in partnership with

NI 43-101 TECHNICAL REPORT AND MINERAL RESOURCE ESTIMATE FOR THE CRUZ DE PLATA PROPERTY, DURANGO, MEXICO

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Report Issued By

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1 Summary

1.1 Issuer and Purpose

This Technical Report (the "Report") on the Cruz de Plata Property ("Cruz de Plata" or the "Property") was prepared by APEX Geoscience Ltd. ("APEX") at the request of the Issuer, Capitan Silver Corp. ("Capitan" or the "Company"). Capitan is a Vancouver, British Columbia (BC) based mining company focused on the exploration and development of gold-silver projects in Mexico. Capitan is listed on the TSX Venture Exchange under the symbol CAPT.

The Cruz de Plata Property, formerly known as the Peñoles Project, comprises a land package of approximately 4,722 hectares (ha) in the Central Mexico Silver Belt in Durango State, Mexico. Cruz de Plata includes the Jesús María and Santa Rafael historical silver mines and Capitan Hill, an oxide gold deposit. The Central Mexico Silver Belt lies within the Sierra Madre Occidental Mountain range and is primarily known for its numerous low- to intermediate-sulfidation epithermal vein gold and silver deposits.

This Report summarizes an updated National Instrument 43-101 (NI 43-101) Standards of Disclosure for Mineral Projects Mineral Resource Estimation (MRE) for the Capitan Hill Deposit (the 2025 Capitan Hill MRE) and provides a technical summary of the relevant location, tenure, historical, and geological information, and recommendations for future exploration programs. This Report summarizes the technical information available up to the Effective Date of October 14, 2025.

This Report was prepared by Qualified Persons (QPs) in accordance with disclosure and reporting requirements set forth in the NI 43-101 Standards of Disclosure for Mineral Projects (effective May 9, 2016), Companion Policy 43-101CP Standards of Disclosure for Mineral Projects (effective February 25, 2016), Form 43-101F1 (effective June 30, 2011) of the British Columbia Securities Administrators, the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Mineral Exploration Best Practice Guidelines (November 23, 2018), the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (November 29, 2019) and the CIM Definition Standards (May 10, 2014).

1.2 Authors and Site Inspection

The authors of this Report (the "Authors" or the "QPs") are Mr. Michael B. Dufresne M.Sc., P. Geol., P. Geo., Mr. Warren Black, M.Sc., P.Geo., and Ms. Fallon Clarke, B.Sc., P. Geo. of APEX. All authors are independent of the Issuer and are QPs as defined in NI 43-101.

Mr. Warren Black, M.Sc., P.Geo. conducted a site inspection of the Cruz de Plata Property for verification purposes on August 5, 2025. The inspection was conducted to assess the current site conditions as well as ongoing drilling practices and verify the reported geology, alteration, and mineralization, and to collect independent verification samples. Mr. Black collected confirmation drill core samples during the QP site visit to independently confirm the presence of gold mineralization at the Property and verify reported historical assays. The confirmation sampling also allowed for the assessment of the quality of sample collection techniques, laboratory work, and data management. The QP confirmation drill core samples confirmed the presence of gold mineralization at the Cruz de Plata Property.

Mr. Dufresne and Ms. Clarke did not visit the Property, as Mr. Black's visit was deemed sufficient.

1.3 Property Location, Description, and Access

The Cruz de Plata Property is located within the municipality of San Pedro del Gallo, in Durango State, Mexico. The Property comprises 17 contiguous mineral concessions and is located approximately 180 kilometres (km) north-northeast of the city of Durango, and 50 km north of the town of Rodeo.

On April 1, 2020, Capitan completed the acquisition of its interest in the Cruz de Plata Property in connection with a plan of arrangement to reorganize Riverside Resources Inc. ("Riverside"). The acquisition was valued at CAD$3.5 million and was paid by issuing 17.5 million common shares to Riverside. On August 14, 2020, Riverside completed the plan of arrangement to spin out the shares of Capitan to the shareholders of Riverside. Capitan and its shareholders hold 100 per cent (%) interest in the Property and any mineral resources contained within the Property.

On January 10, 2022, and as amended on March 1, 2022, the Company entered into an option agreement to acquire all outstanding net smelter return royalties (NSRs) on mining claims in the Property from Exploraciones del Altiplano ("Altiplano"), a private Mexican exploration company. In addition to the royalties held by Altiplano, the Property has a 1% royalty owned by Riverside which was created as part of the asset spinout in 2020.

On November 25, 2022, the Company executed an option agreement with Minera Fresnillo S. A. de C. V. ("Minera Fresnillo"), a wholly owned subsidiary of Fresnillo plc, to acquire a 100% interest for certain mineral concessions at the Property. The terms of the option agreement include the right to explore and an option to acquire 100% interest in the mineral concessions for total payable amount of USD$1,000,000 over the three-year period. In the event the Company acquires 100% interest, Minera Fresnillo will maintain a 1% NSR which the Company can buy-back for USD$1,000,000.

On August 21, 2025, Capitan entered into a definitive agreement with Minera Fresnillo to acquire 7 additional mineral concessions totalling 2,171.4 ha directly adjacent to and surrounding the Property. The price of the transaction was USD$4.0 million, in two installments. There are no royalties or share payments for this transaction.

1.4 Geology and Mineralization

The Cruz de Plata Property lies on the eastern flank of the Sierra Madre Occidental mountain range, along the Altiplano sub-province. The Sierra Madre Occidental is a north-northwestern trending belt that extends from the United States border towards the trans Mexican Volcanic Belt of Central Mexico. The belt measures roughly 1,200 km long by 200 km to 300 km wide and is characterized by rocks from Jurassic to Eocene/Miocene age belonging to the Altiplano sub-province.

The Property geology consists of an Upper Cretaceous carbonate-siliciclastic succession intruded by Tertiary diorite, granodiorite, and rhyolite porphyries with tertiary rhyolite tuffs unconformably overlying the Cretaceous marine sedimentary rocks. Structurally, there is an orthogonal set of faults that includes a northwest-striking set related to the regional horst and graben basin and range structures; and a northeast-striking set that appears to be related to the Tertiary-age intrusive rocks. Complex offsetting relationships between the two fault sets suggest that they are contemporaneous.

The Cruz de Plata area displays several phases of deformation and hydrothermal fluid flow typical of the post-Laramide evolution of the northern Altiplano of Central Mexico. The Capitan Hill Deposit, Jesús María mineralized zone, and San Rafael-El Tubo prospects at the Property appear to be related to intersections between the northwest-striking secondary structures and northeast-striking regional structures. The Jesús

María and San Rafael structures that characterize the main structural zones of Cruz de Plata area appear to have been formed as part of very early post- Laramide north-south extension.

In addition to the Capitan Hill Deposit, the Property hosts several prospects and target areas, including Jesús María, Santa Teresa, and San Rafael within the Jesús María silver trend, the Gully Fault zone, the Jesús María East trend, San Rafael West, Jesús María Northwest, Casco Norte, La Providencia, Jesús María silver trend north, La Purisima, and the El Tubo Hill gold target. Mineralization within the Property is primarily characterized as epithermal and hosted within fault-veins and brecciated zones. These structures trend from 81° to 63° northeast with a steep dip of 65° to 84° southeast. The mineralized zones have strike lengths of 1.2 to 2.2 km with thicknesses greater than 20 metres (m), containing gold (Au), lead (Pb), and zinc (Zn). The mineralization is hosted in sandstones, shales, and a calcareous-pelitic sequence of the Mezcalera Group, which has been intruded by and affected by both a granodioritic intrusive and rhyolitic subvolcanic bodies.

1.5 Historical Exploration

Exploration in the area of the Property dates back to the 1880s when Minera Industrias Peñoles ("Minera") acquired the Jesús María, Nuestra Señora del Refugio, and San Rafael mines near the town of Peñoles in 1887. The mines were operated by Minera until 1890, at which point the Jesús María (Ag-Pb-Zn) and San Rafael (Ag) deposits were reportedly exhausted.

Modern exploration on the Property has been completed by several companies from 2004 to 2020, including Aurcana Corp. (2004), Riverside (2008-2011; 2018), Sierra Madre Developments Inc. ("Sierra Madre"; 2011-2013), Morro Bay Resources Ltd. ("Morro Bay"; 2014), and Fresnillo plc (2018-2020). Exploration work has consisted of surface geochemical sampling, channel sampling, geophysical surveys, and diamond drilling. Historically, 100 diamond drillholes (DDH) were completed at the Cruz de Plata Property by various operators between 2004 and 2020, totalling 18,064.4 m.

Historical exploration and drilling on the Property targeted a series of mineralized fault zones at the Property, including Capitan Hill, Jesús María, San Rafael and Santa Teresa. The early drilling at the Cruz de Plata Property, by Aurcana Corp. and Riverside focused on Capitan Hill. Results were positive, the thickness of mineralization encountered was greater than that expected from the surficial expression of quartz veining and siliceous breccia. Downhole intersections included 61.4 m core length at 0.81 grams per tonne (g/t) Au from 31.85 m in PE04-01, and 32.3 m core length at 0.66 g/t Au from 89.94 m in CDDH-08-02.

Drilling by Sierra Madre expanded the established mineralization at Capitan Hill and tested the Jesús María target. The 2011 drillholes extended the Capitan Hill target 700 m along strike towards the southeast and infilled the historical drilling. The 2011 program also completed the first hole at Jesús María, returning 12.85 m core length at 75.54 g/t Ag from 155.9 m (JM-DDH-11-01). Drilling in 2012 further infilled the Main Zone at Capitan Hill along strike and expanded the mineralization window down-dip. Significant intersections included 124.3 m core length at 0.61 g/t Au from 41.6 m in hole CDDH-12-13, and 130.2 m core length at 0.56 g/t Au from 0.95 m in CDDH-12-18. The 2013 drilling program focused on Jesús María and extended known the mineralization over 270 m strike-length below historical mine workings.

The 2014 drilling by Morro Bay focused on follow-up exploration at Jesús María, utilizing trenching and drilling. The exploration tested some 400 m along strike to the west, which returned thick low-grade mineralization. The drill program also included the first drilling at the San Rafael prospect, which returned significant intersections including 45.35 m core length at 29.6 g/t Ag from 187.35 m in SR-DDH-14-01.

1.6 Historical Metallurgical Testing

To determine the amenability of the mineralized material to processing, historical metallurgical testing was conducted across three distinct campaigns between 2011 and 2015. This work focused on samples from both the Capitan Hill Deposit and Jesús María mineralized zone, involving previous operators such as Sierra Madre (2011, 2012-2013), and Morro Bay (2015).

In 2011, 28 preliminary cyanide bottle roll tests were completed on Capitan Hill drill core samples to assess amenability to heap leaching. Initial testing showed gold recovery increased significantly with finer crushing, with the 6-mesh sample achieving 53% Au recovery. An expanded program on 25 additional samples, also crushed to 6-mesh, yielded average gold recoveries of approximately 60%, with some high-grade samples achieving recoveries of up to 70 to 80%, confirming that the Capitan Hill samples respond favorably to cyanidation and show potential for heap leach processing.

Subsequent bottle roll testing on Capitan Hill Deposit samples in 2012-2013 demonstrated that the material is amenable to cyanidation, achieving high gold recoveries (generally >90%) at a fine grind size (P80 of 60 to 120 micron). In addition, a series of 11 cyanide column leach tests, each running for 82 days, were conducted on various composite samples. The column leach tests yielded lower results, with the best sample results achieving up to 58.6% Au extraction.

The 2015 test work on samples from the Jesús María mineralized zone compared gravity concentration, rough-scavenger flotation, and whole-mineralized material cyanidation methods. Flotation achieved the highest recoveries, averaging 76.1% Au and 87.2% Ag, but would require costlier secondary processing. Bottle roll cyanide leach tests yielded moderate average recoveries of 54.9% Au and 78.0% Ag within 72 hours. A partial correlation was observed during the bottle roll tests showing that higher arsenic content in the feed was associated with lower gold and silver extraction.

1.7 Capitan Exploration

Since acquiring the Property in 2020 to the Effective Date of this Report, Capitan has undertaken several exploration programs, which included drilling activities, soil sampling, and various types of rock sampling. Rock sampling included the use of mechanical trenching for channel samples and continuous chip samples, in conjunction with general prospecting for chip and grab samples.

1.7.1 Surface Exploration

Property-wide soil sampling by Capitan highlighted several areas of anomalies with the potential to host mineralization. Areas north of the Jesús María and San Rafael veins showed marked anomalism, which helped to validate and define the Santa Teresa and San Rafael North mineralized trends, both previously sampled by Riverside. Soil samples at San Rafael North returned a maximum result of 19 g/t Ag (0.1 g/t Au), while soil samples at the Santa Teresa trend returned a maximum result of 14.3 g/t Ag (0.2 g/t Au).

Mechanical trenching and channel sampling were used to further develop identified targets. Results of the channel sampling included 0.18 g/t Au (2 m length) and 0.3 g/t Au (2 m length) at the Gully Fault target between Capitan Hill and Jesús María. At San Rafael, channel sampling returned results including 23.5 g/t Ag over 1.4 m length at San Rafael, and 3.3 g.t Ag over 2 m length at Escondida. Results from west of San Rafael channel sampling included 172 g/t Ag over 2 m and 21.6 g/t Ag over 1.5 m.

The surface sampling programs undertaken during 2021-2023 defined several mineralized trends at the Cruz de Plata Property, extending across the breadth of the Property over several kilometers. Prospectivity for silver-gold-lead-zinc was shown at the Jesús María, Jesús María South, Santa Teresa and Providencia West prospects. High-grade silver-gold prospectivity was observed at the Gully Fault zone, San Rafael North, Escondida and Providencia East targets. Vein hosted and disseminated gold prospectivity was seen along strike from Capitan Hill at the Capitan East target.

During 2024 and 2025, a systematic surface sampling program was completed at the Cruz de Plata Project to evaluate the distribution, grade, and geological controls of near-surface precious- and base-metal mineralization. The program comprised 135 rock samples collected in 2024, followed by 22 rock samples and 75 soil samples in 2025, targeting historical workings, vein systems, hydrothermal breccias, and intrusive–carbonate contacts identified through geological mapping and reconnaissance exploration. Rock and channel sampling focused on multiple priority target areas, including Casco Norte, Jesús María, La Purísima, El Refugio (located between the Jesús María silver trend and the Gully Fault zone), and San Rafael, and confirmed the presence of several mineralized systems with varying styles of gold–silver enrichment.

Assay results highlight the prospectivity of several areas across the Property. Assay results in this section are presented as silver, gold, and/or silver equivalent (AgEq) with AgEq calculated using the following formula: *AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80*.

At Casco Norte, sampling from a historical working returned a maximum sample result of 62.1 g/t Au, 18.3 g/t Ag, and 4,291 g/t AgEq, associated with a silicified and brecciated intrusive-hosted quartz vein system. At Jesús María, dump sampling from the historical vein system yielded 209 g/t Ag and 0.245 g/t Au (286.8 g/t AgEq), confirming the persistence of silver-rich mineralization in structurally controlled veins and breccias. At La Purísima, dump samples collected along the intrusive–limestone contact returned up to 1.856 g/t Au, 43.7 g/t Ag, and 241.6 g/t AgEq, reflecting skarn-like mineralization developed along this contact. Soil sampling conducted in 2025 at the La Providencia target produced trace gold and silver anomalies, providing geochemical support for the presence of underlying mineralized structures.

1.7.2 Drilling

From September 2020 to December 2022, Capitan (as Capitan Mining) completed 77 reverse circulation (RC) drillholes totalling 18,673.57 m at the Cruz de Plata Property. Drilling targeted mineralized structures at the Capitan Hill, Jesús María and San Rafael targets. Drilling by Capitan in 2020 focused on Capitan Hill and expanded the mineralization by testing down-dip and along strike of the previous drilling. Many holes showed good continuation of the mineralization tenor at depth, with up to 100 m step-outs down dip, particularly in the Main Zone. The drilling also identified mineralized trends in the hanging wall position at Capitan Hill, within the Tertiary volcanic breccias. Notable intersections from the 2020 RC drilling at Capitan Hill include 21.3 m downhole length at 1.8 g/t Au from 196.6 m in 20-CARC-12, and 25.9 m downhole length at 0.77 g/t Au from 201.2 m in 20-CARC-16.

In 2021, Capitan's drill program targeted the high-grade shoots of mineralization at Capitan Hill and Jesús María. Drilling at Capitan Hill focused on down-dip extensions to mineralization and expanding the envelope of high-grade mineralization in the Main Zone. The high-grade lodes were observed to continue at depth with lower grades, but the thickness maintained. These results indicated the potential for some fault displacement in the Main Zone of Capitan Hill, possibly related to the Santa Theresa fault. The 2021 drilling also extended the hanging wall zones down-dip at Capitan Hill. The 2021 program expanded the known mineralization at Jesús María and extended the prospect to an 800 m strike length. Notable intersections from the 2021 RC drilling at Capitan Hill include 15.24 m downhole length at 0.9 g/t Au from 176.8 m in 21-CARC-33, and 16.76 m downhole length at 0.75 g/t Au from 144.8 m in 21-CARC-29.

Drilling in 2022 focused on the Jesús María and San Rafael targets. Drilling at Jesús María tested down-dip extensions to mineralization, with substantial step-outs from the previous iterations of drilling (up to 100 m down-dip step-outs). This included testing the Gully Fault area between Capitan Hill and Jesús María. Thin mineralization was observed to continue at depth at Jesús María, with intersections including 15.24 m downhole length at 72.7 g/t Ag from 175.26 m in 22-JMRC-20, and 39.62 m downhole length at 16.2 g/t Ag from 205.74 m in 22-JMRC-16. Capitan drilling data up to 2022 was used in the 2025 Capitan Hill MRE detailed in Section 14 of this Report.

Capitan completed 23 RC drillholes totalling 3,523.5 m at the Cruz de Plata Project between March 27 and June 18, 2025. Drilling focused on definition and step-out testing of high-grade silver mineralization at the Jesús María, El Refugio, and Gully Fault Zone prospects. At Jesús María, step-out drilling intersected new Au-Ag and polymetallic (Au-Ag-Pb-Zn) mineralization in the footwall of the main vein, demonstrating along-strike and up-dip continuity, including intervals grading to a maximum of 142.8 g/t Ag with elevated Pb and Zn. Drilling at the Jesús María—Gully Fault intersection confirmed near-surface continuity of both mineralized structures, returning high-grade Ag-Pb-Zn intercepts, while drilling at El Refugio suggest fault offset of the Jesús María vein and confirmed very high-grade silver mineralization, including an intercept of 1,599 g/t Ag, with six holes defining mineralization over approximately 250 m of strike.

1.8 Mineral Resource Estimate

The 2025 Capitan Hill MRE is reported in accordance with the Canadian Securities Administrators' NI 43-101 rules for disclosure and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014.

Mineral Resource modelling was conducted in UTM Coordinate system relative to the World Geodetic System 1984 ensemble / UTM zone 13N (EPSG:32613). The MRE utilized a block model with a size of 10 metres (X) by 5 metres (Y) by 5 metres (Z) to honour the mineralization wireframes for estimation. Gold and silver (Ag) grades were estimated for each block using Ordinary Kriging with locally varying anisotropy to ensure grade continuity in various directions is reproduced in the block model. The resource block model underwent several pit optimization scenarios using Deswik's Pseudoflow pit optimization. The resulting conceptual pit shell is used to constrain the reported open-pit resources. The reported open-pit resources utilize a cut-off of 0.18 g/t Au. The MRE is reported as undiluted.

The 2025 Capitan Hill MRE comprises an Inferred Mineral Resource of 525,000 ounces (oz) of gold at an average grade of 0.41 g/t Au and 4,244,000 oz of silver at an average grade of 3.3 g/t Ag, within a total of 39,795,000 tonnes (t). Table 1.1 provides the complete 2025 Capitan Hill MRE statement.

Table 1.1 Summary of the Pit-Constrained Inferred Capitan Hill Mineral Resources on the Cruz de Plata Project (as of September 17, 2025)

Gold Cut-off (g/t)	Tonnes (t)	Average Gold (g/t)	Average Silver (g/t)	Contained Gold (oz)	Contained Silver (oz)
0.18	39,795,000	0.41	3.3	525,000	4,244,000

Source: APEX (2025)

Notes:

1. Warren Black, M.Sc., P.Geo., Senior Consultant: Mineral Resources and Geostatistics of APEX Geoscience Ltd., who is deemed a Qualified Person as defined by NI 43-101 is responsible for the completion of the mineral resource estimation, with an effective date of September 17, 2025.
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

4. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resources with continued exploration.
5. The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
6. Economic assumptions used include US$2,500/oz Au, US$26.5/oz Ag, process recoveries of 70% and 45% for Au and Ag respectively, a US$5/t processing cost, and a G&A cost of US$1.5/t.
7. The constraining pit optimization parameters include a US$2.5/t mining cost for both mineralized and waste material and 45° pit slopes. Pit-constrained Mineral Resources are reported at a cut-off of 0.18 g/t Au.

1.9 Conclusions and Recommendations

Based on a review of available information, historical and recent exploration data, Mr. Black's site inspection, and the 2025 Capitan Hill MRE, the Author concludes that the Cruz de Plata Property is a property of merit, with demonstrated potential for the discovery and delineation of additional precious and polymetallic mineralization. This judgement is supported by:

(i) the favourable geological and structural setting of the Property within the Central Mexico Silver Belt;

(ii) historical surface exploration and drilling by previous operators of the Property that defined mineralization at the Capitan Hill Deposit, Jesús María mineralized zone, and San Rafael and Santa Teresa prospects of the Property; and

(iii) significant silver and gold mineralization intersected by recent sampling and drilling programs, culminating in the preparation of the 2025 Capitan Hill MRE.

As a property of merit, a staged two-phase exploration and evaluation program is recommended to upgrade existing Mineral Resources, test for potential Mineral Resource expansion, and advance the technical evaluation of the Property toward assessment of its longer-term development potential.

1.9.1 Phase 1 Recommended Program

Phase 1 is designed to focus on Mineral Resource growth, geological interpretation, and technical risk reduction. The Author recommends a drilling program totaling approximately 20,000 m, intended to:

(i) Drill test extensions to existing zones of mineralization within the Property, with focus on the Capitan Hill Deposit and Jesús María mineralized zone.

(ii) Step-out drilling along the Gully Fault zone.

In addition, regional surface exploration is recommended, including geological mapping and geochemical sampling (trenching and soil sampling), to refine and prioritize newly defined targets within the Property. These targets include Casco Norte, Jesús María Northwest, Jesús María East, La Providencia, La Purisima, and the El Tubo Hill gold target.

The estimated cost of the Phase 1 drilling and surface exploration program is CAD$5,000,000, exclusive of contingency and applicable taxes (Table 1.2).

1.9.2 Phase 2 Recommended Program

Phase 2 exploration is contingent upon the results and successful achievement of the technical objectives established for Phase 1, including confirmation of geological continuity, grade distribution, and sufficient data density to support mineral resource estimation. This subsequent phase is designed to include systematic step-out and infill drilling at the Capitan Hill Deposit and Jesús María zone, alongside initial drill testing of regional targets identified during Phase 1 surface sampling. A key focus of Phase 2 will be infill drilling at the Capitan Hill Deposit and the Jesús María mineralized zone to increase data density and geological confidence, with the objective of supporting the potential upgrading of existing Inferred Mineral Resources to higher classifications at Capitan Hill and advancing the delineation of mineralized zones at Jesús María, subject to data verification and geological interpretation.

Phase 2 should also incorporate comprehensive metallurgical testwork and preparation of an updated Mineral Resource Estimate that includes both the Capitan Hill Deposit and Jesús María zone, provided that sufficient drilling, sampling, and data verification have been completed in accordance with NI 43-101. For Capitan Hill, metallurgical testwork should focus on optimizing crush size and operating parameters based on historical metallurgical results. For Jesús María, the follow-up metallurgical testwork program should include bottle roll testing and comminution testing to build upon the 2015 Morro Bay testwork results, subject to confirmation that the tested material is representative of mineralization defined by recent drilling.

The estimated cost of the Phase 2 exploration program for the Property totals CAD$5,865,000, exclusive of contingency funds and applicable taxes.

Collectively, the estimated cost of the recommended work programs for the Property totals CAD$10,865,000, exclusive of contingency funds and applicable taxes (Table 1.2).

Table 1.2 Budget for proposed exploration at the Cruz de Plata Property.

Phase	Item	Approximate Cost (CAD$)
Phase 1	All in cost for RC drilling (5,000 m $150/m)	$750,000
	All in cost for DDH drilling (15,000 m $250/m)	$3,750,000
	Geological Mapping and Geochemical Sampling	$500,000
	Sub-total:	$5,000,000
Phase 2	All in cost for RC drilling (10,000 m $150/m)	$1,500,000
	All in cost for DDH drilling (15,000 m $250/m)	$3,750,000
	Metallurgical Test Work	$500,000
	Mineral Resource Estimate and Technical Report	$115,000
	Sub-total:	$5,865,000
Phase 1 & 2	Total:	$10,865,000

Source: APEX (2025)

2 Introduction

2.1 Issuer and Purpose

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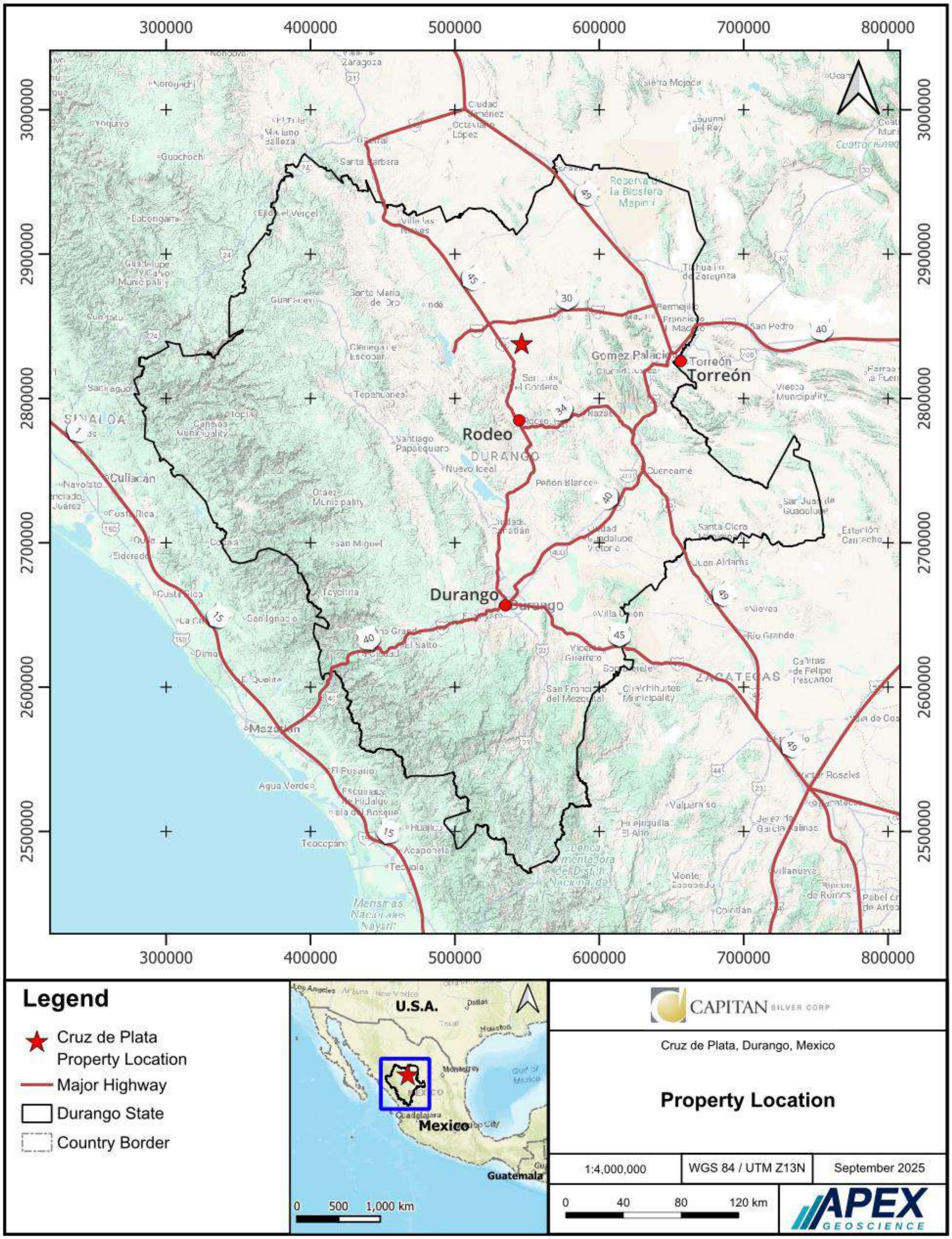
On August 21, 2025, Capitan entered into a definitive agreement with Minera Fresnillo to acquire 7 additional mineral concessions totalling 2,171.4 ha directly adjacent to and surrounding the Property. The price of the transaction was USD$4.0 million, in two installments. There are no royalties or share payments for this transaction.

This Report summarizes an updated National Instrument 43-101 (NI 43-101) Standards of Disclosure for Mineral Projects Mineral Resource Estimation (MRE) for the Capitan Hill Deposit (the 2025 Capitan Hill MRE) and provides a technical summary of the relevant location, tenure, historical, and geological information, and recommendations for future exploration programs. This Report summarizes the technical information available up to the Effective Date of October 14, 2025.

Figure 2.1 Location of the Cruz de Plata Property.



This Report was prepared by Qualified Persons (QPs) in accordance with disclosure and reporting requirements set forth in the NI 43-101 Standards of Disclosure for Mineral Projects (effective May 9, 2016), Companion Policy 43-101CP Standards of Disclosure for Mineral Projects (effective February 25, 2016), Form 43-101F1 (effective June 30, 2011) of the British Columbia Securities Administrators, the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Mineral Exploration Best Practice Guidelines (November 23, 2018), the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (November 29, 2019) and the CIM Definition Standards (May 10, 2014).

2.2 Authors and Site Inspection

The authors of this Report (the "Authors" or the "QPs") are Mr. Michael B. Dufresne M.Sc., P. Geol., P. Geo., Mr. Warren Black, M.Sc., P.Geo., and Ms. Fallon Clarke, B.Sc., P. Geo. of APEX. All authors are independent of the Issuer and are QPs as defined in NI 43-101. NI 43-101 and CIM describe a QP as "an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these; has experience relevant to the subject matter of the mineral project and the Technical Report; and is a member or licensee in good standing of a professional association." The QPs and the Report sections for which they are taking responsibility are presented in Table 2.1.

Table 2.1 Qualified Persons and division of responsibilities.

Qualified Person	Professional Designation	Affiliation	Report Section
Michael B. Dufresne	M.Sc., P. Geol., P. Geo	President and Principal at APEX	1.1 to 1.3, 1.7, 1.9, 2 to 4, 9 to 11.2, 13, 23 to 24, 25.4, 25.6 to 25.7, 26
Warren E. Black	M.Sc., P.Geo.	Senior Geologist and Geostatistician	1.8, 11.3, 11.4, 12, 14, 25.5
Fallon T. Clarke	B.Sc., P.Geo.	Senior Geologist	1.4 to 1.6, 5 to 8, 25.1 to 25.3, 27

Source: APEX (2025)

Mr. Dufresne is a Professional Geologist with the Association of Professional Engineers and Geoscientists of Alberta ("APEGA"; Member #: 48439), a Professional Geoscientist with the Engineers and Geoscientists British Columbia ("EGBC"; Member #: 37074), the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists ("NAPEG"; Member #: L3378), the Association of Professional Engineers & Geoscientists of New Brunswick ("APEGNB"; Member #: F6534) and the Professional Geoscientists of Ontario ("PGO"; Member #: 3903), and has worked as a mineral exploration geologist for more than 40 years since his graduation from university. Mr. Dufresne has been involved in all aspects of mineral exploration and Mineral Resource estimations for precious and base metal mineral projects and deposits in Canada and globally.

Mr. Black is a Professional Geologist with APEGA (Member #: 134064), and a Professional Geoscientist with EGBC (Member #: 58051). Mr. Black has worked as a geologist for more than 12 years since his graduation. He has extensive experience in mineral exploration and project development, covering both North American and global settings. Specializing in Mineral Resource estimation, he has completed resource evaluations and uncertainty analysis for various deposit types using advanced geostatistical methods. His research in multivariate geostatistical prediction has contributed to the field of geostatistics.

Ms. Clarke is a Professional Geologist with the Association of Professional Engineers and Geoscientists of Saskatchewan ("APEGS"; Member #: 27238) and has worked as a geologist for more than 13 years since her graduation from the University of Saskatchewan. Ms. Clarke has experience with exploration for precious and base metal deposits of various deposit types in North America and Australia, including epithermal silver-gold mineralization.

Mr. Warren Black, M.Sc., P.Geo. conducted a site inspection of the Cruz de Plata Property for verification purposes on August 5, 2025. The inspection was conducted to assess the current site conditions as well as ongoing drilling practices and verify the reported geology, alteration, and mineralization, and to collect independent verification samples. Mr. Black collected confirmation drill core samples during the QP site visit to independently confirm the presence of gold mineralization at the Property and verify reported historical assays. The confirmation sampling also allowed for the assessment of the quality of sample collection techniques, laboratory work, and data management. The QP confirmation drill core samples confirmed the presence of gold mineralization at the Cruz de Plata Property.

Mr. Dufresne and Ms. Clarke did not visit the Property, as Mr. Black's visit was deemed sufficient.

2.3 Sources of Information

This Report is a compilation of proprietary and publicly available information; it is based on information derived from the technical report titled, "NI 43-101 Technical Report on the Peñoles Gold-Silver Project Durango Mexico", prepared for Riverside by Strickland and Sim (2020), as well as an earlier technical report titled "NI 43-101 Report Mineral Resource Estimates for the El Capitan & Jesús María Deposits Peñoles Gold-Silver Project, Durango, Mexico ", prepared for Morro Bay Resources Ltd. ("Morro Bay") and Riverside by Whiting et al. (2015). Additional information regarding historical and recent exploration was sourced from publicly available documents filed on SEDAR, including Capitan Management Discussion and Analysis documents, Consolidated Financial Statements, and Annual Information Forms.

In support of the technical sections of this Report, the Authors have independently reviewed reports, data, and information derived from work completed by Capitan and Riverside. Journal publications listed in Section 27 "References" were used to verify background geological information regarding the regional and local geological setting and mineral deposits of the Property. The Authors have deemed these reports, data, and information as valid contributions to the best of their knowledge.

Based on the Property visit and review of the available literature and data, the Authors take responsibility for the information herein.

2.4 Units of Measure

With respect to units of measure, unless otherwise stated, this Technical Report uses:

1) Abbreviated shorthand consistent with the International System of Units (International Bureau of Weights and Measures, 2006);
2) Bulk weight is presented in both United States short tons (tons; 2,000 lbs or 907.2 kg) and metric tonnes (tonnes; 1,000 kg or 2,204.6 lbs.);
3) Geographic coordinates are projected in the Universal Transverse Mercator (UTM) system relative to Zone 13 of the World Geodetic System (WGS) 1984; and,
4) Currency in Canadian dollars (CAD$), unless otherwise specified (e.g., U.S. dollars, USD$; Mexican pesos, MXN$)

3 Reliance on Other Experts

This Report incorporates and relies on contributions of other experts who are not Qualified Persons, or information provided by the Company, with respect to the details of legal, political, environmental, or permitting matters relevant to the Property, as detailed below. In each case, the Authors disclaim responsibility for such information to the extent of their reliance on such reports, opinions, or statements.

The Authors relied on Capitan to provide all pertinent information concerning the legal status of the Company, as well as current legal title, material terms of all agreements, and permitting matters that relate to the Property. Copies of documents and information related to legal status, property agreements, and mineral tenure were reviewed, and relevant information was included elsewhere in the Report; however, the Report does not represent a legal, or any other, opinion as to the validity of the agreements or mineral titles. The following document, provided by Capitan Management, was relied upon to summarize the legal status and mineral tenure status of the Property:

- Section 4.1, 4.2, 4.4.1: "Legal Title Opinion", prepared for Capitan Silver Corp. by Miguel Romero Gonzalez of the firm Calderon, Gonzalez and Asociados, located in Mexico City, Mexico, and dated October 14, 2025 (provided to the Authors by Marc Idziszek, Vice President of Exploration for Capitan, via email transmission, on October 14, 2025).

According to the title opinion, all title properties owned by Minera Fresnillo, S.A. de C.V. and Ríos de Suerte, (a fully owned subsidiary of Capitan) are in good standing with respect to general legal status and compliance. The Authors note that as of the Effective Date, title has not been issued for mining concession Capitan 2.

4 Property Description and Location

4.1 Description and Location

The Property is located within the municipality of San Pedro del Gallo, in Durango State, Mexico. The Property comprises 17 contiguous mineral concessions owned by Minera Fresnillo, S.A. de C.V. ("Minera Fresnillo") and Ríos de Suerte, S.A. de C.V. ("Ríos de Suerte"; a fully owned subsidiary of Capitan), encompassing a total area of approximately 4,722.4 ha (Table 4.1 and Figure 4.1).

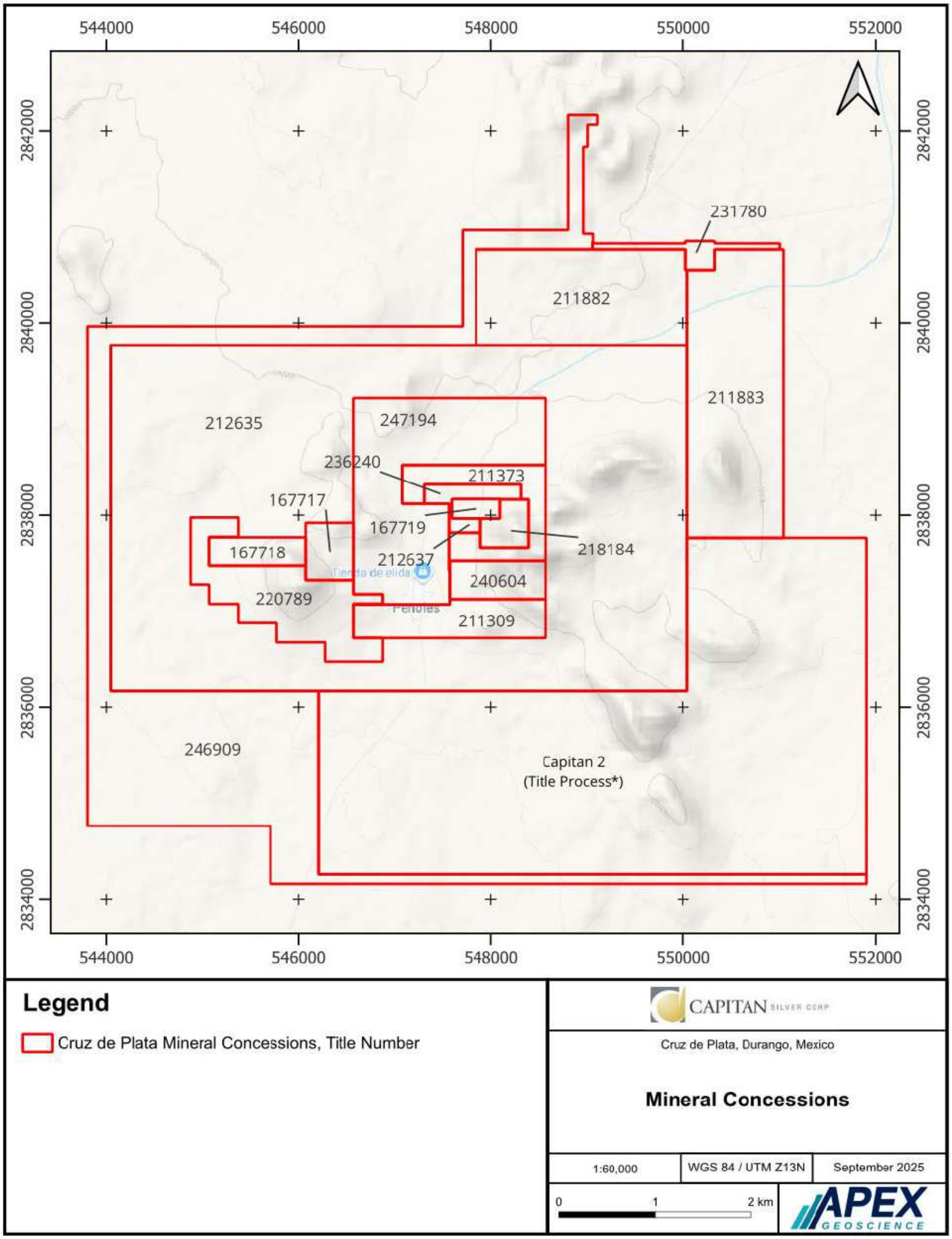
Table 4.1 Cruz de Plata mineral concession details.

Mineral Concession	Title	Granted Date	Expiry Date	Area (ha)	Title Holder	Legal Status
Jesús María	167717	1980-12-05	2030-12-04	30.00	Ríos de Suerte	Valid
Primera Ampliacion de Jesús María	167718	1980-12-05	2030-12-04	30.00	Ríos de Suerte	Valid
San Rafael	167719	1980-12-05	2030-12-04	10.00	Ríos de Suerte	Valid
La Feria	218184	2002-10-11	2052-10-10	20.62	Ríos de Suerte	Valid
Capitan	220789	2003-10-07	2053-10-06	128.10	Ríos de Suerte	Valid
Purísima	231780	2008-04-24	2058-04-23	19.25	Ríos de Suerte	Valid
Ampliacion San Rafael I	236240	2010-05-28	2060-05-27	21.85	Ríos de Suerte	Valid
Capitan 2	Title Process*			1,380.73	Ríos de Suerte	Title Process*
Pinchazo	246909	2020-06-05	2059-04-07	649.08	Ríos de Suerte	Valid
Casco U	247194	2000-04-28	2050-04-27	261.42	Minera Fresnillo	Valid
Peñoles 2000 Fracc. Uno	211309	2000-04-28	2050-04-27	75.54	Minera Fresnillo	Valid
Peñoles 2000	211373	2000-05-10	2050-05-09	67.74	Minera Fresnillo	Valid
Peñoles 2000-A	211882	2000-07-28	2050-07-27	219.64	Minera Fresnillo	Valid
Peñoles 2000-B	211883	2000-07-28	2050-07-27	293.96	Minera Fresnillo	Valid
Peñoles 2000-D	212635	2000-11-17	2050-11-16	1,474.90	Minera Fresnillo	Valid
Peñoles 2000-D Fraccion 2	212637	2000-11-17	2050-11-16	0.05	Minera Fresnillo	Valid
Peñoles	240604	2012-06-14	2062-06-13	39.53	Minera Fresnillo	Valid

Source: APEX (2025).

Note*: the Capitan 2 mineral concession is in the title transfer process as of the Effective Date of this Report.

Figure 4.1 Cruz de Plata mineral concessions.



Note*: the Capitan 2 mineral concession is in the title transfer process as of the Effective Date of this Report.

The centre of the Property is situated at approximately 547,885 m easting (E) and 2,837,297 m northing (N) in the Universal Transverse Mercator (UTM) system relative to Zone 13 of the World Geodetic System (WGS) 1984.

The Author and QP, Mr. Dufresne, did not independently verify the legal status of the Cruz de Plata mineral concessions. According to a legal title opinion report prepared by Miguel Romero Gonzalez of the firm Calderon, Gonzalez and Asociados, located in Mexico City, Mexico, and dated October 14, 2025, all concessions (except for concession Capitan 2) forming the Property are valid, in force and effect, and are in good standing with respect to general legal status and compliance. As of the Effective Date, title has not been issued for mining concession Capitan 2.

4.2 Royalties and Agreements

4.2.1 Plan of Arrangement

Capitan was part of a plan of arrangement (the "Arrangement") to reorganize Riverside Resources Inc ("Riverside"). On April 1, 2020, Riverside received shareholder approval for a strategic reorganization of its exploration business. In connection with the reorganization, the Company completed the acquisition of its interest in the Cruz de Plata Property for CAD$3,500,000 to be paid by issuing 17,500,000 common shares to Riverside. Riverside would then complete a share capital reorganization whereby it will spin-out Capitan's shares to Riverside's shareholders.

On August 14, 2020, Riverside completed the Arrangement to spin out the shares of Capitan to the shareholders of Riverside, resulting in Capitan holding 100% interest of the gold-silver resource at the Property. Pursuant to the Arrangement, holders of common shares of Riverside received one new common share of Riverside (each, a "Riverside Share") and 0.2594 of a Capitan share (each, a "Capitan Share") for each common share held. The fair value of consideration paid pursuant to the Arrangement consisted of 17,500,000 Capitan's common shares with a value of CAD$3,500,000 and was allocated to the Cruz de Plata Property.

The Property has a 1% royalty owned by Riverside which was created as part of the asset spinout in 2020. Capitan has the contractual option to purchase and retire the Riverside royalty for CAD$250,000 at any time (Capitan Silver, 2025a).

This Agreement is related to the following concessions, totalling 889.65 ha: "La Feria" 218184, "Capitán" 220789, "La Purísima" 231780, "Red 3 Capitan 1" 245768 (Currently "Pinchazo" 246909 due to a reduction of its surface), "Jesús María" 167717, "First Extension Jesús María" 167718, "San Rafael" 167719 and " Extension San Rafael I" 236240. The Agreement also includes Aplication "Capitan 2" file number 25/38845.

4.2.2 Altiplano Purchase Agreement

On January 10, 2022, and as amended on March 1, 2022, the Company entered into an option agreement to acquire all outstanding net smelter return royalties (NSRs) on select mining claims from Exploraciones del Altiplano, S.A. de C.V. ("Altiplano"), a private Mexican exploration company (the "Royalty Purchasers"). The royalties covered several targets including Capitan and Jesús María. This included a 2% NSR on the Capitan Hill claims, 0.75% on claims covering the Jesús María, San Rafael, Pinchazo and Capitan 2 targets, and 0.5% on third-party claims surrounding these targets. The total consideration for the transaction is USD$1,000,000, of which USD$550,000 was paid in cash and USD$450,000 in common shares of the Company to be issued over 2 years. The Company would also retain a right of first refusal ("ROFR") on any shares distributed to

Altiplano as consideration (Capitan Silver, 2025a). The January 2022 transaction details are presented in Table 4.2.

Table 4.2 Altiplano January 2022 purchase agreement transaction details.

Due Date	Cash (USD$)	Common Shares in Value (USD$)
Upon the closing date (January 11, 2022)	$100,000 (paid)	-
On or before the first anniversary of the closing date (January 11, 2023)	$150,000 (paid)	$150,000 (issued)
On or before the second anniversary of the closing date (January 11, 2024)[1]	$300,000	$300,000

Note 1: On April 1, 2024, an amendment agreement was made with Altiplano, wherein the third payment and share issuance is replaced by the transaction details in Table 4.3

Source: modified from Capitan Silver (2025a)

On April 1, 2024, an amendment agreement was made with Altiplano, wherein the third payment and share issuance is replaced by the transaction details in Table 4.3.

Table 4.3 Altiplano April 2024 amendment agreement transaction details.

Due Date	Cash (USD$)	Common Shares in Value (USD$)
Within five business days of the execution and delivery of the agreement	$87,500 (paid)	-
On or before 6 months following the effective date (October 1, 2024)[1]	$100,000	$100,000 (issued)
On or before 12 months following the effective date (April 1, 2025)[2]	$150,000 (paid)	$150,000 (issued)

Source: modified from Capitan Silver (2025a)

Note 1: On November 4, 2024, an amendment agreement was made with Altiplano, wherein the second payment is replaced by the transaction details in Table 4.4.

On November 4, 2024, an amendment agreement was made between the Company and Altiplano, wherein the second payment is replaced by the transaction details in Table 4.4.

Table 4.4 Altiplano November 2024 amendment agreement transaction details.

Due Date	Cash (USD$)
As of November 4, 2024	$34,000 (paid)
On or before December 2, 2024	$33,000 (paid)
On or before January 2, 20251	$33,000 (paid)

Source: modified from Capitan Silver (2025a)

Note 1: During the period, Altiplano approved the extension of the payment date, and the Company settled this payment upon the closing of the most recent private placement.

A Termination and Settlement of Royalty Agreement with Altiplano was notarized July 15th, 2025, related to the following concessions: "La Feria" 218184, "Capitán" 220789, "La Purísima" 231780, "Red 3 Capitan 1" 245768, "Jesús María" 167717, "First Extension Jesús María" 167788, "San Rafael" 167719, "Extension San Rafael I" 236240, and "Pinchazo" 246909 (Capitan Silver, 2025b; Gonzalez, 2025).

4.2.3 Minera Fresnillo Option Agreement

On November 25, 2022, the Company executed an option agreement with Minera Fresnillo, a wholly owned subsidiary of Fresnillo plc, to acquire a 100% interest for certain mineral concessions at the Cruz de Plata Property. The mineral concessions included: "Peñoles 2000" 211308, "Peñoles 2000-C" 212682 and "Peñoles 2000-D fraction I" 212636, for a period of three years, with an option to purchase. These concessions were subject to a merger which result in concession "Casco U" 2417194 with a surface of 261.42 ha.

The terms of the option agreement include the right to explore and an option to acquire 100% interest in the mineral concessions for total payable amount of USD$1,000,000 over the three-year period. In the event the Company acquires 100% interest, Minera Fresnillo will maintain a 1% NSR which the Company can buy-back for USD$1,000,000 (Capitan Silver, 2025a). The transaction details are provided in Table 4.5.

Table 4.5 Minera Fresnillo November 2022 option agreement transaction details.

Due Date	Cash (USD$)
Upon the closing date (November 28, 2022)	$50,000 (paid)
18 months from the date of signing (May 28, 2024)[1]	$156,300 (paid)
On or before the second anniversary of the closing date (November 28, 2024)	$150,000 (paid)
30 months from the date of signing (May 28, 2025)	$150,000
On or before the third anniversary of the closing date (November 28, 2025)	$500,000

Source: modified from Capitan Silver (2025a)

Note 1: On November 29, 2023, an amendment agreement was established with Minera Fresnillo, extending the second payment date to May 28, 2024.

4.2.4 Minera Fresnillo Definitive Agreement

On June 9, 2025, Capitan announced that it had entered into a Letter of Intent ("LOI") with Minera Fresnillo to acquire seven mineral concessions totalling 2,171.4 ha located immediately adjacent to and the Property (Capitan Silver, 2025c). The concessions include: "Peñoles 2000" 211308, "Peñoles 2000 Fracc. Uno" 211309, "Peñoles 2000-A" 211882, "Peñoles 2000-B" 211883, "Peñoles 2000-D" 212635 and "Peñoles 2000-D fracción 2" 212637.

On August 21, 2025, Capitan executed a definitive agreement with Minera Fresnillo to acquire the seven mineral concessions. The price of the transaction was USD$4.0 million, in two installments: USD$2.0 million, that was due and has been paid upon execution of the definitive agreement ("Closing") and USD$2.0 million payable on or before the second anniversary of the Closing. There are no royalties or share payments for this transaction (Capitan Silver, 2025d).

