the State of Durango. He graduated from the University of Guanajuato in Mining and Metallurgical Engineering as well as obtaining an M.Sc. in Mineral Economics from the Colorado School of Mines.

## **DANIEL OLIVER** DIRECTOR

Daniel manages Myrmikan Capital LLC of New York, which actively invests in the precious metals mining sector. He is the President of the Committee for Monetary Research & Education, made famous for opposing the Bretton Woods monetary system in 1970. A noted commentator with articles published in Forbes, The Wall Street Journal, The Washington Times and others. Daniel holds a J.D. from Columbia Law School and an MBA from INSEAD.

## **WILLIAM GEHLEN** DIRECTOR

Mr. Gehlen serves as a Director and Manager of Geology for JR Resources Corp., and advises management on technical matters with investments at Dakota Territory Resource Corp. He served as Manager of Corporate Development for Gold Standard Ventures Corp., as Manager of Resource Development for OceanaGold Corp., and VP of Exploration for Pacific Rim Mining Corp., managing all aspects of mineral exploration in the Americas. He oversaw exploration and development at the El Dorado gold deposit in El Salvador, and the Diablillos silver-gold deposit in Argentina. Prior to this, Bill explored for several major mining companies, including Union Carbide, Duval, Noranda, WestGold, Newmont, Cambior and Gibraltar Mines. Bill holds an M.S. (Geology) from the University of Idaho and a B.Sc. (Geology) at the University of Oregon.





# Operating Team in Place

## **HERNAN DORADO SMITH**

### **CHIEF OPERATING OFFICER**

Mining Engineer

16 years experience operating in Canada, Australia, Mexico, Brazil, and Dominican Republic.

## **GERARDO DORADO CANTÚ**

### **EL PINGUICO MINE MANAGER**

Mining Engineer

44 years experience operating throughout Mexico. Respected throughout the Guanajuato mining community.

## **ROBERT SEDGEMORE**

### **DIRECTOR OF MILL COMMISSIONING**

Process Engineer

25 years of international experience in the mining industry, including extensive experience in South America.

## **LISA DEA**

### **CHIEF FINANCIAL OFFICER**

Chartered Professional Accountant

20 years experience in the finance, securities and accounting fields.

## **FELIZARDO ESCUDERO**

### **HUMAN RESOURCES MANAGER**

Human Resources Manager

32 years experience in recruiting and labour relations in the mining industry including 2 years experience at El Cubo.

## **MONICA SELEME**

### **ENVIRONMENTAL SERVICES MANAGER**

Environmental Systems Engineers

11 years experience consulting for environmental standards – 8 years experience with First Majestic Silver Corp.

## **ANTONIO NITO PACHECO**

### **HEAD OF SAFETY AND SECURITY**

Mining Engineer

20 years experience in safety and security of Mexican open pit and underground mines - 5 years experience at El Cubo.

## **CARLOS “CHARLIE” ORTIZ**

### **MINE PLANNER**

Mining Engineer

19 years experience in Guanajuato area mines - 6 years experience at El Cubo.

## **PEDRO DELGADO**

### **MINE MANAGER AT EL CUBO**

Mining Engineer

33 years experience working in operations management in mining throughout Mexico.



## Advisory Board

### STUART “TOOKIE” ANGUS BUSINESS ADVISOR

- Independent business advisor to the mining industry.
- For the past 30 years, Mr. Angus has focused on structuring and financing significant international exploration, development and mining ventures.
- Managing director of mergers and acquisitions for Endeavour Financial, a director of Ventana Gold until its takeover by AUX Canada Acquisition in 2011, and a director of Plutonic Power until its merger with Magma Energy in 2011.
- Chairman of Nevsun Resources Ltd., until its take-over by Zijin Mining in March of 2019.

### JOHN BUDRESKI BUSINESS ADVISOR

- Director and Executive Chairman of the Board for EnWave Corp.
- Formerly a Vice Chairman of Cormack Securities Inc. and prior to that, President and CEO of Orion Securities Inc.
- Over 25 years of experience in the resource and resource financing industries.
- Director of Sandstorm Gold Ltd., Imput Capital, and NuLegacy Gold Corporation.
- John holds a Bachelor of Engineering from Dalhousie / TUNS University and an MBA from the University of Calgary.