4.2.5 Temporary Occupation Access Agreement

Regarding the concessions owned by Ríos de Suerte, Capitan holds the right to use the surface land for mining activities. This is based on the Assignment of Rights Agreement, by which RMM Exploración, S.A.P.I de C.V. assigned all rights derived from the Temporary Occupation Agreement entered into with the "Peñoles Ejido", the local agrarian community. This primary agreement is valid until April 14, 2030, and contains terms allowing the contract to be consecutively extended for additional equal periods.

In addition, Capitan holds the right to use the surface lands located within the Peñoles Ejido to conduct mining activities, based on the Temporary Occupation Agreement signed between Ríos de Suerte and the Peñoles Ejido, valid until November 28, 2025 (Gonzalez, 2025).

To complete exploration work in other areas of the Property, Capitan will need to negotiate access agreements with the surface right holders.

4.3 Mining Law

The mining industry in Mexico is controlled by the Secretaría de Economía – Dirección General de Minas in Mexico City. Mining activities are governed by the Mexican Mining Law and its Regulation (collectively, the "Mining Law"), as well as Article 27 of the Mexican Constitution. Mining concessions may be held by Mexican nationals or companies incorporated under Mexican law, and surface rights remain distinct from mineral rights. Construction of processing facilities requires additional governmental approvals.

A mining concession grants its holder the exclusive right to explore and extract specified mineral substances within a defined area. Historically, concessions were issued for a 50-year term with the possibility of a further 50-year renewal, and holders could freely transfer their rights subject only to registration with the Public Registry of Mining. Private parties also traditionally carried out all exploration work directly.

Significant amendments to the Mining Law and related statutes were enacted on May 8-9, 2023, introducing material changes to concession terms, the application process, and several related environmental and social requirements. Under the amended regime, new concessions are awarded through a public bidding process and require confirmation of water availability, as well as completion of all required environmental, labour, and social authorizations, including expanded Indigenous and public consultation processes. Concessions are now issued for specific mineral substances, granted for a 30 year term, and renewable once for up to 25 years. Transfers require prior approval from the Secretaría de Economía. These revised concession terms apply to new concessions; concessions granted prior to the 2023 amendments retain the original 50 year term set out in their titles, and holders may continue to seek the corresponding 50 year renewal in accordance with those legacy provisions. Concessions granted to Mexican government-owned entities have an indefinite term and are non-transferable. In addition, concessions may be used as collateral only if the associated mining operation is in production.

The 2023 amendments also eliminated the preferential status previously afforded to mining activities with respect to land access. Concession holders must now negotiate surface-rights agreements directly with landowners, rather than being entitled to request access by statutory preference.

Another major effect of the 2023 amendments is that the Mexican government now exercises primary control over exploration activities. Exploration in areas not already under concession has been assigned exclusively to the Servicio Geológico Mexicano ("SGM"). Private parties may no longer freely explore open ground but may submit geological information to the Ministry of Economy for consideration in initiating a bidding process or entering into a collaboration agreement with SGM.

To maintain a concession in good standing, holders must demonstrate exploration or exploitation work in accordance with the Mining Law and pay semi-annual mining duties based on the area of the concession, as set out in the Federal Duties Law. Acceptable evidence of work includes qualifying exploration expenditures, development activities, or production of economically utilizable minerals, depending on the stage of the concession. Failure to meet work requirements or pay duties may result in cancellation, but only after written notice from the Secretaría de Economía and expiry of a specified cure period. Additional charges apply when a concession remains inactive for extended periods, increasing after defined time thresholds.

Mining companies are subject to annual federal mining duties, which were increased effective January 1, 2025, and now include: (i) an 8.5% special mining duty on adjusted operating profit from extraction activities, and (ii) a 1.0% extraordinary duty on gross revenues from sales of gold, silver, and platinum.

Multiple constitutional challenges to the 2023 amendments were resolved in 2025, when the Mexican Supreme Court of Justice upheld the validity of the reforms. The amended Mining Law therefore remains in full force and effect.

4.4 Environmental Liabilities, Permitting and Significant Factors

4.4.1 Permitting

Article 27 of the Mexican Constitution establishes that natural resources are part of the nation's heritage and, therefore, the Federal Government is responsible for the regulation of resource management. Although the Mining Legislation for Mexico emanates from Article 27, there are many secondary laws that complement the regulatory framework.

At the federal level, the unit authorized to generate, apply, supervise and monitor compliance with environmental regulations is the Ministry of Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales; “SEMARNAT”). Additional organizations related to monitoring mining and exploration activity, include:

- National Water Commission (Comisión Nacional del Agua; “CONAGUA”).
- National Commission of Natural Protected Areas (Comisión Nacional de Áreas Naturales Protegidas; “CONANP”).
- Federal Attorney for Environmental Protection (Procuraduría Federal de Protección al Ambiente; “PROFEPA”).

The state-level agencies in Durango, Mexico, are organized as secretariats, similar to the federal government. The most relevant ones for mining and environmental matters include Secretariat of Natural Resources and the Environment (Secretaría de Recursos Naturales y Medio Ambiente) and the Secretaríat of Economic Development (Secretaría de Desarrollo Económico).

To commence exploration at a property, a company may be required to complete necessary studies in accordance with SEMARNAT, including an environmental impact evaluation, an environmental impact assessment, a preventive report, or a change in the use of land authorization.

On April 2, 2025, Ríos de Suerte was granted permission by the environmental authority via an official letter (OR/130/GA/0405/2025) to conduct exploration activities at the Cruz de Plata Property, provided that the nature of the work does not trigger an environmental impact assessment (Gonzalez, 2025).

4.4.2 Environmental Liabilities

Historical workings from previous mining exist at Cruz de Plata. From 2010 to 2012, several of the old tailings and waste dumps were processed and removed down to the underlying soil or bedrock. The historical underground mines are currently flooded to their upper working levels. While the local Ejido used some of the mine water for agricultural purposes, it was not used for human consumption, and dust contamination has not been reported as an issue in the past. The Author and QP, Mr. Dufresne, is not aware of any other environmental liabilities that would affect access, title, or the ability to perform work on the Property.

4.4.3 Significant Factors

The Author and QP, Mr. Dufresne, is not aware of any other significant factors or risks that would affect access, title, or the ability to perform work on the Property, other than the requirement to obtain permission and negotiate surface access agreements from the surface right holders to conduct exploration work outside of the primary target areas.

5 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

5.1 Accessibility

Cruz de Plata is located in the Altiplano Sub province of the Sierra Madre Occidental (SMO), in the vicinity of Peñoles, San Pedro Gallo in the state of Durango, Mexico. The centre of the Property is located approximately 182 km north-northeast of Durango and 52 km north of the town of Rodeo in the Municipality of San Pedro del Gallo.

The Property is accessible from the neighboring state of Coahuila, via the international airport in the city of Torreon, which has regular flights from Mexico City and Dallas, Texas. From Torreon, the Property is a 158 km drive via Highway 49 and Highway 30, taking approximately 2.5 hours. To reach the site, travel on Highway 30 towards Santo Domingo. From there, turn south onto a gravel road that leads directly to the Property area (Figure 5.1).

5.2 Site Topography, Elevation and Vegetation

The state of Durango is marked by the crossing of the SMO on its western side. Towards the east, the topography is marked by minor mountain ranges and flat lands that form the foothills of the SMO; also known as the valley region of Durango. The Property consists of two distinct topographic zones: a central area of low hills with a maximum relief of 100 m, surrounded by a flat-lying apron. Absolute elevation across the Property ranges from 1,875 to 2,000 m above mean sea level (Instituto Nacional de Estadística y Geografía, 2022). Numerous intermittent streams dissect the landscape, creating a fan-like drainage pattern that flows away from the central hills.

Vegetation in the area consists of various species of cactus, mesquite, and other thorny bushes, mixed with pastureland. Minor agriculture zones are located south of the settlement of Peñoles (Instituto Nacional de Estadística y Geografía, 2022).

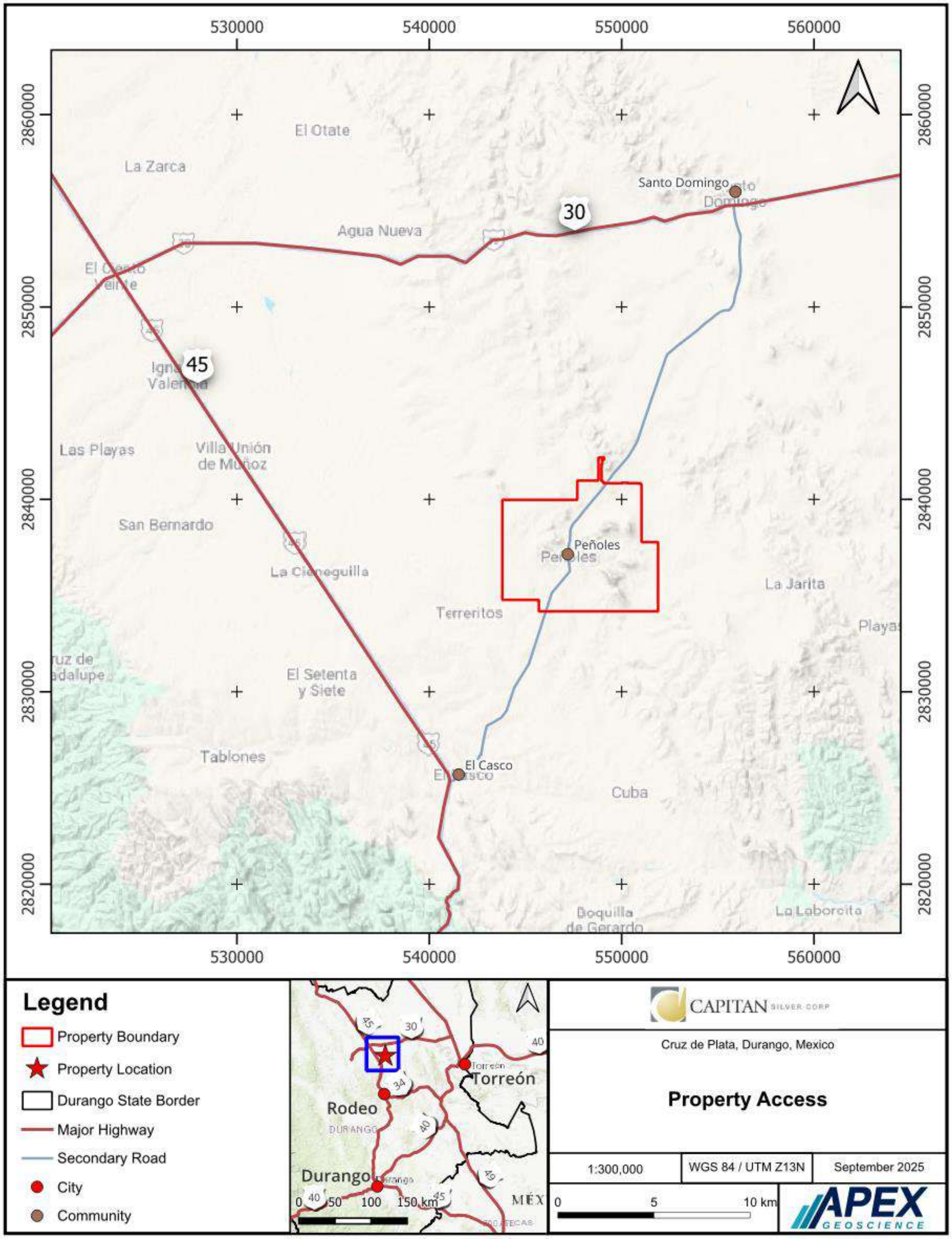
5.3 Climate

The valley region has an arid to semiarid climate with significant diurnal temperature variation. This results in cold winters with icy nights and warm summers. Average annual temperatures are approximately 17 degrees Celsius (°C), and the area receives about 300 to 400 millimetres (mm) of rainfall per year (Instituto Nacional de Estadística y Geografía, 2022). Exploration and mining work can be conducted year-round.

5.4 Local Resources and Infrastructure

The Property is accessible year-round from both Durango and Torreon. Highways 30 and 45 are paved and in good condition, providing a reliable connection to the national road network. While power lines service the community of Peñoles, they are only usable for small-scale mining operations; power sources for more demanding development require further study.

Figure 5.1 Cruz de Plata Property access.



The settlement of Peñoles, located between concessions, has been used as a camp for past exploration campaigns, providing facilities for core logging, storage, and housing, as well as a source for local labor. More skilled workers and supplies would need to be sourced from the larger cities of Torreon or Durango. The mining activities in Durango, particularly at the Velardena-Peñoles Mine 160 km to the south, provide access to a pool of qualified, skilled workers.

Potential groundwater water sources exist in the Quaternary gravel basins, which were formed by basin-and-range faulting.

In the opinion of the Author and QP, Ms. Clarke, the Property is of sufficient size to accommodate any potential exploration and mine infrastructure requirements, including potential tailings storage areas, waste disposal areas and processing sites.

6 History

Information in this section is largely sourced from previously written technical reports by Strickland and Sim (2020) and Whiting et al. (2015), and references therein. The Author and QP, Ms. Clarke, has reviewed these sources and considers them to contain all the relevant historical information regarding the Property. Based on the review of the available literature and data, the Author takes responsibility for the information herein.

Portions of the Property have been explored throughout its history; however, prior to the involvement of Riverside and the Company, the Property had not been consolidated into a coherent exploration package.

6.1 Summary of Prior Ownership and Historical Exploration

6.1.1 Early History

Mining and exploration in the Peñoles district date back to the 1880s when Minera Industrias Peñoles (Minera) acquired the Jesús María, Nuestra Señora del Refugio, and San Rafael mines near the town of Peñoles in 1887.The mines were operated by Minera until 1890, at which point the Jesús María (Ag-Pb-Zn) and San Rafael (Ag) deposits were reportedly exhausted. Although the full extent of the historical mine workings is unknown, subsequent mining appears to have been selective and was largely limited to within approximately 100 m from the surface. Minera still exists today and continues to hold mining claims in the area. The property package may have been held by Compania Minera de Peñoles, remaining inactive for almost 100 years until 1991; however, this has not been confirmed.

Mining commenced from 1991 to 1993 on the San Rafael mine dumps by Vincent Aguirre who operated a small 100 t/d operation. The land holdings lapsed and were then acquired by Jose Guerrero Legoretta. In 2003, geological information on map sheet G13-D22 was published by Consejo de Recursos Minerales containing a reference to sampling at Jesús María in 1960. In the same year, La Plata Gold (La Plata) signed an option agreement with Jose Guerrero to acquire 100% of the Jesús María and San Rafael Au-Ag exploration properties.

6.1.2 Post 2004

Modern exploration of the Property began in 2004 when Aurcana Corporation (Aurcana) completed a four-hole diamond drilling (DDH) program focused on the Capitan Hill and San Rafael mineralized zones. Exploration has continued off and on by several companies since then and has consisted of geological mapping, soil and rock sampling, channel sampling, DDH programs, geophysical surveys and metallurgical test work. A summary of prior ownership and work conducted on the Property is listed in Table 6.1, with detailed information provided in Section 6.2. An overview of historical rock sample gold and silver geochemistry is illustrated in Figures 6.1 and 6.2, respectively. An overview of historical trench sample gold and silver geochemistry is illustrated in Figures 6.3 and 6.4, respectively.

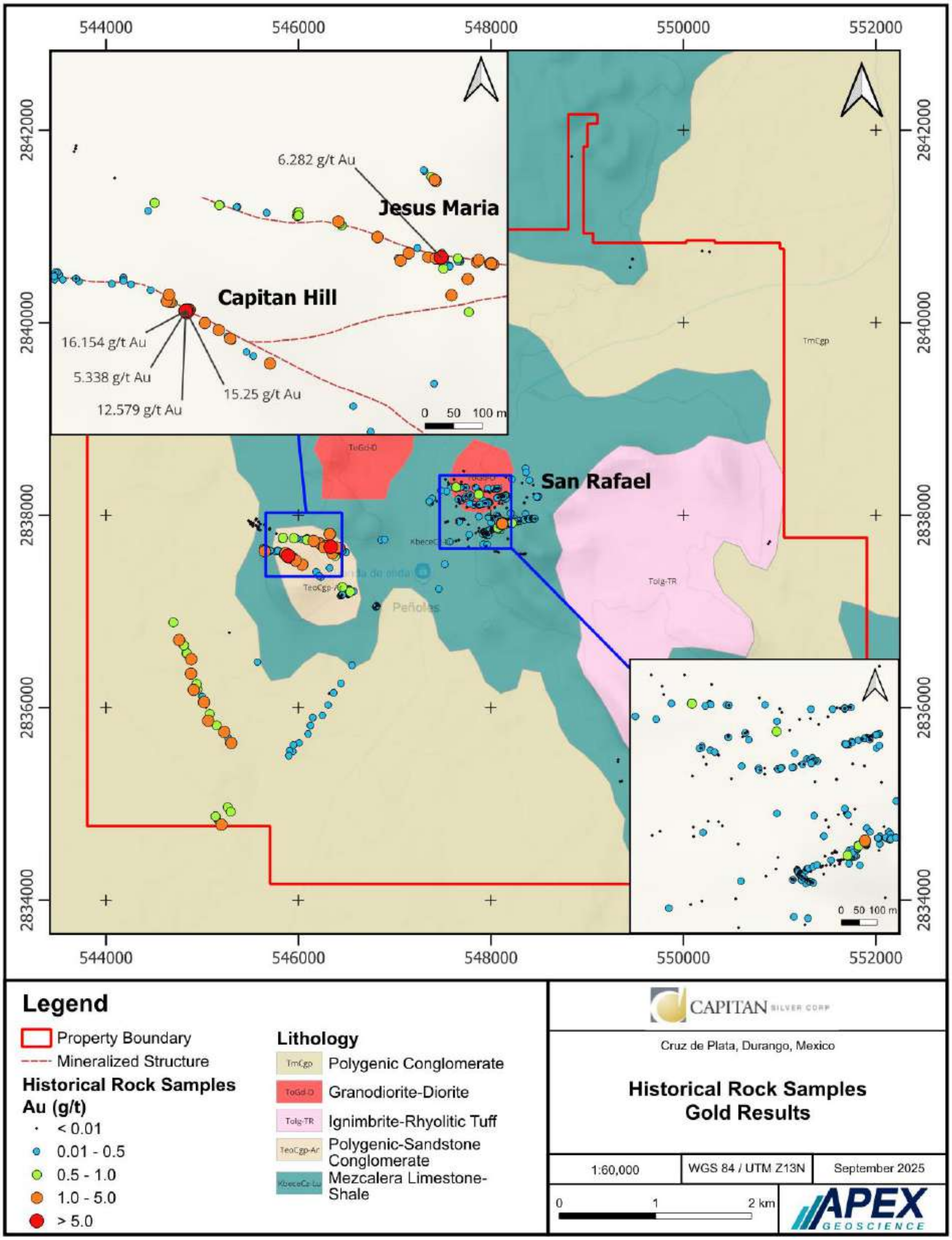
Historically, 100 DDH were completed at the Cruz de Plata Property by various operators between 2004 and 2020, totalling 18,064.4 m (Table 10.1). Historical drill collar locations are presented in Figure 6.5.

Table 6.1 Summary of ownership and historical exploration.

Year	Work Performed	Outcomes
Minera Industrias Peñoles		
1887-1890	Mining	Production at Jesús María and San Rafael
Vincent Aguirre		
1991-1993	Mining	100 t/d Ag mining operation of the San Rafael historical mining waste
Aurcana Corporation		
2004	Drilling	4 DDH, totalling 866.48 m
Riverside Resources Inc.		
2008-2011	Geophysics	IP-Resistivity of the Capitan Hill -Jesús María areas
	Trenching	4 trenches - Jesús María
	Drilling	5 DDH, totaling 967.6 m - Capitan Hill
Sierra Madre Developments Inc.		
2011	Trenching	7 trenches - Jesús María
	Drilling	1 DDH, totaling 289.75 m - Jesús María 18 DDH, totaling 2,210.1 m - Capitan Hill
2012	Drilling	22 DDH, totaling 2,890.40 m - Capitan Hill
	Mapping	Geological mapping
	Sampling	Soil sampling
2013	Trenching	9 trenches - Jesús María
	Sampling	Underground sampling
	Drilling	8 DDH, totaling 887.3 m - Jesús María
Morro Bay Resources Ltd.		
2014	Geophysics	IP survey - San Rafael
	Drilling	21 DDH, totaling 1,937 m - Jesús María 2 DDH, totaling 205.6 m - Capitan Hill 5 DDH, totaling 1,295 m - San Rafael
Riverside Resources Inc.		
2018	Other	Relogging historical drillholes, revising structural and geological interpretations
Fresnillo plc		
2018-2020	Drilling	14 DDH, totaling 6,766 m – El Refugio; El Tubo; Capitan Hill

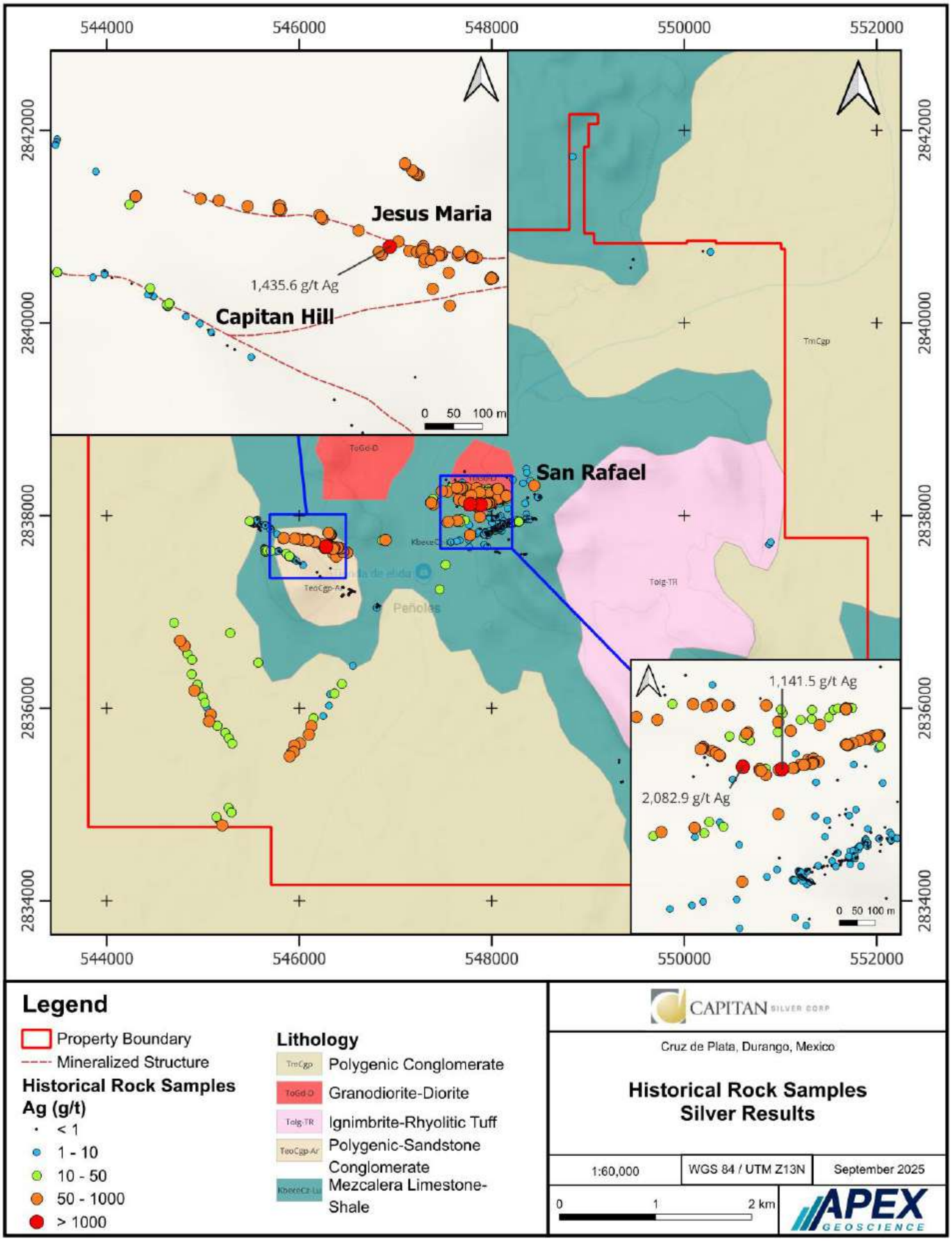
Source: APEX (2025)

Figure 6.1 Historical rock sample geochemistry (Au).



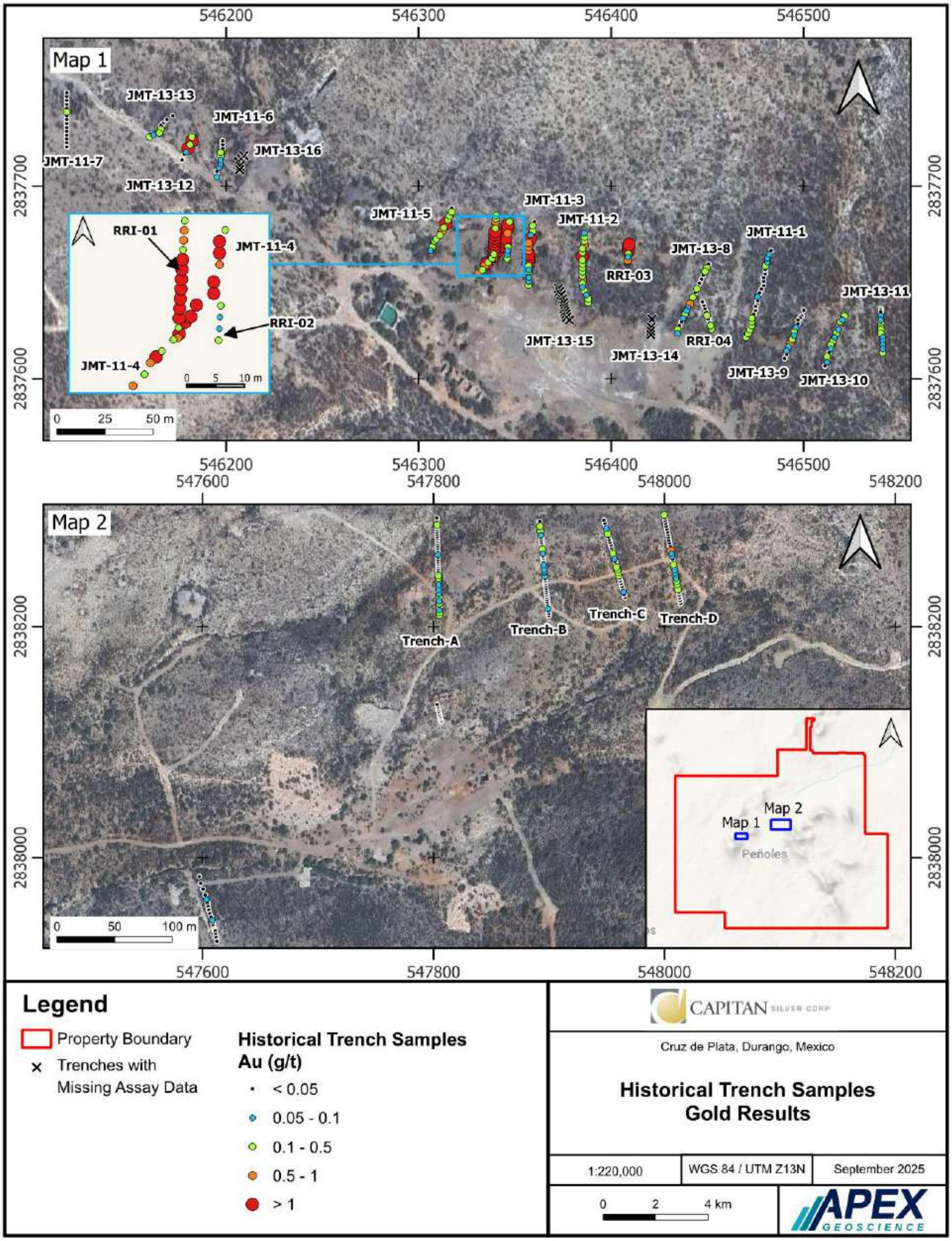
Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 6.2 Historical rock sample geochemistry (Ag).



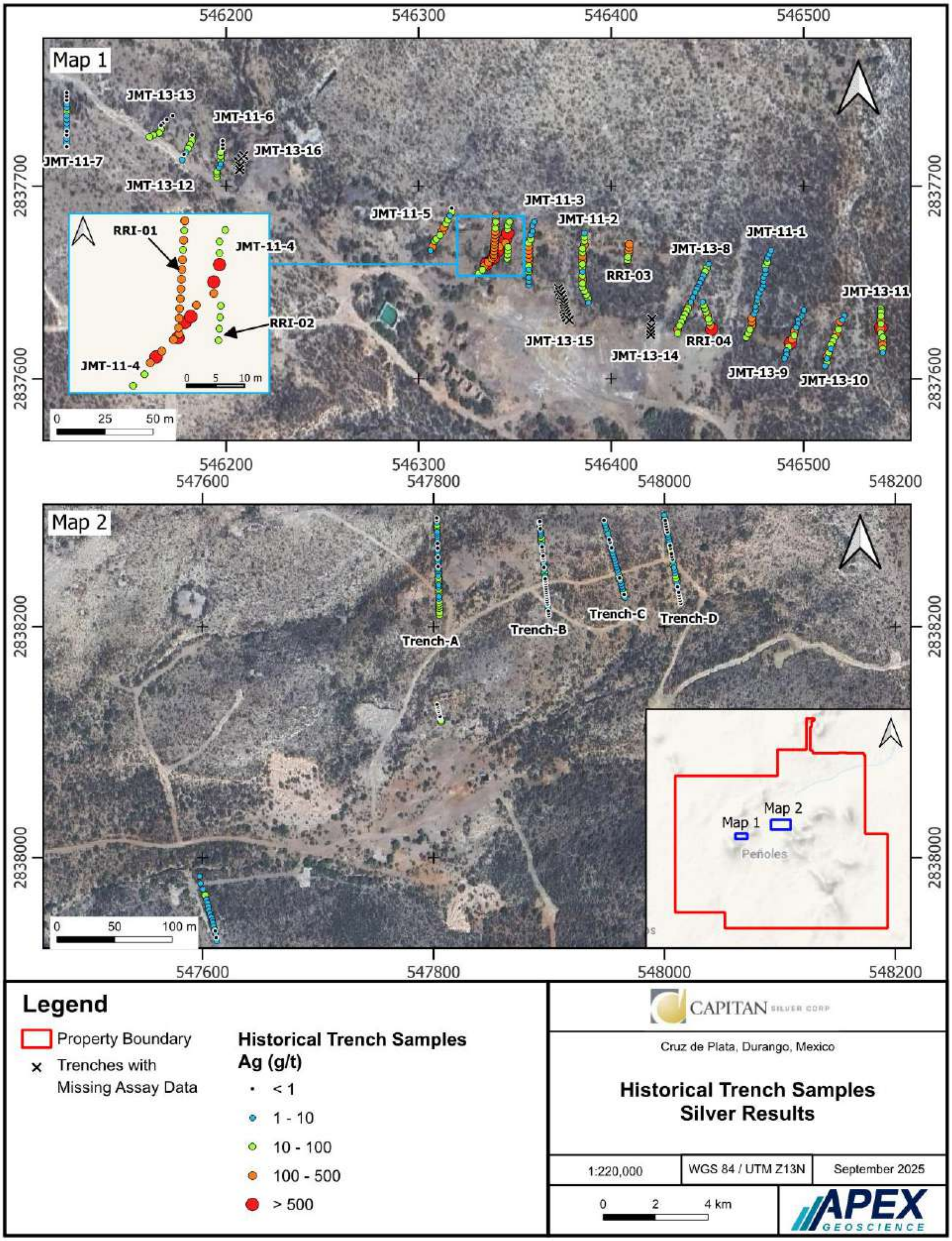
Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 6.3 Historical trench sample geochemistry (Au).



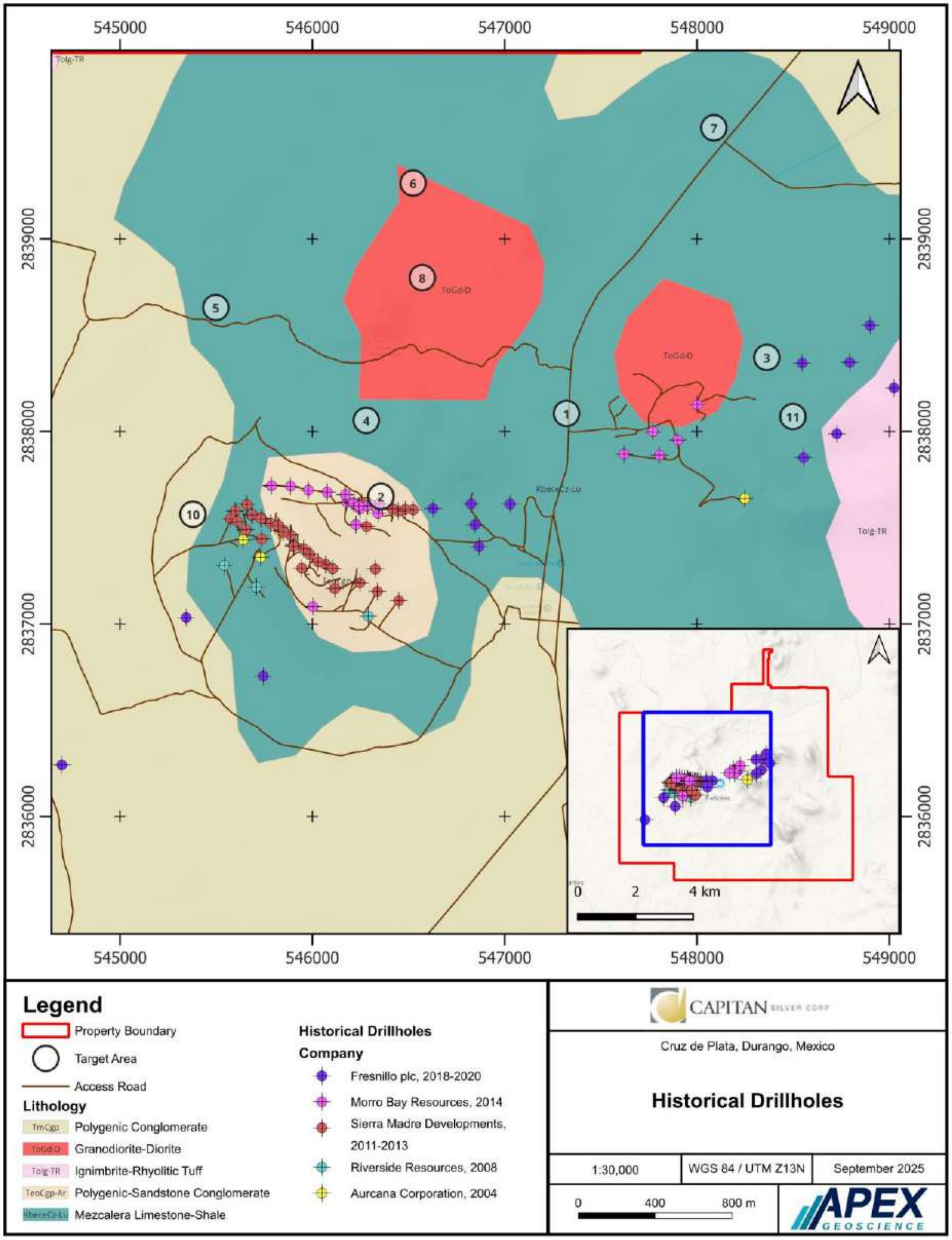
Source: APEX (2025)

Figure 6.4 Historical trench sample geochemistry (Ag).



Source: APEX (2025)

Figure 6.5 Historical drill collar locations.



Source: APEX (2025) after Servicio Geológico Mexicano (2025). Notes: 1) Jesús María silver trend (containing the Jesús María, Santa Teresa and San Rafael veins), 2) Gully Fault Zone, 3) Jesús María East trend, 4) San Rafael West, 5) Jesús María Northwest, 6) Casco Norte, 7) La Providencia, 8) Jesús María silver trend north, 9) La Purísima, 10) Capitan Hill gold deposit, and 11) El Tubo Hill gold target.

6.2 Exploration by Previous Companies

6.2.1 Aurcana Corp. (2004)

In 2004, Aurcana optioned the Jesús María and San Rafael properties from La Plata and signed an option agreement with Altiplano to acquire 100% of the Capitan Hill (then known as the El Capitan) property. Aurcana completed 4 DDH for a total of 866.48 m. Three of the four drillholes targeted Capitan Hill, with the results indicating that mineralization extended into the Tertiary volcanics and Cretaceous sediments, which lie above and below the quartz zone, respectively. Select drill results are presented in Table 6.2. There are no other known exploration records for Aurcana.

Table 6.2 Aurcana 2004 select drilling results.

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)
PE04-01	31.85	93.27	61.42	0.81
Including	76.2	80.77	4.57	6.4
PE04-02	125	190.5	65.5	0.17
PE04-04	78	147.52	69.52	0.31

Source: Strickland and Sim (2020)
Note*: Intervals represent core length. True width is unknown.

6.2.2 Riverside Resources Inc. (2008 to 2011)

Riverside Resources Inc. (Riverside) acquired the Property in 2008 and 2009 by purchasing the Altiplano and Guerrero Options in addition to staking two new mineral concessions. The Altiplano and Guerrero Options collectively covered the Capitan Hill target and the Jesús María and San Rafael mine workings for a total of 259.8 ha.

Exploration work from 2008 to 2011 by Riverside focused on the Jesús María, Capitan Hill and San Rafael mineralized zones and included geophysical surveys, trenching, and diamond drilling. Riverside also acquired the Capitan I and Purisima 1 concessions at this time, and reconnaissance prospecting was carried out on targets that were generated from an Aster alteration study. The results of this study were not available to the Author for review.

On behalf of Riverside, Zonge Engineering conducted a dipole-dipole time domain Induced Polarization survey (TDIP) (Myers et al., 2014). The survey covered a 1.2 by 1.8 km area over the Capitan Hill -Jesús María zones and identified a substantial chargeability anomaly at Jesús María that extended below the deepest drill intercepts. The chargeability high defined a strike length of more than 1.4 km and extended the mineralized horizon to a depth of 400 m below the surface.

Riverside excavated and sampled four trenches and completed five DDH totaling 967.6 m during this period. Trench and drilling results are summarized in Table 6.3 and 6.4, respectively.

Table 6.3 Select results of Riverside trench sampling.

Trench ID	Interval (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
RRI-01	22	1.08	224.98	2.45	1.74
	14.8	1.34	269.25	2.59	1.96
RRI-02	6.0	0.20	35.84	0.65	0.94
	1.3	0.46	14.3	0.01	0.46
RRI-03	8.3	1.68	144.5	2.38	2.19
	6.6	2.04	173.05	2.89	2.02
	1.7	5.08	228.5	4.97	0.23
RRI-04	14.9	0.10	123.64	0.08	0.34
	2.8	0.34	449.1	0.28	0.83

Source: APEX (2025)

Table 6.4 Select results of Riverside diamond drilling (2008).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)
CDDH-08-01	33.75	35.2	1.45	2.51
And	47	76.18	29.18	0.53
Including	61.9	71.7	9.8	1.07
CDDH-08-02	89.94	122.25	32.31	0.66
Including	102.25	105.3	3.05	1.84
Including	102.25	11.8	9.55	1.11
CDDH-08-04	182.65	189.5	6.85	0.27
Including	184.1	188.3	4.2	0.34
CDDH-08-05	71.13	72.65	1.52	0.99
And	176.5	217	40.5	0.22
Including	180.25	188	7.75	0.36

Source: Strickland and Sim (2020)
Note*: Intervals represent core length. True width is unknown.

6.2.3 Sierra Madre Developments (2011 to 2013)

In March 2011, Sierra Madre Developments Inc. (Sierra Madre) entered into an option agreement with Riverside to earn either a 51% or a 65% interest in the then named Peñoles Project (Peñoles Option Agreement).

In 2011, Sierra Madre conducted an exploration program which aimed to validate the conceptual deposit model first developed by Riverside and Aurcana, and to increase the density of pierce points within the Capitan Hill Deposit. Surface sampling, trenching and diamond drilling were completed to test the Jesús María target in addition to diamond drilling at Capitan Hill. Seven trenches and one DDH totaling 289.75 m were completed in the Jesús María mine area. Trench results are summarized in Table 6.5 and highlights from the Capitan Hill drill program are presented in Table 6.6.

Table 6.5 Select results of Sierra Madre trench samples, Jesús María.

Trench ID	Interval (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
JMT-11-01	12	0.24	140.03	0.17	0.12
JMT-11-02	36	0.35	66.6	0.29	0.68
	20	0.47	103.42	0.51	1.10
JMT-11-03	9.5	0.93	167.4	3.27	1.18
JMT-11-04	14.4	2.05	351.08	2.85	0.75
JMT-11-05	9.6	0.38	78.04	1.12	0.83
JMT-11-06	4.2	0.37	78.63	1.79	1.29
JMT-11-07	1.5	0.14	25.9	0.93	0.68
JMT-13-08	15.8	0.16	129.8	0.06	0.18
JMT-13-09	8.0	0.31	294.6	0.19	0.29
JMT-13-10	6.0	0.13	153	0.24	0.29
	2.0	0.49	288.6	0.08	0.07
JMT-13-11	15.4	0.15	420.8	0.42	0.29
JMT-13-12	2.2	0.84	31.4	0.21	0.65
JMT-13-13	7.2	0.17	67.6	1.05	3.91
JMT-13-14	2.8	0.10	32.5	0.02	0.07
JMT-13-15	20	0.24	30.8	0.03	1.32
JMT-13-16	6.4	0.14	90.3	2.27	2.07

Source: Whiting et al. (2015)

Drilling at Capitan Hill in 2011 included 18 DDH totaling 2,210.1 m and extended the strike length of the Main Zone to 700 m. Mineralized intervals greater than 70 m thick were intersected in several of the drillholes. Drillhole CDDH 11-07 intersected 0.410 grams per tonne (g/t) Au over 108.35 m core length. Drillhole CDDH 11-17 returned an average of 0.816 g/t Au over 88.40 m core length including an interval of 33.50 m with an average of 1.687 g/t Au (Table 6.6).

Table 6.6 Select Sierra Madre drilling results (2011).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)
CDDH-11-01	90.35	122.5	32.15	0.48
Including	105.2	108.9	3.70	1.04
CDDH-11-02	45.45	96.2	50.75	0.51
Including	62.6	77	14.4	1.08
Including	71	75.6	4.6	2.41
CDDH-11-03	35.35	126	90.65	0.60
Including	78.75	116.25	37.5	1.03
Including	91.5	97.9	6.4	1.9
CDDH-11-04	Abandoned, Poor Ground Conditions			
CDDH-11-05	2.3	68.8	66.5	0.20
Including	14.8	31.75	16.95	0.45
CDDH-11-06	28.35	79.85	51.5	0.14

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)
CDDH-11-06	110.75	155.5	44.75	0.18
CDDH-11-07	57.2	165.55	108.35	0.41
Including	57.2	71.15	13.95	0.62
Including	90.65	103.7	13.05	0.79
CDDH-11-11	Abandoned, Poor Ground Conditions			
CDDH-11-12	13.28	74.2	60.92	0.15
CDDH-11-12	170.15	194.4	24.25	0.24
CDDH-11-13	63.15	92.05	28.9	0.47
Including	64.85	85.7	20.85	0.50
Including	64.85	68.1	3.25	0.92
CDDH-11-14	77.7	114.8	37.1	0.69
Including	90.35	103	12.65	1.39
Including	94.55	99.6	5.05	2.09
CDDH-11-15	46.55	74.15	27.6	0.20
CDDH-11-15	91.8	131.15	39.35	0.22
CDDH-11-16	42.7	104	61.3	0.68
Including	61.7	76.1	14.4	1.52
Including	69.6	74	4.4	2.43
CDDH-11-17	43.4	131.8	88.4	0.82
Including	80.5	114	33.5	1.69
Including	95.95	104	8.05	2.41
Including	99.85	104	4.15	3.1
CDDH-11-18	64.05	97.9	33.85	1.4
Including	82.35	97.9	15.55	2.1

Source: Strickland and Sim (2020)

Note*: Intervals represent core length. True width is unknown.

Four potential target areas for gold and gold-silver mineralization were identified during a geological mapping program in the summer of 2012. To further investigate two geochemical anomalies discovered during a previous reconnaissance campaign, a soil sampling program was conducted. The soil grid consisted of 10 north-south oriented lines, spaced 200 m apart, with sampling complete at 50 m intervals. A total of 386 soil samples and 10 float samples were collected.

A second drilling program at Capitan Hill was completed in 2012 which consisted of 22 DDH totaling 2,890.40 m. Drilling in 2012 further infilled the Main Zone at Capitan Hill along strike and further expanded the mineralization window down-dip. Drilling in the west of Capitan Hill encountered poor ground conditions, and holes in this area were abandoned early. Significant intersections from 2012 drilling at Capitan Hill included 124.3 m core length at 0.61 g/t Au from 41.55 m in hole CDDH-12-13, and 130.2 m core length at 0.56 g/t Au from 0.95 m in CDDH-12-18.

In March 2013, Sierra Madre completed a second trenching program consisting of 9 trenches, a limited underground sampling program and an eight-hole, 887.3 m DDH program at the Jesús María target. Underground sampling was carried out over a strike length of approximately 50 m along the upper levels of the former Jesús María mine and along a 35 m crosscut that extends into the hanging wall of the mineralization exposed in the mine workings. Sampling results are summarized in Tables 6.7 and 6.8.

Table 6.7 Select Sierra Madre Jesús María underground sampling results.

Location	Strike Length (m)	Average Width (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq* (g/t)
23 m Level	50.6	1.71	1.22	268.87	3.72	2.56	528
31 m Level "B"	20.2	1.74	0.44	17.43	0.25	0.64	75

Source: modified from Whiting et al. (2015)

Note*: AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80.

Table 6.8 Select Sierra Madre Jesús María crosscut sampling results.

Location	Width (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq* (g/t)
23 m Level Hanging Wall	35.2	0.247	94.9	0.55	0.46	137

Source: modified from Whiting et al. (2015)

Note*: AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80.

Trench 2013-13 returned an average of 420.8 g/t Ag over a 15.4 m interval, including a 2.0 m interval that assayed 2,152 g/t Ag. Drillhole JM-DDH -13-06 returned 11.85 m core length averaging 320.3 g/t Ag, including a 0.9 m core length interval that returned 3,409.1 g/t Ag. Drillhole JM-DDH-13-07 intersected a 2.1 m core length interval that returned 279.5 g/t Ag and a 4.0 m core length interval that returned 532.9 g/t Ag. Drillhole JM-DDH-13-09 was drilled to intersect the western extension of the mineralized zone below the historical mine workings; the drillhole intersected several mineralized intervals. Select drilling intersections are presented in Table 6.9.

Table 6.9 Select Sierra Madre drilling results, Jesús María (2013).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
JM-DDH-13-02	79.00	91.25	12.25	0.16	70.1	0.25	0.41
JM-DDH-13-03	152.95	172.40	19.45	0.04	121.2	0.59	1.09
including	164.55	172.40	7.85	0.04	184.9	0.95	1.73
including	168.40	170.15	1.75	0.01	364.8	1.87	4.16
JM-DDH-13-04	29.65	30.60	0.95	0.73	260.5	0.14	0.13
and	49.20	51.10	1.90	0.20	120.9	0.04	0.08
and	71.90	79.00	7.10	0.11	47.6	0.38	0.62
JM-DDH-13-05	26.70	30.95	4.25	0.14	131.9	0.14	0.20
and	62.60	68.30	5.70	0.37	75.1	0.98	1.10
JM-DDH-13-06	20.35	30.80	10.45	0.14	85.3	0.05	0.21
and	68.45	80.30	11.85	0.17	320.3	1.30	2.26
including	79.40	80.30	0.90	0.36	3,409.1	3.42	7.12
JM-DDH-13-07	100.70	102.80	2.10	0.21	279.5	4.09	7.57
and	114.70	118.70	4.00	0.16	533	0.25	0.36
JM-DDH-13-08	22.30	28.30	6.00	0.39	74.4	0.06	0.10
and	42.30	43.40	1.1	0.05	138.7	0.02	0.05

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
and	62.45	68.65	6.2	0.06	50.8	0.07	0.10
and	70.20	79.70	9.5	0.79	40.5	0.70	1.35
JM-DDH-13-09	10.25	19.60	9.4	0.16	144.0	0.07	0.14
including	10.25	12.45	2.2	0.44	516.1	0.07	0.09
and	40.63	60.15	19.5	0.38	68.4	0.11	0.27
and	63.90	69.80	5.9	0.25	84.9	0.75	0.79
and	71.90	88.60	16.7	0.49	65.5	1.71	2.53

Source: Strickland and Sim (2020)
Note*: Intervals represent core length. True width is unknown.

On October 22, 2013, Sierra Madre and Morro Bay Resources Ltd. (Morro Bay) announced that they had entered into an arm's-length, non-binding letter of intent whereby Morro Bay would acquire all of Sierra Madre's interests in the Peñoles Project.

6.2.4 Morro Bay Resources (2014)

In January 2014, Morro Bay acquired all of Sierra Madre's interests, with Riverside as the program operator. The 2014 exploration program by Morro Bay was largely focused on the Jesús María and San Rafael prospects and included geological mapping, geophysical surveys, soil sampling, and diamond drilling.

An Induced Polarization (IP) survey in the San Rafael area was completed in September 2014 by TMC Geophysics (Myers et al., 2014). The survey detected a chargeability and resistivity anomaly at the southern end of the San Rafael survey area. Myers et al. (2014) suggested that the anomaly could indicate the presence of a larger sulfide zone or be associated with carbon flooding and disseminated pyrite, as strong carbon alteration was observed in the drillholes.

The 2014 diamond drill program included 21 DDH totaling 1,937 m at Jesús María, 2 holes at Capitan Hill totaling 205.6 m, and 5 holes at San Rafael totaling 1,295 m (Myers et al., 2014). Additional information is provided in Section 10 of this Report. Both holes at Capitan Hill were abandoned due to poor ground conditions. Select drilling results from Jesús María and San Rafael are presented in Tables 6.10 and 6.11.

Table 6.10 Select Morro Bay drilling results, Jesús María (2014).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
JM-DDH-14-10	18.9	59.5	40.6	0.54	123.9	0.07	0.14
Including	27.7	31.95	4.25	1.201	732.2	0.13	0.35
Including	40.95	43.25	2.3	1.291	194.8	0.42	0.31
Including	50.3	57	6.7	1.082	122.9	0.05	0.12
JM-DDH-14-11	81.3	93.3	12	0.284	42.6	0.61	1.13
JM-DDH-14-12	Did not encounter any significant mineralization						
JM-DDH-14-13	100.9	113.3	12.4	0.226	55.9	0.04	0.11
And	146.3	157.8	11.5	0.28	36.7	0.16	0.34
JM-DDH-14-14	41	58.65	17.65	0.122	123.3	0.94	0.78
JM-DDH-14-15	29	36.05	7.05	0.233	34.7	0.53	0.57

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
JM-DDH-14-16	36.05	38.4	2.35	0.187	53.9	1.16	1.02
JM-DDH-14-17	74.5	76.8	2.3	0.149	56.6	2.22	1.76
JM-DDH-14-18	56.3	60.8	4.5	0.064	50.9	0.78	0.72
JM-DDH-14-19	Did not encounter any significant mineralization						
JM-DDH-14-20	Did not encounter any significant mineralization						
JM-DDH-14-21	37.95	39.85	1.9	0.254	251.4	0.001	0.002
And	113.2	129.35	16.15	0.10	39.4	0.25	0.38
JM-DDH-14-22	28.9	59.55	30.65	0.178	41.4	0.03	0.11
Including	44.9	47.15	2.25	0.128	179.2	0.09	0.16
Including	54.15	57.1	2.95	0.938	138.4	0.14	0.29
And	70.45	93.05	22.6	0.346	26.4	0.40	0.61
JM-DDH-14-23	25.3	56.5	31.2	0.112	55.7	0.17	0.33
JM-DDH-14-24	52.65	123.45	70.8	0.37	147.8	0.03	0.08
Including	67.8	90.5	22.7	0.629	388.4	0.07	0.12
Including	101.9	107.35	5.45	1.474	144.2	0.11	0.06
JM-DDH-14-25	20.1	35.95	15.85	0.222	123.7	0.02	0.05
And	52.2	72.05	19.85	0.35	70.1	0.90	0.13
JM-DDH-14-26	11	17.25	6.25	0.176	304.6	0.04	0.06
And	33.65	50.2	16.55	0.453	54.5	0.65	0.78
Including	33.65	41	7.35	0.817	109.5	1.29	1.32
JM-DDH-14-27	1.95	39	37.05	0.395	125.05	0.12	0.13
Including	15.95	25.45	9.5	0.794	251.2	0.20	0.16
Including	29.95	37.1	7.15	0.482	190.1	0.24	0.16
JM-DDH-14-28	14.4	38.7	24.3	0.334	39.65	0.02	0.10
Including	32.1	36.55	4.45	0.297	122.5	0.04	0.27
JM-DDH-14-29	7.35	28.45	21.1	0.129	34.2	0.03	0.08
And	37.3	43.75	6.45	0.209	77.8	0.05	0.13
JM-DDH-14-30	16.8	56.9	40.1	0.188	55.2	0.05	0.12
Including	25.05	29.75	4.7	0.386	136.7	0.16	0.18
Including	41.5	45.25	3.75	0.259	164.4	0.14	0.14

Source: Strickland and Sim (2020)
Note*: Intervals represent core length. True width is unknown.

Table 6.11 Select Morro Bay drilling results, San Rafael (2014).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
SR-DDH-14-01	66.95	69.25	2.3	0.09	99.8	0.01	0.08
And	190.32	193.4	3.08	1.19	79.2	0.01	0.03
And	193.4	205.3	11.9	0.06	39	<0.01	0.02
And	214.3	223.7	9.4	0.06	46.9	<0.01	0.01
SR-DDH-14-02	Did not encounter any significant mineralization						
SR-DDH-14-03	94.6	96.1	1.2	0.04	50.1	<0.01	0.01
SR-DDH-14-04	55.7	57.7	2	0.03	63	<0.01	0.03
SR-DDH-14-05	123.3	126.7	3.4	0.1	53	<0.01	0.01
And	146.8	155.65	8.9	0.63	101	0.01	0.01
And	174.4	179	4.6	0.33	44.9	0.01	0.07

Source: Strickland and Sim (2020)
Note*: Intervals represent core length. True width is unknown.

6.2.5 Riverside Resources Inc. (2018)

Exploration conducted by Riverside in 2018 focused on relogging historical drillholes and revising structural and geological interpretations to support the identification of future drill targets. A review of the historical data suggested that high-grade silver mineralization associated with the La Chula structure in the Jesús María zone may continue at depth beneath the Capitan Hill deposit. Riverside interpreted northeast-southwest trending structures observed in the field to likely correspond to those intersected by drillholes. Although these structures are similar to the La Chula and have the potential to host mineralization, the lack of significant grade could indicate that mineralization is truncated by high-angle faults.

6.2.6 Fresnillo plc (2018-2020)

Between 2018-2020, Fresnillo Public Limited Company ("Fresnillo plc") conducted a drilling program on the Casco U Claim (title number 247194). The program focussed on the El Refugio zone along the Jesús María trend, El Tubo Hill which lies north-west of San Rafael, and Capitan Hill (Figure 6.5). The program consisted of a total of 14 DDH, totalling 6,766 m. The work involved diamond drilling near historical underground mine workings which targeted high-grade silver mineralization. Drilling highlights from the Fresnillo drilling campaign are reported in Table 6.12.

A total of 5 DDH for 1,930 m were completed at the El Refugio zone, located between the Jesús María silver trend and the Gully Fault zone. This drilling returned encouraging results and traced mineralization to approximately 400 m below surface (Capitan Silver, 2022). Core length drilling highlights from El Refugio include:

- JEMA-01: 0.290 g/t Au, 185.46 g/t Ag, 0.90% Pb, and 1.69% Zn at 248.4 m depth over 5.2 m.
- JEMA-02: 0.140 g/t Au, 55.02 g/t Ag, 0.24% Pb, and 0.60% Ag at 128.1 m over 29m, including 1.3 m of 0.430 g/t Au, 284 g/t Ag, 1.65 % Pb and 5.54 % Zn.
- JEMA-03: 0.050 g/t Au, 93.57 g/t Ag, 0.17% Pb, and 0.43% Zn at 88.7 m depth over 6.3 m.

- JEMA-05: 0.060 g/t Au, 35.40 g/t Ag, 0.19% Pb, and 0.57% Zn at 337.9 m depth over 11.9 m, including 1.2 m of 0.120 g/t Au, 157.00 g/t Ag, 1.08% Pb, and 3.30% Zn.

A total of 3 DDH for 2,154 m were completed at Capitan Hill, located at the south-west end of the Capitan Hill target. All the holes successfully intersected encouraging gold mineralization. Drilling highlights include 0.207 g/t Au, and 3.45 g/t Ag from CAPI-01 at 560.6 m depth and over 5.50 m core length.

Drilling at El Tubo included 6 DDH totalling 2,681 m. Core length drilling highlights from these holes include:

- SARA-01: 0.179 g/t Au, 2.15 g/t Ag, and 1.81% Zn at 58.1 m depth over 12.75 m, including 1.5 m of 0.500 g/t Au and 2.0 g/t Ag.
- SARA-03: 0.518 g/t Au, 9.00 g/t Ag, and 2.27% Zn at 145.2 m depth over 1.05 m.

Table 6.12 Select Fresnillo plc drilling results (2018-2020).

Drillhole	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
CAPI-01	560.60	566.10	5.50	0.207	3.45	0.36	0.34
and	576.80	582.00	5.20	0.192	2.68	0.38	0.34
CAPI-02	657.90	664.05	6.15	0.154	1.00	0.37	0.60
CAPI-03	422.35	424.25	1.90	0.245	1.00	0.44	0.90
JEMA-01	94.00	95.00	1.00	0.050	233.00	0.12	0.05
and	248.40	253.60	5.20	0.290	185.46	0.90	1.69
including	248.40	249.10	0.80	0.310	245.00	2.73	4.51
and	250.30	253.60	3.30	0.340	232.73	0.72	1.53
JEMA-02	128.10	157.10	29.00	0.140	55.02	0.24	0.60
including	154.20	155.50	1.30	0.430	284.00	1.65	5.54
and	165.80	166.20	0.30	0.080	344.00	0.11	0.24
JEMA-03	88.70	95.00	6.30	0.050	93.57	0.17	0.43
JEMA-04	139.60	144.30	4.70	0.080	54.48	0.75	1.17
JEMA-05	337.90	349.70	11.90	0.060	35.40	0.19	0.57
including	340.40	341.60	1.20	0.120	157.00	1.08	3.30
and	412.80	413.50	0.70	0.120	287.00	0.52	0.43
DPEN-01	112.00	123.90	11.90	0.133	1.00	0.10	1.25
including	121.70	123.00	1.30	0.516	1.00	0.09	1.48
DPEN-02	56.45	59.80	3.35	2.096	1.00	0.10	1.78
including	57.70	58.60	0.90	5.630	1.00	0.05	2.06
SARA-01	58.10	70.85	12.75	0.179	2.15	0.07	1.81
including	67.85	69.35	1.50	0.500	2.00	0.01	2.88
SARA-03	135.55	149.60	14.05	0.135	13.16	0.14	1.33
including	135.55	136.50	0.95	0.074	33.00	0.32	0.85
and	145.20	146.25	1.05	0.518	9.00	0.07	2.27

Source: APEX (2025) and Capitan Silver (2022)

Note*: Intervals represent core length. True width is unknown.

The Fresnillo plc drilling data were not included in the 2025 Capitan Hill MRE, which is detailed in Section 14 of this Report.

6.3 Historical Mineral Resources

A historical mineral resource estimate (MRE) has been estimated for the Capitan Hill Deposit (formerly referred to as El Capitan) and Jesús María mineralized zone of the Cruz de Plata Property. This historical MRE was initially reported in a technical report by Whiting et al. (2015), prepared for Morro Bay Resources and Riverside, with an effective date of March 2, 2015. The historical MRE was re-stated in a technical report by Strickland and Sim (2020), prepared for Riverside and the Issuer (as Capitan Mining) (Table 6.13). The historical MRE was based on diamond drilling conducted by Morro Bay and Sierra Madre between 2011 and 2014, and was completed by Robert Sim, P.Geo., of SIM Geological Inc.

The Author and QP, Ms. Clarke, is referring to the Capitan Hill and Jesús María historical MRE as a "historical resource" and the reader is cautioned not to treat it, or any part of it, as a current resource. The Author has not done sufficient work to classify the historical estimate discussed in this section as current Mineral Reserves or Mineral Resources. The historical resource summarized below has been included to demonstrate the mineral potential of the Cruz de Plata Property, and to provide the reader with a complete history of the Property. Since the effective date of this historical MRE, a substantial amount of drilling has been completed. A current Mineral Resource Estimate for Capitan Hill prepared in accordance with NI 43-101 and CIM guidance for the Property is presented below in Section 14 and supersedes this historical MRE.

Table 6.13 Summary of Capitan Hill and Jesús María historical Inferred Mineral Resource estimate (2015).

Zone	Tonnage (kt)	Gold (g/t)	Silver (g/t)	Contained Gold (koz)	Contained Silver (koz)
Capitan Hill	20,722	0.458	2.8	305	1,832
Jesús María	7,573	0.105	62.3	26	15,158
Combined	28,295	0.364	18.7	331	16,990

Source: modified from Strickland and Sim (2020)

The historical MRE includes Inferred Mineral Resources of 20,722 ktonnes at 0.458 g/t Au and 2.8 g/t Ag at Capitan Hill and 7,573 ktonnes at 0.105 g/t Au and 62.3 g/t Ag at Jesús María (Table 6.13). The historical resource was classified according to the CIM Definition Standards for Mineral Resources and Reserves (May 2014). The resource estimate was based on geological modeling in MinePlan® v15.6, using a nominal block size of 10 m x 5 m x 10 m, with the shorter blocks oriented roughly perpendicular to the east-southeast striking zones. The historical MRE for the Capitan Hill Deposit was based on results from 50 DDH totaling 7,004 m, while estimates for the Jesús María zone were based on results from 30 DDH totaling 3,114 m. Diamond drilling was conducted in the hanging wall of zones, with holes generally spaced at 40 m intervals and drilled to depths between 100 m and 200 m below surface.

Since the Jesús María zone and Capitan Hill Deposit were at a relatively early stage of evaluation with respect to drilling, some assumptions were made to generate the historical MRE based on the available data. Variogram modeling suggested that zones of continuous mineralization, above the base-case cut-off limits, could be inferred when drillholes are spaced no more than 150 m apart. Therefore, blocks within 75 m of a drillhole were included in the inferred resource estimate. The historical resources were not constrained within pit shells but mineralization within 150 m of the surface that is above the cut-off grade were included. No adjustments were made for recovery or dilution. The base-case cut-off grades, 0.25 g/t Au at Capitan Hill and 30 g/t Ag at Jesús María, were based on projected metal prices of $1,500/oz Au and $20/oz Ag.

A current MRE prepared in accordance with NI 43-101 and CIM guidance for the Property is presented below in Section 14 and supersedes this historical MRE.

6.4 Historical Metallurgical Testing

Historical metallurgical test work was conducted on samples from the Capitan Hill Deposit in 2011 and 2012-2013 (Sierra Madre), and the Jesús María mineralized zone in 2015 (Morro Bay). The results of this test work are discussed in the following reports:

1) Gold Recovery by Cyanide Leaching on Samples from Sierra Madre's El Capitan Project (October 2011) by Inspectorate Laboratory, now Bureau Veritas Minerals Laboratories (Bureau Veritas).
2) Metallurgical Testing on Samples from El Capitan Project, Mexico (August 2013) by Bureau Veritas.
3) Preliminary Metallurgical Testing to Recover Gold and Silver on Samples from the Jesús María Zone, Peñoles Project, Mexico (March 2015) by Bureau Veritas.

Information in this section has been largely sourced from a previous technical report written on the Property for the Company by Strickland and Sim (2020) and references therein. The Author and QP, Ms. Clarke, has reviewed these sources and considers them to contain all the relevant information regarding the historical metallurgical test work at the Property. Based on the Property visit and review of the available literature and data, the Author takes responsibility for the information herein.

6.4.1 Capitan Hill (2011)

In 2011, preliminary bottle roll testing was conducted on mineral samples obtained from 2008 drill core samples provided by Riverside from the Capitan Hill Deposit (Grcic, 2011).

A total of 28 cyanide bottle roll tests were conducted. The initial test work focused on sample #28 from DDH08-01 (assaying 1.06 g/t Au from 62.4 to 64.3 m) to determine its amenability to heap leaching. Bottle rolls were conducted at three particle sizes (¾-in., ½-in., and 6 mesh). The two coarser sizes achieved a gold recovery of approximately 30%, while the 6-mesh sample achieved 53% gold recovery after 96 hours of leach retention. Based on the leach kinetic curves, gold dissolution was expected to increase with additional retention time.

The program was expanded to include 25 more samples from drillholes 08-01, 08-02, and 08-03, all crushed to a 6-mesh particle size. Gold fire assays for these samples ranged from 0.04 to 2.2 g/t Au. Comparison of metallic gold assays with gold by fire assay on 1AT (assay tonne) split indicated that the gold particles did not appear to be coarse-grained. These additional tests resulted in gold recoveries of approximately 60%, with some high-grade samples achieving recoveries of up to 70 to 80%. The kinetic data indicated that leaching continued beyond the 96-hour retention time, with sodium cyanide consumption ranging from about 1.0 to 1.5 kg/t.

The preliminary testing indicated that the Capitan Hill samples respond favorably to cyanidation and might be amenable tor heap leach procedures.

6.4.2 Capitan Hill (2012-2013)

A series of standard bottle roll and column leach tests were conducted on 37 samples to determine if a heap leach process could economically recover gold and silver from the mineralized material from the Capitan Hill

Deposit. These tests were performed at varying crush or grind sizes and durations, as summarized in Table 6.14. Solution samples were taken at intervals to develop leaching time curves versus recovery. Coarse-crush, 82-day, column-leach tests were conducted; samples were agglomerated with cement and lime powder and then cured in the columns for 5 days. Solution samples were taken at intervals to develop leaching time curves versus recovery.

Table 6.14 Types of bottle roll tests, Capitan Hill (2012-2013).

Set	Crush/Grind Size (Approximately P80)	Duration of Test (hours)	NaCN (g/t)	pH	Per cent Solids
1	75 µm	48	1.0	10.5	40
2	1/2" to 5/8"	144	1.0	10.5	40
3	1"	216	1.0	10.5	40
4	90-165 µm	48	1.0	10.5	40

Source: Chen (2013)

Samples were combined into 14 composites representing six lithological groups: volcanics (V), hydrothermal flooded (F), sediments (S) and further subdivided into low (L), medium (M), and high (H) grade units based on their gold assay ranges. Before crushing, representative samples from each lithological group were removed for comminution testing, which included tests for Bond ball mill work index, crushing work index, and abrasion index. The head analyses for the composites are presented in Table 6.15.

Table 6.15 Composite head assays, Capitan Hill (2012-2013).

Element Unit	Au g/mt	S (tot) %	S (-2) %	Ag (g/t)	Ca %	Fe %
Comp VL	0.12	0.04	0.02	1.0	0.79	1.16
Comp VM	0.28	0.08	0.06	3.9	1.57	2.35
Comp VH	0.69	0.04	0.03	29.5	0.90	2.76
Comp FL	0.48	0.08	0.04	3.9	5.40	1.05
Comp FM	1.16	0.03	0.01	14.0	5.10	1.33
Comp FH	1.32	0.05	0.01	36.3	8.25	0.82
Comp SL	0.28	0.06	0.04	7.9	2.08	2.49
Comp SM1	0.46	0.04	0.01	5.0	2.58	2.05
Comp SM3	1.34	0.03	0.01	4.9	2.42	2.59
Comp SM2+4	0.49	0.05	0.02	245.0	2.36	1.87
Comp SH	2.72	0.07	0.04	11.9	1.98	3.00

Source: Chen (2013)

Bottle roll cyanide leach tests were conducted on a variety of grind and crush sizes, with optimum results achieved in samples ground to a P80 range of 60 to 120 µm. Table 6.16 presents an example of these types of results, showing a series of 37 bottle roll tests over a 48-hour period at a P80 grind size range of 61 to 116 µm. Extraction rates were generally above 90%, with only two samples returning recoveries as low as 85%.

Table 6.16 Bottle roll test results at medium grind, Capitan Hill (2012-2013).

Composite ID	P80 Size µm	Extraction (%) Au	Extraction (%) Ag	Residue Grade Au (g/t)	Residue Grade Ag (g/t)	Consumption (kg/t) NaCN	Consumption (kg/t) $Ca(OH)_2$
VL	88	97.5	-	0.01	-	0.73	0.3
VM	93	98.7	63.7	0.01	4.0	0.83	0.4
VH	78	99.5	63.7	0.01	6.7	0.82	0.7
FL	116	92.9	-	0.04	-	0.77	0.3
FM	94	93.3	17.8	0.09	19.2	0.77	0.2
FH	88	93.9	31.2	0.11	25.3	0.80	0.4
SL	86	98.8	60.1	0.01	3.3	0.74	0.6
SM1	102	94.4	-	0.03	-	0.70	0.3
SM3	77	98.3	-	0.01	-	0.75	0.5
SM	70	99.3	87.2	0.01	6.4	0.73	0.5
SH	85	96.9	41.9	0.04	6.7	0.65	0.9
SM2+4	61	86.9	61	0.05	107.2	1.64	0.4
FM2	67	90.1	41.9	0.13	8.2	2.53	0.3
SM2	86	96.6	35.1	0.05	6.3	2.57	0.4

Source: Chen (2013)

A series of 11 cyanide column leach tests, each running for 82 days, were conducted on various composite samples. Each test began with a cyanide solution that was maintained at a constant concentration. The solution was then fed through a small carbon column to recover the gold, after which the barren solution was recycled back into the main column.

At the end of the leaching period, the columns were washed to remove any remaining dissolved metals. The residue was then collected, air-dried, and sub-sampled to perform a size-assay analysis for a final metallurgical balance.

The gold extraction rates yielded from the column leach tests are presented in Table 6.17, with the best results coming from the sedimentary samples (55 to 58% Au extraction). Additional testing is recommended to determine the optimum crush sizes and operating parameters for each of the mineralization types.

Table 6.17 Cyanide column leach test results, Capitan Hill (2012-2013).

Col. No	Comp	P80 Size (mm)	% Au Extraction	Residue Grade Au (g/t)	Chemical Consumption (kg/t) NaCN	Chemical Consumption (kg/t) $Ca(OH)_2$
Volcanics (V)						
1	Comp VL	22.0	38.9	0.08	0.56	0.47
2	Comp VM+VH	23.4	38.1	0.28	0.67	0.36
3	Comp VM+VH	13.8	42.0	0.24	0.22	0.30
4	Comp VM+VH	6.2	48.1	0.18	0.41	0.30
Hydrothermal Flooded (F)						
5	Comp FL	14.1	12.5	0.46	0.37	0.30
6	Comp FM+FH	22.2	28.6	0.61	0.56	0.39
7	Comp FM+FH	12.2	16.8	1.08	0.36	0.31
Sediments (S)						
8	Comp SL	20.8	55.0	0.10	0.67	0.44
9	Comp SL	12.6	58.6	0.10	0.64	0.31
10	Comp SM+SH	21.3	25.7	0.49	0.23	0.30
11	Comp SM+SH	11.5	35.5	0.31	0.35	0.30

Source: Chen (2013)

Several composite samples were tested for hardness and abrasion using Bond ball mill work index, Bond crusher work index, and Bond abrasion index methods. The tested mineralized material samples had a relatively high work index and moderate crushability and abrasion index results.

In conclusion, preliminary testing on Capitan Hill samples shows they are amenable to agitated tank leaching, with an average gold recovery of 95% within 48 hours or less, at a P80 grind range of 60 to 120 µm. While coarse-crush results were lower, the initial data supports the potential for a heap leach process, though additional studies are required to confirm this.

6.4.3 Jesús María (2015)

In 2015, metallurgical test work was conducted on samples from the Jesús María mineralized zone. The test work was completed by Bureau Veritas on behalf of Morro Bay Resources and included the following mineral processing circuits: i) gravity concentration; ii) rough-scavenger flotation; and iii) whole-mineralized material cyanidation. All test work was performed at the nominal grind size of P80 = 75 µm for comparative purposes.

The samples were collected from mineralized intervals in drillholes DDH-14-24, DDH-14-25, and DDH-14-27, and were composited to provide six bulk samples for metallurgical testing (Table 6.18).

Table 6.18 Composite sample details and assays, Jesús María (2015).

Unit	Composite 1	Composite 2	Composite 3	Composite 4	Composite 5	Composite 6
Drillhole ID Interval (m)	DDH-14-24 67.8-79.0	DDH-14-24 79.0-90.5	DDH-14-25 20.1-36.0	DDH-14-25 56.8-67.8	DDH-14-27 13.7-25.5	DDH-14-27 25.5-37.1
Au g/t	0.28	0.84	0.23	0.30	0.59	0.38
Ag g/t	141	642	96	85	196	133
Cu g/t	171	958	144	1,923	189	131
Pb g/t	570	1,140	244	13,760	1,668	1,884
Zn g/t	1,248	1,730	517	19,414	1,588	1,461
S(tot) %	0.68	0.94	0.69	3.79	0.35	0.22
Mn g/t	16,809	19,141	8,253	1,115	21,317	36,763
As g/t	2,768	5,903	2,031	17,272	3,881	3,422
Sb g/t	145.0	650.5	82.4	355.8	274.7	188.0
Bi g/t	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5
SG g/cm³	2.64	2.59	2.60	2.80	2.60	2.73

Source: modified from Shi (2015)

Two-stage gravity concentration was conducted on six composites, which were ground to a nominal grind of P80=75 µm. A single-pass rougher gravity concentration was conducted in a 3-in. laboratory Knelson® centrifugal concentrator (Model KC-MD3) equipped with a 3-in. diameter bowl adjusted to a 120G gradient and using a water backpressure of 6.9 kPa (1 psi). The samples were each ground to target sizes in a laboratory mill at 65% solids. The feed was re-pulped to a pulp density of approximately 20% solids and run through the Knelson centrifugal concentrator.

The resulting Knelson gravity concentrate was then manually panned to simulate a gravity upgrading circuit. The final gravity cleaner concentrate, along with splits from the cleaner and gravity tails, were all fire-assayed for gold and silver for metallurgical balance. The results presented in Table 6.19 suggest there is very little coarse, free gold or silver in the samples.

A single baseline rougher-scavenger flotation test was conducted on each of the six composites at the P80=75 µm grind, with potassium amyl xanthate (PAX), Aerophine 3418A, and Aeroflot 242 used as mineral collectors. The results showed a wide range in gold recovery, from 54.6% to 94.6%, while silver recovery ranged from 75.2% to 98%. On average, the flotation process recovered 76.1% Au and 87.2% Ag into a sulfide concentrate that represented 33.3% of the mineralized material mass. The average flotation tailings graded at 0.16 g/t Au and 31 g/t Ag across all six samples. When Composite 2 was excluded due to its high head grade of 642 g/t Ag, the average tailings grade was 0.12 g/t Au and 18 g/t Ag (Shi, 2015).

Bottle roll cyanide leach tests were conducted on six composites for 72 hours at a P80=75 µm target grind, with pH and cyanide levels carefully maintained. The cyanide leach tests were conducted to determine the suitability of the mineralized material for cyanide extraction. Gold extraction for five composites ranged from 37.5% to 83.1%, while gold was partially refractory in Composite 4. Silver responded well, with average extractions of 78%. A partial correlation was observed, indicating that higher arsenic content in the feed was associated with lower gold and silver recoveries. Results of the cyanidation leach testing are presented in Table 6.20, with leaching process kinetics for gold and silver illustrated in Figures 6.6 and 6.7, respectively.

Table 6.19 Gravity separation test results, Jesús María (2015).

	Mass %	Assay Au (g/t)	Assay Ag (g/t)	Recovery % Au	Recovery % Ag	Mass %	Assay Au (g/t)	Assay Ag (g/t)	Recovery % Au	Recovery % Ag
Composite	Pan Concentrate					Total Gravity Concentrate				
1	0.09	21.0	3,755	6.6	2.6	2.9	2.4	967	24.2	21.6
2	0.09	21.8	50,473	2.5	7.7	3.4	4.2	6,642	18.1	37.7
3	0.08	5.7	4,857	1.8	4.1	3.1	0.9	643	11.9	21.3
4	0.10	4.6	572	1.3	0.8	4.3	2.1	86	27.2	5.2
5	0.06	7.2	2,356	0.6	0.8	3.2	1.3	607	6.5	11.8
6	0.08	10.6	2,832	2.1	1.7	3.1	1.1	436	8.9	10.9
Average	0.08	11.8	10,808	2.5	2.9	3.3	2	1,564	16.1	18.1

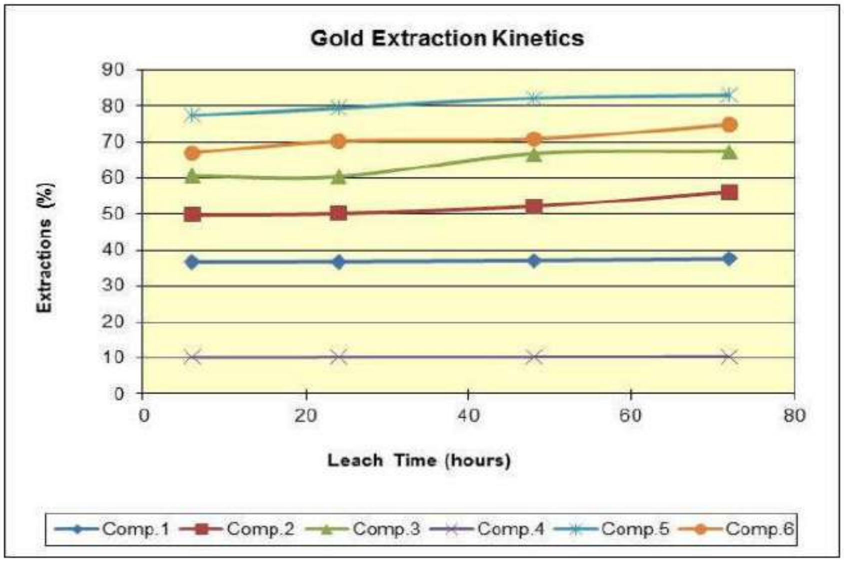
Source: Shi (2015)

Table 6.20 Cyanidation leach test results, Jesús María (2015).

Composite	Head Grade		72-h Extraction		Residue Grade		Consumption (kg/t)	
	Au (g/t)	Ag (g/t)	Au (%)	Ag (%)	Au (g/t)	Ag (g/t)	NaCN	Lime
1	0.28	141	37.5	84.3	0.18	24	4.12	0.17
2	0.84	642	56.1	78.0	0.40	159	3.79	0.21
3	0.23	96	67.4	90.9	0.09	10	2.45	0.22
4	0.30	85	10.5	66.8	0.33	33	2.59	0.20
5	0.59	196	83.1	67.5	0.13	70	2.43	0.37
6	0.38	133	74.9	80.3	0.12	29	3.03	0.30
Average	0.44	216	54.9	78.0	0.21	54	3.07	0.25

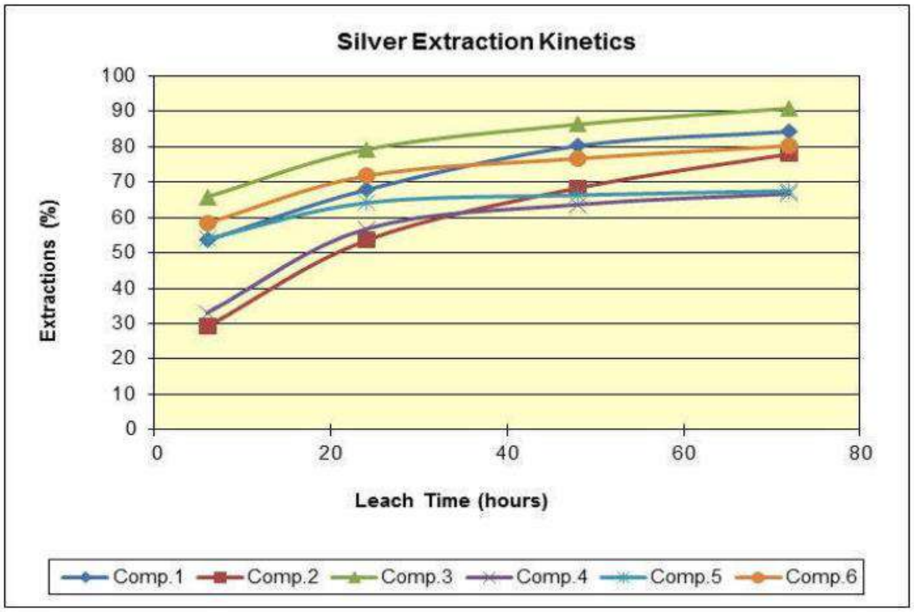
Source: Shi (2015)

Figure 6.6 Leaching process gold extraction kinetics, Jesús María (2015).



Source: Shi (2015)

Figure 6.7 Leaching process silver extraction kinetics, Jesús María (2015).



Source: Shi (2015)

The Jesús María samples exhibited varied responses to the three different metallurgical processes. While flotation achieved the highest gold and silver recoveries, it requires a secondary concentrate cyanidation stage, which would significantly increase potential operational costs. In contrast, the mineralized material was found to be amenable to an agitated tank-leaching procedure using cyanide. At a P80 grind of 75 µm, the samples leached favorably within 72 hours, achieving average extraction rates of 55% Au and 78% Ag. A comparison of the test work results is provided in Table 6.21.

Table 6.21 Comparison of metallurgical test work results, Jesús María (2015).

Comp ID	Hole ID	Interval	Grade		Gravity Recovery		Flotation Recovery		Cyanidation Recovery	
			Au (g/t)	Ag (g/t)	Au (%)	Ag (%)	Au (%)	Ag (%)	Au (%)	Ag (%)
1	JM-DDH-14-24	67.8-78.95m	0.28	141	6.6	2.6	83.4	93	37.5	84.3
2	JM-DDH-14-24	78.95-90.5m	0.84	642	2.5	7.7	89.2	98	56.1	78
3	JM-DDH-14-25	20.1-35.95m	0.23	96	1.8	4.1	77.8	96.2	67.4	90.9
4	JM-DDH-14-25	56.8-67.8m	0.3	85	1.3	0.8	94.6	97.2	10.5	66.8
5	JM-DDH-14-27	13.7-25.45m	0.59	196	0.6	0.8	54.6	63.7	83.1	67.5
6	JM-DDH-14-27	25.45-37.1m	0.38	133	2.1	1.7	57.2	75.2	74.9	80.3
Average			0.44	216	2.5	2.9	76.1	87.2	54.9	78

Source: Shi (2015)

7 Geological Setting and Mineralization

7.1 Regional Geology

The Cruz de Plata Property lies on the eastern flank of the Sierra Madre Occidental (SMO), along the Altiplano subprovince. The SMO is a north-northwestern trending belt that extends from the United States border towards the trans Mexican Volcanic Belt of Central Mexico. The belt measures roughly 1,200 km long by 200 km to 300 km wide and is characterized by rocks from Jurassic to Eocene/Miocene age belonging to the Altiplano sub province (Sedlock et al., 1993). This district hosts extensive hydrothermal-related silver, gold and base-metal deposits and is generally referred to as the Mexican Silver Belt.

The SMO comprises two main periods of volcanic activity, the older from Cretaceous to Eocene related to a continental magmatic arc associated to the Laramide orogeny (LVS) and the younger from Oligocene to Miocene known as Upper Volcanic Series (UVS or Supergroup Volcanico Superior) characterized by a series of bimodal volcanism with abundant ignimbrites interbedded with intraplate basalts (McDowell and Keizer, 1997; Ferrari et al., 2017; Figure 7.1).

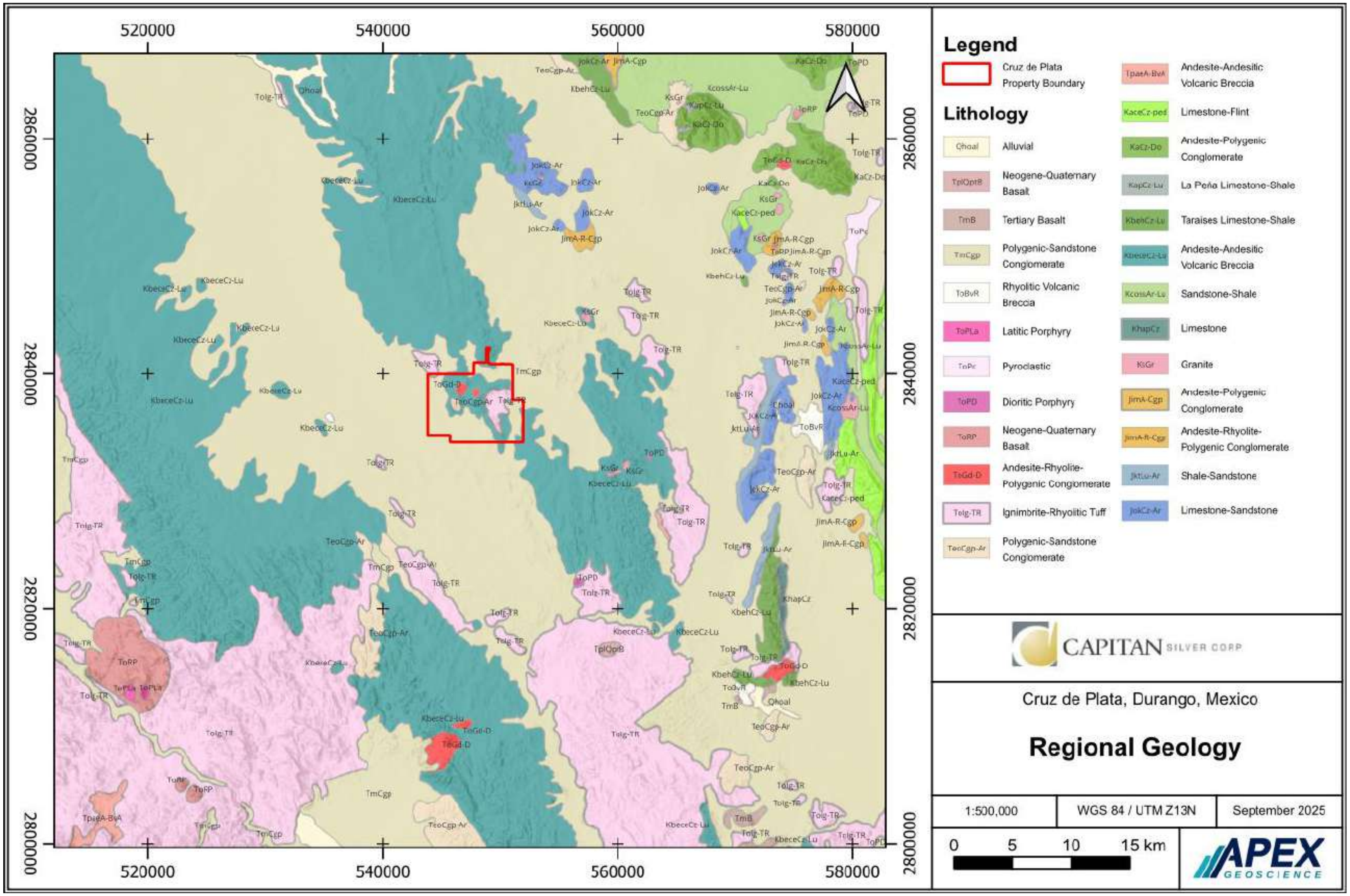
Mineralization in the region is related to the volcanic series of both the LVS and UVS. To the west, the La Cienega gold mine of Fresnillo plc and the Topia project of Guanajuato Silver (both off-Property) and, to the southwest, the Bacis mine of Minas de Bacis S.A. de C.V. (off-Property) have a significant portion of their mineralization hosted in the LVS and UVS, respectively (Servicio Geologico Mexicano, 2001).

7.2 Property Geology

Numerous geological studies have been conducted in the area to improve the understanding of its structural geology and geochemical characteristics. The earliest of these was an anonymous fluid inclusion geothermometry study of the veins in 2005 (MAGSA, 2005). This was followed by a structural review in 2008 by Starling (Starling, 2008). In 2014, Myers et al. documented various petrological aspects of the intrusive and extrusive rock suites (Myers et al., 2014), while Lambeck addressed the implications of a structural re-interpretation (Lambeck, 2014). Most recently, in 2020, Oscar Jimenez developed a new lithological and structural model for the deposit (Jimenez, 2020).

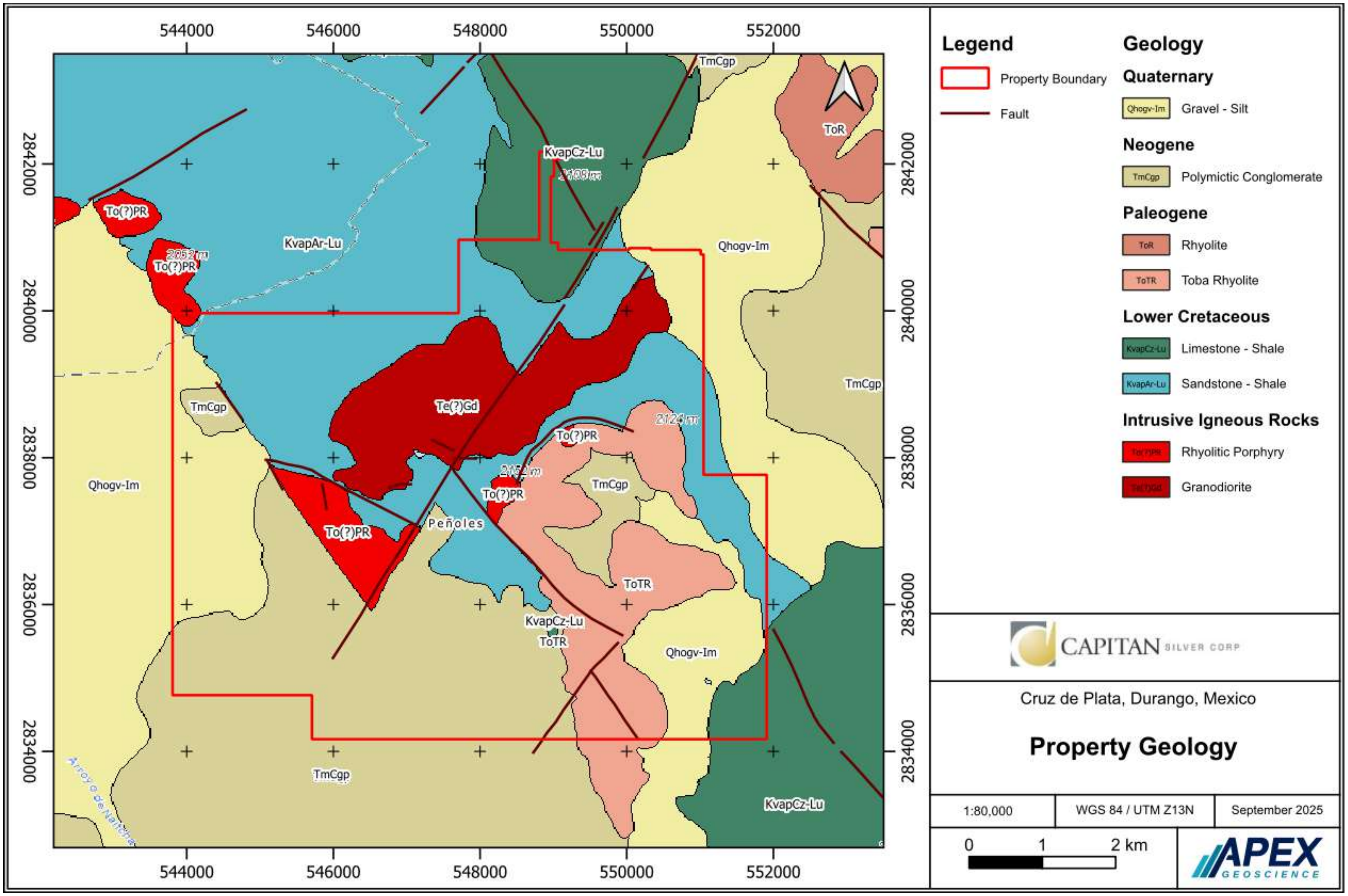
The geology of Cruz de Plata Property consists of an Upper Cretaceous carbonate-siliciclastic succession intruded by Tertiary diorite, granodiorite, and rhyolite porphyries with tertiary rhyolite tuffs unconformably overlying the Cretaceous marine sedimentary rocks (Daniels, 2011; Figure 7.2). Structurally, there is an orthogonal set of faults that includes a northwest-striking set related to the regional horst and graben basin and range structures; and a northeast-striking set that appears to be related to the Tertiary-age intrusive rocks. Complex offsetting relationships between the two fault sets suggest that they are contemporaneous.

Figure 7.1 Regional Geology



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 7.2 Property geology.



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

The Cruz de Plata area displays several phases of deformation and hydrothermal fluid flow typical of the post-Laramide evolution of the northern Altiplano of Central Mexico (Starling, 2008). The Jesús María and San Rafael structures that characterize the main structural zones of Cruz de Plata area appear to have been formed as part of very early post- Laramide north-south extension, very similar to Fresnillo's Proaño mine (off-Property). The mineralization appears to be controlled at the intersection of a west-northwest-trending fault zone and an east-northeast trending structural corridor. The west-northwest fault zone is likely a reactivated basement structure similar to that seen at Proaño and other major early- to mid-Tertiary deposits in the region. The east-northeast structural corridor likely represents a transfer fault zone generated during Laramide fold-thrust deformation and is confirmed from the 1:50,000 scale geology map as the northeast to east-northeast-trending intrusion occurs at an abrupt change in the north-northwest-trending Laramide fold axes (Starling, 2008).

7.3 Mineralization

In addition to the Capitan Hill Deposit, the Property hosts several prospects and target areas, including Jesús María, Santa Teresa, and San Rafael within the Jesús María silver trend, the Gully Fault zone, the Jesús María East trend, San Rafael West, Jesús María Northwest, Casco Norte, La Providencia, Jesús María silver trend north, La Purisima, and the El Tubo Hill gold target (Figure 7.3).

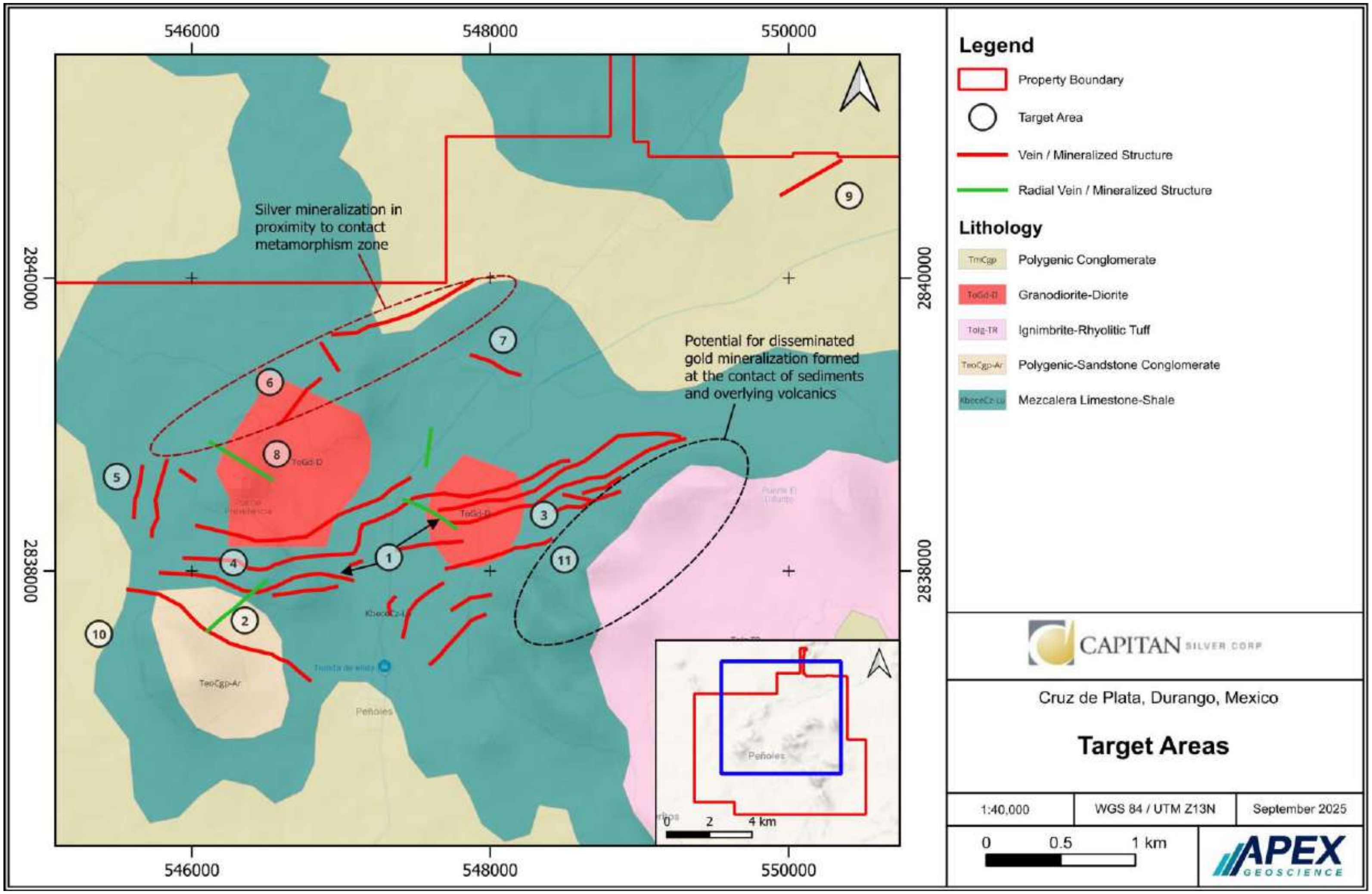
Mineralization at the Property is characterized as epithermal and hosted within fault-veins and brecciated zones. These structures trend from 81° to 63° northeast with a steep dip of 65° to 84° southeast. The mineralized zones have strike lengths of 1.2 to 2.2 km and thicknesses greater than 20 m, containing gold (Au), lead (Pb), and zinc (Zn). The mineralization is hosted in sandstones, shales, and a calcareous-pelitic sequence of the Mezcalera Group, which has been intruded by and affected by both a granodioritic intrusive and rhyolitic subvolcanic bodies (Servicio Geologico Mexicano, 2003).

The Capitan Hill Deposit, Jesús María mineralized zone, and San Rafael-El Tubo prospects of the Property appear to be related to intersections between the northwest-striking secondary structures and northeast-striking regional structures (Starling, 2008; Jimenez, 2020; Figure 7.4).

7.3.1 Capitan Hill

The Capitan Hill Deposit displays hot-spring and epithermal style gold mineralization with minor silver mineralization, consisting of quartz-calcite-fluorite veins, breccias, stringers, silicification and stockwork veining, associated with a very active volcanic sequence, contemporaneous with several breccia stages and accompanied by moderate to strong silicification, moderate oxidation, and local argillic alteration. Several silica pulses and bladed carbonate minerals are present. These bladed carbonate minerals, commonly pseudo-morphed by quartz, are interpreted to indicate gold deposition from boiling fluids, which is the mechanism that cause the mineralizing fluids to deposit into available open spaces (Daniel, 2011; Magrum, 2013 as reported in Stricklan and Sim, 2020). The angular unconformity surface between the sedimentary rocks and the UVS rhyolites at Capitan Hill, which is a more passive fluid flow conduit, are similar to the mineralization controls identified at the La Preciosa silver-gold deposit (off-Property; Whiting, 2008; 2013) and the La Pitarrilla silver-gold deposit (off-Property; McCrea, 2006; Boychuck et al., 2012).