### GREG HAWKINS GEOLOGICAL ADVISOR

- Has been involved in the mining industry since 1969.
- Had various responsibilities in the identification and delineation of 10 mineral deposits in Canada, USA, Chile, Ghana, Mali and Zaire.
- In 2004 Mr. Hawkins was awarded the Frank Woodside Past Presidents Awarded by the British Columbia and Yukon Chamber of Mines in recognition of his outstanding contribution to the mining industry.
- Mr. Hawkins holds a BSc in Geology from the University of Alberta and MSc in Mineral Economics from McGill University.





## END NOTES

(1) The mineral resource estimate used as the basis for the January 29, 2021, Behre Dolbear & Company (USA), Inc., PEA was derived from Endeavour’s previous technical report for El Cubo titled “National Instrument 43-101 Technical Report: Updated Mineral Resource and Reserve Estimate for the El Cubo Project, Guanajuato, Mexico” dated March 3, 2017, and amended March 27, 2018 (effective December 31, 2016) by Hardrock Consulting LLC. and computer models developed by Endeavour and Guanajuato Silver Company’s (the “company” of “GSilver”) previous technical report for El Pinguico titled “NI 43-101 Technical Report for El Pinguico Project, Guanajuato Mining District, Mexico”, dated effective February 28, 2017, by Carlos Cham Dominguez, C.P.G., copies of which have been filed by Endeavour and GSilver, respectively, under their profiles on SEDAR. Behre has reviewed the information, estimation methods and the estimates in such reports and is of the opinion that the estimates are reasonable and can be utilized for the PEA, subject to certain adjustments including those summarized below.

(2) In 2012 a private company commissioned by the then owner of El Pinguico calculated the volume of the surface stockpile as 92,849.5 m3, with a surface of 15,769.40 m2. In January 2017, Findore S.A. DE C.V. (“Findore”), a private geological services company engaged by GSilver, dug 10 holes with a backhoe CAT machine in the stockpile at different locations and different depths, taking two samples from each hole (one at the top and one at bottom). The samples confirmed there was no movement of economic values from surface to bottom of the stockpile due to weathering and rains, with the average samples results as follows:

	<b>Au ppm</b>	<b>Ag ppm</b>	<b>AuEq ppm</b>
Top samples	0.62	80.6	1.78
Bottom sample.	0.43	61.1	1.31

Based on the foregoing, GSilver estimates the surface stockpile comprises approximately 175,000 to 185,000 tonnes of material grading between 0.45 gpt Au and 67 gpt Ag (100 gpt AgEq) and 0.52 gpt Au and 70 gpt Ag (110 gpt AgEq). The potential quantity and grade of the surface stockpile is conceptual in nature, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the stockpile being delineated as a mineral resource.

(3) In 2012, "Servicio Geológico Mexicano" (SGM, the Mexican Geological Survey agency) took 56 samples from 19 trenches distributed over 300 meters of the underground stockpile to a depth of 1.5 meters with an average trench width of 6.95 meters. The grade of the top 5 meters of the stockpile was determined through trench sampling and tonnage was estimated by topographic survey and historic mine plans with no grades assigned to tonnes below 5 meters due to inaccessibility. None of the categories of classification assigned by SGM comply with those set out in NI 43-101 or CIM guidelines. Average grades are historic in nature, have not been verified and should not be relied upon. Additional work is required to verify the grade distribution throughout the whole stockpile before it can be applied to all the available tonnage and qualify for current classification standards. A “qualified person” as defined under NI 43-101 has not done sufficient work to classify this historical estimate as current mineral resources or reserves and GSilver is not treating the historical estimate as current mineral reserves or resources.

(4) Based on 57 samples taken by GSilver in 2017 from 20 trenches (mostly historic with a few new trenches) within the UG stockpile. All samples were collected, recorded, bagged and sent by GSilver’s consulting geologist to ALS Laboratory in Guadalajara, Mexico for sample preparation. Gold, silver and multi-element ICP analysis was completed at the ALS laboratory in North Vancouver, Canada. Rock samples were fine crushed (70% passing a 2mm screen), pulverized (85% passing a 75 micron screen) and a pulp split separated for assaying by a riffle splitter. 30 gram portion of each sample was assayed for gold by standard fire assay and a 10 gram split was analyzed for 35 elements by ICP method. Standard reference material and blank samples were inserted into the sample stream at a 5% insertion rate with pulped samples from the underground stockpile for quality control purposes. The results of the standards and blank samples were satisfactory. All data was collected with industry standard practices and assay results were verified by ‘GSilver’s consulting geologist. The Company is in the process of conducting further metallurgical testing to verify this and Endeavour Silver Corp’s published metallurgical results.





**Guanajuato  
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LTD

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