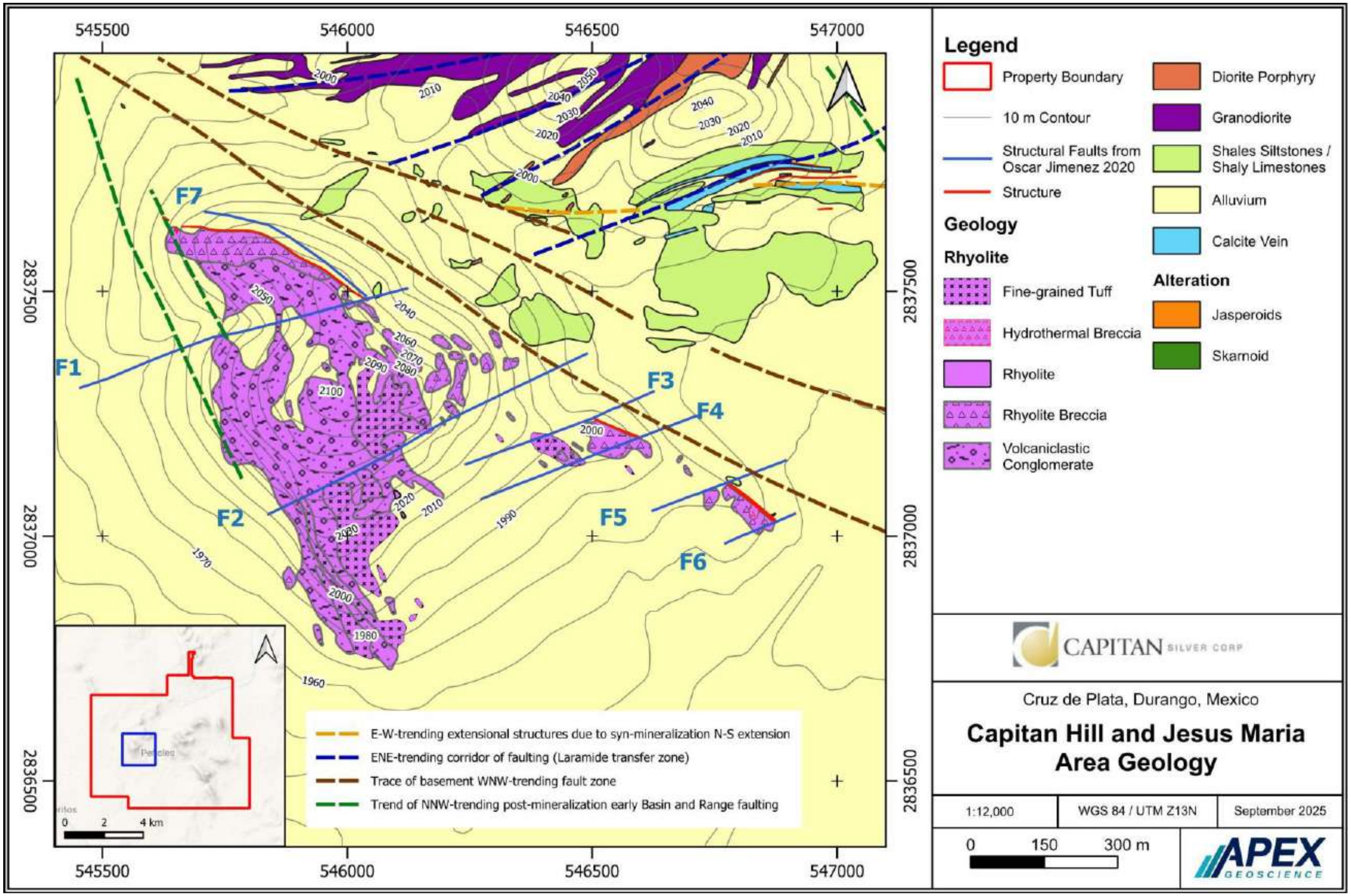
Figure 7.3 Mineralization and target areas at the Cruz de Plata Project.



Notes: 1) Jesús María silver trend (containing the Jesús María, Santa Teresa and San Rafael veins), 2) Gully Fault Zone, 3) Jesús María East trend, 4) San Rafael West, 5) Jesús María Northwest, 6) Casco Norte, 7) La Providencia, 8) Jesús María silver trend north, 9) La Purísima, 10) Capitan Hill gold deposit, and 11) El Tubo Hill gold target.

Source: APEX (2025) after Capitan Silver (2025e) and Servicio Geológico Mexicano (2025)

Figure 7.4 Geology and structural interpretation of the Capitan Hill and Jesús María areas.



Source: APEX (2025) after Starling (2008) and Jimenez (2020)

Drilling has defined three distinct, mineralized rock units at the Capitan Hill Deposit. The upper part of the mineralized zone consists of porous, volcanic agglomerates cut by narrow quartz veinlets and hydrothermal breccias (averaging 0.2 g/t to 0.5 g/t Au). At the base of the volcanic unit there is a shallow dipping, 10.0 m to 35.0 m wide silicified zone (averaging 0.7g/t to 1.5 g/t Au), and below this zone there is a sequence of oxidized shales that is also cut by quartz veinlets and hydrothermal breccias (averaging 0.2 g/t to 0.6 g/t Au) (Magrum, 2013). Hole CDDH 11-07 returned 108.35 m core length averaging 0.410 g/t Au, and CDDH 11-17, returned 88.40 m core length averaging 0.816 g/t Au (including 33.50 m core length averaging 1.687 g/t Au) (Myers, et al., 2014).

The trend of the mineralization at Capitan Hill strikes 120° azimuth and dips approximately -30° to the southwest with estimated deposit dimensions of 1,400 m along strike, 300 m wide and 350 m deep. The main mineralized structure is a silica rich zone predominately within the marine sediments but undulates and can cross the discontinuity into the volcanic packages below. Mineralization is accompanied by silica flooding and sulfide emplacement long structural features. To the southwest, mineralization is truncated by the Santa Teresa fault.

7.3.2 Jesús María

The Jesús María Vein system was historically mined by Compania Minera Industria Peñoles from 1887 to 1908. It produced grades of 300 to 2,000 g/t Ag, 3% to 12% Pb, and 4% to 10% Zn to a depth of 200 m (Whiting et al., 2015). The Jesús María silver zone hosts elevated values of Ag-Au-Pb-Zn-Cu in veins, breccias, and polymetallic skarn or replacement bodies over an approximate strike length of 2.8 km. Historical drilling at Jesús María intersected two distinct mineralization styles: i) Au-Ag mineralization, which may be controlled by a north-northeast-trending porphyritic monzonitic dike or a district-scale, east-northeast-trending fault zone; and ii) Au-Ag-Zn-Pb skarn or replacement-type zone, occurs in the carbonate-rich beds of the Indidura Formation. These skarn/replacement zones are up to 30 m wide (true width), have been tested to a depth of 160 m, and outcrop at the surface for a total down-dip length of 200 m. This zone is expected to continue at depth. The base and precious metal target types and the gold-silver zone have been minimally tested along strike and remain open to depth and to the east and west. Other carbonate-rich beds occur in this portion of the Indidura Formation and represent very favourable targets.

Channel sampling carried out at Jesús María in 2021, returned maximum gold values of 3.6 g/t with several high-grade samples associated with silver, lead and zinc. The maximum silver values returned were 410 and 363 g/t Ag. The maximum lead and zinc values were 2.9% Pb, and three samples returning 1.2 to 2.9% Zn. These samples are from highly silicified zones of siltstone with some quartz veining; some samples are related to hydrothermal breccias. In general, samples are oxidized with hematite and pyrite oxidized.

7.3.3 Other Mineralized Zones

Other mineralized zones delineated within the Property include Casco Norte, San Rafael, Santa Teresa, La Providencia, La Purísima, El Tubo Hill, and El Refugio. Examples of mineralization at each of these mineralized zones are summarized below.

Casco Norte

Casco Norte is located in the central portion of the property (Figure 7.3) and comprises a series of west-northwest–trending workings and pits traced for approximately 150 m. Mineralization is hosted by sheared, brecciated, and strongly silicified granitic to granodioritic intrusives, locally attaining widths of at least 3–4 m and occurring beneath generally shallow overburden. The system is structurally controlled, developed along steeply dipping fault zones and shear structures that acted as persistent conduits for hydrothermal fluids and were subsequently reactivated, resulting in tectonic brecciation and localized gouge development.

Mineralization is expressed as crystalline white to milky quartz veins and veinlets, as well as silica-cemented hydrothermal breccias, both of which are pervasively overprinted by oxidation. Quartz veins commonly contain abundant oxidized pyrite with minor preserved pyrite, locally accompanied by trace chalcopyrite and copper carbonates, and are bordered or cemented by calcite and siderite, reflecting late-stage carbonate overprinting. Hydrothermal breccias consist of angular to subrounded granodioritic and silica clasts supported by a silica-dominant matrix with subordinate calcite and siderite, and host significant concentrations of oxidized sulfides.

Alteration is dominated by moderate to locally strong quartz–sericite assemblages affecting both the intrusive host rocks and breccia clasts, with localized chlorite–epidote alteration preserved in less overprinted zones. Strong hematite staining and penetration, with subordinate goethite, limonite–jarosite, and manganese oxides, indicate intense supergene oxidation. Sampling across the workings has returned a wide range of gold and silver values, including high-grade AgEq results (up to 4,291 g/t AgEq*, 62.1 g/t Au, and 18.3 g/t Ag), supporting interpretation of Casco Norte as a robust, structurally focused, intrusive-hosted precious metal system. AgEq* was calculated using the following formula: *AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80.*

San Rafael

San Rafael forms part of the Jesús María silver trend (Figure 7.3) and is characterized by a well-developed hydrothermal breccia system developed predominantly within hornfels sedimentary rocks, with local involvement of strongly silicified sedimentary units. Breccias comprise angular clasts ranging from sub-millimetre to up to approximately 5 centimetre in size, supported by a matrix dominated by silica (both white and crystalline varieties) with significant carbonate components, including calcite and siderite. Brecciation is commonly accompanied by intense quartz ± carbonate veining, locally forming dense vein networks, and partial replacement of clasts by silica, reflecting repeated hydrothermal fluid pulses and prolonged fluid–rock interaction.

Mineralization is dominated by oxidized pyrite occurring as clusters, patches, and micro veinlets, with minor preserved fine-grained pyrite and locally developed dark metallic sulfides in fine disseminations or small clusters. Manganese oxides are locally developed along fractures and carbonate veinlets, indicating late-stage fluid activity. The breccias and associated vein systems are pervasively oxidized, with abundant hematite, limonite, and goethite, locally forming matrix-supported iron-oxide–rich zones that reflect intense supergene overprinting.

Alteration is dominated by strong silicification affecting both sedimentary protoliths and hornfels, with subordinate but widespread carbonate alteration. The hydrothermal structures are consistently steeply dipping and structurally controlled, forming part of a broader mineralized corridor. San Rafael West (Figure 7.4) represents the northernmost expression of the east–west–trending Jesús María silver trend, situated approximately 500 m north of the main Jesús María showings, where mineralization is hosted by hornfels sedimentary rocks proximal to the intrusive contact and has been traced for roughly 150 m along strike, with sampling indicating locally high silver grades.

Santa Teresa

Santa Teresa is characterized by a hydrothermal breccia and replacement system developed predominantly within hornfels sedimentary rocks, with local involvement of limestone–shale units and minor granodioritic intrusive fragments. Alteration is dominated by carbonate replacement, with abundant calcite and siderite, locally accompanied by aragonite, and variably overprinted by silicification. These processes commonly produce hydrothermal breccias and micro breccias, composed of angular clasts generally <1 cm to approximately 3 cm in size, supported by silica–carbonate matrices. In several zones, massive silica replacement forms vein-like bodies within hornfels, with marginal brecciation indicating repeated hydrothermal fluid pulses and progressive replacement.

Mineralization is dominated by oxidized pyrite, occurring as fine disseminations, clusters, and micro veinlets (commonly 7–15%), with locally preserved fresh pyrite (up to ~3–7%) in silicified domains. Strong hematite ± limonite staining, with subordinate specular hematite and manganese oxides (generally 1–5%), reflects pervasive supergene oxidation that locally masks primary textures. Trace copper carbonates are locally developed in calcite-rich zones, and rare dark metallic sulfides are observed. Overall, Santa Teresa represents a carbonate-rich, structurally controlled hydrothermal breccia–replacement system, and forms part of the broader Jesús María silver corridor (Figure 7.3) and has been defined by surface sampling and limited shallow drilling. Sampling along the vein has returned maximum results of 443 g/t Ag and 3.08 g/t Au at the western end, while the eastern end yielded 132–209 g/t Ag over an approximate 500 m strike length using a 100 g/t Ag cutoff.

The eastern end of the Santa Teresa silver trend consists of several historical mine workings and is located immediately north of the historic San Rafael historic mine workings on the eastern end of the Jesús María vein. A small RC drilling campaign in 2022 was conducted to test the on-strike and down-dip continuity of the Santa Teresa target. Although the drilling did not intersect the expected higher grades, it did encounter multiple sub-parallel zones of mineralization. Select results are listed as follows: Hole 22-SRRC-01 intersected 1.52 m core length of 122 g/t Ag, within a wider 4.6 m core length interval of 70.23 g/t Ag and 0.105 g/t Au; as well as a wide intercept of mineralization of 10.7 m core length of 32.46 g/t Ag and 0.14 g/t Au. Hole 22-SRRC-03 intersected 1.52 m core length of 182 g/t Ag and 0.105 g/t Au and hole 22-SRRC-04 intersected 3.0 m core length of 127.4 g/t Ag. The RC drill program confirmed the continuity of silver and gold mineralization in the eastern most projections of the Santa Teresa vein over a strike length of approximately 370 m and to a down-dip length of up to 270 m (Capitan Silver, 2023).

La Providencia

La Providencia consists of a northwest-trending series of pits and shallow workings traceable for approximately 400 m (Figure 7.3). Mineralization is hosted by steeply dipping, sheared, and brecciated granodioritic intrusives, with sampling confirming silver-dominant mineralization along the surface expression of the structure.

La Purísima

La Purísima is located in the northeastern part of the Property (Figure 7.3), approximately 4.5 km northeast of the main Jesús María trend. Mineralization is developed along the contact between a granitoid intrusive and limestone sedimentary rocks, where intrusive-hosted alteration and contact-style mineralization are well developed. The intrusive is pervasively silicified and locally brecciated, forming angular clasts generally <1 cm to 2 cm in size, partially replaced by silica and strongly overprinted by oxidation. Moderate argillic alteration is locally developed within the intrusive, particularly in proximity to mineralized structures. Old pits and shafts are developed along an east–west–trending vein structure dipping approximately 50° to the south and extend over roughly 50 m of strike length.

Mineralization is polymetallic and occurs as disseminations and clusters of sulfides within silicified intrusive and quartz-vein material. Observed sulfide assemblages include chalcopyrite (locally 3–5%), galena (up to ~3%), fine-grained dark sulfides, and trace stibnite with local oxidation to stibiconite (1–3%), suggesting a silver–antimony association. Quartz veins locally brecciate adjacent limestone fragments, forming angular clasts cemented by crystalline silica. Sulfides are commonly masked by strong supergene oxidation, with abundant hematite, limonite, and goethite forming pervasive coatings and staining that obscure primary textures; yellowish oxidation patinas locally suggest possible arsenic-bearing phases.

El Tubo Hill

El Tubo Hill hosts gold mineralization developed along the unconformable contact between Tertiary volcanic rocks and underlying deformed sedimentary units (Figure 7.3), a geological setting analogous to the Capitan Hill Deposit (Capitan Silver, 2025e). Low-grade gold mineralization has been identified in outcrop, and soil geochemical anomalies extend over approximately 500 m of strike length, supporting the presence of a broad mineralized system along this contact.

El Refugio

The El Refugio target area is located between the Jesús María silver trend and the Gully Fault Zone and is characterized by a silica–carbonate–dominated hydrothermal breccia system developed within brecciated shale and limestone sequences. Breccias comprise angular to subangular sedimentary clasts, typically <1 cm to locally up to 10 cm in size, supported by variable proportions of crystalline to massive silica (commonly 10–40%) and calcite-rich matrices (20–80%), with subordinate siderite and possible aragonite. Multiple hydrothermal pulses are evident, with calcite locally cutting and replacing earlier silica, and widespread micro veining of calcite and silica. Breccias are structurally controlled and locally bounded by fault planes, with observed fault surfaces dipping steeply, indicating strong tectonic control on fluid flow.

Mineralization is dominated by oxidized pyrite, occurring as fine disseminations, clusters, and micro veinlets (generally 3–15%), with traces of fresh pyrite, chalcopyrite, and dark grey to silver-coloured sulfides locally preserved. The system is intensely oxidized, with abundant hematite staining (commonly 5–40%), accompanied by limonite and goethite, which commonly mask primary textures. Local copper carbonates and manganese-bearing phases occur in fractures and carbonate-rich zones. Channel sampling completed in 2023 returned silver values ranging from 100 to 913 g/t Ag, associated with gold values of 1.0–2.0 g/t Au, and base metals ranging from 67 g/t to 1% Cu, 211 g/t to 4% Pb, and 427 g/t to 1.4% Zn. One representative sample assayed 1 g/t Au, 913 g/t Ag, 1% Cu, 4% Pb, and 1.4% Zn, confirming El Refugio as a strongly oxidized, polymetallic Ag–Au–base metal hydrothermal breccia target.

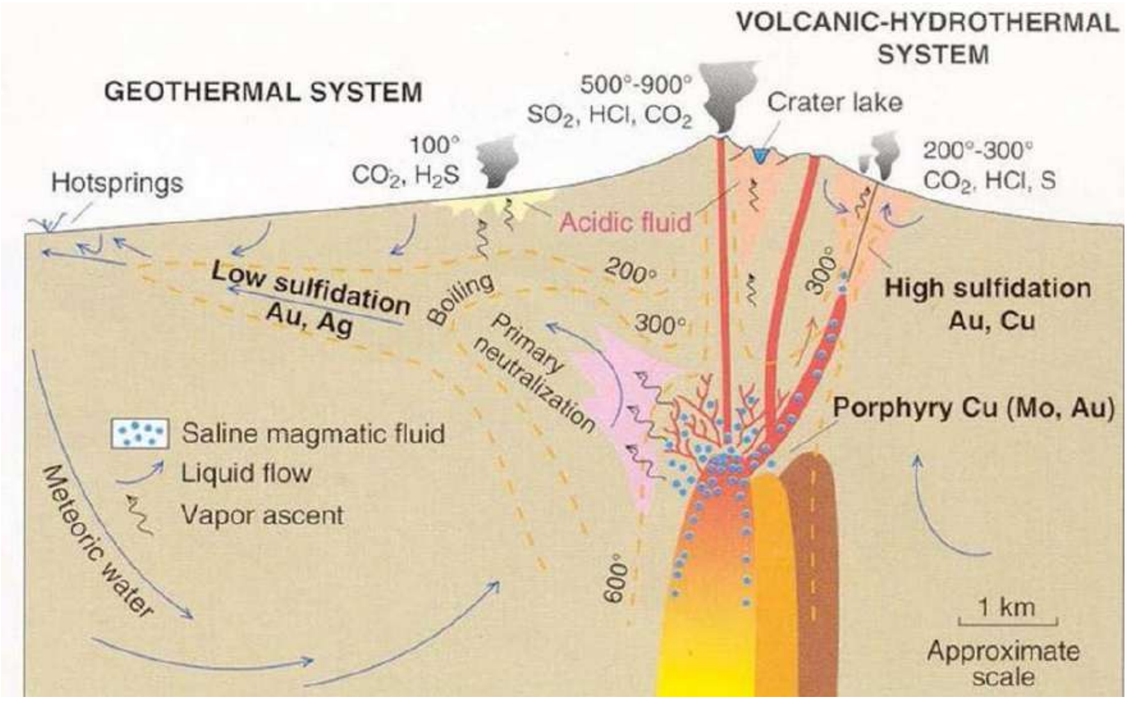
8 Deposit Types

The precious and base metal mineralization at Cruz de Plata is predominately indicative of the epithermal deposit model; including different sulfidation states related to the system. They include:

- Hot-spring low sulfidation gold mineralization (Capitan Hill structure);
- Low sulfidation Ag-Au-Sb mineralization (San Rafael-El Tubo and El Refugio vein systems);
- Intermediate sulfidation Ag-Au-Pb-Zn-Cu mineralization (Jesús María vein system); and
- Sulfide-bearing (Au-Cu-Ag-Zn-Pb) skarns or mantos associated with Tertiary porphyries (La Purísima).

Epithermal systems, as the name suggests, form near surface, usually in association with hot springs, and at depths on the order of a few hundred metres. These deposits are commonly formed during the later stages of igneous events and are derived from hydrothermal activity generated from intrusive bodies. Typically, epithermal vein mineralization is initiated several million years after the end of the volcanism that produced the rocks that host the hydrothermal systems and a few million years after the intrusion of the closely associated plutonic rocks. Circulating thermal waters, rising through fissures, eventually reach the "boiling level" where the hydrostatic pressure is low enough to allow boiling to occur. This can impart a limit to the vertical extent of the mineralization as the boiling and deposition of minerals is confined to a relatively narrow band of thermal and hydrostatic conditions (Lindgren, 1928, Hedenquist and Lowenstern, 1994). The epithermal deposit model is presented in Figure 8.1.

Figure 8.1 Epithermal deposit model.



Source: Modified from Hedenquist and Lowenstern (1994)

Northeast-southwest extension in the Sierra Madre Occidental and contiguous Altiplano central plateau of Mexico during the Late Oligocene and Miocene was a weaker southward continuation of the broadly contemporaneous extensional event in the Great Basin of the western USA (Staude and Barton, 2001). The associated calc-alkaline arc magmatism gave rise to the world's premier epithermal silver province based on Ag-dominant (Fresnillo), Ag-Au (Pachuca-Real del Monte and Guanajuato), and Au-Ag (Tayoltita) deposits of intermediate sulfidation type (Albinson et al., 2001). Figure 8.2 depicts the evolution model for Capitan Hill, showing the early post-Laramide extension controlling the intermediate sulfidation (Jesús María) and the following emplacement of the upper volcanic series (UVS) rhyolite and the low sulfidation sinters related to Capitan Hill.

The Capitan Hill Deposit hosted in silicified volcanic rocks and sediments represents a higher level, lower temperature style of low- sulfidation mineralization compared to the higher temperature, skarn-hosted mineralization of the Jesús María-Refugio structure. Cross-cutting gold-silver structures in the Jesús María Silver Zone appear to be later in age and lower temperature, which is similar to, or possibly related to, the Capitan Hill mineralization. The bedded textures in the Capitan Hill silica cap zone might reflect repeated hydrothermal depressurization and brecciation events in a volcanic/sub-volcanic environment.

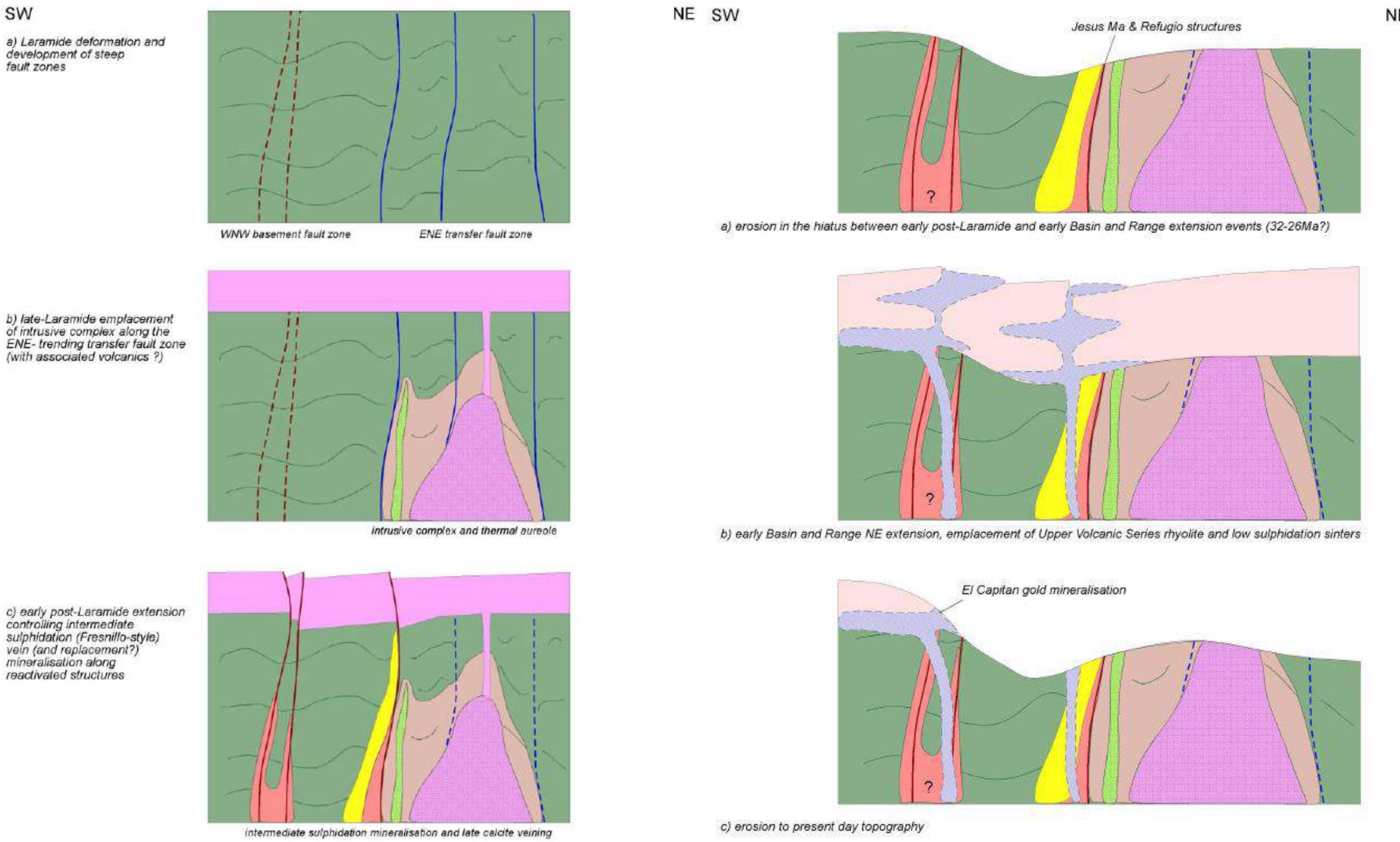
In the Jesús María area, the hydrothermal skarn is transitional to a series of sub-parallel, late- to post-mineralization coarse calcite veins referred to as carbonate-gold zones that are common in many deposits in the Altiplano (e.g. Velardeña, Fresnillo, and Guanajuato). The rare kinematic indicators show that the quartz-calcite and late carbonate veins were emplaced under a phase of north-south to north-northeast extensions similar to that at many deposits in the Altiplano generated around 32-28 Ma. These late carbonate veins are cut by low-temperature quartz veinlets and breccias that appear to have formed under more northeast extensions as they show dextral transtensional reactivation of the east-northeast- to west-northwest-trending carbonate zones (Figures 7.1 and 8.2; Table 8.1).

Table 8.1 Geological legend for Figure 8.2.

	Rhyolite (UVS)
	Low Sulphidation Sinters
	Intermediate sulphidation mineralization
	Calcite veining/Carbonate gold zones
	Granitoid intrusion
	Thermal Aureole
	Late Laramide Intrusive complex (Diorite)
	Host rock, Mezcalera Fm
	ENE transfer Fault Zone
	WNW Basement Fault Zone

Source: APEX (2025) after Starling (2008)

Figure 8.2 Schematic sections showing the possible evolution of the Capitan Hill area.



Source: Starling (2008)

Intermediate sulfidation deposits are generally assumed as spatially related to high sulfidation deposits and to the center of magmatic activity. Ascending intermediate- sulfidation fluids can become highly acidic as they interact with and are neutralized by the surrounding rock, particularly a permeable lithocap. In this acidic environment, they can deposit high-sulfidation minerals. Conversely, the high- sulfidation fluids can also evolve back to an intermediate- sulfidation state as they interact with the wallrock and are neutralized (Sillitoe and Hedenquist, 2003). Intermediate sulfidation deposits commonly contain both precious and base metals. The base metal association is thought to result from the introduction of brines into the otherwise low-salinity, acidic fluids of the epithermal environment (Sillitoe and Hedenquist, 2003).

The Mulatos District Mine, which is owned by Alamos Gold and located off-Property, provides a geological parallel to the Cruz de Plata Property. The Mulatos Deposit is a low-grade, bulk-tonnage deposit with a strong structural component, as shown by bench-level blast-hole assay data. The mineralization at Mulatos is related to high levels of silicification and oxidation. This is due to supergene leaching, which has oxidized the refractory sulfides common in high-sulfidation deposits (Bostwick et al. 2023).

9 Exploration

Since acquiring the Property in 2020 to the Effective Date of this Report, the Company has undertaken several exploration programs, which included drilling activities, soil sampling, and various types of rock sampling. Rock sampling included the use of mechanical trenching for channel samples and continuous chip samples, in conjunction with general prospecting for chip and grab samples. A summary of surface samples collected by Capitan at the Property from 2021 to 2025 is provided in Table 9.1.

Table 9.1 Summary of surface samples collected by Capitan Silver at the Property from 2021 to 2025.

Sample Type	2021	2022	2023	2024	2025
Channel	503	50	128	112	7
Chip	58	8	59	3	7
Grab	-	1	29	20	8
Lag	10	-	-	-	-
Soil	684	540	50	-	75
Total	**1,255**	**599**	**266**	**135**	**97**

Source: APEX (2025)

Channel sampling was conducted with or without the use of mechanical trenching. Channel samples ranged from 0.3 to 2.9 m length and averaged 1.6 m in length. Chip sampling was conducted within mechanical trenches, on the walls and floors of trenches, or on exposed outcrops. Samples within trenches were collected as continuous chip samples, to best obtain a representative sample. Continuous chip samples ranged from 0.3 to 3 m in length, and averaged 1.6 m.

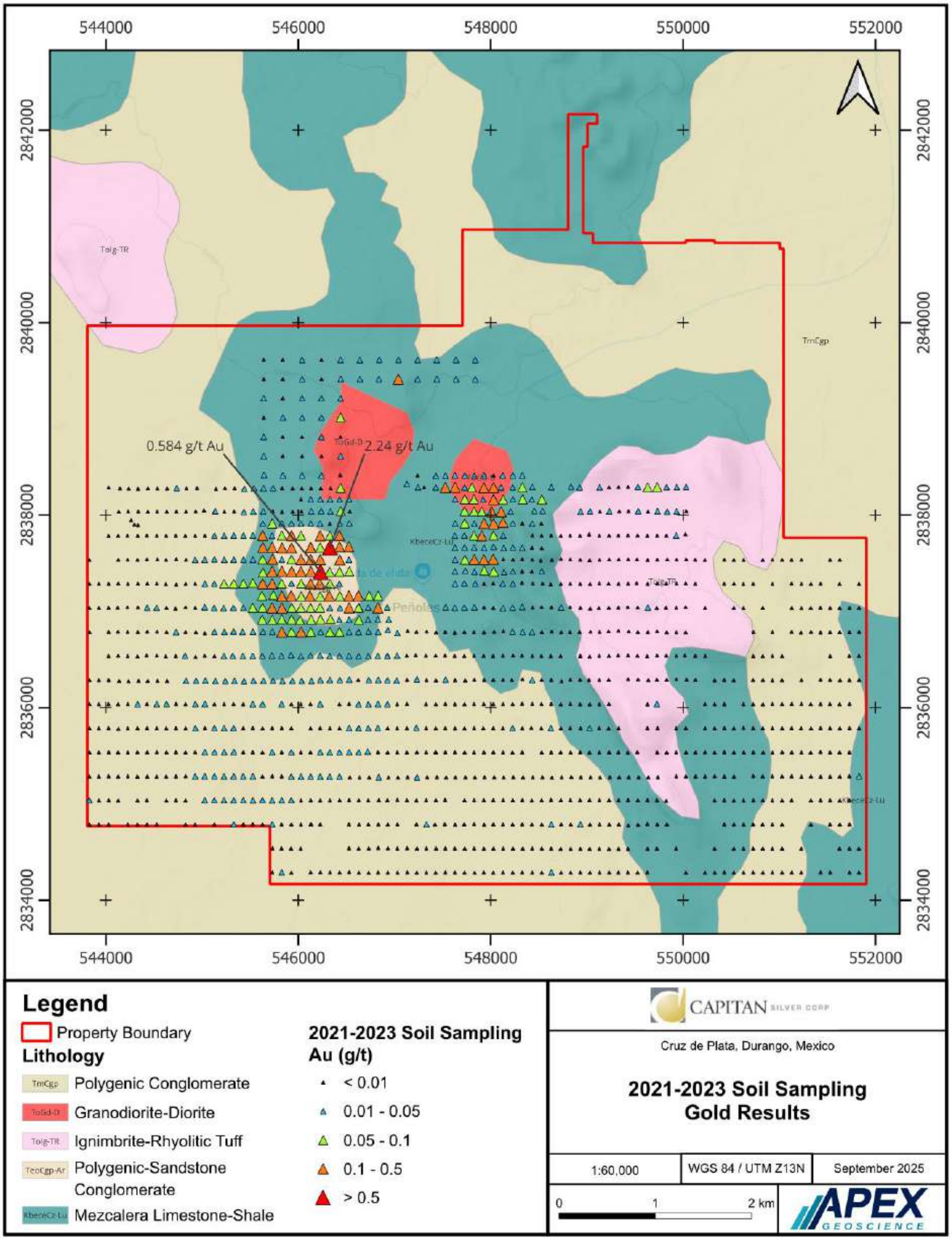
All surface samples were collected in plastic bags and secured with zip ties. Samples were transported to Bureau Veritas in Durango, Durango. Prepped sample pulps were then transported by the lab to the Bureau Veritas laboratory in Vancouver, for analysis by 50 g fire assay for atomic absorption finish (FA430). Samples which returned >10 g/t Au and >100 g/t Ag were assayed with gravimetric finish (FA530). Rock samples were also assayed by inductively coupled plasma-emission spectroscopy (ICP-ES) for a 33-element suite (AQ300). Over-detection samples for Pb and/or Zn (1% Pb or Zn) were further assayed with ore-grade aqua regia digestion for ICP-ES (AQ370). Soil samples were assayed with fire assay as described above, as well as trace-level aqua regia digest for ICP-ES 37-element suite (AQ201).

Sample coordinates were captured, at the time of collection, on a handheld GPS, considered accurate to +/- 5 m. All coordinates were recorded in WGS84 UTM Zone 13. Samples were collected with details including sample type, sample length (if channel or continuous sample), rock type, and lithological and mineralogical descriptions. For a full description of sample preparation and analytical methods, see Section 11 of this Report.

9.1 2021 to 2023 Surface Sampling

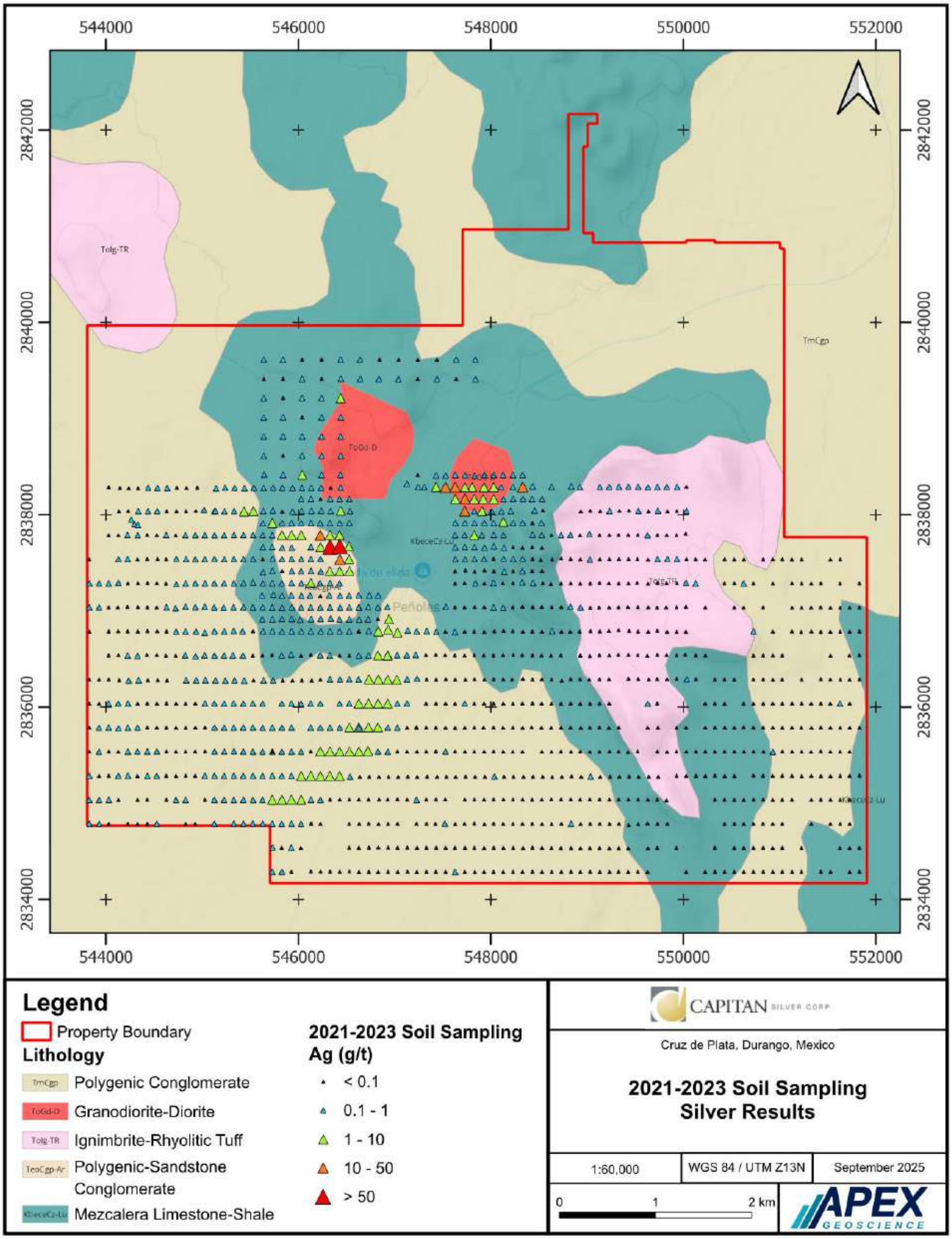
Property-wide soil sampling by Capitan highlighted several areas of anomalisms with the potential to host mineralization. Areas north of the Jesús María and San Rafael veins showed marked anomalism, which helped to validate and define the Santa Teresa and San Rafael North mineralized trends, both previously sampled by Riverside. Soil samples at San Rafael North returned up to 19 g/t Ag (0.1 g/t Au), while soil samples at the Santa Teresa trend returned 14.3 g/t Ag (0.2 g/t Au). Soil sampling results for gold and silver are presented in Figures 9.1 and 9.2, respectively.

Figure 9.1 2021 to 2023 soil geochemistry (Au g/t).



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 9.2 2021 to 2023 soil geochemistry (Ag g/t).



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Mechanical trenching and channel sampling were used to further develop identified targets. Channel sampling was conducted between the Capitan Hill and Jesús María prospects to refine the Gully Fault target for drill testing. The Gully Fault had previously been identified, through drilling and topographic analysis, to be a steeply-dipping, northeast trending. The fault is interpreted to have influence on the distribution and deposition of high-grade mineralization at both Capitan Hill and Jesús María. Results of the channel sampling included 0.18 g/t Au (2 m length) and 0.3 g/t Au (2 m length), showing the potential of the Gully Fault to host Capitan Hill style mineralization.

Mechanical trenching for channel sampling was also conducted across San Rafael. The channel sampling helped to define the San Rafael and Escondida vein trends and returned results including 23.5 g/t Ag over 1.4 m length at San Rafael, and 3.3 g.t Ag over 2 m length at Escondida.

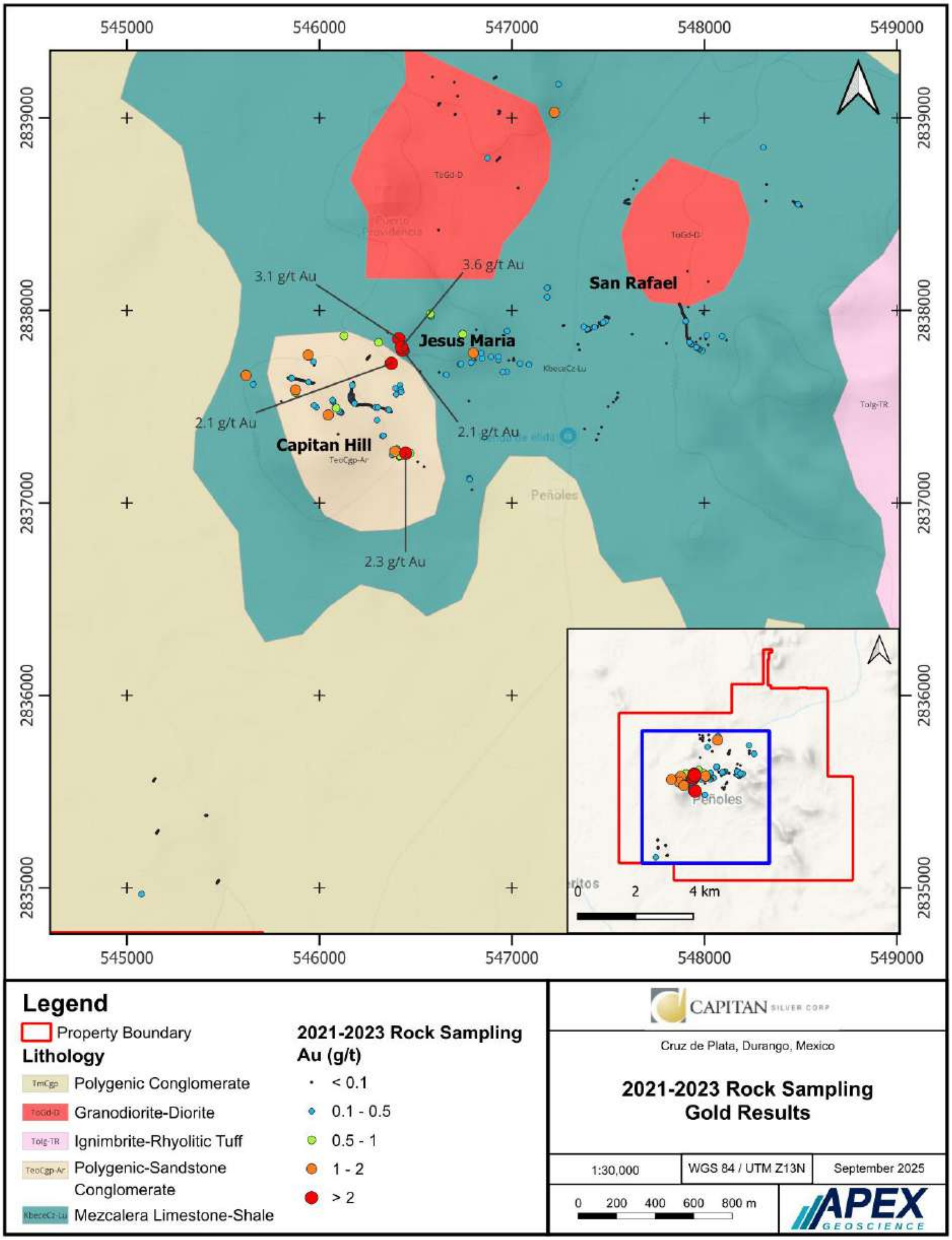
Prospecting was completed to follow up on soil anomalism north of the Jesús María target (Santa Teresa and San Rafael North). Several sites with mineralized outcrop exposures were identified. Results of chip samples from outcrops at these sites included 410 g/t Ag over 0.6 m (0.9 g/t Au, 1.67% Pb, 0.7% Zn), and 183 g/t Ag over 0.9 m (2.13 g/t Au, 2.9% Pb, 0.76% Zn).

After acquisition of the property block between Jesús María and San Rafael in late 2022, the 2023 surface programs focused on extending the Santa Teresa vein target to the east, where it is interpreted to be correlative with the San Rafael vein target in the eastern portion of the property. Trenching for channel samples was also conducted west of San Rafael, to isolate the mineralized trend in between the two known zones. Surface lag and chip samples from the El Refugio zone (east of Santa Teresa) included results of 913 g/t Ag (1.0 g/t Au, 4% Pb, 1.4% Zn) and 663 g/t Ag (0.2 g/t Au, 0.5% Pb, 0.2% Zn). Results from west of San Rafael channel sampling included 172 g/t Ag over 2 m and 21.6 g/t Ag over 1.5 m.

The surface sampling programs undertaken during 2021-2023 defined several mineralized trends at the Cruz de Plata Property, extending across the breadth of the Property over several kilometers. Prospectivity for silver-gold-lead-zinc was shown at the Jesús María, Jesús María South, Santa Teresa and Providencia West prospects (Figure 7.4). High-grade silver-gold prospectivity was observed at the Gully Fault zone, San Rafael North, Escondida and Providencia East targets. Vein hosted and disseminated gold prospectivity was observed along strike from Capitan Hill at the Capitan East target.

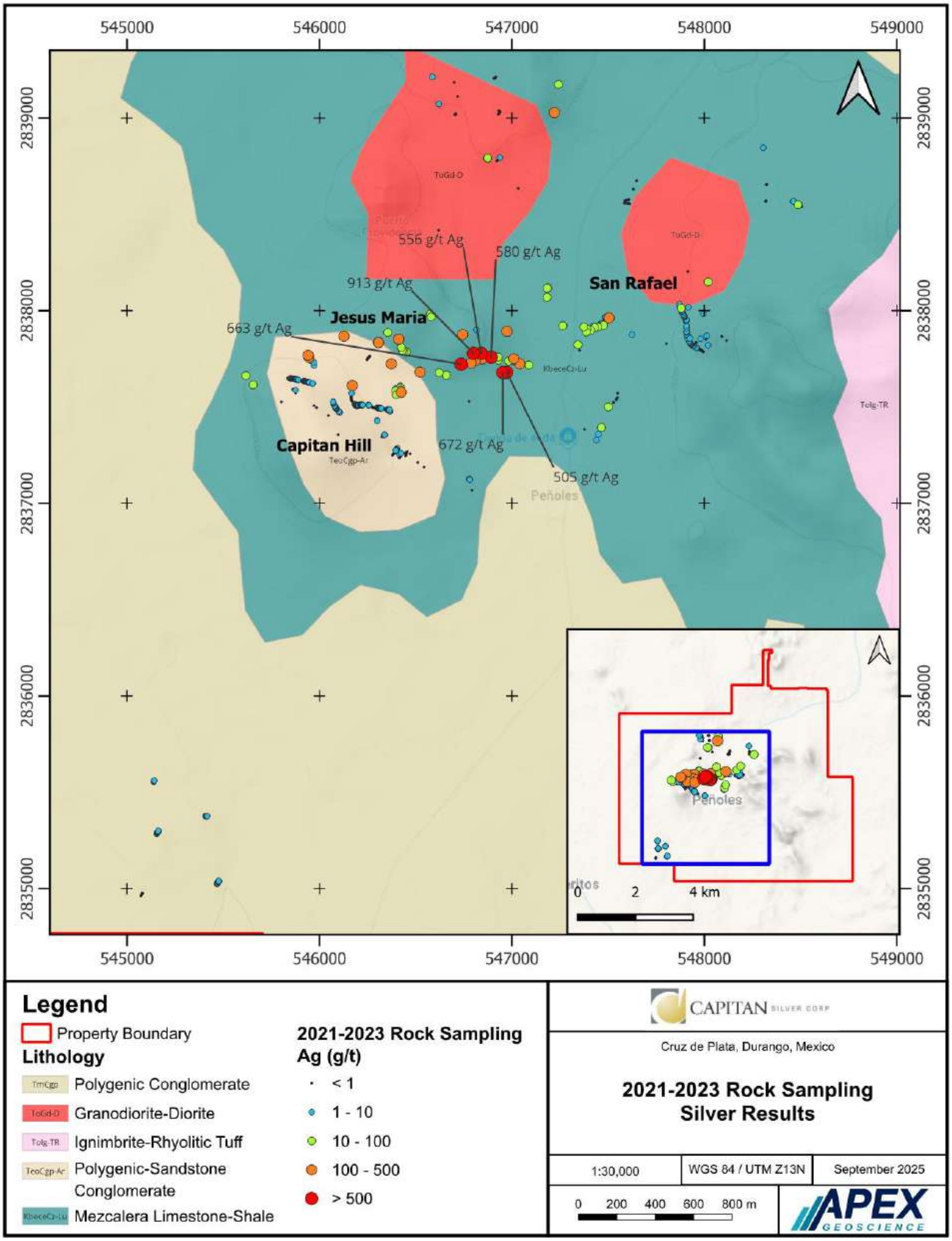
Prospective metallogeny was interpreted to be zoned relative to the diorite-granodiorite intrusive boundary, with high-grade silver and base metals occurring proximally to the intrusive. High-grade silver was observed to be present along the contact of skarn alteration with the host sedimentary rocks. Gold mineralization was observed to occur further from the intrusive boundary, between the contact of the sedimentary rocks with the overlying Tertiary rhyolites and volcanic breccias. Channel and rock sample results for gold and silver are presented in Figures 9.3 and 9.4, respectively.

Figure 9.3 2021 to 2023 channel sample and rock geochemistry (Au g/t).



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 9.4 2021 to 2023 channel sample and rock geochemistry (Ag g/t).



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

9.2 2024 to 2025 Surface Sampling

During 2024 and 2025, a systematic surface sampling program was completed at the Cruz de Plata to evaluate the distribution, tenor, and geological controls of near-surface precious- and base-metal mineralization across multiple target areas. The program comprised 135 rock samples collected in 2024, followed by an additional 22 rock samples and 75 soil samples collected in 2025, and was designed to test historical workings, vein systems, breccia zones, and intrusive–carbonate contacts identified through prior mapping and reconnaissance.

Soil sampling conducted in 2025 focused on the La Providencia target area, where pits and shallow workings define a northwest-trending mineralized corridor traceable for approximately 400 m along strike. Mineralization in this area is hosted by sheared and brecciated granodioritic intrusives, and soil assays returned trace levels of gold and silver, providing geochemical context for the underlying structures. Soil assay results for gold and silver are presented in Figures 9.5 and 9.6, respectively.

Channel and rock sampling targeted the El Refugio, Santa Teresa, Capitán, Capitán II, Casco Norte, Jesús María, La Purísima, and San Rafael target areas, with results illustrating a range of gold- and silver-enriched systems associated with silicification, brecciation, and skarn-style alteration. Channel and rock sample results for gold and silver are reported in Figures 9.7 and 9.8, respectively. Assay highlights from the 2024 and 2025 channel and rock sampling programs are listed below. Assay results in this section are presented as silver, gold, and/or silver equivalent (AgEq) with AgEq calculated using the following formula: *AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80.*

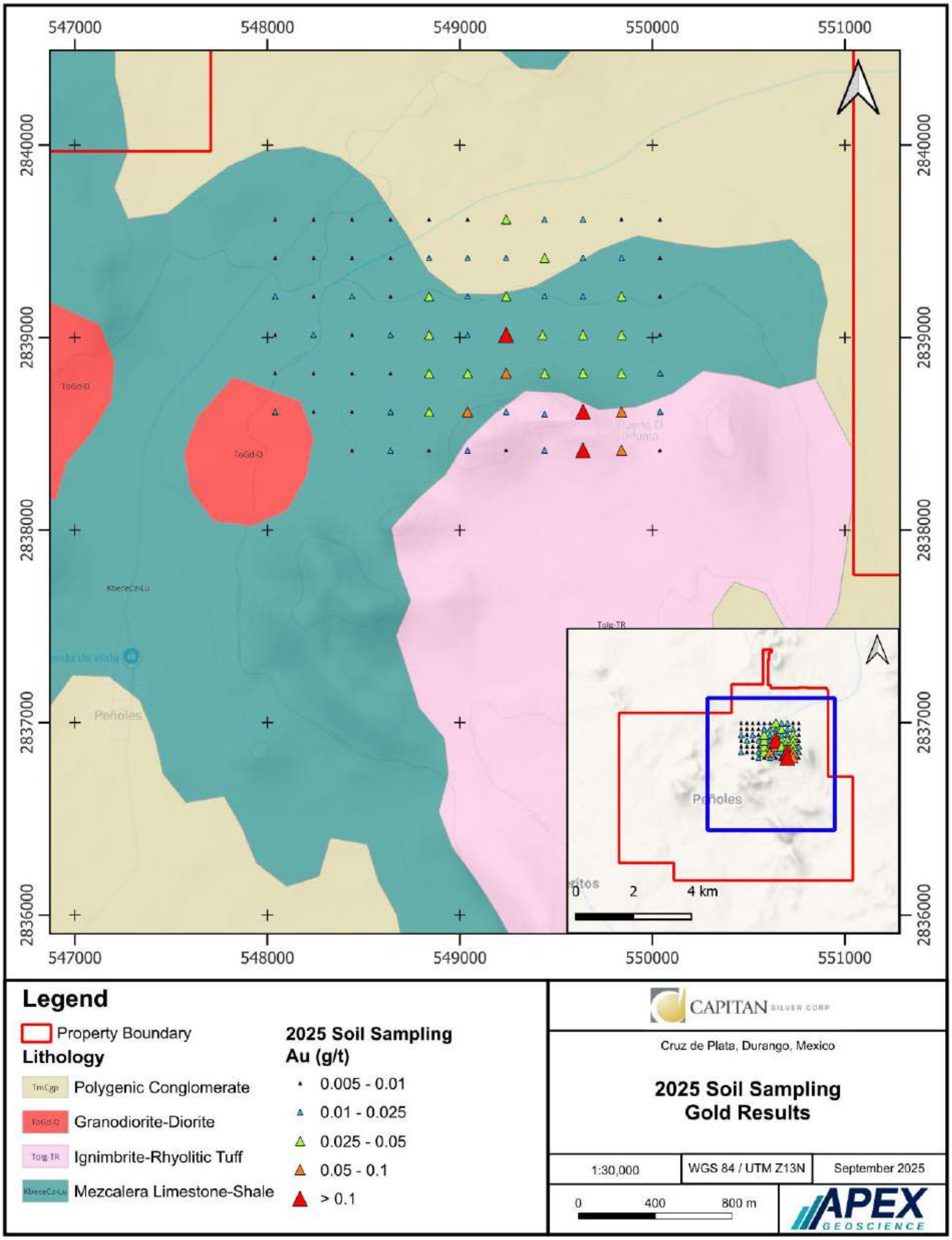
Casco Norte

The Casco Norte area comprises a series of shallow workings and pits developed along a west-northwest–trending corridor traced for approximately 150 m. Mineralization is hosted by sheared, brecciated, and strongly silicified granitic to graniodioritic intrusives. Assay highlights from Casco Norte include: 62.1 g/t Au, 18.3 g/t Ag, and 4,291 g/t AgEq returned from an old working, associated with a crystalline quartz veinlet and sulfide mineralization dominated by pyrite, largely oxidized, occurring along the vein margins, and minor, locally disseminated chalcopyrite accompanied by secondary copper carbonates; 4.16 g/t Au, 7.8 g/t Ag, and 293.78 AgEq returned from dump material derived from quartz vein fragments with strong pyrite oxidation and hematite–limonite alteration; and 0.518 g/t Au, 133 g/t Ag, and 240.6 g/t AgEq returned from a fault zone sample, highlighting silver-rich mineralization within a silicified, carbonate-bearing fault breccia within granodiorite.

Jesús María

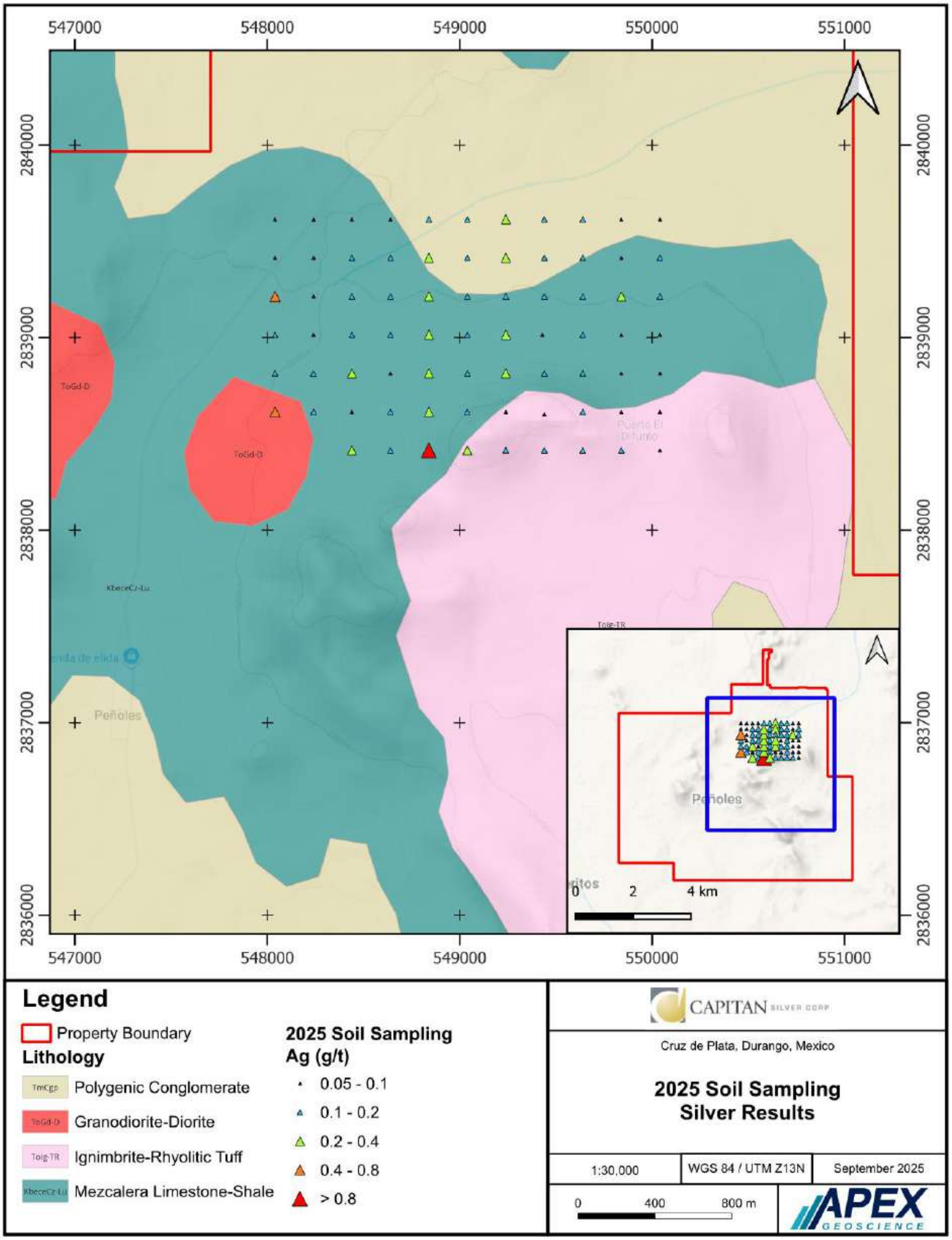
The Jesús María vein system is a historically productive Ag-Pb-Zn district mined from the late 19th to early 20th century, with mineralization developed in veins, breccias, and skarn/replacement bodies over an approximately 2.8 km strike length. Two principal styles are recognized: structurally controlled Au-Ag mineralization and Au-Ag-Pb-Zn skarn or replacement zones developed within carbonate-rich horizons of the Indidura Formation. These systems remain open along strike and at depth, with limited modern surface testing. Assay highlights from this area include: 209 g/t Ag, 0.245 g/t Au, and 286.8 g/t AgEq returned from a dump sample of fragments quartz vein with pyrite-oxide clusters and oxidized galena with hematite staining; and 116 g/t Ag, 0.837 g/t Au, and 287.4 g/t AgEq returned from a dump sample associated with pyrite, largely oxidized to goethite and limonite, occurring as clusters within crystalline quartz vein fragments and locally micro brecciated carbonate wall-rock.

Figure 9.5 2025 soil geochemistry (Au g/t)



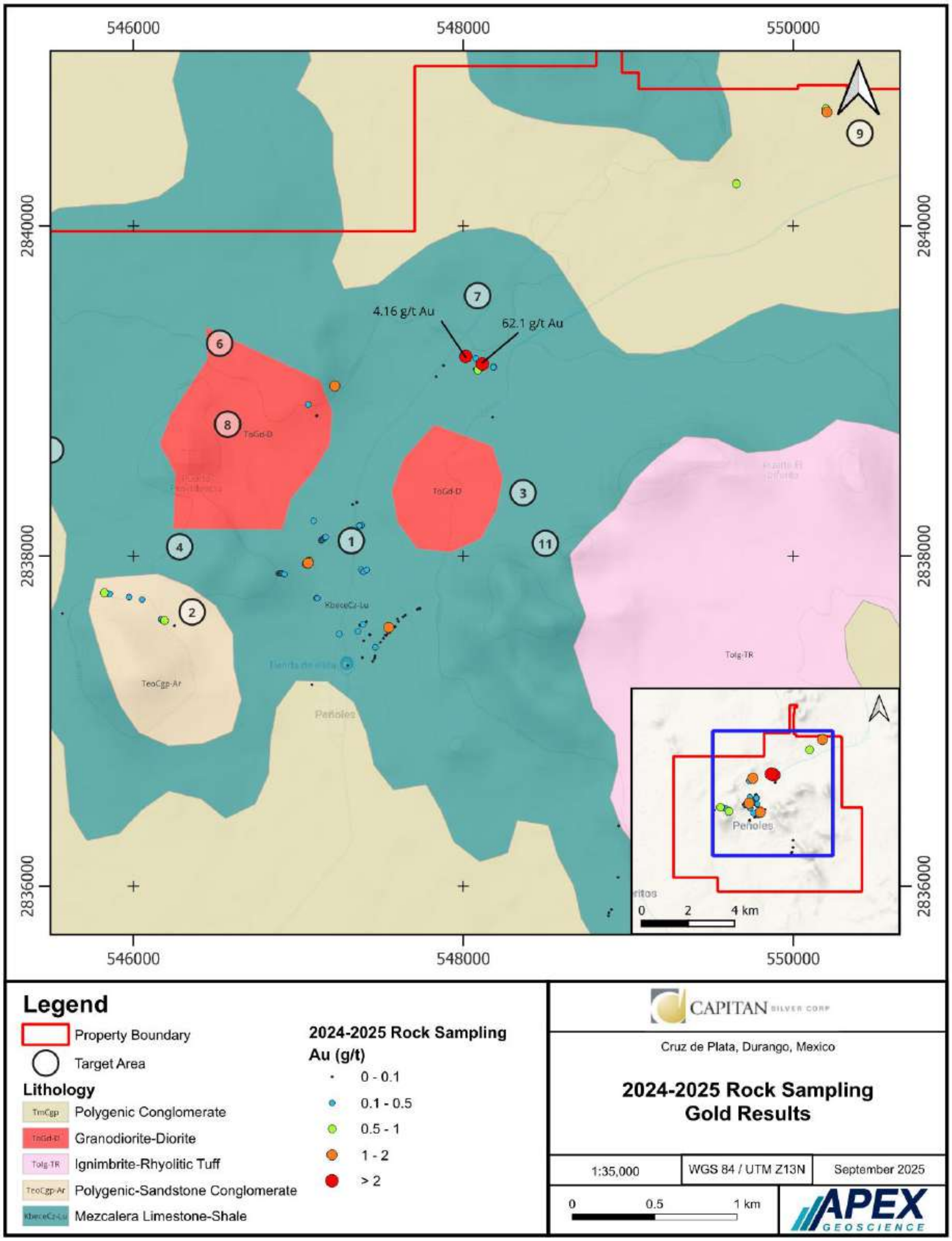
Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 9.6 2025 soil geochemistry (Ag g/t)



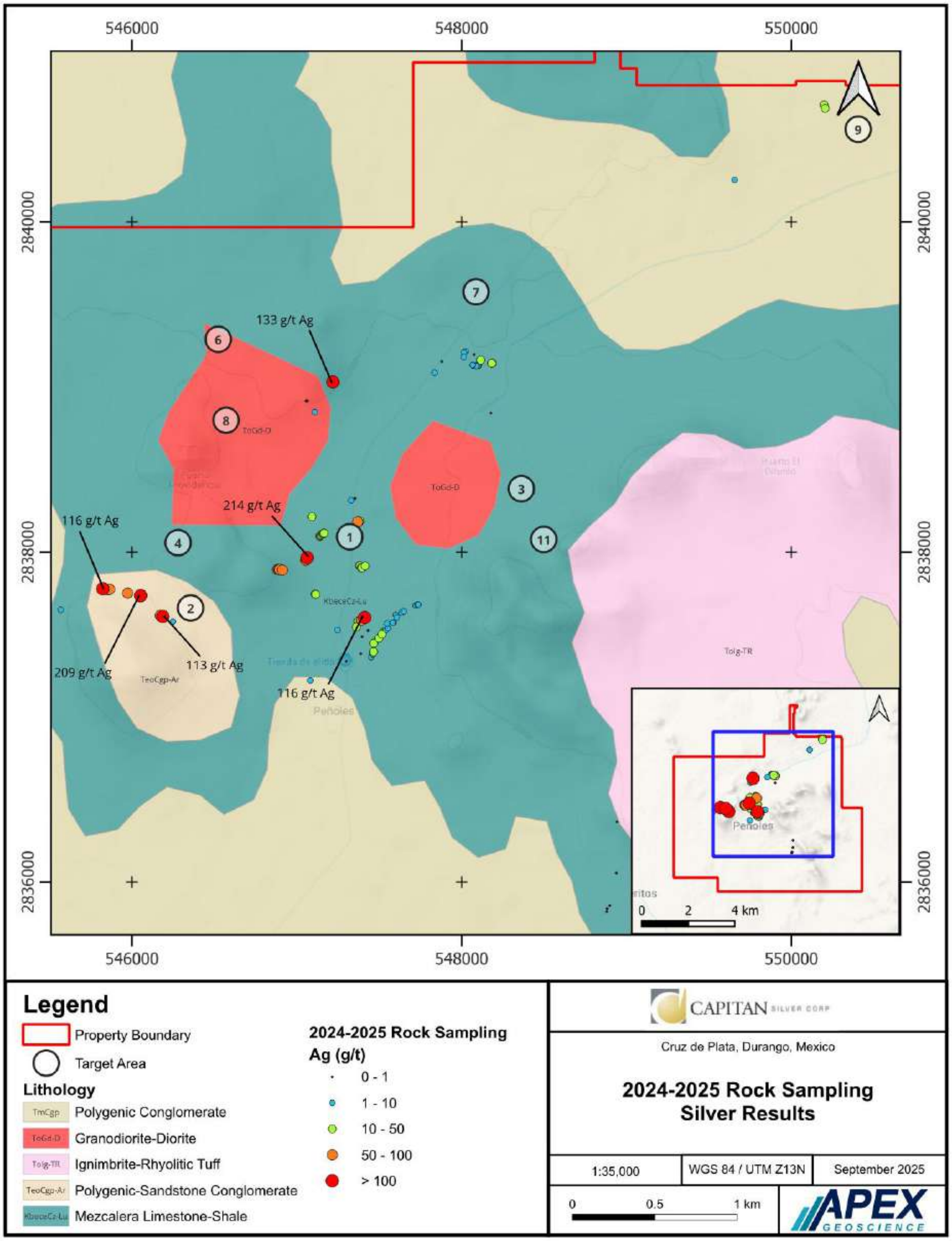
Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Figure 9.7 2024 to 2025 channel sample and rock geochemistry (Au g/t).



Source: APEX (2025) after Servicio Geológico Mexicano (2025). Notes: 1) Jesús María silver trend (containing the Jesús María, Santa Teresa and San Rafael veins), 2) Gully Fault Zone, 3) Jesús María East trend, 4) San Rafael West, 5) Jesús María Northwest, 6) Casco Norte, 7) La Providencia, 8) Jesús María silver trend north, 9) La Purísima, 10) Capitan Hill Deposit, and 11) El Tubo Hill gold target.

Figure 9.8 2024 to 2025 channel sample and rock geochemistry (Ag g/t)



Source: APEX (2025) after Servicio Geológico Mexicano (2025). Notes: 1) Jesús María silver trend (containing the Jesús María, Santa Teresa and San Rafael veins), 2) Gully Fault Zone, 3) Jesús María East trend, 4) San Rafael West, 5) Jesús María Northwest, 6) Casco Norte, 7) La Providencia, 8) Jesús María silver trend north, 9) La Purísima, 10) Capitan Hill Deposit, and 11) El Tubo Hill gold target.

San Rafael

San Rafael represents the northernmost exposure of the east-west–trending Jesús María silver corridor and is located approximately 500 m north of the main Jesús María showings. The target is characterized by structurally controlled hydrothermal brecciation developed within hornfels wall rocks and has seen only limited surface sampling to date. Historical work and recent sampling indicate trace to low-level precious metal enrichment, highlighting the area as an early-stage exploration target. Assay highlights from San Rafael include: 84.8 g/t Ag, 0.343 g/t Au, and 110 g/t AgEq returned from a hydrothermal breccia sample where mineralization occurs within a silica–carbonate–cemented breccia hosted by hornfels, with angular wall-rock clasts supported by silica, calcite, and siderite, and minor oxidized sulfide phases distributed as clusters within the breccia matrix.

La Purísima

The La Purísima showing is located in the northeastern part of the Capitan claim group, approximately 4.5 km northeast of the main Jesús María trend. Mineralization occurs along the northern contact between a granodioritic intrusive and limestone sediments and exhibits a skarn-like character. The showing comprises several old pits and shafts developed over roughly 50 m of strike length in an area of very low topographic relief. Assay highlights include: 1.856 g/t Au, 43.7 g/t Ag, and 241.6 g/t AgEq returned from a dump sample in which mineralization is hosted in brecciated granitoid intrusive fragments partially replaced by silica, with abundant oxidized sulfide phases and moderate argillic alteration obscuring primary textures; and 0.886 g/t Au, 26.8 g/t Ag, and 142.93 g/t AgEq returned from a dump sample with pervasively silicified granitoid fragments associated with clustered base-metal sulfides, including chalcopyrite and galena, with local fine-grained disseminated sulfides and a yellowish oxidation patina overprinting the assemblage.

El Refugio

Surface and near-surface sampling at El Refugio, located between the Jesús María silver trend and the Gully Fault zone, returned anomalous gold and silver values from hydrothermal breccia and carbonate-replaced sedimentary hosts, highlighting a structurally controlled mineralized system. A dump sample from a collapsed working assayed 0.461 g/t Au, 214 g/t Ag, and 234.8 g/t AgEq, derived from a silica–carbonate–cemented hydrothermal breccia with oxidized sulfide phases. Two outcrop samples returned 1.837 g/t Au, 28.1 g/t Ag, and 154.9 g/t AgEq from brecciated shale–limestone replaced by calcite and crystalline silica, and 1.412 g/t Au, 20 g/t Ag, and 118.45 g/t AgEq from a silica-supported hydrothermal breccia developed in sedimentary rocks.

10 Drilling

10.1 Historical Drilling

Historically, 100 diamond drillholes (DDH) were completed at the Cruz de Plata Property by various operators between 2004 and 2020, totalling 18,064.4 m (Table 10.1). Historical drilling targeted a series of mineralized fault zones at the Property, including Capitan Hill, Jesús María, San Rafael and El Refugio (Figures 6.5 and 10.1). A detailed discussion of historical drilling activities at the Property and the evolution of exploration at the Property is provided in Section 6 of this Report and summarized in the following text.

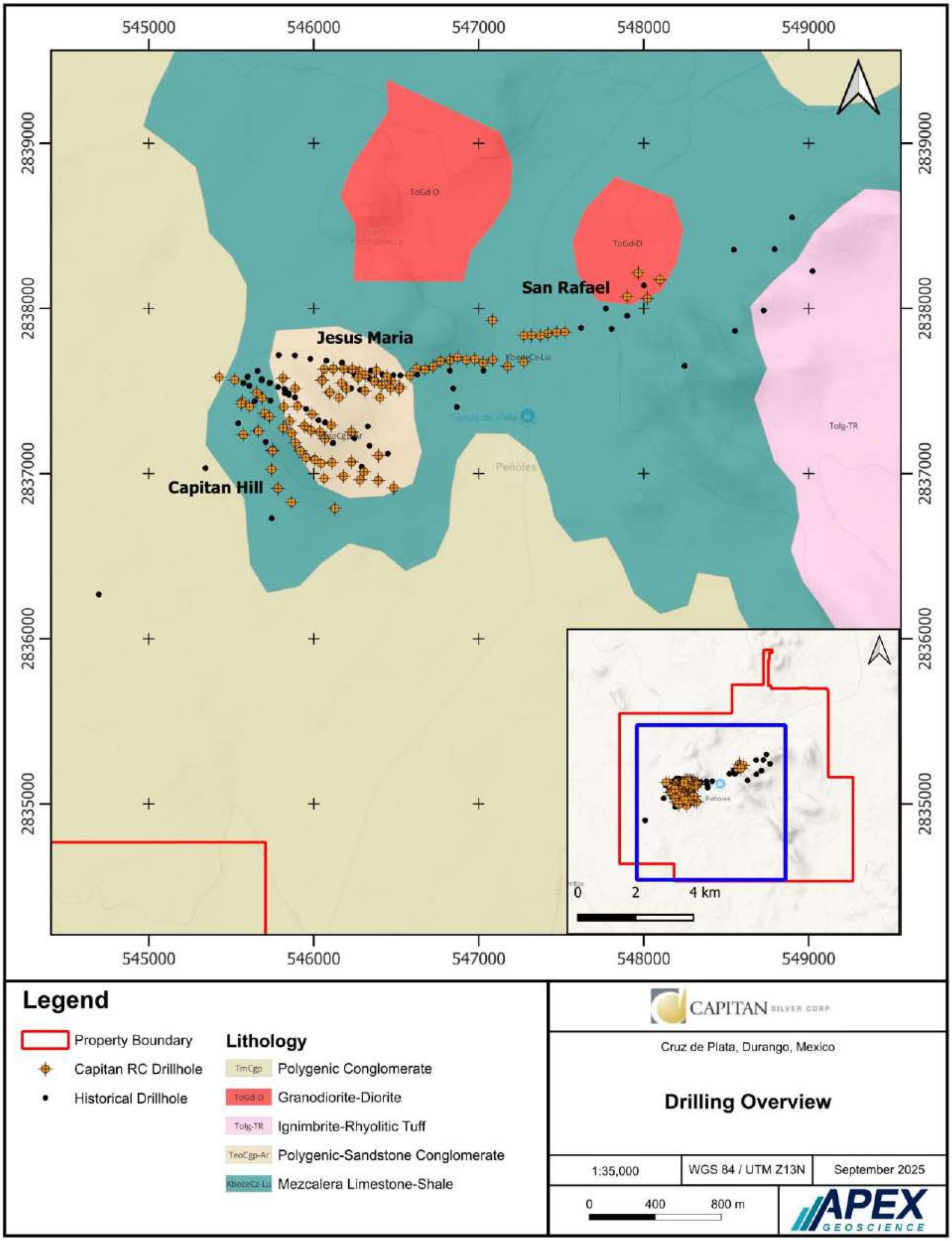
Table 10.1 Summary of historical core drilling at the Cruz de Plata Property.

Year	Company	Capitan Hill		Jesús María		San Rafael		El Refugio	
		Hole Count	Total (m)	Hole Count	Total (m)	Hole Count	Total (m)	Hole Count	Total (m)
2004	Aurcana Corporation	3	459.3			1	407.2		
2008	Riverside Resources	5	967.6						
2011	Sierra Madre Developments	18	2,221.1	1	289.75				
2012	Sierra Madre Developments	22	2,863.8						
2013	Sierra Madre Developments			8	886.75				
2014	Morro Bay Resources	2	205.6	21	1,935.1	5	1,062.3		
2018 to 2020	Fresnillo plc	3	2,154.3			6	2,681.6	5	1,930.1
TOTAL		**53**	**8,871.6**	**30**	**3,111.6**	**12**	**4,151.1**	**5**	**1,930.1**

Source: APEX (2025)

Of the data contained in the Company's historical database, 43 historical DDH totalling 6,367.13 m completed by previous operators were utilized in the estimation of the 2025 Capitan Hill MRE summarized in Section 14 of this Report (Table 10.2). APEX personnel completed verification of the historical drill sampling data, under the direct supervision of Mr. Dufresne and Mr. Black, during the calculation of the MRE. The drill sampling data used in the 2025 Capitan Hill MRE have been deemed adequate and acceptable by the Author and QP, Mr. Dufresne, for use herein.

Figure 10.1 Historical and Capitan Silver 2020 to 2025 drill collar locations, Cruz de Plata Property.



Source: APEX (2025) after Servicio Geológico Mexicano (2025)

Table 10.2 Historical drillholes used in 2025 Capitan Hill MRE.

Hole ID	Easting* (m)	Northing* (m)	RL (m)	Depth (m)	Azimuth (°)	Dip (°)	Year	Company
CDDH-08-01	545685	2837573	2030	169.1	15	-60	2008	Riverside
CDDH-08-02	545904	2837418	2072	146.5	27	-50	2008	Riverside
CDDH-08-03	546290	2837040	1992	222.1	45	-45	2008	Riverside
CDDH-08-04	545541	2837305	1975	213.0	30	-55	2008	Riverside
CDDH-08-05	545708	2837192	2004	217.0	30	-45	2008	Riverside
CDDH-11-01	545903	2837410	2070	122.5	30	-40	2011	Sierra Madre
CDDH-11-02	545826	2837502	2052	118.5	30	-50	2011	Sierra Madre
CDDH-11-03	545827	2837503	2052	137.3	30	-90	2011	Sierra Madre
CDDH-11-04	545658	2837621	2021	5.5	30	-50	2011	Sierra Madre
CDDH-11-05	545659	2837621	2021	70.2	30	-75	2011	Sierra Madre
CDDH-11-06	545986	2837361	2090	164.9	28	-50	2011	Sierra Madre
CDDH-11-07	546069	2837310	2091	180.0	30	-50	2011	Sierra Madre
CDDH-11-08	546246	2837214	2026	149.5	30	-50	2011	Sierra Madre
CDDH-11-09	546338	2837169	2004	115.9	30	-50	2011	Sierra Madre
CDDH-11-10	546449	2837121	1987	122.0	30	-50	2011	Sierra Madre
CDDH-11-12	546117	2837185	2055	205.5	40	-50	2011	Sierra Madre
CDDH-11-13	545733	2837550	2042	100.7	22	-60	2011	Sierra Madre
CDDH-11-14	545733	2837550	2042	115.9	22	-90	2011	Sierra Madre
CDDH-11-15	545953	2837392	2083	131.2	30	-50	2011	Sierra Madre
CDDH-11-16	545783	2837524	2051	165.7	30	-60	2011	Sierra Madre
CDDH-11-17	545783	2837523	2052	137.3	30	-90	2011	Sierra Madre
CDDH-11-18	545886	2837462	2067	112.9	30	-60	2011	Sierra Madre
CDDH-12-01	545848	2837478	2054	123.1	30	-90	2012	Sierra Madre
CDDH-12-02	545848	2837486	2059	164.3	210	-80	2012	Sierra Madre
CDDH-12-07	545573	2837548	1990	108.6	20	-60	2012	Sierra Madre
CDDH-12-08	545737	2837442	2011	138.1	30	-65	2012	Sierra Madre
CDDH-12-09	545901	2837404	2070	175.9	210	-90	2012	Sierra Madre
CDDH-12-10	545901	2837404	2070	190.9	210	-75	2012	Sierra Madre
CDDH-12-11	545886	2837462	2067	132.8	30	-90	2012	Sierra Madre
CDDH-12-12	545886	2837462	2067	201.1	210	-65	2012	Sierra Madre
CDDH-12-13	545822	2837512	2059	173.7	210	-75	2012	Sierra Madre
CDDH-12-14	545732	2837548	2042	179.4	210	-70	2012	Sierra Madre
CDDH-12-15	545849	2837477	2054	111.9	30	-60	2012	Sierra Madre
CDDH-12-16	546067	2837309	2091	187.4	30	-85	2012	Sierra Madre
CDDH-12-17	546105	2837288	2087	161.8	30	-60	2012	Sierra Madre
CDDH-12-18	546104	2837287	2087	131.2	30	-90	2012	Sierra Madre
CDDH-12-19	546028	2837324	2092	175.2	50	-45	2012	Sierra Madre

Hole ID	Easting* (m)	Northing* (m)	RL (m)	Depth (m)	Azimuth (°)	Dip (°)	Year	Company
CDDH-12-20	545944	2837290	2095	161.0	30	-60	2012	Sierra Madre
CDDH-12-21	545654	2837491	2005	133.5	30	-60	2012	Sierra Madre
CDDH-12-22	545609	2837532	1999	135.9	30	-65	2012	Sierra Madre
DDH-PE04-01	545824	2837487	2054	99.4	35	-55	2004	Aurcana
DDH-PE04-02	545730	2837347	2025	212.4	35	-55	2004	Aurcana
DDH-PE04-04	545640	2837437	1995	147.5	45	-75	2004	Aurcana

Source: APEX (2025)
Note*: WGS84 zone 13 coordinate system.

The historical drilling was completed by PMD SA de CV with HQ diameter tooling. Not all aspects relating to the nature and quality of the historical drilling procedures can be confirmed.

Historical collar locations were re-captured in 2020 using a Trimble R8 GNSS Real Time Kinematics (RTK) GPS, considered accurate to +/- 10 mm. All coordinates were recorded in WGS84 UTM Z13. Downhole survey data are not available for most of the historical drilling. Downhole surveys are available for the 2011 drilling. Downhole surveys in 2011 were collected as single shots every 25 m downhole.

Information relating to core recovery from historical drilling is not available. Historical drill core logging included detailed descriptions of lithology, alteration, mineralization, regolith profile and structures. Details relating to sampling techniques utilized by historical explorers prior to 2011 have not been preserved. Drillholes were selectively sampled, with a total of 9,076.17 m assayed (79% of the historical core). Samples ranged from 0.1 to 6.1 m in length (average 1.89 m).

The early drilling at the Cruz de Plata Property, by Aurcana and Riverside, focused on Capitan Hill. Results were positive, the thickness of mineralization encountered was greater than that expected from the surficial expression of quartz veining and siliceous breccia. Downhole intersections included 61.4 m core length at 0.81 g/t Au from 31.85 m in PE04-01, and 32.3 m core length at 0.66 g/t Au from 89.94 m in CDDH-08-02.

Drilling by Sierra Madre Developments (2011-2013) expanded the established mineralization at Capitan Hill and tested the Jesús María target. The 2011 drillholes extended Capitan Hill approximately 700 m along strike towards the southeast and infilled the historical drilling. The 2011 program also completed the first hole at Jesús María, returning 12.85 m core length at 75.54 g/t Ag from 155.9 m (JM-DDH-11-01).

Drilling in 2012 further infilled the Main Zone at Capitan Hill along strike and further expanded the mineralization window down-dip. Drilling in the west of Capitan Hill encountered poor ground conditions, and holes in this area were abandoned early. Significant intersections from 2012 drilling at Capitan Hill included 124.3 m core length at 0.61 g/t Au from 41.55 m in hole CDDH-12-13, and 130.2 m core length at 0.56 g/t Au from 0.95 m in CDDH-12-18.

The 2013 drilling program focused on Jesús María and extended the known mineralization over 270 m strike-length below historical mine workings.

The 2014 drilling by Morro Bay focused on follow-up exploration at Jesús María, utilizing trenching and drilling. The exploration tested some 400 m along strike to the west, which returned thick low-grade mineralization. The drill program also included the first drilling at the San Rafael prospect, which returned significant intersections including 45.35 m core length at 29.6 g/t Ag from 187.35 m in SR-DDH-14-01.

Select results from historical drilling at the Capitan Hill Deposit are presented in Table 10.3. All intersections are reported as downhole widths and grades have been composited as length weighted averages.

Table 10.3 Select significant Intersections (>0.15 g/t Au) from historical drilling at the Capitan Hill Deposit.

Year	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au*m
2004	PE04-01	31.85	93.27	61.42	0.81	50
2004	*including*	76.2	80.77	4.57	6.4	29
2004	PE04-02	125	190.5	65.5	0.17	11
2004	PE04-04	78	147.52	69.52	0.31	22
2008	CDDH-08-01	33.75	35.2	1.45	2.51	4
2008		47	76.18	29.18	0.53	15
2008	*including*	61.9	71.7	9.8	1.07	10
2008	CDDH-08-02	89.94	122.25	32.31	0.66	21
2008	*including*	102.25	105.3	3.05	1.84	6
2008	*and*	102.25	11.8	9.55	1.11	11
2008	CDDH-08-04	182.65	189.5	6.85	0.27	2
2008	*including*	184.1	188.3	4.2	0.34	1
2008	CDDH-08-05	71.13	72.65	1.52	0.99	2
2008		176.5	217	40.5	0.22	9
2008	*including*	180.25	188	7.75	0.36	3
2011	CDDH-11-01	90.35	122.5	32.15	0.48	15
2011	CDDH-11-02	45.45	96.2	50.75	0.51	26
2011	*including*	62.6	77	14.4	1.08	16
2011	CDDH-11-03	35.35	126	90.65	0.6	54
2011	*including*	78.75	116.25	37.5	1.03	39
2011	CDDH-11-07	57.2	165.55	108.35	0.41	44
2011	CDDH-11-14	77.7	114.8	37.1	0.69	26
2011	*including*	90.35	103	12.65	1.39	18
2011	CDDH-11-16	42.7	104	61.3	0.68	42
2011	*including*	61.7	76.1	14.4	1.52	22
2011	CDDH-11-17	43.4	131.8	88.4	0.82	72
2011	*including*	80.5	114	33.5	1.69	57
2011	*and*	95.95	104	8.05	2.41	19
2011	CDDH-11-18	64.05	97.9	33.85	1.4	47
2011	*including*	82.35	97.9	15.55	2.1	33
2012	CDDH-12-01	12.65	123.1	110.45	0.37	41
2012	*including*	32.7	123.1	90.4	0.43	39
2012	*and*	95.1	116	20.9	1.01	21
2012	CDDH-12-02	13.55	155.1	141.55	0.31	44
2012	CDDH-12-08	6.8	138.1	131.3	0.35	46

Year	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au*m
2012	*including*	68.7	134.2	65.5	0.61	40
2012	*and*	86.2	126.2	40	0.78	31
2012	CDDH-12-09	107.8	152	44.2	0.67	30
2012	CDDH-12-10	124.1	190.85	66.75	0.32	21
2012	CDDH-12-11	68.75	127.05	58.3	0.36	21
2012	CDDH-12-12	110.2	190.69	80.49	0.38	31
2012	CDDH-12-13	41.55	165.85	124.3	0.61	76
2012	*including*	117.15	165.85	48.7	1.01	49
2012	*and*	131.99	146.85	14.86	1.56	23
2012	CDDH-12-14	111.9	179.35	67.45	0.58	39
2012	*including*	133.9	171.9	38	0.75	29
2012	CDDH-12-16	32.97	187.4	154.43	0.45	69
2012	*including*	54.97	153.65	98.68	0.57	56
2012	*and*	54.97	83.6	28.63	1.12	32
2012	CDDH-12-17	0	161.8	161.8	0.33	53
2012	*including*	112.69	142	29.31	0.74	22
2012	CDDH-12-18	0.95	131.15	130.2	0.56	73
2012	*including*	39.15	100.3	61.15	0.92	56

Source: APEX (2025)

Note: All intersections are reported as downhole widths and grades have been composited as length weighted averages. True width is unknown.

10.2 Capitan Silver Drilling

10.2.1 2020 to 2022 Drilling Programs

From September 2020 to December 2022, Capitan (as Capitan Mining) completed 77 RC drillholes totalling 18,673.57 m at the Cruz de Plata Property. Drilling targeted mineralized structures at Capitan Hill, Jesús María and San Rafael. A summary of Capitan's RC drilling at the Property is presented in Table 10.4, with drill collar locations shown in Figure 10.1.

Of the data contained in the Capitan drilling database, 11,614.40 m from 47 drillholes were utilized in the estimation of the 2025 Capitan Hill MRE summarized in Section 14 of this Report (Table 10.5). APEX personnel completed verification of the drill sampling data, under the direct supervision of the QPs, Mr. Dufresne and Mr. Black, during the calculation of the MRE. The drill sampling data used in the 2025 Capitan Hill MRE have been deemed adequate and acceptable by the Author and QP, Mr. Dufresne, for use herein.

Table 10.4 Summary of Capitan RC drilling at the Cruz de Plata Property (2020 to 2022).

Year	Company	Capitan Hill		Jesús María		San Rafael	
		Hole Count	Total (m)	Hole Count	Total (m)	Hole Count	Total (m)
2020	Capitan Silver	17	3,553.97				
2021	Capitan Silver	32	8,654.80	10	2,081.78		
2022	Capitan Silver			14	3,416.81	4	966.22
TOTAL		**49**	**12,208.76**	**24**	**5,498.59**	**4**	**966.22**

Source: APEX (2025)

Table 10.5 Capitan RC drilling used in the 2025 Capitan Hill MRE.

Hole ID	Easting* (m)	Northing* (m)	RL (m)	Depth (m)	Azimuth (°)	Dip (°)	Year
20-CARC-01	545983	2837260	2092	201.2	28	-70	2020
20-CARC-02	546106	2837293	2087	182.9	28	-40	2020
20-CARC-03	545701	2837364	2011	213.4	28	-50	2020
20-CARC-04	545812	2837578	2061	85.3	28	-60	2020
20-CARC-05	545853	2837318	2074	231.6	360	-90	2020
20-CARC-06	545901	2837408	2070	152.4	28	-70	2020
20-CARC-07	545818	2837404	2041	213.4	208	-75	2020
20-CARC-08	545886	2837515	2070	134.1	28	-60	2020
20-CARC-09	545686	2837459	2005	243.8	28	-60	2020
20-CARC-10	546068	2837211	2069	274.3	28	-70	2020
20-CARC-11	545918	2837138	2058	256.0	28	-50	2020
20-CARC-12	545943	2837288	2095	274.3	28	-80	2020
20-CARC-13	545654	2837490	2005	189.0	360	-90	2020
20-CARC-14	546228	2837251	2037	152.4	15	-60	2020
20-CARC-15	546303	2837012	1987	228.6	28	-65	2020
20-CARC-16	545887	2837188	2066	249.9	28	-70	2020
20-CARC-17	546005	2837084	2041	271.3	28	-50	2020
21-CARC-18	546228	2837071	2003	219.5	28	-65	2021
21-CARC-19	545567	2837438	1985	179.8	28	-65	2021
21-CARC-20	545520	2837567	1979	189.0	28	-55	2021
21-CARC-21	546391	2836959	1973	249.9	28	-60	2021
21-CARC-22	546485	2836913	1964	195.1	23	-50	2021
21-CARC-23	545952	2837099	2050	170.7	28	-60	2021
21-CARC-24	545661	2837258	1995	274.3	28	-50	2021
21-CARC-25	546110	2837067	2019	253.0	28	-50	2021
21-CARC-26	545751	2837141	2004	274.3	28	-63	2021
21-CARC-27	546006	2837083	2041	320.0	360	-90	2021
21-CARC-28	546280	2836962	1983	292.6	28	-75	2021

Hole ID	Easting* (m)	Northing* (m)	RL (m)	Depth (m)	Azimuth (°)	Dip (°)	Year
21-CARC-29	546036	2837251	2089	300.2	28	-85	2021
21-CARC-30	545560	2837421	1984	243.8	360	-90	2021
21-CARC-31	545918	2837137	2058	300.2	360	-90	2021
21-CARC-32	545572	2837236	1977	300.2	28	-50	2021
21-CARC-33	545865	2837246	2073	271.3	28	-60	2021
21-CARC-35	545611	2837405	1988	249.9	28	-75	2021
21-CARC-36	545990	2837359	2090	271.3	28	-80	2021
21-CARC-37	546045	2837062	2030	300.2	28	-60	2021
21-CARC-38	545749	2837139	2004	292.6	360	-90	2021
21-CARC-39	545951	2837097	2050	313.9	28	-70	2021
21-CARC-40	545814	2837276	2058	272.8	28	-87	2021
21-CARC-41	545663	2837257	1995	268.2	68	-60	2021
21-CARC-42	546392	2837109	1990	249.9	28	-50	2021
21-CARC-43	546179	2836984	1996	298.7	360	-90	2021
21-CARC-45	545729	2837345	2025	249.9	28	-55	2021
21-CARC-46	546127	2836789	1974	320.0	28	-65	2021
21-CARC-47	545744	2837025	1981	271.3	28	-65	2021
21-CARC-48	546062	2836971	2009	317.0	28	-65	2021
21-CARC-49	545864	2836826	1968	350.5	28	-65	2021

Source: APEX (2025)
Note*: WGS84 zone 13 coordinate system.

The 2020 to 2022 RC drilling was conducted by Layne de Mexico SA de CV, of Hermosillo, Sonora, Mexico. RC drill samples were collected and split at the drill site using a Gilson Universal Splitter for homogenization. Samples were collected into either plastic bags (dry sample) or micropore bags (wet sample) and secured with zip ties.

Samples were transported to Bureau Veritas in Durango, Mexico, for preparation. Prepped sample pulps are transported by the laboratory to the Bureau Veritas laboratory in Hermosillo, Mexico, for analysis by 50 g fire assay for atomic absorption finish (FA430). Samples which returned >10 g/t Au and >100 g/t Ag were assayed with gravimetric finish (FA530). Samples were transported by the laboratory to Bureau Veritas in Vancouver, British Columbia, for analysis via inductively coupled plasma-emission spectroscopy (ICP-ES) for a 33-element suite. Over-detection samples for Pb and/or Zn (1% Pb or Zn) were further assayed with aqua regia digestion for ICP-ES.

Collar coordinates were captured, at the time of drilling, on a handheld GPS, considered accurate to +/-5 m. Collar locations were later captured by Trimble R* GNSS Real Time Kinematics (RTK) GPS (considered accurate to +/- 10 mm) in 2020, or by Emlid Reach RS2+ Multi-band GNSS RTK GPS (considered accurate to +/- 10 mm) in 2021 and 2022. All coordinates were recorded in WGS84 UTM Zone 13. Downhole surveys were collected as single shots at 50 m increments downhole during drilling.

Drillholes were logged for lithology, alteration, regolith profile, veining and mineralization. RC holes were sampled in their entirety on nominal 1.52 m intervals (5 ft). Additional information on sample collection, preparation, security and quality assurance – quality control (QA-QC) for Capitan Silver drilling programs is available in Section 11 of this Report.

Drilling by Capitan in 2020 at the Property focused on Capitan Hill and expanded the mineralization by testing down-dip and along strike of the previous drilling. Many holes showed good continuation of the mineralization tenor at depth, with up to 100 m step-outs down dip, particularly in the Main Zone. The drilling also identified mineralized trends in the hanging wall position at Capitan Hill, within the Tertiary volcanic breccias. Significant intersections from the 2020 RC drilling at Capitan Hill include 21.3 m downhole length at 1.8 g/t Au from 196.6 m in 20-CARC-12, and 25.9 m downhole length at 0.77 g/t Au from 201.2 m in 20-CARC-16.

In 2021, Capitan's drill program targeted the high-grade shoots of mineralization at Capitan Hill and Jesús María. Drilling at Capitan Hill focused on down-dip extensions to mineralization and expanding the envelope of high-grade mineralization in the Main Zone. The high-grade lodes were observed to continue at depth with lower grades, but the thickness maintained. These results indicated the potential for some fault displacement in the Main Zone of Capitan Hill, possibly related to the Santa Theresa fault. The 2021 drilling also extended the hanging wall zones down-dip at Capitan Hill. The 2021 program significantly expanded the known mineralization at Jesús María and extended the prospect to an 800 m strike length. Significant intersections from the 2021 RC drilling at Capitan Hill include 15.24 m downhole length at 0.9 g/t Au from 176.8 m in 21-CARC-33, and 16.76 m downhole length at 0.75 g/t Au from 144.8 m in 21-CARC-29.

Drilling in 2022 focused on the Jesús María and San Rafael targets. Drilling at Jesús María tested down-dip extensions to mineralization, with significant step-outs from the previous iterations of drilling (up to 100 m down-dip step-outs). This included testing the Gully Fault area between Capitan Hill and Jesús María. Mineralization was observed to continue at depth at Jesús María, with intersections including 15.24 m downhole length at 72.7 g/t Ag from 175.26 m in 22-JMRC-20, and 39.62 m downhole length at 16.2 g/t Ag from 205.74 m in 22-JMRC-16.

Select significant intersections from the Capitan RC drilling (2020-2021) at the Capitan Hill Deposit are presented in Table 10.6. Select significant intersections from Capitan Silver RC drilling (2021-2022) at Jesús María and San Rafael are presented in Table 10.7. All intersections are reported as downhole widths and grades have been composited as length weighted averages.

Table 10.6 Select significant intersections (>0.5 g/t Au) from Capitan Silver RC drilling (2020-2021) at Capitan Hill.

Year	Deposit	Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Au*m
2020	Capitan Hill	20-CARC-01	137.16	150.88	13.72	0.67	9
2020	Capitan Hill		161.54	166.12	4.57	0.84	4
2020	Capitan Hill	20-CARC-02	112.78	123.44	10.67	0.64	7
2020	Capitan Hill		131.06	138.68	7.62	0.54	4
2020	Capitan Hill	20-CARC-03	118.87	129.54	10.67	0.94	10
2020	Capitan Hill		158.50	164.59	6.10	0.60	4
2020	Capitan Hill	20-CARC-04	38.10	42.67	4.57	0.83	4
2020	Capitan Hill		48.77	51.82	3.05	1.20	4
2020	Capitan Hill	20-CARC-05	176.78	184.40	7.62	1.01	8
2020	Capitan Hill		188.98	195.07	6.10	1.02	6
2020	Capitan Hill	20-CARC-06	106.68	115.82	9.14	0.95	9
2020	Capitan Hill		118.87	134.11	15.24	0.75	11

Year	Deposit	Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Au*m
2020	Capitan Hill	20-CARC-07	144.78	150.88	6.10	0.58	4
2020	Capitan Hill	20-CARC-08	47.24	59.44	12.19	1.15	14
2020	Capitan Hill		70.10	76.20	6.10	0.96	6
2020	Capitan Hill	20-CARC-09	100.58	115.82	15.24	0.61	9
2020	Capitan Hill		118.87	126.49	7.62	1.24	9
2020	Capitan Hill		129.54	132.59	3.05	1.16	4
2020	Capitan Hill	20-CARC-10	144.78	149.35	4.57	1.39	6
2020	Capitan Hill	20-CARC-11	196.60	217.93	21.34	1.80	38
2020	Capitan Hill	20-CARC-12	153.92	163.07	9.14	1.30	12
2020	Capitan Hill		167.64	173.74	6.10	1.91	12
2020	Capitan Hill	20-CARC-13	131.06	146.30	15.24	0.56	8
2020	Capitan Hill	20-CARC-16	201.17	227.08	25.91	0.77	20
2020	Capitan Hill		233.17	240.79	7.62	0.64	5
2021	Capitan Hill	21-CARC-18	91.44	94.49	3.05	0.72	2
2021	Capitan Hill	21-CARC-29	105.16	114.30	9.14	0.62	6
2021	Capitan Hill		137.16	138.68	1.52	2.58	4
2021	Capitan Hill		144.78	161.54	16.76	0.75	13
2021	Capitan Hill		170.69	175.26	4.57	0.68	3
2021	Capitan Hill	21-CARC-31	240.79	249.94	9.14	0.66	6
2021	Capitan Hill	21-CARC-33	111.25	115.82	4.57	0.87	4
2021	Capitan Hill		129.54	132.59	3.05	1.16	4
2021	Capitan Hill		167.64	173.74	6.10	1.05	6
2021	Capitan Hill		176.78	192.02	15.24	0.90	14
2021	Capitan Hill		195.07	201.17	6.10	0.60	4
2021	Capitan Hill	21-CARC-36	118.87	128.02	9.14	0.91	8
2021	Capitan Hill		131.06	138.68	7.62	0.65	5
2021	Capitan Hill	21-CARC-40	128.02	129.54	1.52	1.44	2
2021	Capitan Hill		199.64	207.26	7.62	0.74	6
2021	Capitan Hill	21-CARC-41	150.88	155.45	4.57	0.52	2
2021	Capitan Hill	21-CARC-48	288.04	292.61	4.57	1.08	5
2021	Capitan Hill		297.18	301.75	4.57	0.70	3
2021	Capitan Hill	21-JMRC-03	166.12	178.31	12.19	0.65	8

Source: APEX (2025)

Note*: All intersections are reported as downhole widths and grades have been composited as length weighted averages. True widths are estimated to range from 70 to 90% of the reported drilled length.

Table 10.7 Select significant intersections (>2 g/t Ag) from Capitan Silver RC drilling (2021-2022) at Jesús María and San Rafael.

Year	Prospect	Hole ID	From (m)	To (m)	Interval* (m)	Ag (g/t)	Ag*m
2021	Jesús María	21-JMRC-01	15.24	60.96	45.72	144.2	6,595
2021	Jesús María	21-JMRC-02	126.49	141.73	15.24	23.1	353
2021	Jesús María	21-JMRC-03	33.53	44.20	10.67	22.4	239
2021	Jesús María		76.20	97.54	21.34	92.8	1,981
2021	Jesús María	21-JMRC-04	71.63	85.34	13.72	18.2	250
2021	Jesús María	21-JMRC-05	86.87	109.73	22.86	33.2	759
2021	Jesús María	21-JMRC-06	117.35	155.45	38.10	57.1	2,176
2021	Jesús María	21-JMRC-07	108.20	137.16	28.96	45.8	1,327
2021	Jesús María	21-JMRC-08	102.11	114.30	12.19	31.1	379
2021	Jesús María	21-JMRC-09	77.72	108.20	30.48	10.3	314
2021	Jesús María	21-JMRC-10	4.57	38.10	33.53	149.5	5,012
2021	Jesús María		57.91	74.68	16.76	58.6	982
2022	Jesús María	22-JMRC-11	1.52	3.05	1.52	359.0	547
2022	Jesús María		4.57	16.76	12.19	47.2	575
2022	Jesús María	22-JMRC-12	15.24	56.39	41.15	60.1	2,473
2022	Jesús María	22-JMRC-14	105.16	150.88	45.72	31.9	1,460
2022	Jesús María		158.50	167.64	9.14	66.6	609
2022	Jesús María		170.69	195.07	24.38	20.3	496
2022	Jesús María	22-JMRC-15	152.40	219.46	67.06	18.6	1,246
2022	Jesús María	22-JMRC-16	205.74	245.36	39.62	16.2	641
2022	Jesús María	22-JMRC-17	106.68	124.97	18.29	54.4	995
2022	Jesús María	22-JMRC-18	173.74	196.60	22.86	21.3	487
2022	Jesús María	22-JMRC-20	175.26	190.50	15.24	72.7	1,108
2022	Jesús María	22-JMRC-22	33.53	60.96	27.43	11.3	309
2022	Jesús María		68.58	106.68	38.10	89.0	3,389
2022	Jesús María		111.25	118.87	7.62	43.5	331
2022	Jesús María	22-JMRC-23	108.20	123.44	15.24	42.8	653
2022	Jesús María		214.88	254.51	39.62	12.5	493
2022	Jesús María	22-JMRC-24	108.20	121.92	13.72	18.6	256
2022	San Rafael	22-SRRC-01	21.34	67.06	45.72	19.8	904
2022	San Rafael	22-SRRC-02	51.82	54.86	3.05	20.0	61
2022	San Rafael		59.44	62.48	3.05	6.8	21
2022	San Rafael		83.82	89.92	6.10	7.0	43
2022	San Rafael		109.73	112.78	3.05	7.9	24
2022	San Rafael		135.64	146.30	10.67	17.7	189
2022	San Rafael		152.40	170.69	18.29	22.2	406

Year	Prospect	Hole ID	From (m)	To (m)	Interval* (m)	Ag (g/t)	Ag*m
2022	San Rafael		181.36	188.98	7.62	6.1	46
2022	San Rafael		192.02	198.12	6.10	4.6	28
2022	San Rafael	22-SRRC-03	7.62	12.19	4.57	10.8	49
2022	San Rafael		25.91	33.53	7.62	45.9	350
2022	San Rafael		68.58	83.82	15.24	2.9	44
2022	San Rafael		89.92	112.78	22.86	9.8	225
2022	San Rafael		126.49	141.73	15.24	5.4	82
2022	San Rafael		172.21	182.88	10.67	5.3	57
2022	San Rafael	22-SRRC-04	53.34	62.48	9.14	3.4	31
2022	San Rafael		105.16	108.20	3.05	7.5	23
2022	San Rafael		237.74	242.32	4.57	85.6	392
2022	San Rafael		262.13	278.89	16.76	18.5	310

Source: APEX (2025)

Note: All intersections are reported as downhole widths and grades have been composited as length weighted averages. True widths are estimated to range from 70 to 90% of the reported drilled length.

10.2.2 2025 Drilling

From March 27th to the Effective Date of this Report, Capitan conducted RC drilling at the Cruz de Plata Project. Discussion in this section is limited to the 23 RC drillholes (totalling 3,523.5 m; Table 10.8 and Figure 10.2) drilled between March 27th and June 18th, 2025, for which assays results have been returned. Drilling remains ongoing as of the Effective Date of this Report.

Table 10.8 Summary of 2025 drilling at Cruz de Plata (March 27 to June 18, 2025).

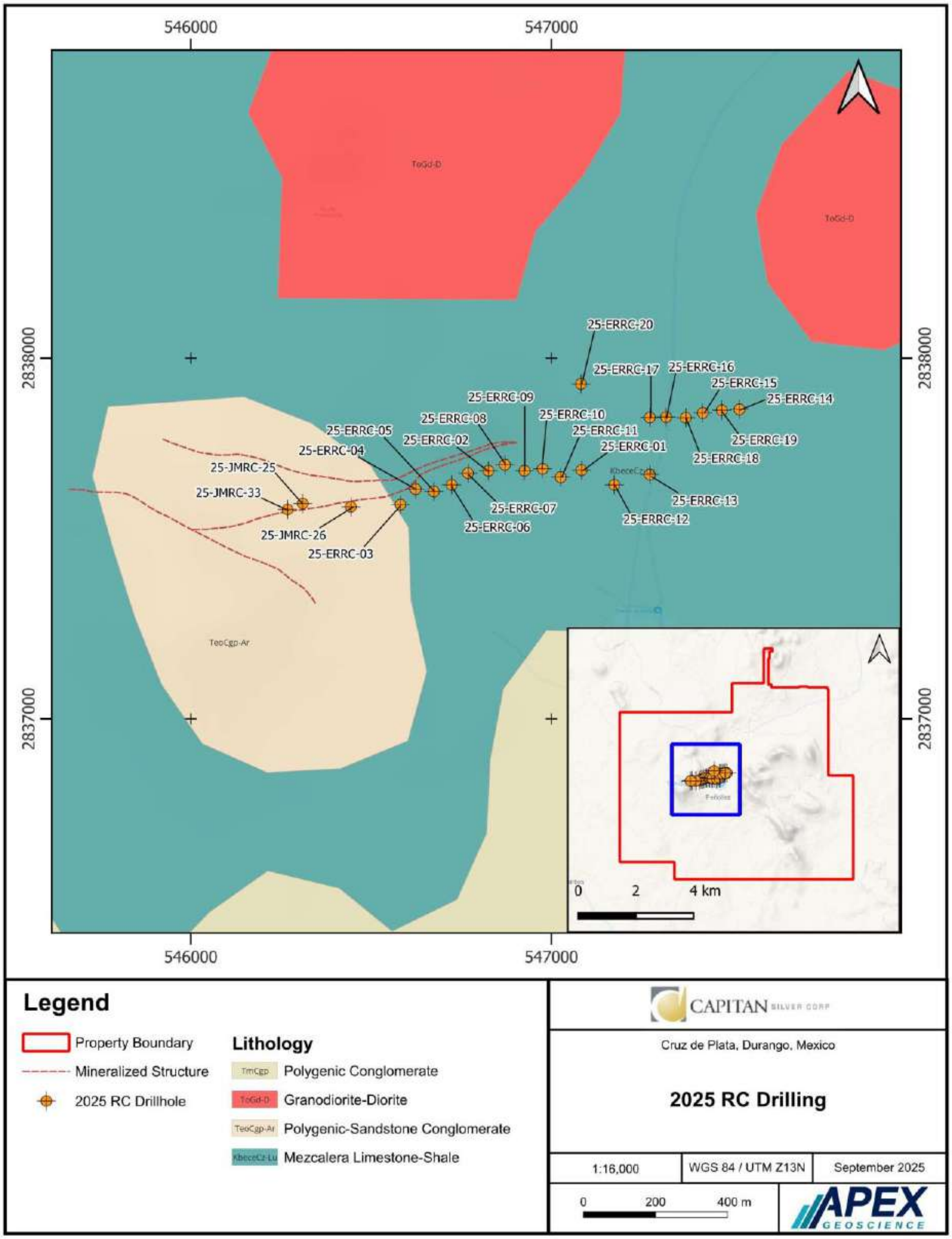
Prospect	Type	Drillholes	Total (m)
El Refugio	RC	20	2,916.94
Jesús María	RC	3	606.56
Total		23	3,523.50

Source: APEX (2025)

Drilling was conducted by CANMEX Perforaciones y Servicios SA de CV (CANMEX) of Hermosillo, Sonora, Mexico. RC drill samples were collected and split at the drill site using a Gilson Universal Splitter for homogenization. Samples were collected into either plastic bags (dry sample) or micropore bags (wet sample) and secured with zip ties.

Samples were transported to Bureau Veritas in Durango, Mexico, for preparation. Prepped sample pulps were then transported by the laboratory to Bureau Veritas in Hermosillo, Mexico for fire assay and Vancouver, BC, Canada for silver and multielement analysis.

Figure 10.2 Capitan Silver 2025 drill collar locations, Cruz de Plata Property



Source: APEX (2025) after Servicio Geológico Mexicano (2025).

Samples were analyzed for Au by 30 g fire assay with an AAS finish (BV analysis code FA430). Samples were also analyzed for a suite of 35 additional elements using a four acid digestion and an ICP-ES finish (BV analysis code MA300). Samples that exceeded the upper detection limits for Au (10 g/t) were assayed with a gravimetric finish (BV analysis code FA530). Samples that exceeded the upper detection limits for Ag (200 g/t) were assayed using a gravimetric finish (BV analysis code FA530) or high-grade analysis using ICP-ES (BV analysis code MA370). Samples that exceeded the upper detection limits for Pb and Zn were assayed using high grade analysis (BV analysis code MA370).

Collar coordinates were captured, at the time of drilling, on a handheld GPS, considered accurate to +/-5 m. Collar locations were later refined using an Emlid Reach RS2 Multi-band GNSS RTK GPS (considered accurate to +/- 10 mm). All coordinates were recorded in WGS84 UTM Zone 13. Downhole surveys were conducted during drilling at intervals averaging ~40 m using a gyro tool.

Drillholes were logged for lithology, alteration, structure, oxidation, sulfide content, and veining. RC holes were sampled in their entirety on nominal 1.52 m (5 ft) intervals. Additional information on sample collection, preparation, security, and QA-QC is available in Section 11 of this Report.

Drilling in 2025 focused on definition and step out drilling of high-grade silver mineralization at the Jesús María, El Refugio, and Gully Fault Zone prospects. Step out drilling at Jesús María intersected several new zones of Au-Ag and polymetallic (Au-Ag-Pb-Zn) mineralization in the footwall of the major veined structure. These new zones will be the focus of future follow-up investigation but appear to show continuity along strike to the west as well as up-dip. Highlights from these new zones include 142.8 g/t Ag, 1.89% Pb, 4.2% Zn over 1.5 m within 3 m of 82 g/t Ag, 1.1% Pb, 2.5% Zn from drillhole 25-JMRRC-25 (Table 10.9).

Three drillholes from the Jesús María and Gully Fault intersection were designed to test the continuity of the Gully Fault north of the Jesús María vein. All holes returned near-surface intersections of both Gully Fault and Jesús María style silver mineralization. Highlights include 523 g/t Ag, 4.34% Pb and 3.15% Zn over 1.5 m in drillhole 25-JMRC-33 and 278 g/t Ag, 5.57% Pb, and 1.85% Zn over 1.5 m in drillhole 25-JMRC-26 (Table 10.9).

Drilling at El Refugio (to the northwest of the Gully Fault) highlighted that the Jesús María vein is likely offset by faulting before continuing to the north. Drillhole 25-ERRC-20 returned very high grades of 1,599 g/t Ag over 1.5 m showing the potential for continued Jesús María style mineralization. In addition, a new area of mineralization was tested between 25-ERRC-20 and the Jesús María trend. A total of six holes tested ~250 m of strike along this trend, with all holes returning silver mineralization ranging from high to low grade. Highlights include 451 g/t Ag over 1.5 m in drillhole 25-ERRC-17 (Table 10.9).

Table 10.9 Select significant intersections from Capitan Silver RC drilling (2025) at El Refugio and Jesús María.

Hole ID	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Zone
25-ERRC-08								
Interval	53.3	59.4	6.1	46.9	0.064	0.08	0.24	El Refugio
Interval	102.1	118.9	16.8	109.4	0.046	0.13	0.28	El Refugio
Including	103.6	105.2	1.5	456	0.088	0.35	0.66	El Refugio
Including	115.8	117.3	1.5	382	0.02	0.48	0.65	El Refugio
Interval	138.7	140.2	1.5	68.5	0.008	0.03	0.06	El Refugio
25-ERRC-09								
Interval	70.1	83.8	13.7	79	0.1	0.21	0.57	El Refugio
Including	74.7	76.2	1.5	427	0.203	0.42	1.14	El Refugio

Hole ID	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Zone
25-ERRC-10								
Interval	48.8	51.8	3	316.3	0.187	0.06	0.06	El Refugio
Including	50.3	51.8	1.5	502	0.226	0.09	0.07	El Refugio
25-ERRC-17								
interval	132.6	140.2	7.6	108.38	0.22	0.01	0.02	El Refugio
including	138.7	140.2	1.5	451	0.73	0.03	0.04	El Refugio
25-ERRC-20								
interval	13.7	32	18.3	200.28	0.17	0.03	0.03	El Refugio
including	18.3	22.4	4.6	709.8	0.25	0.09	0.05	El Refugio
including	18.3	19.8	1.5	1,599.00	0.43	0.21	0.07	El Refugio
including	19.8	21.3	1.5	375	0.2	0.05	0.05	El Refugio
interval	45.7	47.2	1.5	21.1	0.11	0.02	0.02	El Refugio
25-JMRC-25								
Interval	67.1	70.1	3	82	0.289	1.11	2.5	Jesús María
Including	67.1	68.6	1.5	142.8	0.407	1.89	4.2	Jesús María
Interval	109.7	114.3	4.6	61.6	0.171	0.6	0.63	Jesús María
Including	109.7	111.3	1.5	165.6	0.38	1.45	1.59	Jesús María
Interval	126.5	138.7	12.2	13.2	0.271	0.1	0.22	Jesús María
25-JMRC-26								
Interval	24.4	33.5	9.1	101.8	0.085	0.19	0.15	Jesús María
Including	25.9	27.4	1.5	377	0.104	0.64	0.33	Jesús María
Interval	61	71.6	10.7	117.1	0.55	1.52	1.42	Jesús María
Including	67.1	68.6	1.5	278	0.31	5.57	1.85	Jesús María
Including	70.1	71.6	1.5	106.6	1.55	2.21	1.76	Jesús María
Interval	80.8	86.9	6.1	13.9	0.077	0.28	0.71	Jesús María
Interval	149.4	155.4	6.1	19.9	0.938	0.13	0.16	Jesús María
Including	149.4	153.9	4.6	18.07	1.09	0.13	0.14	Jesús María
25-JMRC-33								
Interval	68.6	91.4	22.9	67.15	0.37	0.62	0.68	Jesús María
including	85.3	89.9	4.6	234.4	0.61	2.14	1.53	Jesús María
including	86.9	88.4	1.5	523	1.21	4.34	3.15	Jesús María
Interval	125	128	3	69.35	0.51	0.64	0.64	Jesús María
Interval	141.7	146.3	4.6	25.8	0.28	0.48	0.69	Jesús María
Interval	152.4	157	4.6	49.7	0.49	0.68	0.86	Jesús María
Interval	173.7	178.3	4.6	4.53	0.41	0	0.01	Jesús María

Note: All intersections are reported as downhole widths and grades have been composited as length weighted averages. True widths are estimated to range from 70 to 90% of the reported drilled length.

Source: APEX (2025)

11 Sample Preparation, Analyses, and Security

This section summarizes the sampling preparation, analyses, security, quality control - quality assurance (QA-QC) protocols, and procedures employed in the historical and modern programs utilized at the Cruz de Plata Property. Limited information is available about the historical exploration programs completed before the work conducted by Capitan.

11.1 Sample Collection, Preparation, and Security

11.1.1 Historical Drilling

Information relating to core recovery from historical drilling is not available. Historical drill core logging included detailed descriptions of lithology, alteration, mineralization, regolith profile and structures. Details relating to sampling techniques utilized by historical explorers prior to 2004 have not been preserved.

Aurcana and Riverside completed diamond drilling on the Cruz de Plata Property in 2004 and 2008 to 2009, respectively. Both Aurcana and Riverside followed the same collection and preparation procedures. Drilling was conducted exclusively at the Capitan Hill (previously El Capitan) target, where core recovery was generally excellent, including through locally fractured and faulted intervals. No sample bias was identified. Drill core from all campaigns at the Peñoles property was transported by road from the drill sites to a dedicated core logging facility at Riverside's Peñoles camp, where it was systematically logged and prepared for sampling. All drillholes underwent an initial rapid logging pass followed by detailed geological logging and sample interval selection. Samples were defined within lithologically consistent intervals, with due consideration given to changes in mineralogy and texture, and care was taken to avoid crossing geological contacts. Sample lengths averaged approximately one meter, with individual intervals ranging from 0.3 m to 1.5 m. The entire length of the diamond drillhole was sampled. Sampling was completed by sawing the core longitudinally using diamond blade saws. One half of the core was submitted for laboratory analysis, while the remaining half was retained on site for reference. Sample integrity and chain of custody were maintained using a three-part ticketing system, with tags accompanying samples to the laboratory, placed in core boxes at the start of each sample interval, and retained in the geologist's records. Prepared samples were grouped into sealed shipping bags and either delivered directly to or collected by laboratory personnel to maintain sample security. Core boxes were additionally labelled using aluminum tags and permanent marker to ensure accurate sample tracking.

Sierra Madre and Morro Bay completed diamond drilling at the Cruz de Plata Property from 2011 to 2013, and 2014, respectively. Both companies followed the same sample collection and preparation procedures. Core was transported to the Morro Bay Peñoles compound, where it underwent preliminary and detailed logging. Geologists selected sample intervals based on lithological uniformity, mineralogy, and texture. Core was sampled mostly from top to bottom, with unsampled sections near the top or bottom attributed to poor mineralization or lithological controls. Samples were collected by cutting the core lengthwise down the middle using diamond-blade saws, with care taken to sample the same side to minimize bias. Sample lengths ranged from 0.3 m to 2.5 m, with the majority being 1.0 m long. Barren samples were collected to bracket mineralized intersections. One half of the core was sent for assaying, while the other half was retained on-site for storage. A three-part ticket system was used for sample tracking: one tag accompanied the sample to the lab, the second was stapled to the core box, and the third was kept by the geologist. Samples were individually sealed in plastic bags with their tag, then packed into larger rice bags for shipment. The sample bags were either picked up or delivered to Inspectorate Laboratory, now Bureau Veritas Minerals Laboratories (Bureau Veritas) in Durango, Mexico, for preparation. Bureau Veritas is accredited to the ISO 17025 Standard and is an independent laboratory.

From 2011 to 2012, Sierra Madre implemented a QA-QC program that included the analysis of 52 standards and 84 pulp blanks alongside drill core samples.

No information is available regarding sample collection, preparation, and security for the Fresnillo plc drill program completed at the Property between 2018 and 2020.

11.1.2 Capitan Drilling

The 2020 to 2022 RC drilling was conducted by Layne de Mexico SA de CV, of Hermosillo, Sonora, Mexico. RC drill samples were collected and split at the drill site using a Gilson Universal Splitter for homogenization. Samples were collected into either plastic bags (dry sample) or micropore bags (wet sample) and secured with zip ties. QA-QC samples, including standards, blanks, and duplicates, were inserted into the sample stream at regular intervals.

The 2025 RC drilling was conducted by CANMEX Perforaciones y Servicios SA de CV (CANMEX) of Hermosillo, Sonora, Mexico. RC drill samples were collected and split at the drill site using a splitter for homogenization. Samples were collected into either plastic bags (dry sample) or micropore bags (wet sample) and secured with zip ties. QA-QC samples, including standards, blanks, and duplicates, were inserted into the sample stream at regular intervals.

RC samples were logged and weighed at the drill site. Handwritten logs recorded a lithology and structural graphic, as well as information on lithology, structures, alteration, oxidation, veining, and observed mineralization. The RC and QA-QC samples were sent to Bureau Veritas in Durango, Mexico, for preparation.

11.1.3 Capitan Surface Sampling

Since acquiring the Property in 2020 to the Effective Date of this Report, Capitan has undertaken several exploration programs, which included soil sampling, and various types of rock sampling. Rock sampling included the use of mechanical trenching for channel samples and continuous chip samples, in conjunction with general prospecting for chip and grab samples. Known standard operating procedures for these programs are summarized in the following sub-sections.

11.1.3.1 Rocks

Rock samples taken from the Property were collected as chip, channel, or grab samples. After each sample location was identified, the sample site was photographed, and the coordinates were recorded. Safety goggles were always worn during sample collection, and samples were placed in plastic bags identified with consecutive numbers.

For grab samples, approximately 2 to 3 fist-sized rock samples were removed using a rock hammer from a point location along an outcrop. The weathered surface of the rock fragments was removed to ensure that only fresh rock surfaces were analyzed.

Prior to collecting chip samples, the outcrop was cleared of weathered material and plant matter covering the area of interest. Approximately 3 kg of rock fragments were collected uniformly across the area of interest using a rock hammer and chisel. Rock fragments were further broken down as necessary to ensure a homogenous fragment size within the sample bag.

Prior to collecting channel samplings, the outcrop was cleared of weathered material and plant matter, and when possible, the area was cleaned with pressurized water. The outcrop was cut using a STINL gasoline cutter with 14-in wet cutting diamond disc along lines that were marked with spray paint. After cutting, the area was cleaned a second time with pressurized water. The cut rock was then extracted from the outcrop using a hammer and chisel forming a uniform channel along the entire length of the outcrop. The collected material was homogenized and placed in a sample bag. The site was marked with a metal token to indicate the sample collected from this location. Structural data was also collected at these sites.

The rock samples were sent to Bureau Veritas in Durango, Mexico, for preparation.

11.1.3.2 Soils

Soil samples were collected at equidistant sample sites over the defined area of interest. At each sample location, a hole was dug (deep enough to clearly define horizon B) after the site was cleared of garbage, rocks, and plant matter. Soil material from the B-horizon was collected and sifted through a mesh screen (approximately 120 mesh). The resulting final sample, weighing 50 to 120 g, was placed in a paper envelop label identified with consecutive numbers. If the soil material was wet, a gross sample of 1.5 to 2 kg was collected, necessitating laboratory sifting.

The sample location coordinates were recorded, along with a general description of the collection area. Excess excavated material and removed plant material were returned to the collection site. Sampling equipment (sieve, shovel) was cleaned between each sample site to prevent contamination.

The soil samples were sent to Bureau Veritas in Durango, Mexico, for preparation.

11.2 Analytical Procedures

11.2.1 Historical Drilling

All samples collected from the Aurcana and Riverside drilling campaigns were prepared, analyzed, and processed using consistent procedures at a single accredited laboratory operated by Inspectorate Laboratory in Durango, Mexico. Following core sawing, individual samples were placed in sealed plastic bags with a unique assay tag. Prepared samples were grouped into sealed shipping bags and either delivered directly to or collected by laboratory personnel to maintain sample security. Quality assurance and quality control procedures included the regular insertion of certified reference materials and blanks. Standards and blanks were inserted at a frequency of one per 15 samples. No field duplicates were collected; however, laboratory internal standards were included and reported on final analytical certificates. Inspectorate also applied routine internal quality control measures, including sample repeats and standards within each analytical batch.

Gold and silver analyses were completed using fire assay with atomic absorption finish. Samples returning gold values greater than 2,000 ppb or silver values greater than 200 g/t were re-analyzed using a gravimetric finish. Multi-element analyses were performed using inductively coupled plasma–atomic emission spectroscopy (ICP-AES), with a 30-element ICP package applied to all drill core samples.

All sample preparation work for the 2011-2014 drilling programs completed by Sierra Madre and Morro Bay was performed by Inspectorate Laboratory, now Bureau Veritas in Durango, Mexico, which is accredited to the ISO 17025 Standard and is an independent laboratory. The prepared samples were shipped to Bureau Veritas in Reno, Nevada, United States for analysis. Bureau Veritas in Reno is ISO/IEC 107025:2017 accredited and ISO 9001:2015 certified and is an independent laboratory. The drill core samples from both programs were prepared and analysed using the same methods.

Samples were prepared by crushing to >80% passing -10 mesh, split approximately 250 g, and pulverised to >90% passing -150 mesh. Gold assays were initially determined by procedure Au-1AT-AA, which utilized a standard fire assay (30 g aliquot) followed by an Atomic Absorption Spectroscopy (AAS) finish. Samples returning greater than 2 g/t Au were re-assayed using fire assay with a gravimetric finish. A 30-element suite was determined by procedure 30-AR-TR, which involves an aqua regia acid digestion followed by an Inductively Coupled Plasma (ICP) finish. The elements determined by this method include silver, iron, copper, zinc, lead, and others.

Overlimit silver values greater than 200 ppm were re-run through a 30 g aliquot fire assay with a gravimetric finish (procedure Ag-1AT-GV). Other precious metals that had overlimit values (such as Cu, Zn, Pb, etc.) were re-run with an aqua regia digestion and AAS finish (procedure Cu-AR-OR-AA, Zn-AR-OR-AA, etc.).

Core samples from the Fresnillo plc drill program completed between 2018 and 2022 were prepared and analysed at SGS Laboratory (SGS) in Durango, Mexico. The content of gold was determined by procedure GE_FAA515, which involved taking a 50 g aliquot from the pulp and subjecting it to fire assay, then finishing with AAS. Samples that returned greater than 10 ppm Au and greater than 100 ppm Ag would be re-run with fire assay and a gravimetric finish (analysis code GEO_FAG515). Multi-element analysis was completed via GE_ICP40B, using a 4-acid digestion with an ICP finish. Samples with greater than 1% Pb and Zn were re-run with aqua regia digestion with an ICP finish (analysis code GO_ICP90Q) (Orozco, 2022). SGS is accredited to the ISO/IEC 17025 Standard and is an independent laboratory.

11.2.2 Capitan Drilling

Capitan drill samples were transported to Bureau Veritas in Durango, Mexico for preparation. Samples were crushed, split, and pulverized to 200 mesh (250 g). Prepped sample pulps were transported by the laboratory to the Bureau Veritas laboratory in Hermosillo, Mexico, for analysis by 50 g fire assay for atomic absorption finish (FA430). Samples which returned >10 ppm Au and >100 ppm Ag were assayed with gravimetric finish (FA530). Samples were transported by the laboratory to Bureau Veritas in Vancouver, British Columbia, for analysis via inductively coupled plasma-emission spectroscopy (ICP-ES) for a 33-element suite. Over-detection samples for Pb and/or Zn (1% Pb or Zn) were further assayed with aqua regia digestion for ICP-ES.

Bureau Veritas Hermosillo, Durango, and Vancouver are ISO 9001:2015 certified and ISO/IEC 17025:2017 accredited. All three Bureau Veritas locations are independent of Capitan and the Authors of this Report.

11.2.3 Capitan Surface Sampling

All rock and soil samples were prepared and analyzed by Bureau Veritas, an ISO 17025–accredited laboratory independent of Capitan and the Authors of this Report. Rock samples were crushed, split, and pulverized to 200 mesh (250 g) at Bureau Veritas in Durango, Mexico, before being transported by the laboratory to Hermosillo, Mexico. Gold and silver were analyzed by 50 g fire assay with atomic absorption finish (FA430), with samples returning >10 ppm Au or >100 ppm Ag re-assayed using a gravimetric finish (FA530). Rock samples were additionally analyzed for a multi-element suite by ICP-MS or ICP-ES methods (AQ300), with over-limit Pb or Zn values (>1%) re-assayed using high-grade aqua regia digestion with ICP-ES (AQ370-X).

Soil samples were dried at 60 °C, sieved to −80 mesh, and prepared at Bureau Veritas Durango before transport to Hermosillo for fire assay analysis. Prepared soil pulps were then shipped by the laboratory to Bureau Veritas in Vancouver, British Columbia, where they were analyzed by aqua regia digestion with ICP-MS for trace- and multi-element suites (AQ201). All samples were collected in sealed plastic bags and transported under laboratory chain-of-custody protocols.

11.3 Quality Assurance – Quality Control

Quality assurance and quality control (QA-QC) procedures were implemented throughout various drilling campaigns on the Property to ensure the accuracy, precision, and reliability of the analytical data. The QA-QC program comprised the systematic insertion and monitoring of certified reference materials (CRMs, analytical standards), blanks, and duplicate samples, as well as independent umpire laboratory checks. The results of these QA-QC measures are evaluated in the following sections to assess analytical performance, identify potential sources of bias or contamination, and confirm the suitability of the dataset for its intended use.

Analytical standards (or certified reference materials, CRMs) were inserted into the sample stream to verify the overall analytical precision and accuracy of geochemical laboratory results. CRM samples comprise pulverized and homogenized materials that have been suitably tested, generally through a multi-lab, round-robin analysis, to establish an accepted (certified) value for the standard. Statistical analysis is undertaken to define and support the “acceptable range” (i.e., variance), by which subsequent analyses of the material may be judged. Generally, this involves examination of assay results relative to inter-lab standard deviation (SD), resulting from round-robin testing data for each standard, whereby individual assay results may be examined relative to 2SD and 3SD ranges.

Blank pulp samples were inserted into the sample stream to monitor potential contamination during the assay process. Coarse blank samples were inserted into the sample stream and provide a means by which the sample preparation procedures at laboratories can be tested for potential issues related to sample-to-sample contamination, usually due to poor procedures related to incomplete clearing/cleaning of crushing and pulverizing machines between samples.

Field duplicate samples were inserted to assess the quality of homogenization achieved during the sample preparation processes and allows for the evaluation of the reproducibility of sampling, providing information on the variability of mineralization at the sample scale. Field duplicates are obtained either through quarter-core splits for core samples or using a splitter on RC material.

Additionally, RC field duplicates are used to assess the quality of homogenization achieved by the splitter during drilling. Significant differences between original and duplicate sample assay results could indicate sample bias during the splitting process or could be due to heterogeneity inherent to the rock samples.

Check assays (umpire checks) were conducted to provide an independent assessment of analytical accuracy and to identify any potential laboratory bias. Selected subsets of pulps and core were submitted to a secondary laboratory for re-analysis using analogous analytical methods. These inter-laboratory duplicate analyses allow for direct comparison of results between the primary and umpire laboratories, providing a measure of the consistency of reported grades.

Standards were obtained during drilling campaigns from reputable commercial suppliers that specialize in preparing verified and certified reference standards as pulp material, pre-packaged in individual sample portions of between 50 and 100 g. The CRMs were prepared by accredited laboratories including, CDN Resource Laboratories Ltd. (CDN) and Rocklabs of Scott Technology Ltd. (Rocklabs).

APEX reviewed the assay results for the QA-QC materials inserted into the sample stream during the drilling campaigns using custom Python scripts developed internally by APEX personnel to evaluate QA-QC data and to produce standard, blank, and duplicate plots. APEX has applied a failure criterion for certified standards of 3SD from the certified expected value. Blanks were evaluated at a tolerance of 3 times the detection limit.

The QA-QC review undertaken for this Technical Report is limited in scope to drillholes incorporated into the Mineral Resource Estimate (MRE) detailed in Section 14, together with all drillholes completed during the 2025 drilling campaign. The 2025 drillholes were reviewed as part of the QA-QC assessment but are not included in the MRE. Drillholes outside of these datasets were not evaluated.

11.3.1 Historical Drilling (2004 – 2012)

While the 2004 drilling program was conducted during the early implementation of NI 43-101, documentation describing QA-QC procedures and verifiable records of control sample insertion are not available for this generation. Records for the 2008 drilling campaign QA-QC are limited and included umpire check assays, which are summarized in the 2009 Technical Report prepared by Riverside Resources Inc. (Daniels, 2009).

From 2011 to 2012, Sierra Madre implemented a QA-QC program that included the analysis of 52 standards and 84 pulp blanks alongside drill core samples. All sampling was analysed at Inspectorate / Bureau Veritas laboratory in Reno, NV using method Au-1AT-AA, which consists of a 30 g fire assay with an AAS finish. CRM results are summarized in Table 11.1.

Table 11.1 2011-2012 CRM performance summary.

Certified Reference Material	Year	Element	Manufacturer	No. of Records	No. of Fails (3SD)	Failure Rate (%)	Certified Value (ppm)
CDN-GS-3J	2011	Au	CDN	7	0	0	2.71
CDN-ME-6	2012	Au	CDN	45	2	4.44	0.27

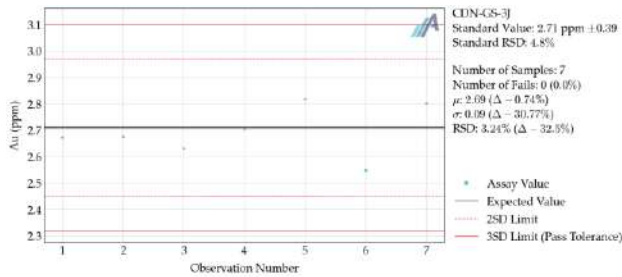
Source: APEX (2025)

A total of 7 CDN-GS-3J samples were analyzed in 2011, all values fell within the established control limits, but the sample size is too small for confident evaluation (Figure 11.1).

In 2012, a total of 45 CDN-ME-6 samples were analyzed, with 2 falling outside the expected control limits. The results (Figure 11.2) show good accuracy and precision.

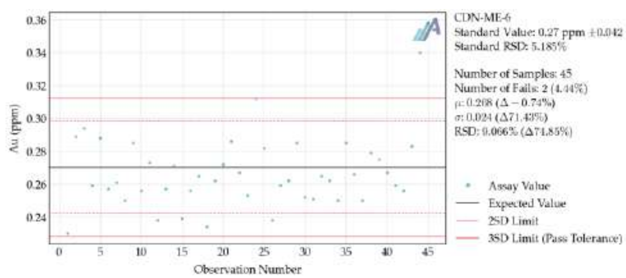
A total of 84 pulp blank samples were analyzed for both Au and Ag, with 1 Au (1.19%) and 4 Ag blanks (4.76%) exceeding the established maximum threshold (Figure 11.3). Gold responses are tightly grouped below the detection limit, suggesting no issues with contamination or performance. Silver results show more dispersion with several elevated results, but overall, blank performance is acceptable for both elements.

Figure 11.1 2011 Sierra Madre drill program standard performance — CDN-GS-3J.



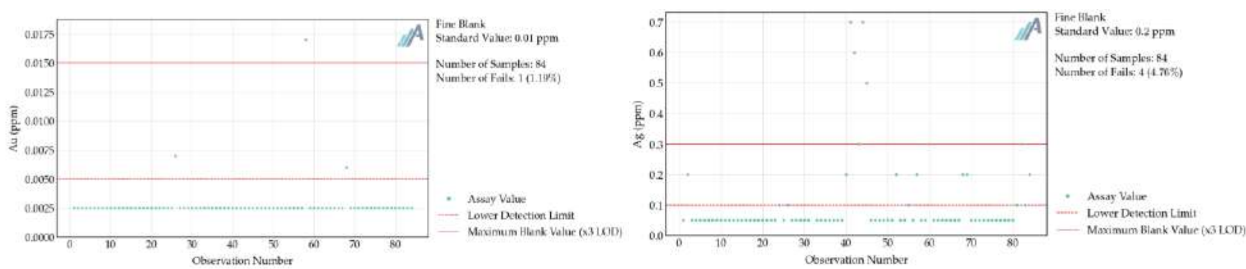
Source: APEX (2025)

Figure 11.2 2012 Sierra Madre drill program standard performance — CDN-ME-6.



Source: APEX (2025)

Figure 11.3 Sierra Madre pulp blank performance.



Source: APEX (2025)

11.3.2 Capitan Drilling (2020 – 2021)

Capitan Silver implemented a thorough QA-QC program involving the analysis of 298 standards, 282 pulp blanks, and 272 field duplicates during the 2020-2021 drilling programs. Capitan drill samples were transported to Bureau Veritas in Durango, Mexico for preparation. Prepped sample pulps were transported by the laboratory to the Bureau Veritas laboratory in Hermosillo, Mexico, for analysis by 50 g fire assay for atomic absorption finish (FA430). Samples which returned >10 ppm Au and >100 ppm Ag were assayed with gravimetric finish (FA530). Samples were transported by the laboratory to Bureau Veritas in Vancouver, British Columbia, for analysis via ICP-ES for a 33-element suite. Over-detection samples for Pb and/or Zn (1% Pb or Zn) were further assayed with aqua regia digestion for ICP-ES.

Results from the 2022 drilling program were not included in the MRE and therefore have not been included in the QA-QC plots. Umpire check assays were performed on 1,027 pulp rejects from six 2020-2021 drillholes and on 81 pulp rejects from 2012 drilling from 1 drillhole. CRM results are summarized in Table 11.2.

Table 11.2 2020-2021 CRM performance summary.

Certified Reference Material	Year	Element	Manufacturer	No. of Records	No. of Fails (3SD)	Failure Rate (%)	Certified Value (ppm)
OxD127	2020-2021	Au	Rocklabs	64	0	0	0.459
OxD151	2020	Au	Rocklabs	81	0	0	0.43
OxD167	2021	Au	Rocklabs	153	0	0	0.462

Source: APEX (2025)

In 2020 and 2021, 64 OxD127 samples were analyzed for Au. The results show a moderate negative bias but remain generally centered around the expected value (Figure 11.4). A total of 81 analyses of the OxD151 gold CRM were included in the 2020 QA-QC program, with all results falling within the established control limits and no failures recorded (Figure 11.5). The low analytical dispersion (σ = 0.008 ppm; RSD = 1.84%) indicates a high degree of precision and good overall agreement with the certified value. A subtle low-high-low pattern in assay values is apparent through time, (approximated here by observation number), which may reflect minor instrument drift and subsequent recalibration events. However, the magnitude of this variation remains well within acceptable limits and does not materially affect data quality.

In 2021, a total of 153 OxD167 samples were analyzed, all sample results were within the established control limits (Figure 11.6). No adverse trends are visible, and the samples demonstrate good accuracy and strong precision.

A total of 282 Au and 279 Ag pulp blank samples were analyzed, with 4 Au blanks (1.42%) and 2 Ag blanks (0.72%) exceeding the maximum blank threshold of 3-times limit of detection (Figure 11.7). The majority of results cluster near to the lower detection, indicating very low background signal and negligible contamination.

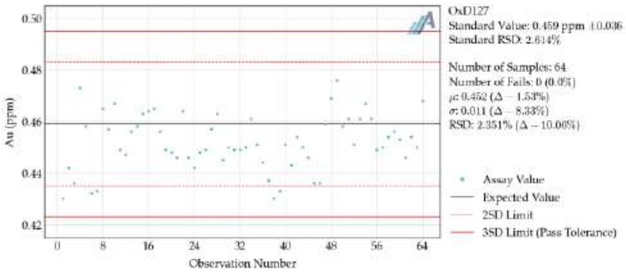
A total of 272 field duplicate pairs were analyzed for both Au and Ag, with 31 Au pairs (11.4%) failing the acceptance criteria (Figure 11.8), no Ag failures identified. Silver demonstrates excellent agreement, with all pairs passing the acceptance criteria with a strong linear relationship across the full grade range. Scatter decreases at higher grades for both elements, and no systematic bias between original and duplicate results is evident. Lack of bias indicates the observed variability reflects natural sample heterogeneity rather than analytical bias.

A total of 1,027 pulp rejects from 6 drillholes across 2020 and 2021 were sent to SGS Laboratory in Durango, Mexico for umpire check analysis in 2021, with 131 (12.76%) failing the acceptance criteria (Figure 11.9). Despite these failures, agreement between original and duplicate values is generally strong (ρ = 0.992), with high correlation and minimal difference in mean values, indicating no material systematic bias between laboratories and supports acceptable analytical precision and reproducibility.

A total of 81 drill core samples from drillhole CDDH-12-20 were sent to Bureau Veritas laboratory in Vancouver, Canada for umpire check analysis in 2021, with 49 pairs (60.49%) failing the acceptance criteria (Figure 11.10). The failures are driven by a systematic discrepancy in which the original laboratory consistently reports Au values below it's detection limit (0.005 ppm Au), whereas the corresponding duplicate analyses return variable and measurable Au concentrations above the detection threshold.

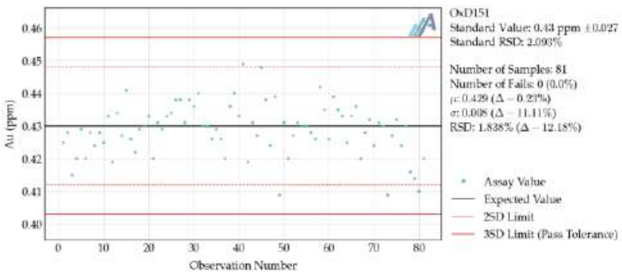
This pattern indicates a negative bias in the original 2012 Au assays, where gold is not being detected when it is demonstrably present in the sample. This behaviour reflects an analytical sensitivity or methodological limitation rather than geological variability or random analytical scatter. At higher grades, where the original analyses report measurable gold, agreement improves, further supporting the interpretation of potential under-reporting of low-grade gold in the 2012 dataset. Additional investigation is required to assess the extent of this under-reporting, as the current comparison is limited to samples from a single drillhole and the issue may be hole- or batch-specific.

Figure 11.4 2020-2021 Capitan drill program standard performance — OxD127.



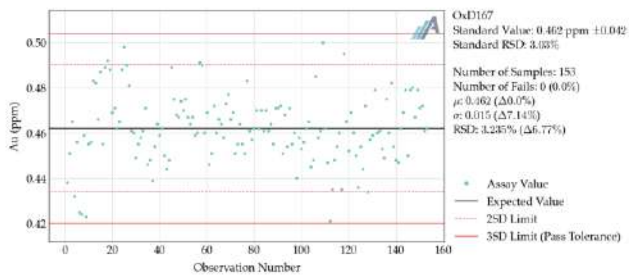
Source: APEX (2025)

Figure 11.5 2020 Capitan drill program standard performance — OxD151.



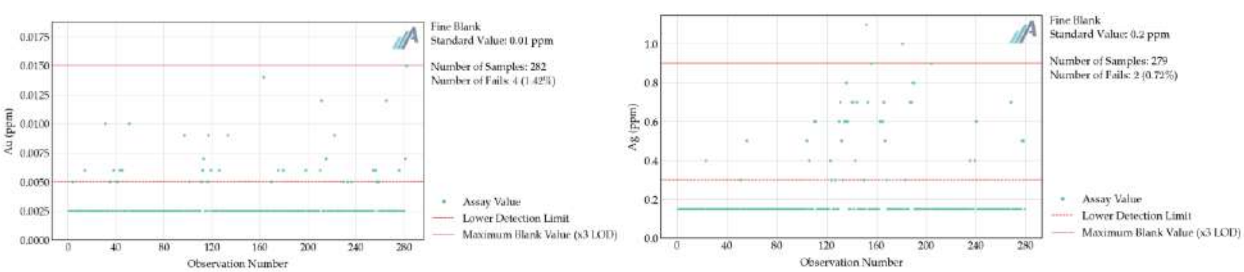
Source: APEX (2025)

Figure 11.6 2021 Capitan drill program standard performance — OxD167.



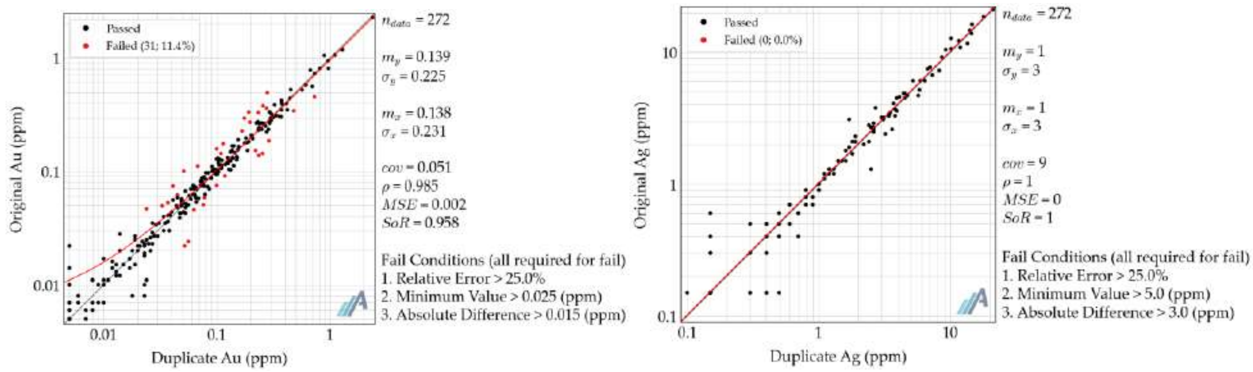
Source: APEX (2025)

Figure 11.7 2020-2021 Capitan drill program pulp blank performance.



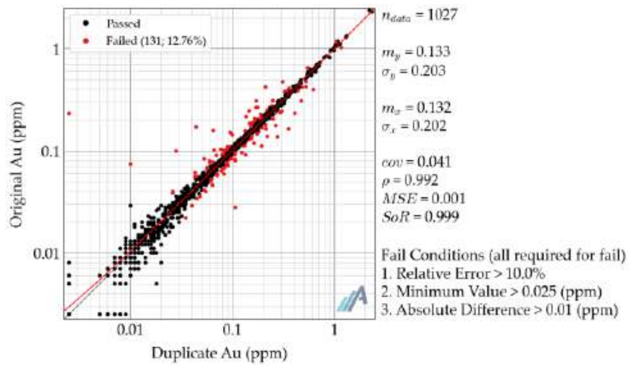
Source: APEX (2025)

Figure 11.8 2020-2021 Capitan drill program field duplicate performance.



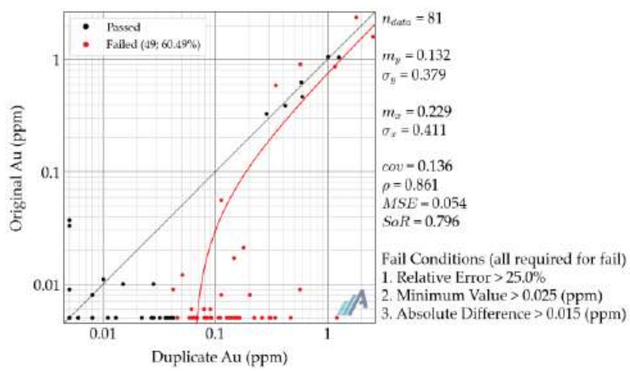
Source: APEX (2025)

Figure 11.9 2020-2021 Capitan drill program pulp rejects, Au umpire check samples performance.



Source: APEX (2025)

Figure 11.10 2012 Sierra Madre drill program core samples, Au umpire check samples performance.



Source: APEX (2025)

11.3.3 Capitan Drilling (2025)

In 2025, Capitan continued using the previously established QA-QC procedure, analyzing a total of 98 standards, 81 blank pulps, and 76 field duplicates. Samples were transported to Bureau Veritas in Durango, Mexico for preparation. Prepped sample pulps were transported by the laboratory to the Bureau Veritas laboratory in Hermosillo, Mexico, for analysis by 50 g fire assay for atomic absorption finish (FA430). Samples which returned >10 ppm Au and >100 ppm Ag were assayed with gravimetric finish (FA530).

Samples were transported by the laboratory to Bureau Veritas in Vancouver, British Columbia, for analysis via ICP-ES for a 33-element suite. Over-detection samples for Pb and/or Zn (1% Pb or Zn) were further assayed with aqua regia digestion for ICP-ES. CRM performance is summarized in Table 11.3.

Table 11.3 2025 CRM performance summary.

Certified Reference Material	Year	Element	Manufacturer	No. of Records	No. of Fails (3SD)	Failure Rate (%)	Certified Value (ppm)
CDN-ME-2002	2025	Au	CDN	59	0	0	0.289
CDN-ME-2103	2025	Ag	CDN	9	0	0	101
CDN-ME-2202	2025	Au	CDN	30	1	3.33	1.755
		Ag		30	0	0	249

A total of 59, CDN-ME-2002 samples were analyzed for Au, with none falling outside the expected control limits (Figure 11.11). The results indicate strong consistency in the assay data and suggests reliable and well-controlled analytical conditions.

A total of 9 CDN-ME-2103 samples were analyzed for Ag, with none falling outside the expected control limits (Figure 11.12). The results show a minor negative bias relative to the certified value and the assay values cluster tightly around the mean.

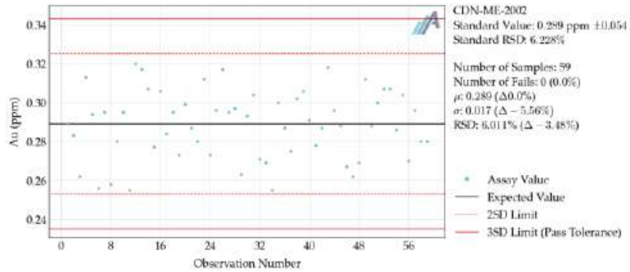
A total of 30 CDN-ME-2202 samples were analyzed for Au and Ag, with one Au result (3.33%) falling outside the expected control limits and all Ag results remaining within tolerance (Figure 11.13). Accuracy is acceptable for both analyses, with a minor positive bias observed in the Au data. Overall, the results are reliable, but the higher dispersion and single failure in the Au dataset indicate reduced precision relative to the Ag results.

A total of 81 pulp blank samples were analyzed for Au and Ag, with no results exceeding the established maximum threshold of 3-times the LOD for both Au and Ag (Figure 11.14). Au values exhibit an increase in variability with time but plot well below the maximum threshold for blank material, while Ag results are mostly below detection limit with a few higher, yet still passing, measurements. Overall, the data indicate very good blank performance for both Au and Ag.

A total of 76 field duplicate pairs were analyzed for Au and Ag, with 2 Au pairs (2.63%) and 7 Ag pairs (9.21%) failing the acceptance criteria (Figure 11.15). Agreement between original and duplicate values is strong overall, reflected by high correlations and low mean differences. Collectively, the duplicate samples indicate acceptable reproducibility.

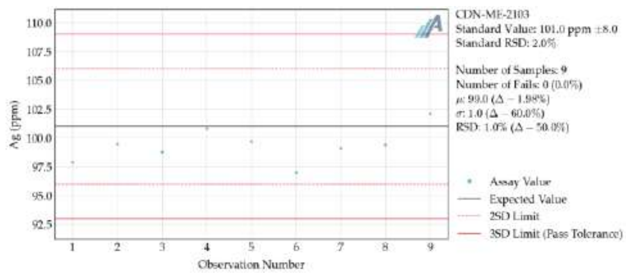
A total of 87 RC samples from drillhole 25-ERRC-06 were sent to SGS Laboratory in Durango, Mexico for umpire check analysis, with only one Au pair (1.15%) failing the acceptance criteria and all Ag pairs passing (Figure 11.16). Agreement between original and duplicate assays is strong, supported by very high correlations and small mean differences, though minor scatter is visible at low concentrations. Overall, the data demonstrates robust reproducibility for both elements, with Ag showing particularly consistent performance (ρ = 1.0).

Figure 11.11 2025 Capitan drill program Au standard performance — CDN-ME-2002.



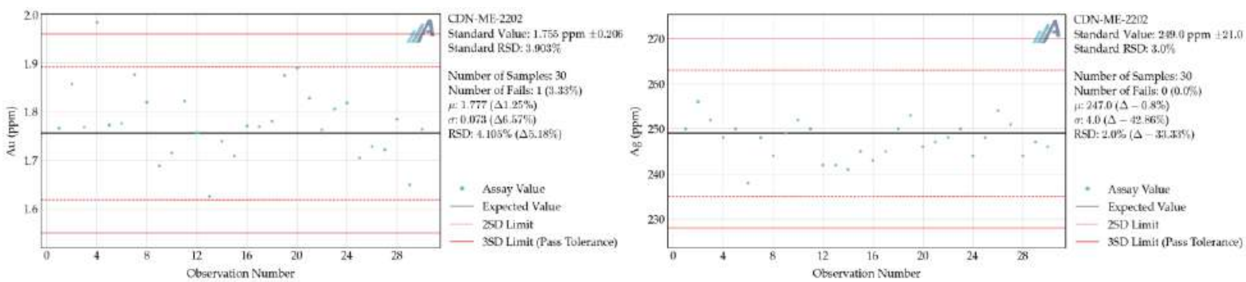
Source: APEX (2025)

Figure 11.12 2025 Capitan drill program Ag standard performance — CDN-ME-2103.



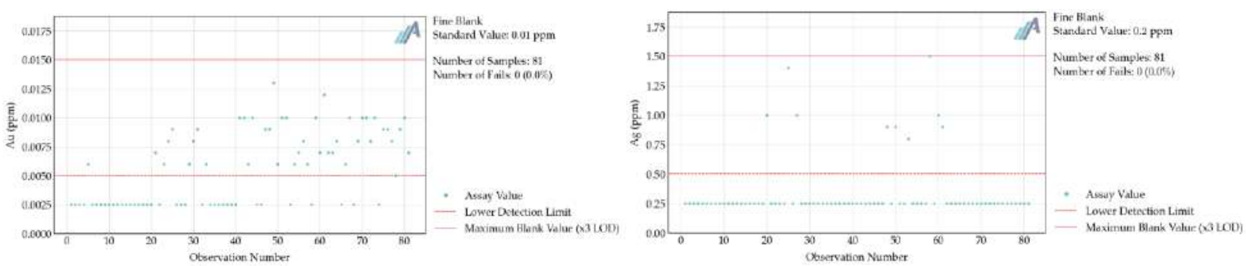
Source: APEX (2025)

Figure 11.13 2025 Capitan drill program Au & Ag standard performance — CDN-ME-2202.



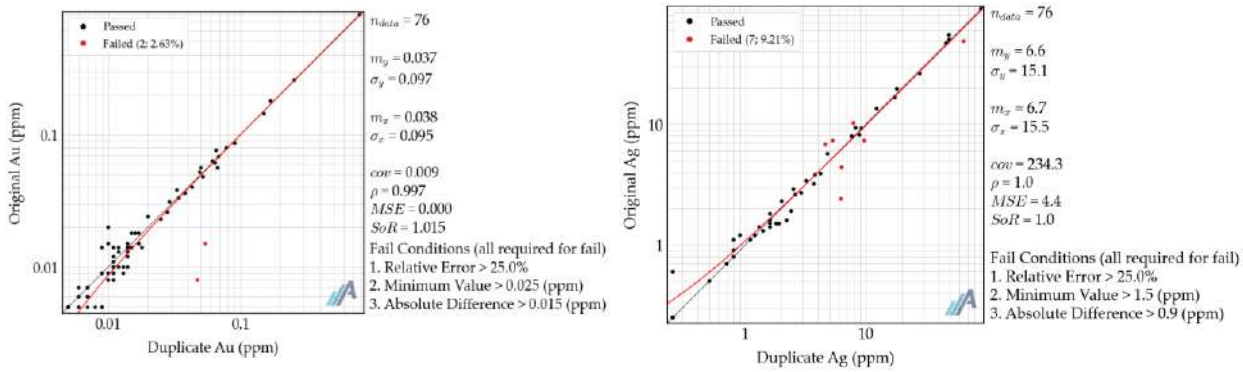
Source: APEX (2025)

Figure 11.14 2025 Capitan drill program Au & Ag blank performance.



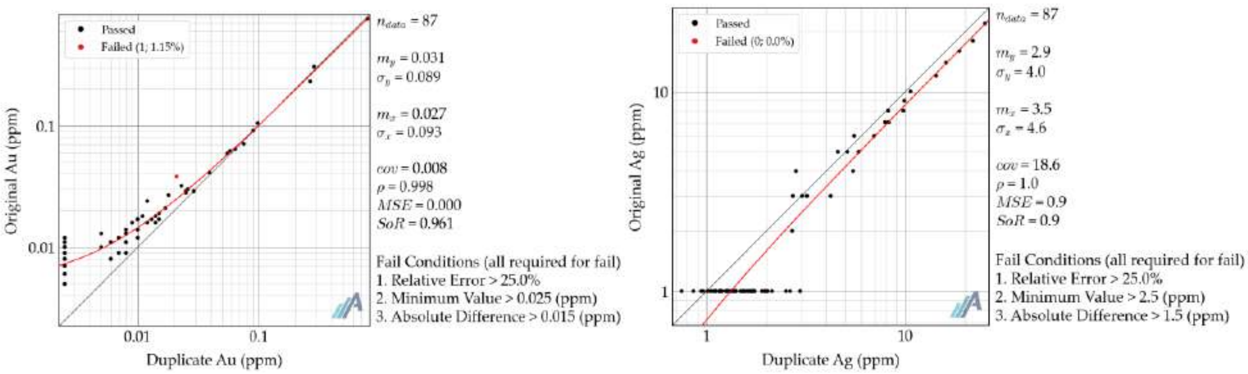
Source: APEX (2025)

Figure 11.15 2025 Capitan drill program Au & Ag field duplicate performance.



Source: APEX (2025)

Figure 11.16 2025 Capitan drill program Au & Ag umpire check performance.



Source: APEX (2025)

11.4 Adequacy of Sample Collection, Preparation, Security and Analytical Procedures

Given the age of historical drilling conducted by a number of the historical operators (pre-2011), the lack of information regarding sampling and analytical procedures, security, and QA-QC is not unusual.

The Author and QP, Mr. Black, reviewed the sample collection, preparation, security, and analytical procedures for the historical and recent drilling conducted at the Property. Sample preparation and analysis for historical (post-2011) and recent drill programs have been performed using standard procedures and is adequate to support Mineral Resource estimation. The data within the Cruz de Plata Property database are considered suitable for use in the further evaluation of the Property and for its intended use in this Report, including the mineral resource estimation detailed in Section 14.

12 Data Verification

12.1 Data Verification Procedures

The Cruz de Plata Property has been the site of numerous modern mining and exploration programs since the 1990s, and as a result, a substantial volume of geological data has been generated. In 2025, APEX Geoscience Ltd. personnel, under the supervision of the Author and QP Mr. Black, completed a comprehensive data verification program to assess the accuracy and reliability of the drilling database used for the 2025 MRE discussed in Section 14.

The verification focused on drillhole data, including drill logs, surveys, samples, and analytical results collected since 2004. Drillholes were chosen for validation by selecting the top 10% of collars, ranked by total length weighted gold grade, for each operator and drilling year.

The locations of the selected collars were compared to the coordinates and elevations documented in the original drill logs and, where available, the 2020 Geo Digital Imaging (GDI) survey. All collars surveyed by GDI were found to be consistent with the database. Historical collars not located in the 2020 survey were verified against original logs and also matched the database.

Downhole survey data were assessed using the best available records for each drilling campaign. Original logs were used for the 2011 drillholes as digital survey files were not available. Raw data collected during the downhole survey was available and used to validate the 2020 and 2021 drillholes. Only surface orientation data was available for the 2004, 2008, 2012 and 2014 drillholes, as downhole surveys were not conducted. Infrequent minor transcription errors were identified and corrected; otherwise, downhole orientations were found to be consistent with source documentation.

A total of 2,103 samples intervals and the associated gold assays from the selected drillholes were reviewed against the original drill logs and laboratory certificates. The vast majority (98.2%) of gold assay values matched their source records. A small number of 2004 samples lacked certificates and therefore were unable to be independently validated. Sample intervals were found to be consistent and aligned with geology logs.

In addition to the methods listed above, Micromine drillhole database verification tools were employed to identify inconsistencies, overlaps, or data-entry errors within the drillhole database. No material issues were identified.

Overall, the author and QP, Mr. Black, considers the drilling data to be accurate and acceptable for the purpose of mineral resource estimation that is discussed in Section 14 of this Report.

12.2 Qualified Person Site Inspection

Mr. Warren Black, M.Sc., P.Geo., of APEX completed a QP site inspection of the Cruz de Plata Property, and storage facility in the municipality of San Pedro del Gallo, Durango, on August 5, 2025. The inspection was conducted to assess the current site conditions as well as ongoing drilling practices and verify the reported geology, alteration, and mineralization, and to collect independent verification samples.

Core and RC holes from Capitan Silver and previous drilling campaigns on the Project are stored on the Property. All drillholes in the facility were available for viewing and deemed secure and well-protected from the elements during Mr. Black's site visit. Samples, including pulps and rejects, from various drilling campaigns are also in storage at the facility.

Mr. Black collected confirmation drill core samples during the visit to independently confirm the presence of gold mineralization at the Project and verify reported assays. The confirmation sampling also allowed for the assessment of the quality of sample collection techniques, laboratory work, and data management.

Three drill core samples were collected from labelled core boxes and down hole depths were recorded by measuring from the nearest meterage block.

Each of the intervals selected had been cut into half core for the samples previously taken. Using a core saw, the remaining half core was divided into samples of approximately one quarter of the core's original circumference. The verification samples were taken from drillholes CDDH-12-13 and CDDH-12-16, with drillhole collar information and results presented in Table 12.1. The drillhole locations are shown in Figure 12.1.

Table 12.1 QP core sample verification results from drillholes CDDH-12-13 and CDDH-12-16.

Sample Interval (m)	Original Sample Au (g/t)	Original Sample ID	QP Site Visit Sample Au (g/t)	QP Sample ID	Au Difference (g/t)
Drillhole CDDH-12-13; Sierra Madre Developments; 545822 m E; 2837512 m N					
141.14 to 142.4	3.24	616	3.76	B07152	0.52 (16.1%)
142.4 to 143.55	2.01	617	3.23	B07153	1.22 (60.6%)
Drillhole CDDH-12-16; Sierra Madre Developments; 546067 m E; 2837309 m N					
64.95 to 65.45	3.153	851	1.95	B07154	-1.20 (-38.2%)

Source: APEX (2025)

Note: All coordinates are in WGS84 / UTM Z13.

Mr. Black bagged, labeled, and sealed the individual samples. He transported the samples to APEX Headquarters in Edmonton, AB, Canada where an APEX Geologist delivered the samples to the ALS Environmental laboratory in Edmonton. The samples were shipped to ALS Geochemistry in North Vancouver, BC for preparation and analysis by fire assay (ALS code Au-AA23) and ICP-AES (ALS code ME-ICP61).

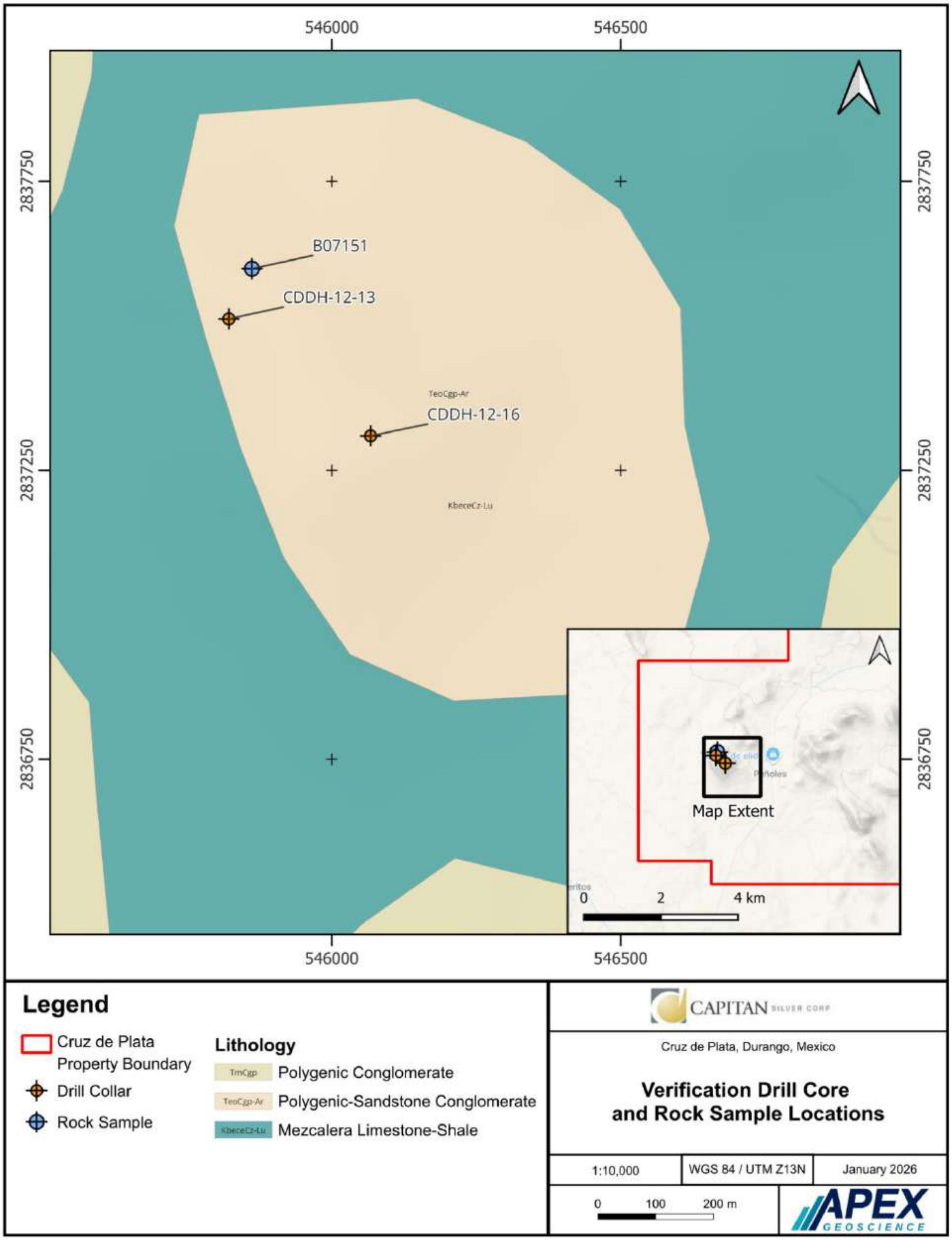
The samples were logged into a computer-based tracking system, sorted, weighed, and dried. The entirety of each sample was crushed so that +70% passes a 2 mm screen. A 250 g spilt was then selected and pulverized to better than 85% passing a 75-micron screen. Samples were analyzed for gold using a fire assay fusion and an atomic absorption spectroscopy (AAS) finish on a 30-gram split.

The confirmation drill core samples confirmed the presence of mineralization and returned values with grades similar to those reported in 2012 by Sierra Madre Developments (Table 12.1).

ALS Geochemistry is an internationally accredited independent analytical company with ISO9001 and ISO/IEC 17025 certification. ALS has a comprehensive internal QA-QC program which was utilized during analysis of the 2025 confirmation samples. ALS is independent of the Authors of this Report and the Company.

Sample B07152 returned 3.76 g/t Au, a similar result to the original sample that returned 3.24 g/t Au (16.1% increase). Samples B07153 and B07154 returned Au results with greater variation from the original samples, an increase of 1.22 g/t Au and a decrease of 1.20 g/t Au, respectively. Despite these discrepancies, all the verification core samples show significant Au concentrations and confirm the relevance of the sample intervals.

Figure 12.1 QP verification core drillhole and rock sample locations.



Source: APEX (2025)

Mr. Black also collected a rock sample (B07151) from an outcrop of the primary Capitan Hill mineralization zone during the site visit (Figure 12.1). The sample consisted of a quartz vein with colloform banding. The sample returned 1.055 g/t Au. The rock sample was transported and processed alongside the verification core samples. The rock sample was prepared and analysed using the same preparation and analysis methods described above at the ALS Geochemistry North Vancouver laboratory.

In addition to the mineralization confirmed by the QP site visit samples, Mr. Black observed and visually confirmed the presence of significant zones of hydrothermal alteration at multiple locations. Observations and results from Mr. Black's site visit verify the presence of precious metal mineralization at the Cruz de Plata Property.

Thirteen collar locations were also confirmed during the site inspection. Mr. Black obtained GPS waypoints at each collar location that then were compared with collar locations in Capitan Silver's database. Variation between collar locations ranged from a minimum of 1.26 m to a maximum of 4.33 m, with an average variation of 2.47 m. This variation is within the error margin of the handheld GPS used during the site visit. The collar locations that were confirmed are shown in Figure 12.2.

12.3 Validation Limitations

The data verification process identified limitations, which include:

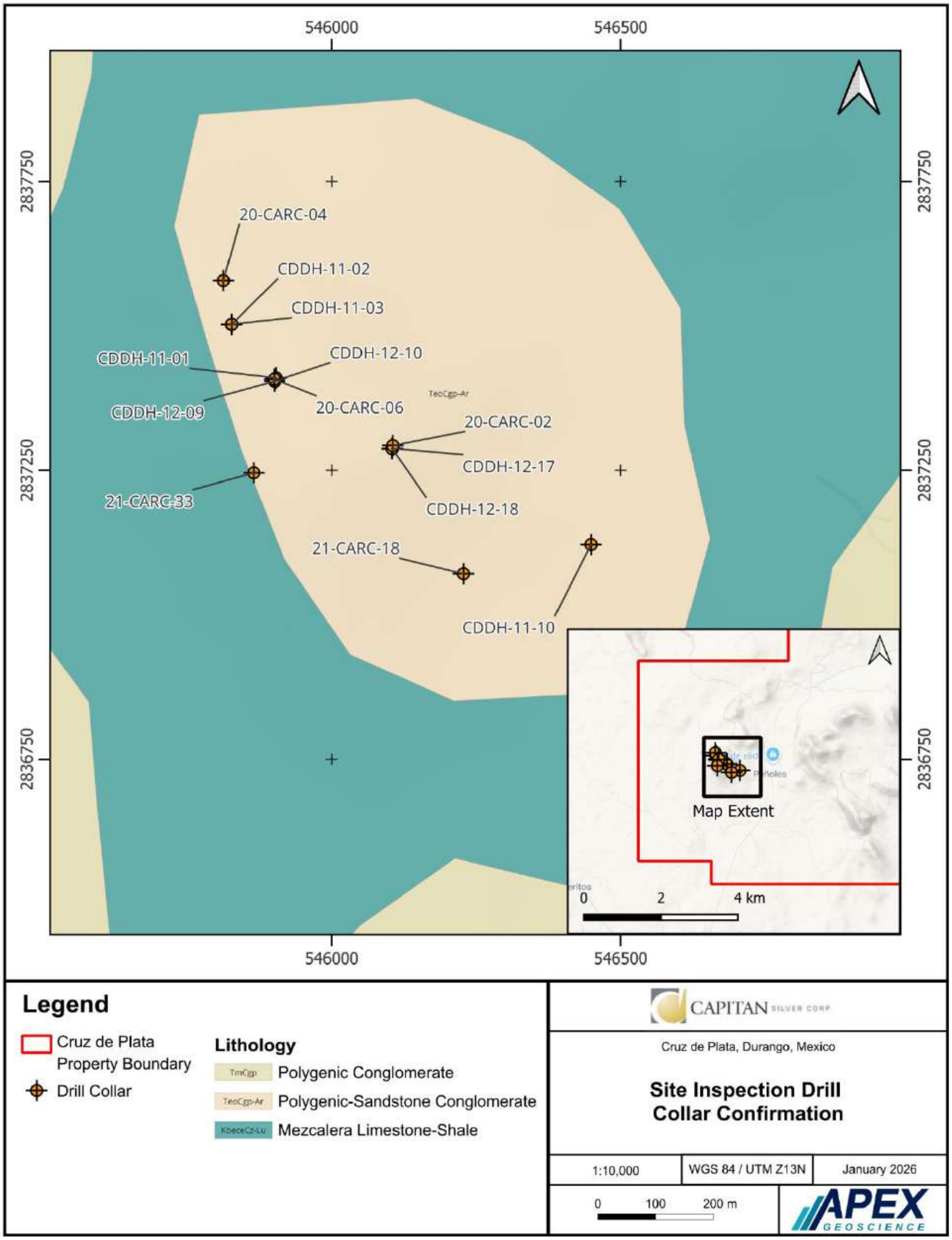
- A number of older drill collars could not be re-located during the 2020 GDI survey, and their positions rely on original field records.
- Portions of the early analytical database lack accompanying laboratory certificates, reflecting gaps in historical record-keeping rather than issues with assay data collection.

These limitations are typical of multi-decade exploration datasets and despite these constraints, the available documentation, site inspection, and verification work completed by the QP provide sufficient confidence that the drilling and analytical data are representative and appropriate for use in the mineral resource estimation presented in Section 14 of this Report.

12.4 Adequacy of the Data

The Author and QP Mr. Black, has reviewed the adequacy of the exploration information and the visual, physical, and geological characteristics of the Property and finds the data adequate for its intended use. No significant issues or inconsistencies were discovered that would call into question the validity of the data. The QP has confidence the data is reliable and is satisfied with including the exploration data within the context of this report, including the MRE.

Figure 12.2 QP site inspection drill collar confirmation.



Source: APEX (2025)

13 Mineral Processing and Metallurgical Testing

The Issuer has yet to conduct mineral processing and metallurgical testing. Historical metallurgical test work has been conducted on samples from the Capitan Hill Deposit and Jesús María mineralized zone in three campaigns from 2011 to 2015, as summarized above in Section 6.4.

14 Mineral Resource Estimates

14.1 Introduction

Capitan Silver Corp. (Capitan or the Company) engaged APEX Geoscience Ltd. (APEX) to prepare a Mineral Resource Estimate (MRE) for the Capitan Hill Deposit (Capitan Hill). This section details the 2025 Capitan Hill MRE with an effective date of September 17, 2025. The MRE was completed by Warren Black, M.Sc., P.Geol., Senior Consultant: Mineral Resources and Geostatistics with APEX and Kevin Hon, B.Sc., P.Geol., Senior Geologist with APEX. Mr. Black is independent Qualified Person as defined in NI 43-101 and takes responsibility for the 2025 Capitan Hill MRE and Section 14 herein. Michael Dufresne, M.Sc., P.Geol., P.Geo., President & CEO of APEX completed a peer review.

The workflow implemented for the calculation of the 2025 Capitan Hill MRE was completed using Micromine commercial resource modelling and mine planning software (v2025.1), Resource Modelling Solutions Platform (RMSP; v1.17), and Deswik CAD pit optimization (v2024.1). Supplementary data analysis was completed using the Anaconda Python distribution and a custom Python package developed by APEX.

Mineral Resource modelling was conducted in UTM Coordinate system relative to the World Geodetic System 1984 ensemble / UTM zone 13N (EPSG:32613). The MRE utilized a block model with a size of 10 metres (X) by 5 metres (Y) by 5 metres (Z) to honour the mineralization wireframes for estimation. Gold (Au) and silver (Ag) grades were estimated for each block using Ordinary Kriging (OK) with locally varying anisotropy (LVA) to ensure grade continuity in various directions is reproduced in the block model. The MRE is reported as undiluted. Details regarding the methodology used to calculate the 2025 Capitan Hill MRE are provided in this section.

The 2025 Capitan Hill MRE is reported in accordance with the Canadian Securities Administrators' NI 43-101 rules for disclosure and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014.

14.2 Drillhole Description

The 2025 Capitan Hill MRE drillhole database consists of a total of 90 drillholes that intersect the mineralization domains. The drilling inside the mineralization domains is summarized in Table 14.1. There are 8,286.13 metres (m) of drilling within the estimation domains. Any sample intervals with explicit documentation that drilling did not return enough material to allow for analysis are classified as insufficient recovery (IR) and left blank. Portions of drillholes that were not sampled, are missing from the assay database, or are recorded with zero values are assumed to be unmineralized. These intervals are assigned a nominal waste value, set at half the detection limit of modern assay methods, as summarized in Table 14.2.

Table 14.1 Summary of drilling inside the mineralized estimation domains for the 2025 Capitan Hill MRE drillhole database.

Zone	Number of Drillholes	Total Samples	Total Length (m)	Number of Non-Null Assays
Au				
Capitan	90	5,098	8,286.13	5,085
Ag				
Capitan	90	5,098	8,286.13	5,085

Source: APEX (2025)

Table 14.2 Nominal waste values assigned to unsampled intervals in the 2025 Capitan Hill MRE drillhole database and inside the estimation domains.

Zone	Nominal Waste	Length Not Sampled and Assumed Unmineralized (m)	% Not Sampled	Number of Zero Assays
Au				
Capitan	0.0025	15.97	0.2%	0
Ag				
Capitan	0.05	15.97	0.2%	0

Source: APEX (2025)

14.3 Data Verification

APEX validated the Mineral Resource database by checking for inconsistencies in analytical units, duplicate entries, interval, length, or distance values less than or equal to zero, blank or zero-value assay results, out-of-sequence intervals, intervals or distances greater than the reported drillhole length, inappropriate collar locations, survey and missing interval and coordinate fields. A small number of errors were identified and corrected in the database. A detailed discussion on the verification of historical drillhole data is provided in Sections 11.3, 11.4, and 12. The drillhole database is considered suitable for further evaluation and mineral resource estimation.

14.4 Estimation Domain Interpretation

Estimation domains were interpreted with reference to geological features, which control mineralization. The subsections below describe the framework used to construct these domains.

14.4.1 Geological Controls on Estimation Domain Modelling

The estimation domains follow a discontinuity that separates packages of marine sediments below and volcanic rocks above. The trend of the mineralization strikes 120 degrees azimuth and dips approximately -30 degrees to the southwest. The main mineralized structure is a silica rich zone predominately within the marine sediments but undulates and can cross the discontinuity into the volcanic packages below. Mineralization is accompanied by silica flooding and sulfide emplacement along structural features. To the southwest, mineralization is truncated by the Santa Teresa fault.

14.4.2 Domain Construction

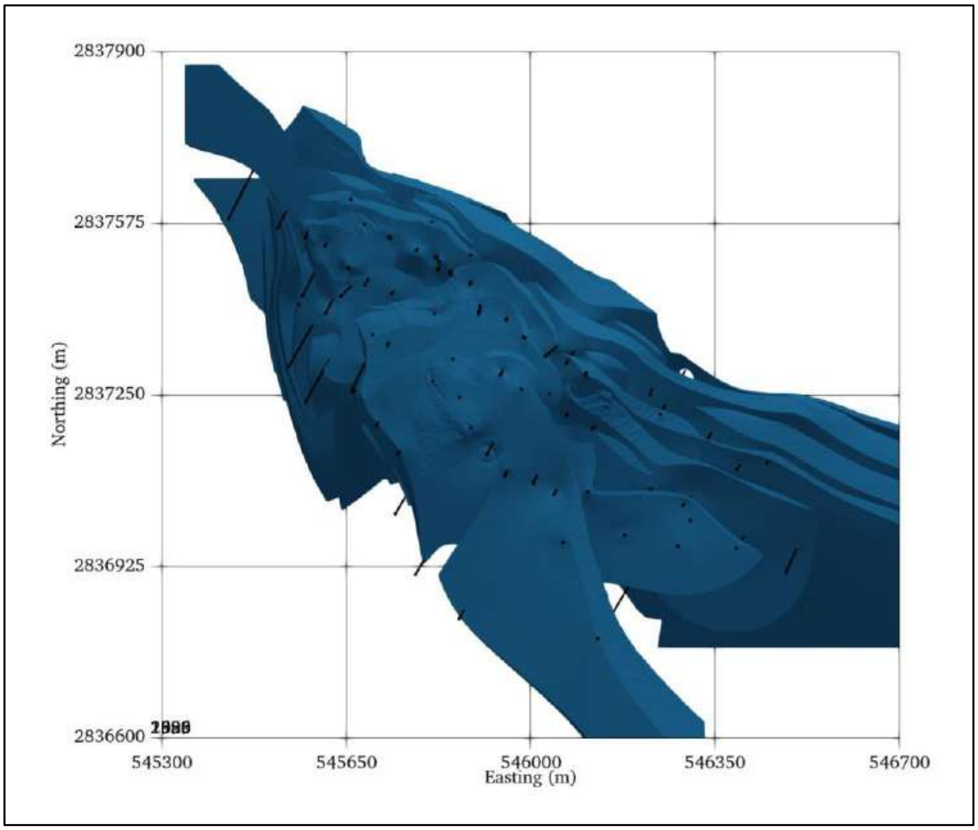
Domains were constructed using a nominal lower cutoff of 0.15 g/t Au, guided by the geological features described above. Estimation wireframes were developed through implicit modelling and domain coding (Figures 14.1 and 14.2), ensuring each domain captured consistent mineralization styles while respecting geological controls on orientation and continuity. Intervals without mineralization were classified as waste. Table 14.3 briefly summarizes each domain.

Table 14.3 Estimation domain descriptions.

Domain	Description	Orientation	Control
Main	Main mineralized feature dominated by silica and silica flooding parallel to the discontinuity. Predominantly in the marine sediments but can dip into the lower volcanic packages.	Strike: ~131 Dip: -36	Silica flooding parallel to discontinuity
Other	Smaller discrete mineralized packages associated with local breccia or other structures.	Strike: 100 to 145 Dip: -30 to -50	Local breccia or other structures

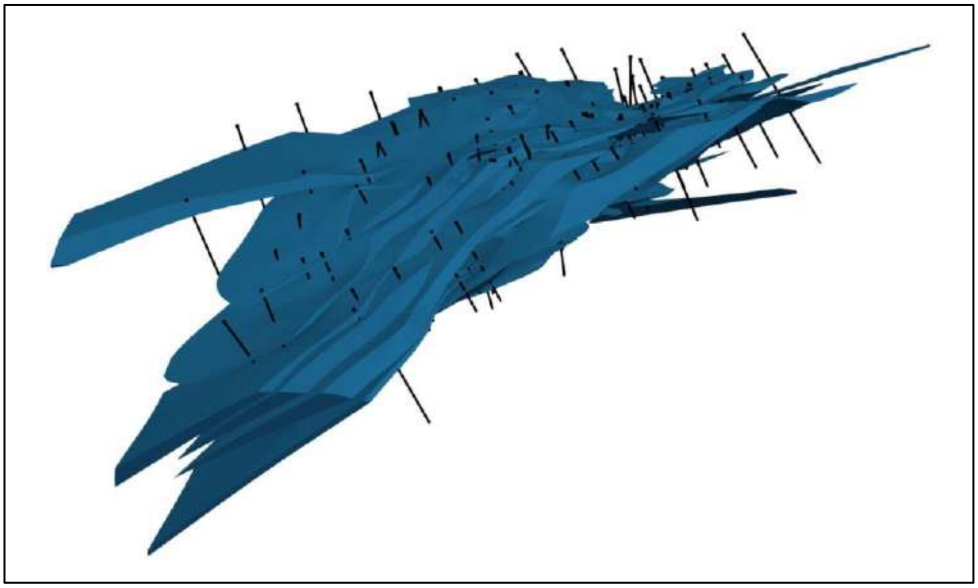
Source: APEX (2025)

Figure 14.1 Plan view of the Capitan Hill Project estimation domains.



Source: APEX (2025)

Figure 14.2 Orthogonal view of the Capitan Hill Project estimation domains.



Source: APEX (2025)

14.5 Exploratory Data Analysis

14.5.1 Bulk Density

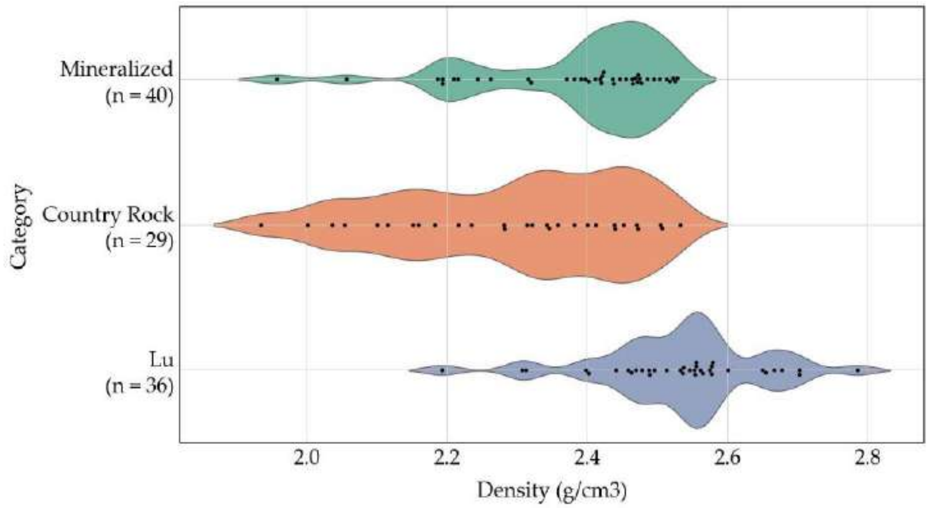
A total of 105 bulk density measurements are available in the drillhole database. APEX personnel conducted an exploratory data analysis of these measurements to define bulk density domains (Figure 14.3). Capitan provided APEX with a geological model that was used to classify blocks as Marine Sediments (Lu) or non-Lu units. Density values were assigned based on the rock unit in which each block occurs and whether it is contained within the mineralization estimation domains. Blocks classified as Marine Sediments (Lu) were assigned a specific gravity of 2.53 g/cm^3. Blocks located within the mineralization estimation domains outside the Lu unit were assigned a specific gravity of 2.42 g/cm^3, while country rock outside the mineralization estimation domains was assigned a value of 2.34 g/cm^3. A default specific gravity of 2.50 g/cm^3 was applied to unmineralized blocks located outside the geological model, as mineralization estimation domains do not extend beyond the model limits. (Table 14.4).

Table 14.4 Median bulk density each density domain.

Density Domain	Specific Gravity (g/cm^3)
Mineralized or Unmineralized Marine Sediments (Lu)	2.53
Mineralized	2.42
Country Rock	2.34
Default	2.50

Source: APEX (2025)

Figure 14.3 Density measurements within each density domain.



Source: APEX (2025)

14.5.2 Raw Analytical Data

Table 14.5 presents the summary statistics for the raw (uncomposited) assays from sample intervals within the estimation domains. The assays within each estimation domain exhibit a single coherent statistical population.

Table 14.5 Raw assay statistics for the 2025 Capitan Hill MRE.

	Au (g/t)		Ag (g/t)	
	Capitan Hill	Country Rock	Capitan Hill	Country Rock
Count	5,098	6,054	5,098	6,054
Mean	0.3279	0.0359	2.82	0.62
Standard Deviation	0.5024	0.0376	6.76	2.44
Coefficient of Variation	1.5319	1.0469	2.4	3.9
Minimum	0.0025	0.0025	0.05	0.05
25 Percentile	0.127	0.008	0.15	0.15
50 Percentile (Median)	0.194	0.025	0.5	0.15
75 Percentile	0.3468	0.056	3.0	0.5
Maximum	13.649	0.992	160.2	105.0

Source: APEX (2025)

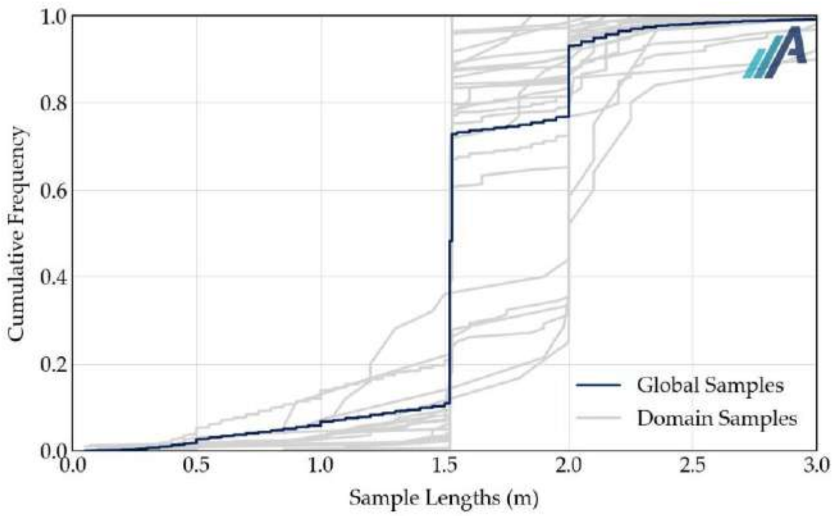
14.5.3 Compositing Methodology

The drillhole sample interval lengths within the estimation domains at Capitan Hill vary from 0.07 to 5.60 m, as illustrated in Figure 14.4. A composite length of 2.00 m was chosen because 92.87% of the sample intervals are equal to or shorter than this length.

A balanced compositing method is selected, which uses variable composite lengths based on the combined length of samples in each contiguous unit, defined as the drillhole segment between domain boundary contacts. The composite length for each contiguous unit is chosen to closely match a predefined target composite length, ensuring uniformity across the unit. For instance, with a contiguous unit measuring 6.50 m and a target composite length of 2.00 m, the balanced method splits the contiguous unit into three composites of 2.17 m each. In comparison, traditional compositing generates three composites with lengths of 2.00 m and one with a length of 0.50 m.

This method aims to maintain a consistent support volume across the estimation domain, minimizing the number of short composites and reducing their effect on grade interpolation. Of the 3,588 composites, 4 (0.11%) of them fall outside the ±25% tolerance of the selected composite length, are considered orphans, and are excluded from the estimation process.

Figure 14.4 Distribution of raw interval lengths within the estimation domains, excluding missing intervals.



Source: APEX (2025)

14.5.4 Grade Capping

To prevent metal grades from being overestimated due to outlier values, composite grades are capped to specific maximum values. Potential outliers are first identified using log-probability plots, which highlight composite values that deviate significantly from the expected distribution. These outliers are then examined in 3D to determine if they are part of a consistent high-grade trend.

Grade capping thresholds are set on a capping group basis, based on the results of the log-probability plots. If an outlier is part of a recognized high-grade trend but still requires capping, a less strict limit may be applied compared to isolated high-grade composites.

Visual inspection showed that the identified outliers lacked spatial continuity, supporting the use of uniform capping thresholds within each capping group for the 2025 Capitan Hill MRE. The capping levels applied to each within each capping group are listed in Table 14.6.

Estimation domains are grouped into capping groups based on the similarity of their grade distributions and mineralization styles. Grouping ensures that each capping group contains enough composites to reliably determine statistical outliers. The domains assigned to each capping group are listed in Table 14.7.

Table 14.6 Grade capping levels

Capping Group	Capping Level	No. of Capped Composites	No. of Composites
Au (g/t)			
Main	3.1000	6	1,649
Other	2.5000	4	2,489
Ag (g/t)			
Main	70.00	4	1,649
Other	15.00	3	2,489

Source: APEX (2025)

Table 14.7 Domains per Capping Group for all variables.

Capping Group	Domain
Main	main
Other	cal-1, cal-2, main-1, main-2, por, por-1, por-1a, por-2, por-3, tuff-1, tuff-2, tuff-3, tuff-4, vol-1, vol-1a, vol-2, vol-2a, vol-3, vol-4, vol-4a, vol-5, vol-6, vol-7, vol-8, vol-8a, vol-9

Source: APEX (2025)

14.5.5 Declustering

Data collection often focuses on high-value areas, leaving areas with sparse data collection underrepresented in the raw composite statistics and distributions. Spatially representative (declustered) statistics and distributions are necessary to achieve accurate validation. Declustering techniques assign a weight to each composite within an estimation domain, giving more weight to sparsely sampled areas and less to densely sampled regions. A declustering cell size of 60 m was used for the 2025 Capitan Hill MRE.

14.5.6 Final Composite Statistics

Summary statistics for the declustered and capped composites contained within the interpreted grade estimation domains are presented in Table 14.8. The composites within each grade estimation domain generally exhibit coherent individual statistical populations.

Table 14.8 Final composite statistics for the 2025 Capitan Hill MRE

	Au (g/t)	Ag (g/t)
Count	4,138	4,138
Mean	0.2471	2.06
Standard Deviation	0.263	4.24
Coefficient of Variation	1.0645	2.06
Minimum	0.0025	0.05
25 Percentile	0.122	0.15
50 Percentile (Median)	0.1718	0.3
75 Percentile	0.2675	2.13
Maximum	3.1	70.0

Source: APEX (2025)
Note: Statistics consider declustering weights and capping.

14.6 Variography and Grade Continuity

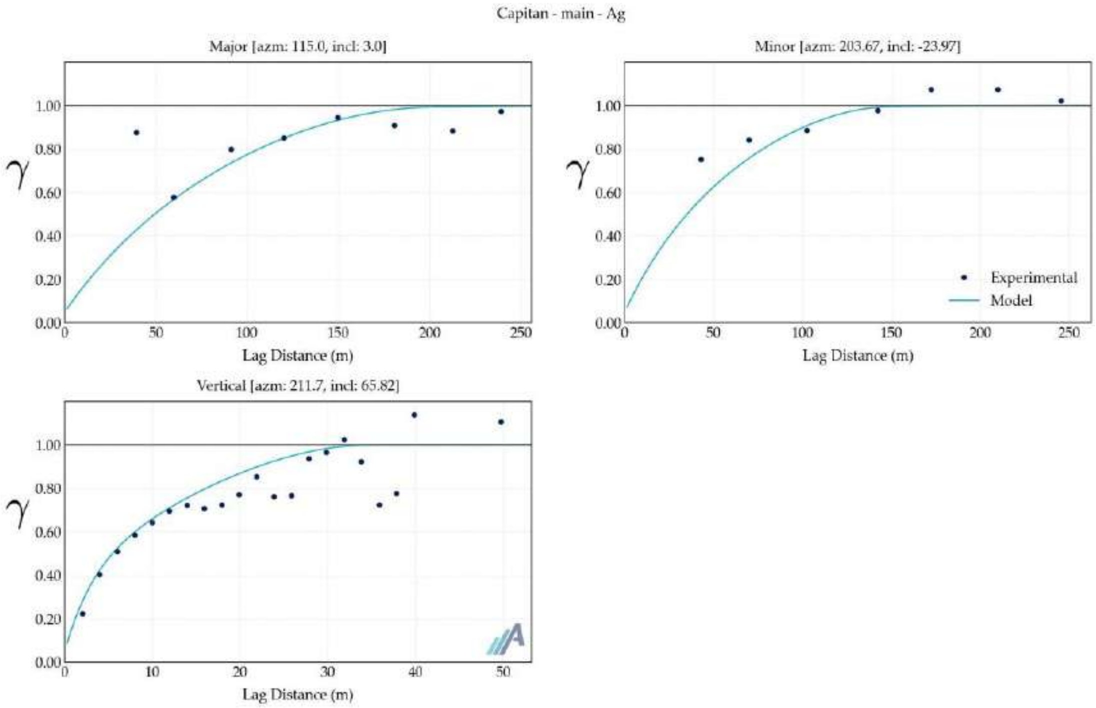
Experimental semi-variograms are calculated along the major, minor, and vertical principal directions of continuity, defined by three Euler angles. These angles describe the orientation of anisotropy through a series of left-hand rule rotations that are:

1) Angle 1: A rotation about the Z-axis (azimuth), where positive angles represent clockwise rotation and negative angles represent counterclockwise rotation.
2) Angle 2: A rotation about the X-axis (dip), where positive angles represent counterclockwise and negative angles represent clockwise rotation.
3) Angle 3: A rotation about the Y-axis (tilt), where positive angles represent clockwise rotation and negative angles represent counterclockwise rotation.

APEX calculated standardized correlograms for each estimation domain using composite data. In domains with sufficient composites for experimental variogram calculation, the primary geological factors influencing mineralization guided the main continuity directions, forming the basis for the variogram calculations.

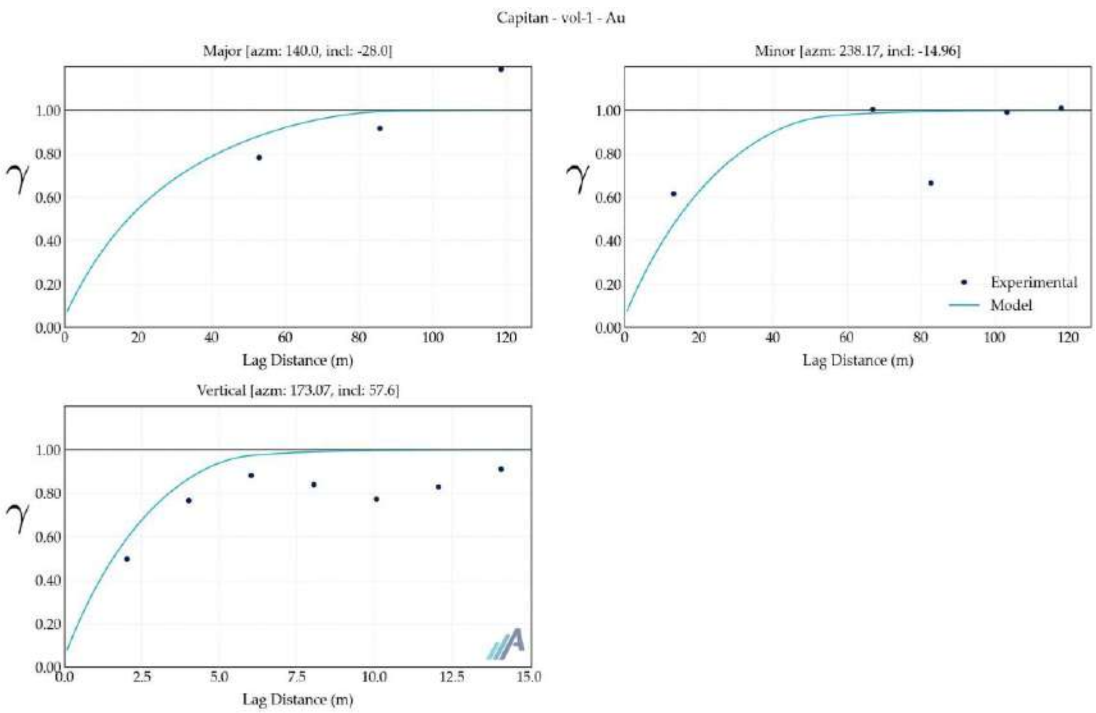
Figures 14.5 to 14.7 illustrate the modelled variograms, and Table 14.9 outlines the variogram parameters used for kriging.

Figure 14.5 Modelled silver variogram for the main domain.



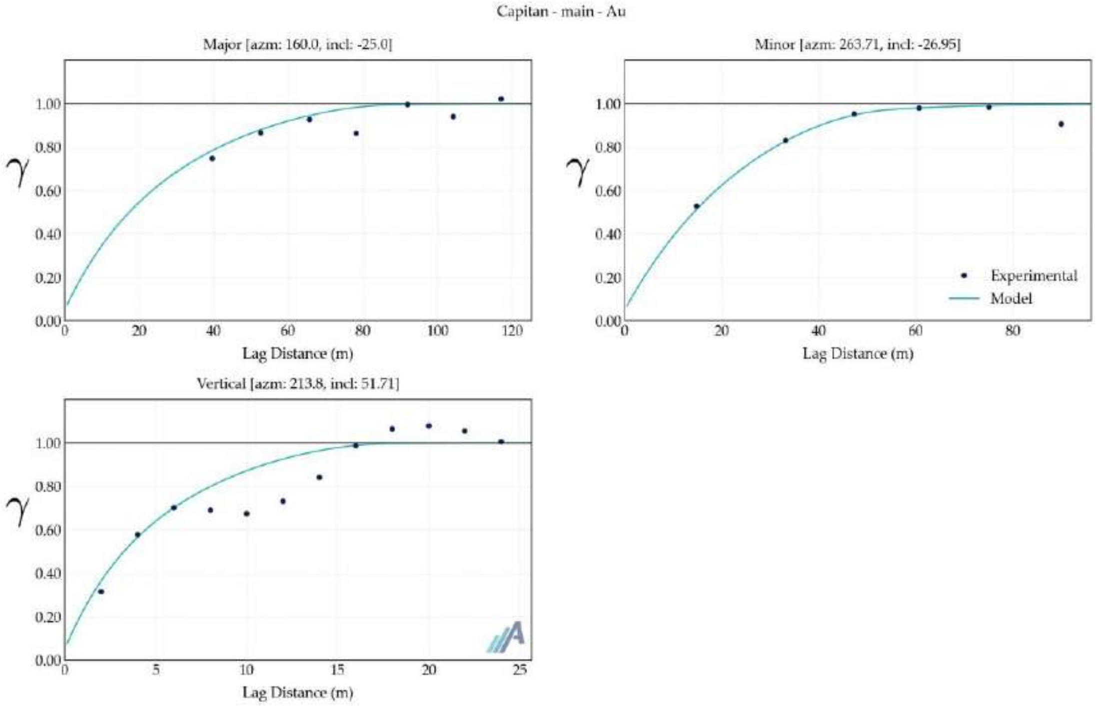
Source: APEX (2025)

Figure 14.6 Modelled gold variogram for the vol-1 domain.



Source: APEX (2025)

Figure 14.7 Modelled gold variogram for the main domain.



Source: APEX (2025)

Table 14.9 Standardized variogram parameters.

Domain	Rotation Angles			C0	Variogram Structures					
								Ranges (m)		
	1	2	3		Structure	Type	CC	Major	Minor	Vertical
Ag										
main	115	3	24	0.05	1	Exponential	0.4	150	100	10
					2	Spherical	0.55	200	150	35
Au										
main	160	-25	30	0.05	1	Exponential	0.55	55	55	10
					2	Spherical	0.4	90	55	18
vol-1	140	-28	17	0.05	1	Exponential	0.55	55	55	6
					2	Spherical	0.4	90	55	6

Source: APEX (2025)
Abbreviations: C0 – nugget effect, CC – covariance contributions.
Note: the sill and covariance contributions are standardized to 1.

14.7 Block Model

14.7.1 Block Model Parameters

The block model used to calculate the 2025 Capitan Hill MRE fully encapsulates the resource estimation domains described in Section 14.4. No blocks are estimated outside of the estimation domains. The grid definition used is described in Table 14.10.

A block factor is calculated to represent the percentage of each block's volume within each estimation domain. This factor is used to:

- Identify the primary domain by volume for each block.
- Determine the percentage of mineralized material and waste within each block.

Table 14.10 2025 Capitan Hill MRE block model definition

Axes	Origin*	No. of Blocks	Block Size (m)	Rotation**
X	543500	470	10.0	0
Y	2835600	718	5.0	0
Z	1400	158	5.0	30

Source: APEX (2025)

* In RMSP, a block model's origin represents the block's centroid coordinates with the minimum U, V, and Z. After rotation, the U and V axes correspond to the X and Y axes, respectively.

** Rotations are applied sequentially about the Z, Y, and X axes, following the convention outlined in Section 14.5.

14.7.2 Volumetric Checks

Wireframe and block model volumes are compared to ensure tonnages are not significantly over- or underestimated. Each block's volume is scaled using its calculated block factor to determine the total block model volume. The maximum percent difference calculated for a single domain is 0.0440%. Across the entire model, the overall volumetric difference is 0.0006%.

14.8 Grade Estimation Methodology

14.8.1 Grade Estimation of Mineralized Material

Ordinary Kriging (OK) is used to estimate metal grades for the 2025 Capitan Hill MRE block model. Only blocks that intersect the estimation domains are estimated.

Estimation uses locally varying anisotropy (LVA), which employs different rotation angles to set the variogram model's principal directions and search ellipsoid for each block. Trend surface wireframes assign these angles to blocks within the estimation domain, enabling structural complexities to be captured in the estimated block model.

During grade estimation for each domain, the nugget effect and covariance contributions of the standardized variogram model are scaled to match the variance of the composites within that estimation domain. The ranges used for each mineralized zone are unchanged from the standardized variogram model.

Contact analysis of the boundaries between adjacent estimation domains shows that the metal profile at the boundary is hard or semi-hard, where the profiles trend toward each other over a very short distance. Consequently, only data from within each estimation domain can be used for grade estimation within that specific domain.

Robust experimental variogram calculation within a domain requires sufficient data to define spatial variability accurately. For domains lacking adequate data, the modelled variograms presented in Section 14.5 that are most representative of the mineralization are utilized, forming estimation groups. Table 14.11 provides an overview of these groups, specifying the domain used to define the variography and listing all included domains. Each group uses the same search strategy.

A multiple-pass estimation method is used to control Kriging's smoothing effect, ensuring accurate block-scale grade and tonnage estimates above the reporting cutoff. Table 14.12 details the restricted search parameters and limits the number of composites from each estimation pass. While these rules may introduce local bias, they improve the global accuracy of grade and tonnage estimates above the reporting cutoff.

Table 14.11 2025 Capitan Hill MRE estimation group summary.

Group Name	Variogram Domain	Variogram Variable	Estimation Variable	Estimation Domains
Capitan-Ag	main	Ag	Ag	main, main-1, main-2, cal-1, cal-2, tuff-1, tuff-2, tuff-4, vol-1, vol-8a, por, por-3, por-1, por-1a, por-2, tuff-3, vol-1a, vol-2, vol-2a, vol-3, vol-4, vol-4a, vol-5, vol-6, vol-7, vol-8, vol-9
Main-Au	main	Au	Au	main
Other-Au	vol-1	Au	Au	main-1, main-2, cal-1, cal-2, tuff-1, tuff-2, tuff-4, vol-1, vol-8a, por, por-3, por-1, por-1a, por-2, tuff-3, vol-1a, vol-2, vol-2a, vol-3, vol-4, vol-4a, vol-5, vol-6, vol-7, vol-8, vol-9

Source: APEX (2025)

Table 14.12 2025 Capitan Hill MRE interpolation parameters.

Estimation Group	Pass	Number of Composites			Search Ranges (m)			Discretization		
		Max	Min	Max per Drillhole	Major	Minor	Vertical	X	Y	Z
Capitan-Ag	1	20	1	4	150	100	10	4	4	4
	2	20	1	4	200	150	35	4	4	4
	3	20	1	4	400	300	70	4	4	4
Main-Au	1	20	2	2	35	35	5	4	4	4
	2	20	1	2	55	55	5	4	4	4
	3	20	1	3	90	55	18	4	4	4
	4	20	1	3	180	110	36	4	4	4
Other-Au	1	20	3	3	55	55	6	4	4	4
	2	20	1	3	90	55	6	4	4	4
	3	20	1	3	180	110	12	4	4	4

Source: APEX (2025)

14.8.2 Grade Estimation of Waste Material

Optimization processes to establish reasonable prospects of eventual economic extraction integrate dilution by accounting for portions of blocks that intersect estimation domains but extend into waste. Reproducing the behaviour at the boundary between the estimation domain and the adjacent waste is essential to ensure representative dilution of the block model.

The nature of mineralization at the mineralized/waste contact is assessed to define a window for flagging composites used to condition waste estimates for blocks containing waste material. The grade profile at the mineralized/waste contact is hard, transitioning abruptly from mineralized to waste.

Blocks containing more than or equal to 0.2% waste by volume have waste values estimated using only composites outside the estimation domains. Diluted block values are then calculated as a volume-weighted summation of the estimated mineralization and waste values.

14.9 Model Validation

14.9.1 Statistical Validation

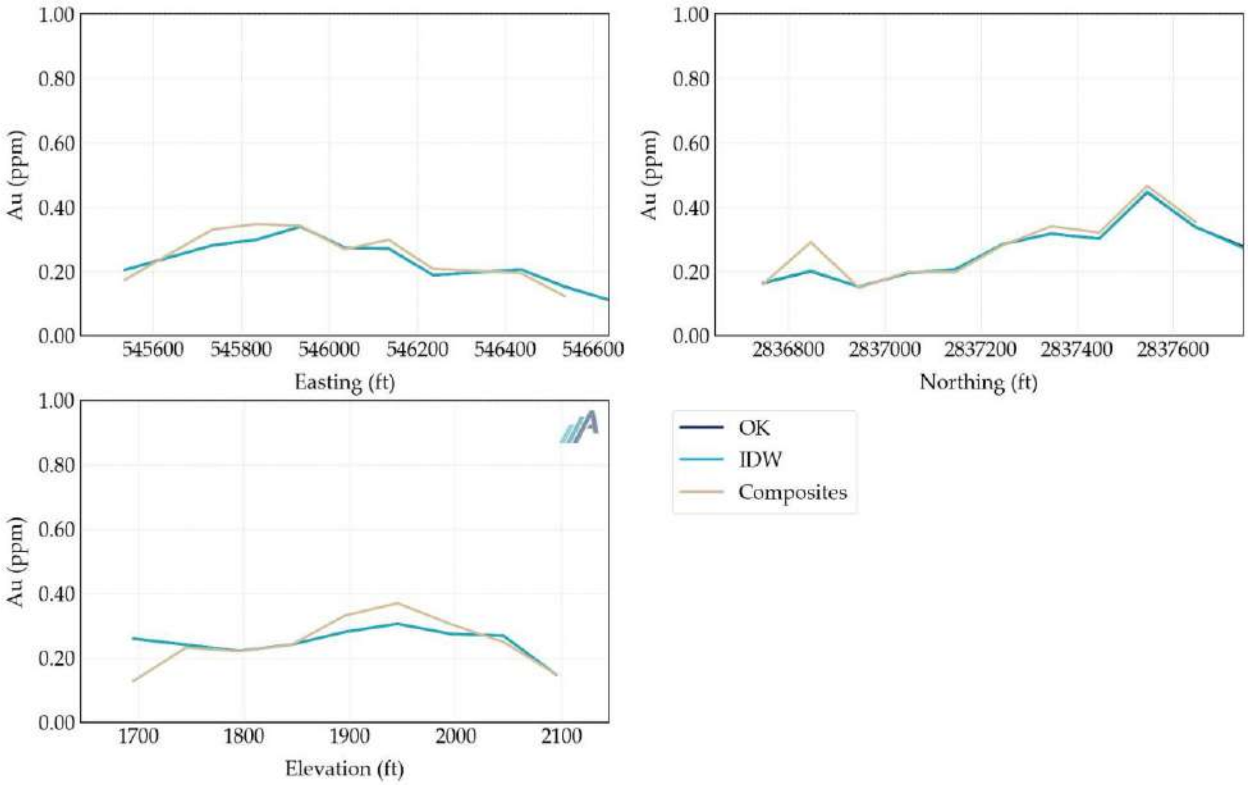
Statistical checks were completed to validate that the block model accurately reflects drillhole data. Swath plots confirm directional trends, while volume-variance analysis verifies that accurate metal quantity and grades are estimated at the reporting cutoff.

14.9.1.1 Direction Trend Analysis Validation

Swath plots verify that the estimated block model honours directional trends and identifies potential areas of over- or under-estimating grade. The swath plots are generated by calculating the average metal grades of composites and the OK estimated blocks. Examples of the swath plots used to validate the 2025 Capitan Hill MRE are illustrated in Figures 14.8 and 14.9.

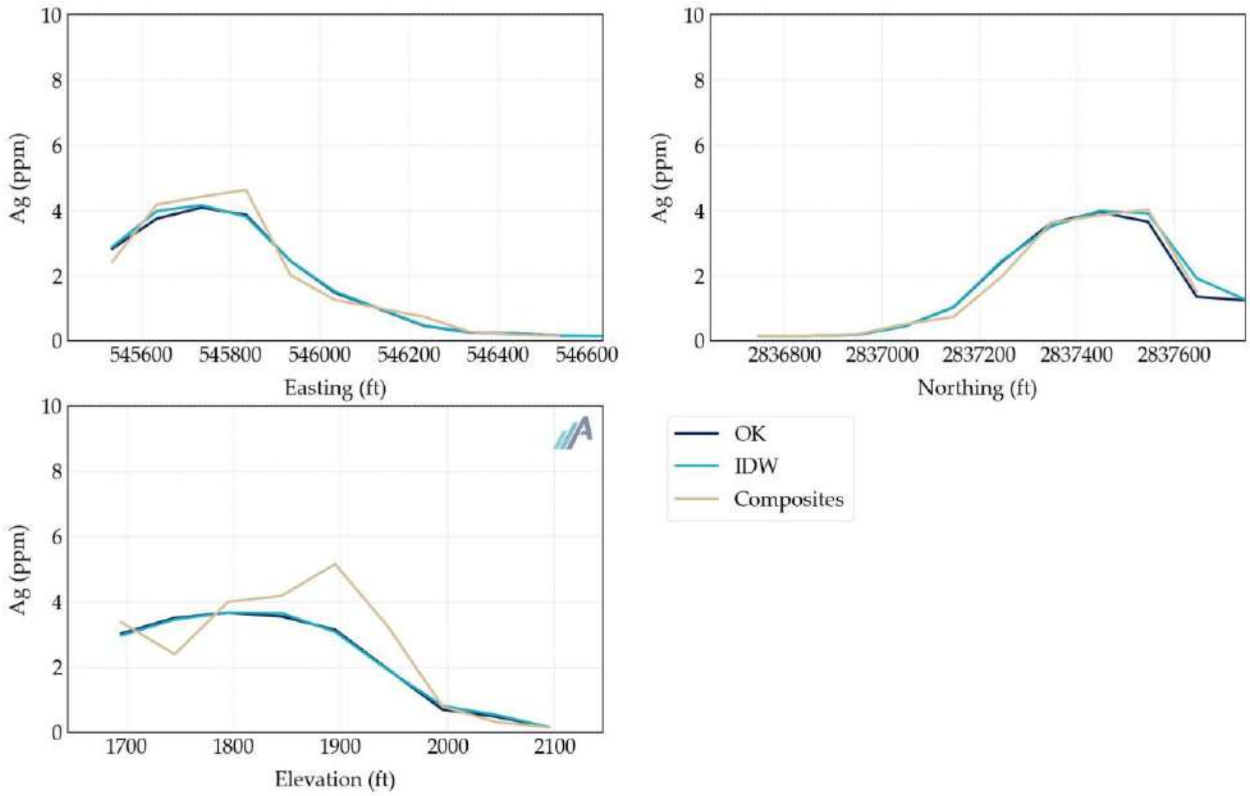
Overall, the block model compares well with the composites. Some local over- and under-estimation has been observed. Due to the limited amount of conditioning data available for grade estimation in those areas, this result is expected.

Figure 14.8 Swath plots of estimated gold grades.



Source: APEX (2025)

Figure 14.9 Swath plots of estimated silver grades.

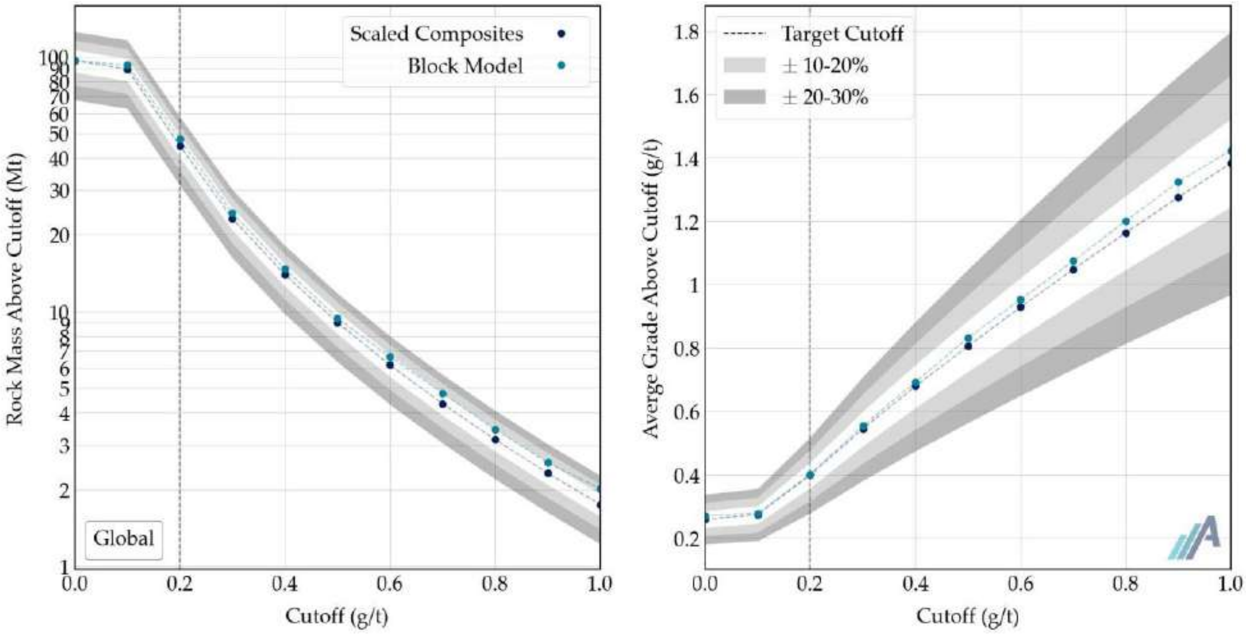


Source: APEX (2025)

14.9.1.2 Volume-Variance Analysis Validation

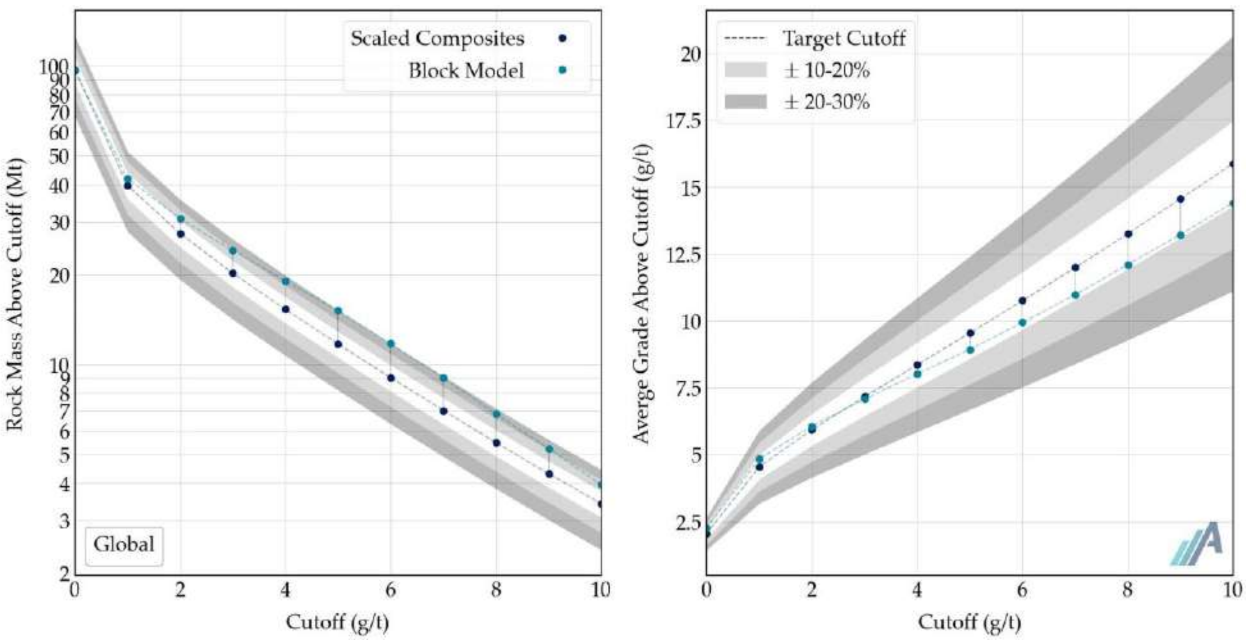
Smoothing is an intrinsic property of Kriging, and it is critical to validate that the estimated model, when restricted to a specific cutoff, produces the correct grades and tonnes. Considering the selective mining unit (SMU) and the information effect, target distributions are calculated using a discrete Gaussian model, with composites and variograms as parameters. The distribution of the scaled composites illustrates the anticipated tonnes and average grades above various cutoff grades at the SMU scale. As described in Section 14.7, the searches used during OK are restricted to mitigate Kriging's smoothing effects and ensure the estimated model matches the target distribution. A comparison between the expected SMU distribution of grade and tonnes and the estimated model (Figures 14.10 to 14.11) confirms that the appropriate level of smoothing is achieved at the reporting cutoff. Further modifications to the search strategy to achieve a closer match would introduce excessive bias.

Figure 14.10 Comparison of target gold distribution and estimated distribution.



Source: APEX (2025)

Figure 14.11 Comparison of target silver distribution and estimated distribution.

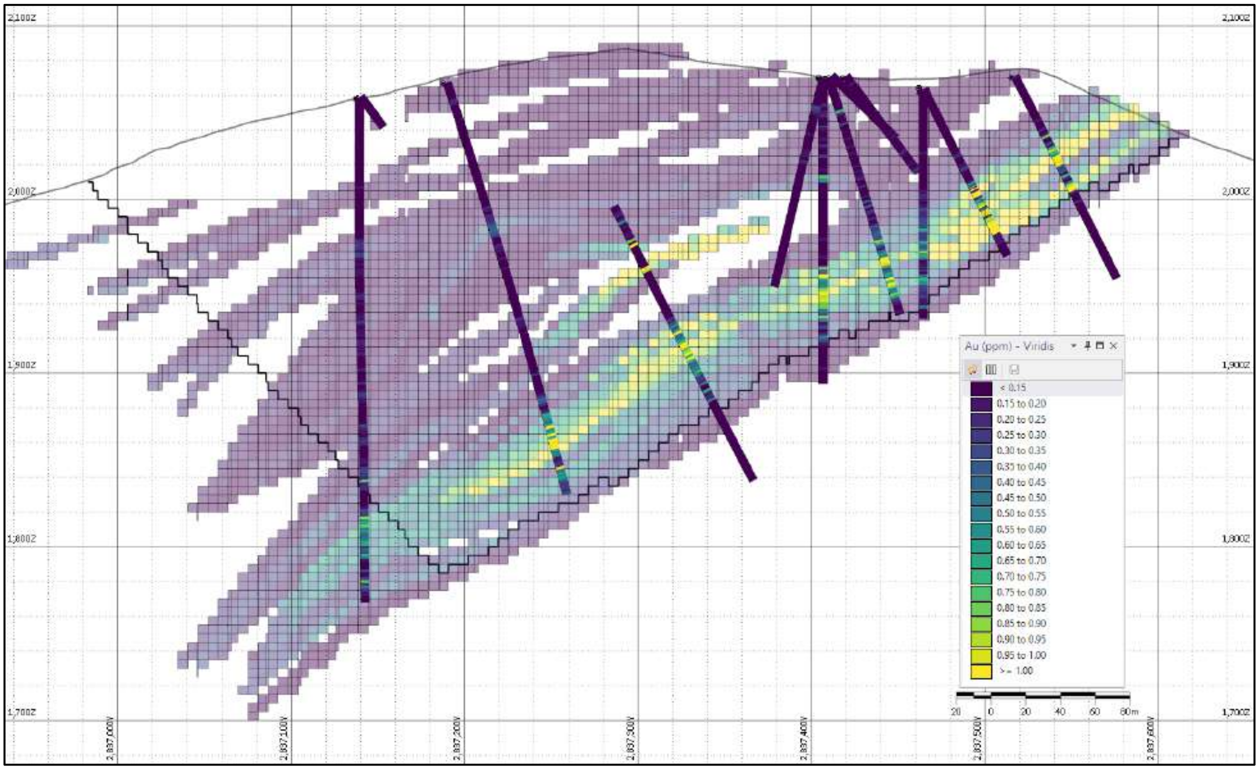


Source: APEX (2025)

14.9.2 Visual Validation

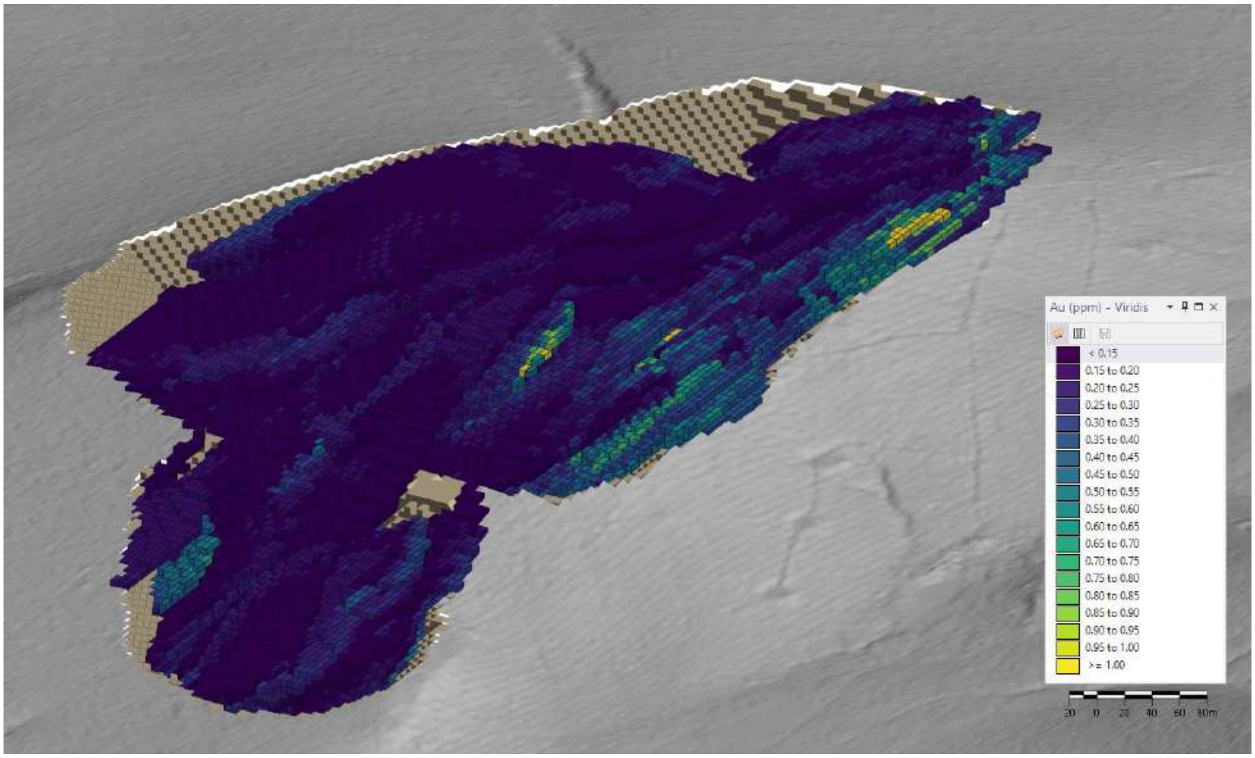
APEX personnel visually reviewed the estimated block model grades in cross-sectional views, comparing the estimated block model grades to the input composited drillhole assays and the modelled mineralization trends. The block model compares very well to the input compositing data. Local high- and low-grade zones within the Mineral Resource areas are reproduced as desired, and the locally varying anisotropy adequately maintains variable mineralization orientations. Figures 14.12 and 14.13 illustrate the grade estimation blocks used for the MRE.

Figure 14.12 Cross-section of the 2025 Capitan Hill MRE block model looking west along 545,905E illustrating estimated grades.



Source: APEX (2025)
Note: Bold black lines illustrate the conceptual pit shell.

Figure 14.13 Orthogonal view of the 2025 Capitan Hill MRE block model, looking west at a 26° dip, illustrating estimated grades and the conceptual pit shell.



Source: APEX (2025)

14.10 Mineral Resource Classification

14.10.1 Classification Definitions

The 2025 Capitan Hill MRE discussed in this Report is classified following guidelines established by the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 14, 2014.

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

14.10.2 Classification Methodology

In accordance with CIM definition standards, the 2025 Capitan Hill MRE is classified as Inferred. The classification of the Inferred Mineral Resources is based on geological confidence, data quality and grade continuity of the data. The most relevant factors used in the classification process are the following:

- Density of conditioning data.
- Level of confidence in drilling results and collar locations.
- Level of confidence in the geological interpretation.
- Continuity of mineralization.
- Level of confidence in the assigned densities.

Mineral Resource classification uses a single-pass strategy. Each block is assigned a classification of Inferred if at least 1 drillholes fall within a search ellipsoid with a radius of 90 by 60 by 20 m, centred on each block, and oriented as described in Section 14.5. This process is independent of grade estimation.

14.11 Reasonable Prospects for Eventual Economic Extraction

According to CIM guidelines, reported mineral resources must demonstrate reasonable prospects for eventual economic extraction (RPEEE). The following section describes the parameter assumptions and methodologies used to constrain the 2025 Capitan Hill MRE statement.

14.11.1 Open Pit Mineral Resource Parameters

The resource block model underwent several pit optimization scenarios using Deswik's Pseudoflow pit optimization. Table 14.13 outlines the parameter and mining method assumptions used for to generate the pit shell that constrains the reported open pit resources and established the reporting cutoff.

Table 14.13 Parameter assumptions for pit optimization.

Parameter	Unit	Value
Costs		
Mining Cost for All Material	US$/tonnes	2.5
G&A	US$/tonnes	1.5
Heap Leach		
Processing Cost	US$/tonnes	5
Recovery: Au	%	70
Recovery: Ag	%	45
Reporting Cutoff	Au g/t	0.18
Pit Slope	Degrees	45
Sale		
Sale Price: Au	US$/ozt	2,500
Sale Price: Ag	US$/ozt	26.5
Royalty	%	0

Source: APEX (2025)

14.12 Mineral Resource Estimate Statement

The 2025 Capitan Hill MRE is reported in accordance with the Canadian Securities Administrators' NI 43-101 rules for disclosure and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014.

Mineral Resource modelling was conducted in UTM Coordinate system relative to the World Geodetic System 1984 ensemble / UTM zone 13N (EPSG:32613). The MRE utilized a block model with a size of 10 metres (X) by 5 metres (Y) by 5 metres (Z) to honour the mineralization wireframes for estimation. Gold and silver grades were estimated for each block using Ordinary Kriging with locally varying anisotropy to ensure grade continuity in various directions is reproduced in the block model. The resource block model underwent several pit optimization scenarios using Deswik's Pseudoflow pit optimization. The resulting conceptual pit shell is used to constrain the reported open-pit resources. The reported open-pit resources utilize a cut-off of 0.18 g/t Au. The MRE is reported as undiluted.

The 2025 Capitan Hill MRE comprises an Inferred Mineral Resource of 525,000 oz of gold at an average grade of 0.41 g/t Au and 4,244,000 oz of silver at an average grade of 3.3 g/t Ag, within a total of 39,795,000 t. Table 14.14 provides the complete 2025 Capitan Hill MRE statement.

Table 14.14 Summary of the Pit-Constrained Inferred Capitan Hill Mineral Resources on the Cruz de Plata Project (as of September 17, 2025).

Gold Cut-off (g/t)	Tonnes (t)	Average Gold (g/t)	Average Silver (g/t)	Contained Gold (oz)	Contained Silver (oz)
0.18	39,795,000	0.41	3.3	525,000	4,244,000

Source: APEX (2025)

Notes:

1. Warren Black, M.Sc., P.Geo., Senior Consultant: Mineral Resources and Geostatistics of APEX Geoscience Ltd., who is deemed a Qualified Person as defined by NI 43-101 is responsible for the completion of the mineral resource estimation, with an effective date of September 17, 2025.
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
4. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resources with continued exploration.
5. The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
6. Economic assumptions used include US$2,500/oz Au, US$26.5/oz Ag, process recoveries of 70% and 45% for Au and Ag respectively, a US$5/t processing cost, and a G&A cost of US$1.5/t.
7. The constraining pit optimization parameters include a US$2.5/t mining cost for both mineralized and waste material and 45° pit slopes. Pit-constrained Mineral Resources are reported at a cut-off of 0.18 g/t Au.

14.13 Mineral Resource Estimate Sensitivity

Mineral Resources can be sensitive to the selection of the reporting cutoff grade. For sensitivity analyses, other cutoff grades are presented for review. Mineral Resources at cutoff grades are presented for the Pit-Constrained Mineral Resources in Table 14.15.

Table 14.15 Sensitivities of the Inferred Pit-Constrained 2025 Capitan Hill MRE (as of September 17, 2025).

Gold Cut-off(g/t)	Tonnes(t)	Average Gold(g/t)	Average Silver(g/t)	Contained Gold (oz)	Contained Silver (koz)
0.1	60,186,000	0.32	2.5	617,000	4,818,000
0.15	47,667,000	0.37	3.0	566,000	4,542,000
0.18	39,795,000	0.41	3.3	525,000	4,244,000
0.2	34,963,000	0.44	3.6	495,000	4,016,000
0.25	26,102,000	0.51	4.1	431,000	3,462,000
0.3	20,197,000	0.58	4.5	380,000	2,894,000
0.35	16,165,000	0.65	4.8	338,000	2,519,000
0.4	13,000,000	0.72	5.2	299,000	2,174,000
0.45	10,575,000	0.78	5.5	266,000	1,876,000
0.5	8,823,000	0.85	5.7	240,000	1,612,000
0.6	6,317,000	0.96	6.0	196,000	1,227,000
0.7	4,575,000	1.09	6.3	160,000	929,000
0.8	3,389,000	1.20	6.7	131,000	730,000
0.9	2,519,000	1.33	6.9	107,000	557,000
1	1,985,000	1.43	6.8	91,000	436,000

Source: APEX (2025)

Notes:

1. All tonnage, grade, and contained metal values in this table are reported within the optimized pit shell used to constrain the stated mineral resource estimate.
2. The cut-off grade used to report the stated pit-constrained mineral resource est

14.14 Risk and Uncertainty in the Mineral Resource Estimate

A source of uncertainty in the 2025 Capitan Hill MRE relates to limited QA-QC documentation for a small portion of the historical drilling completed in 2004 and 2008. While these data support geological continuity, the absence of fully verifiable QA-QC records limits their suitability for higher-confidence resource classifications unless confirmed by sufficient modern drilling. Future infill drilling incorporating modern QA-QC procedures is expected to reduce this uncertainty by enabling spatial pairing analyses, allowing the representativeness of historical assays to be evaluated as a population.

Bulk density represents a source of uncertainty in the current resource model. A total of 105 bulk density measurements were used to assign average density values based on lithology and mineralization; however, observed variability indicates that density is more variable than is currently captured by the model. Mineralized material shows a bimodal density distribution, while country rock exhibits a broad range of values. Additional density data are required to better parameterize density within the model and improve confidence in future mineralized material and waste tonnage and contained metal estimates.

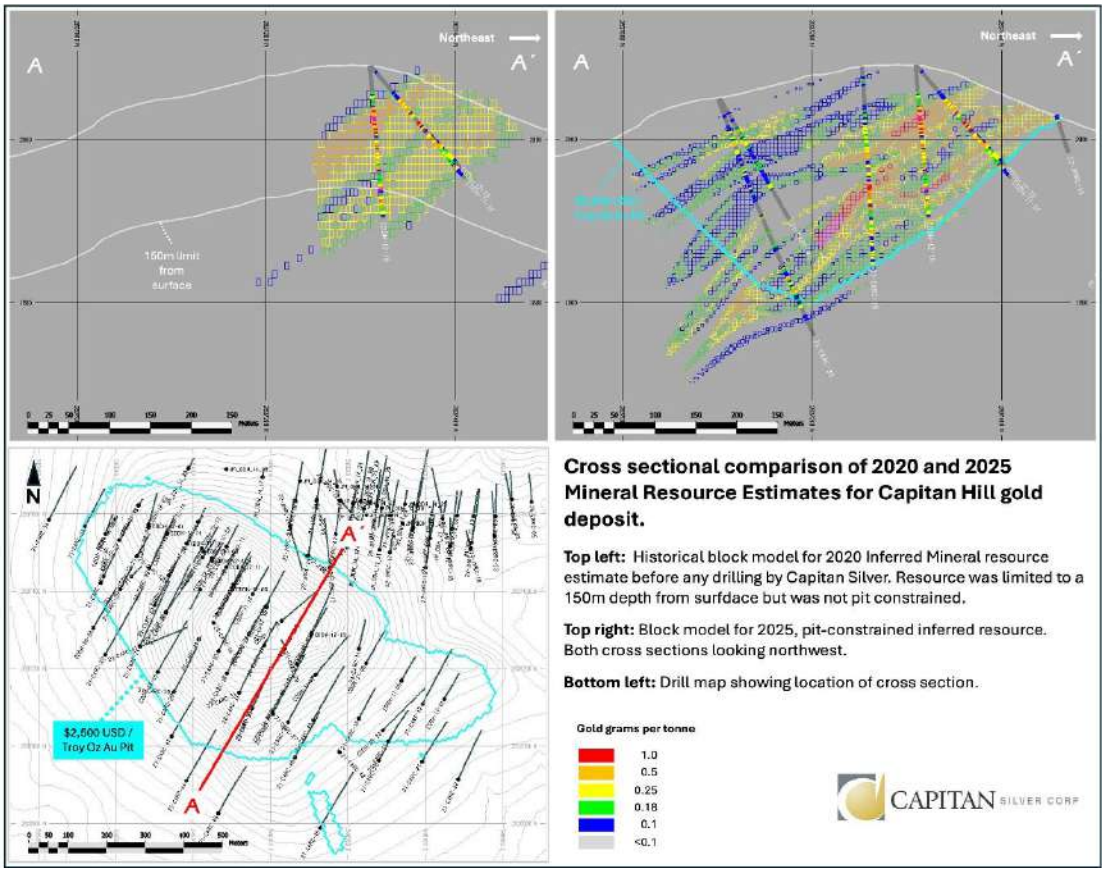
14.15 Comparison to Previous MRE

The historical 2020 Capitan Hill MRE prepared for Riverside and the Issuer (as Capitan Mining) was not constrained by a pit shell and instead used a 0.25 g/t Au lower cut-off and a 150 m depth-from-topography reporting constraint. For comparison purposes only, APEX generated a conceptual pit shell using the historical 2020 block model and the metal price and cost assumptions disclosed in the historical 2020 technical report (Strickland and Sim, 2020). A cross section comparison of the 2020 Capitan Hill MRE to the current MRE is presented in Figure 14.14. APEX estimates that approximately 244,000 ounces of contained gold as a historical Inferred MRE would have likely been reported within that conceptual pit shell (at the same 0.25 g/t Au cut-off). For comparative purposes, the updated 2025 Capitan Hill MRE, utilizing new drilling and modern parameters for RPEEE within a current conceptual pit shell, contains approximately 115% more contained gold ounces than the historical block model and MRE. This increase is attributable to updated geological interpretation/resource estimation based on new drilling, together with updated metal price and mining cost assumptions used to generate the current pit shell for pit-constrained reporting.

Compared to the historical 2020 Capitan Hill MRE, the updated 2025 Capitan Hill MRE applies updated reporting constraints aligned with demonstrating RPEEE (pit-constrained vs depth-constrained), and provides a solid foundation for Capitan Silver to build upon in terms of understanding:

- The limits of mineralization across the deposit.
- The continuity and distribution of higher-grade mineralization.
- Where and how to add additional ounces at the deposit and the project as a whole
- Guidance on how to upgrade portions of the resource to an indicated category.

Figure 14.14 Cross section comparison: 2025 Capitan Hill MRE vs historical 2020 Capitan Hill MRE.



Source: Capitan Silver (2025)

*** Items 15 to 22 omitted; this Report is not for an advanced project ***

23 Adjacent Properties

There are no adjacent properties that are relevant to the Cruz de Plata Property.

24 Other Relevant Data and Information

The Author is unaware of any other information of a material nature relating to the Property. There is no information relating to the Cruz de Plata Property mineralization, metallurgical, environmental, or social issues known to the Author and QP, Mr. Dufresne, that is not mentioned in this Report.

25 Interpretation and Conclusions

The Cruz de Plata Property is a silver-gold and polymetallic exploration project located within the Central Mexico Silver Belt in Durango State, Mexico. The Central Mexico Silver Belt lies within the Sierra Madre Occidental Mountain range and is primarily known for its numerous low- to intermediate-sulfidation epithermal vein gold-silver deposits.

25.1 Geology and Mineralization

The Property geology consists of an Upper Cretaceous carbonate-siliciclastic succession intruded by Tertiary diorite, granodiorite, and rhyolite porphyries with tertiary rhyolite tuffs unconformably overlying the Cretaceous marine sedimentary rocks. Structurally, there is an orthogonal set of faults that includes a northwest-striking set related to the regional horst and graben basin and range structures; and a northeast-striking set that appears to be related to the Tertiary-age intrusive rocks. Complex offsetting relationships between the two fault sets suggest that they are contemporaneous.

The Cruz de Plata area displays several phases of deformation and hydrothermal fluid flow typical of the post-Laramide evolution of the northern Altiplano of Central Mexico. The Capitan Hill Deposit, Jesús María mineralized zone, and San Rafael-El Tubo prospects at the Property appear to be related to intersections between the northwest-striking secondary structures and northeast-striking regional structures. The Jesús María and San Rafael structures that characterize the main structural zones of the Cruz de Plata area appear to have been formed as part of very early post- Laramide north-south extension.

In addition to the Capitan Hill Deposit, the Property hosts several prospects and target areas, including Jesús María, Santa Teresa, and San Rafael within the Jesús María silver trend, the Gully Fault zone, the Jesús María East trend, San Rafael West, Jesús María Northwest, Casco Norte, La Providencia, Jesús María silver trend north, La Purisima, and the El Tubo Hill gold target. Mineralization at the Property is characterized as epithermal and hosted within fault-veins and brecciated zones. These structures trend from 81° to 63° northeast with a steep dip of 65° to 84° southeast. The mineralized zones have strike lengths of 1.2 to 2.2 km and thicknesses greater than 20 m, containing gold, lead, and zinc. The mineralization is hosted in sandstones, shales, and a calcareous-pelitic sequence of the Mezcalera Group, which has been intruded by and affected by both a granodioritic intrusive and rhyolitic subvolcanic bodies.

25.2 Historical Exploration

Exploration in the area of the Property dates back to the 1880s when Minera Industrias Peñoles acquired the Jesús María, Nuestra Señora del Refugio, and San Rafael mines near the town of Peñoles in 1887. The mines were operated by Minera until 1890, at which point the Jesús María (Ag-Pb-Zn) and San Rafael (Ag) deposits were reportedly exhausted.

Modern exploration on the Property has been completed by several companies from 2004 to 2020, including Aurcana Corp. (2004), Riverside (2008-2011; 2018), Sierra Madre (2011-2013), Morro Bay (2014), and Fresnillo plc (2018-2020). Exploration work has consisted of surface geochemical sampling, channel sampling, geophysical surveys, and diamond drilling. Historically, 100 DDH were completed at the Cruz de Plata Property by various operators between 2004 and 2020, totalling 18,064.4 m.

Historical exploration and drilling on the Property targeted a series of mineralized fault zones at the Property, including Capitan Hill, Jesús María, San Rafael and Santa Teresa. The early drilling at the Cruz de Plata Property, by Aurcana Corp. and Riverside focused on Capitan Hill. Results were positive, the thickness of mineralization encountered was greater than that expected from the surficial expression of quartz veining and siliceous breccia. Downhole intersections included 61.4 m core length at 0.81 g/t Au from 31.85 m in PE04-01, and 32.3 m core length at 0.66 g/t Au from 89.94 m in CDDH-08-02.

Drilling by Sierra Madre expanded the established mineralization at Capitan Hill and tested the Jesús María target. The 2011 drillholes extended the Capitan Hill target 700 m along strike towards the southeast and infilled the historical drilling. The 2011 program also completed the first hole at Jesús María, returning 12.85 m core length at 75.54 g/t Ag from 155.9 m (JM-DDH-11-01). Drilling in 2012 further infilled the Main Zone at Capitan Hill along strike and expanded the mineralization window down-dip. Significant intersections included 124.3 m core length at 0.61 g/t Au from 41.6 m in hole CDDH-12-13, and 130.2 m core length at 0.56 g/t Au from 0.95 m in CDDH-12-18. The 2013 drilling program focused on Jesús María and extended known the mineralization over 270 m strike-length below historical mine workings.

The 2014 drilling by Morro Bay focused on follow-up exploration at Jesús María, utilizing trenching and drilling. The exploration tested some 400 m along strike to the west, which returned thick low-grade mineralization. The drill program also included the first drilling at the San Rafael prospect, which returned significant intersections including 45.35 m core length at 29.6 g/t Ag from 187.35 m in SR-DDH-14-01.

25.3 Historical Metallurgical Testing

To determine the amenability of the mineralized material to processing, historical metallurgical testing was conducted across three distinct campaigns between 2011 and 2015. This work focused on samples from both the Capitan Hill Deposit and Jesús María mineralized zone, involving previous operators such as Sierra Madre (2011, 2012-2013), and Morro Bay (2015).

In 2011, 28 preliminary cyanide bottle roll tests were completed on Capitan Hill drill core samples to assess amenability to heap leaching. Initial testing showed gold recovery increased significantly with finer crushing, with the 6-mesh sample achieving 53% Au recovery. An expanded program on 25 additional samples, also crushed to 6-mesh, yielded average gold recoveries of approximately 60%, with some high-grade samples achieving recoveries of up to 70 to 80%, confirming that the Capitan Hill samples respond favorably to cyanidation and show potential for heap leach processing.

Subsequent bottle roll testing on Capitan Hill Deposit samples in 2012-2013 demonstrated that the material is amenable to cyanidation, achieving high gold recoveries (generally >90%) at a fine grind size (P80 of 60 to 120 µm). In addition, a series of 11 cyanide column leach tests, each running for 82 days, were conducted on various composite samples. The column leach tests yielded lower results, with the best sample results achieving up to 58.6% Au extraction.

The 2015 test work on samples from the Jesús María mineralized zone compared gravity concentration, rough-scavenger flotation, and whole-mineralized material cyanidation methods. Flotation achieved the highest recoveries, averaging 76.1% Au and 87.2% Ag, but would require costlier secondary processing. Bottle roll cyanide leach tests yielded moderate average recoveries of 54.9% Au and 78.0% Ag within 72 hours. A partial correlation was observed during the bottle roll tests showing that higher arsenic content in the feed was associated with lower gold and silver extraction.

25.4 Capitan Exploration

Since acquiring the Property in 2020 to the Effective Date of this Report, Capitan has undertaken several exploration programs, which included drilling activities, soil sampling, and various types of rock sampling.

Rock sampling included the use of mechanical trenching for channel samples and continuous chip samples, in conjunction with general prospecting for chip and grab samples.

25.4.1 Surface Exploration

Property-wide soil sampling by Capitan highlighted several areas of anomalies with the potential to host mineralization. Areas north of the Jesús María and San Rafael veins showed marked anomalism, which helped to validate and define the Santa Teresa and San Rafael North mineralized trends, both previously sampled by Riverside. Soil samples at San Rafael North returned a maximum result of 19 g/t Ag (0.1 g/t Au), while soil samples at the Santa Teresa trend returned a maximum result of 14.3 g/t Ag (0.2 g/t Au).

Mechanical trenching and channel sampling were used to further develop identified targets. Results of the channel sampling included 0.18 g/t Au (2 m length) and 0.3 g/t Au (2 m length) at the Gully Fault target between Capitan Hill and Jesús María. At San Rafael, channel sampling returned results including 23.5 g/t Ag over 1.4 m length at San Rafael, and 3.3 g.t Ag over 2 m length at Escondida. Results from west of San Rafael channel sampling included 172 g/t Ag over 2 m and 21.6 g/t Ag over 1.5 m.

The surface sampling programs undertaken during 2021-2023 defined several mineralized trends at the Cruz de Plata Property, extending across the breadth of the Property over several kilometers. Prospectivity for silver-gold-lead-zinc was shown at the Jesús María, Jesús María South, Santa Teresa and Providencia West prospects. High-grade silver-gold prospectivity was observed at the Gully Fault zone, San Rafael North, Escondida and Providencia East targets. Vein hosted and disseminated gold prospectivity was seen along strike from Capitan Hill at the Capitan East target.

During 2024 and 2025, a systematic surface sampling program was completed at the Cruz de Plata Project to evaluate the distribution, grade, and geological controls of near-surface precious- and base-metal mineralization. The program comprised 135 rock samples collected in 2024, followed by 22 rock samples and 75 soil samples in 2025, targeting historical workings, vein systems, hydrothermal breccias, and intrusive–carbonate contacts identified through geological mapping and reconnaissance exploration. Rock and channel sampling focused on multiple priority target areas, including Casco Norte, Jesús María, La Purísima, El Refugio (located between the Jesús María silver trend and the Gully Fault zone), and San Rafael, and confirmed the presence of several mineralized systems with varying styles of gold–silver enrichment.

Assay results highlight the prospectivity of several areas across the Property. Assay results in this section are presented as silver, gold, and/or AgEq with AgEq calculated using the following formula: *AgEq = (0.94 x Ag) + (0.86 x 80 x Au) + (0.935 x 0.003 x Pb) + (0.92 x 0.0037 x Zn) where Ag recovery = 0.94 and Au recovery = 0.86 Pb recovery = 0.935, Zn recovery = 0.92 and Au-to-Ag factor = 80.*

At Casco Norte, sampling from a historical working returned a maximum sample result of 62.1 g/t Au, 18.3 g/t Ag, and 4,291 g/t AgEq, associated with a silicified and brecciated intrusive-hosted quartz vein system. At Jesús María, dump sampling from the historical vein system yielded 209 g/t Ag and 0.245 g/t Au (286.8 g/t AgEq), confirming the persistence of silver-rich mineralization in structurally controlled veins and breccias. At La Purísima, dump samples collected along the intrusive–limestone contact returned up to 1.856 g/t Au, 43.7 g/t Ag, and 241.6 g/t AgEq, reflecting skarn-like mineralization developed along this contact. Soil sampling conducted in 2025 at the La Providencia target produced trace gold and silver anomalies, providing geochemical support for the presence of underlying mineralized structures.

25.4.2 Drilling

From September 2020 to December 2022, Capitan (as Capitan Mining) completed 77 RC drillholes totalling 18,673.57 m at the Cruz de Plata Property. Drilling targeted mineralized structures at the Capitan Hill, Jesús María and San Rafael targets. Drilling by Capitan in 2020 focused on Capitan Hill and expanded the mineralization by testing down-dip and along strike of the previous drilling. Many holes showed good continuation of the mineralization tenor at depth, with up to 100 m step-outs down dip, particularly in the Main Zone. The drilling also identified mineralized trends in the hanging wall position at Capitan Hill, within the Tertiary volcanic breccias. Notable intersections from the 2020 RC drilling at Capitan Hill include 21.3 m downhole length at 1.8 g/t Au from 196.6 m in 20-CARC-12, and 25.9 m downhole length at 0.77 g/t Au from 201.2 m in 20-CARC-16.

In 2021, Capitan's drill program targeted the high-grade shoots of mineralization at Capitan Hill and Jesús María. Drilling at Capitan Hill focused on down-dip extensions to mineralization and expanding the envelope of high-grade mineralization in the Main Zone. The high-grade lodes were observed to continue at depth with lower grades, but the thickness maintained. These results indicated the potential for some fault displacement in the Main Zone of Capitan Hill, possibly related to the Santa Theresa fault. The 2021 drilling also extended the hanging wall zones down-dip at Capitan Hill. The 2021 program expanded the known mineralization at Jesús María and extended the prospect to an 800 m strike length. Notable intersections from the 2021 RC drilling at Capitan Hill include 15.24 m downhole length at 0.9 g/t Au from 176.8 m in 21-CARC-33, and 16.76 m downhole length at 0.75 g/t Au from 144.8 m in 21-CARC-29.

Drilling in 2022 focused on the Jesús María and San Rafael targets. Drilling at Jesús María tested down-dip extensions to mineralization, with substantial step-outs from the previous iterations of drilling (up to 100 m down-dip step-outs). This included testing the Gully Fault area between Capitan Hill and Jesús María. Thin mineralization was observed to continue at depth at Jesús María, with intersections including 15.24 m downhole length at 72.7 g/t Ag from 175.26 m in 22-JMRC-20, and 39.62 m downhole length at 16.2 g/t Ag from 205.74 m in 22-JMRC-16. Capitan drilling data up to 2022 was used in the 2025 Capitan Hill MRE detailed in Section 14 of this Report.

Capitan completed 23 RC drillholes totalling 3,523.5 m at the Cruz de Plata Project between March 27 and June 18, 2025. Drilling focused on definition and step-out testing of high-grade silver mineralization at the Jesús María, El Refugio, and Gully Fault Zone prospects. At Jesús María, step-out drilling intersected new Au-Ag and polymetallic (Au-Ag-Pb-Zn) mineralization in the footwall of the main vein, demonstrating along-strike and up-dip continuity, including intervals grading to a maximum of 142.8 g/t Ag with elevated Pb and Zn. Drilling at the Jesús María—Gully Fault intersection confirmed near-surface continuity of both mineralized structures, returning high-grade Ag-Pb-Zn intercepts, while drilling at El Refugio suggest fault offset of the Jesús María vein and confirmed very high-grade silver mineralization, including an intercept of 1,599 g/t Ag, with six holes defining mineralization over approximately 250 m of strike.

25.5 Mineral Resource Estimate

The 2025 Capitan Hill MRE is reported in accordance with the Canadian Securities Administrators' NI 43-101 rules for disclosure and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014.

Mineral Resource modelling was conducted in UTM Coordinate system relative to the World Geodetic System 1984 ensemble / UTM zone 13N (EPSG:32613). The MRE utilized a block model with a size of 10 metres (X) by 5 metres (Y) by 5 metres (Z) to honour the mineralization wireframes for estimation. Gold and silver (Ag) grades were estimated for each block using Ordinary Kriging with locally varying anisotropy to ensure grade continuity in various directions is reproduced in the block model. The resource block model underwent several pit optimization scenarios using Deswik's Pseudoflow pit optimization. The resulting conceptual pit shell is used to constrain the reported open-pit resources. The reported open-pit resources utilize a cut-off of 0.18 g/t Au. The MRE is reported as undiluted.

The 2025 Capitan Hill MRE comprises an Inferred Mineral Resource of 525,000 oz of gold at an average grade of 0.41 g/t Au and 4,244,000 oz of silver at an average grade of 3.3 g/t Ag, within a total of 39,795,000 t. Table 25.1 provides the complete 2025 Capitan Hill MRE statement.

Table 25.1 Summary of the Pit-Constrained Inferred Capitan Hill Mineral Resources on the Cruz de Plata Project (as of September 17, 2025).

Gold Cut-off (g/t)	Tonnes (t)	Average Gold (g/t)	Average Silver (g/t)	Contained Gold (oz)	Contained Silver (oz)
0.18	39,795,000	0.41	3.3	525,000	4,244,000

Source: APEX (2025)

Notes:

1. Warren Black, M.Sc., P.Geo., Senior Consultant: Mineral Resources and Geostatistics of APEX Geoscience Ltd., who is deemed a Qualified Person as defined by NI 43-101 is responsible for the completion of the mineral resource estimation, with an effective date of September 17, 2025.
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
4. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resources with continued exploration.
5. The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
6. Economic assumptions used include US$2,500/oz Au, US$26.5/oz Ag, process recoveries of 70% and 45% for Au and Ag respectively, a US$5/t processing cost, and a G&A cost of US$1.5/t.
7. The constraining pit optimization parameters include a US$2.5/t mining cost for both mineralized and waste material and 45° pit slopes. Pit-constrained Mineral Resources are reported at a cut-off of 0.18 g/t Au.

25.6 Conclusions

Based on a review of available information, historical and recent exploration data, and Mr. Black's site inspection, and the 2025 Capitan Hill MRE, the Author concludes that the Cruz de Plata Property is a property of merit, with demonstrated potential for the discovery and delineation of additional precious and polymetallic mineralization. This judgement is supported by:

(i) the favourable geological and structural setting of the Property within the Central Mexico Silver Belt;

(ii) historical surface exploration and drilling by previous operators of the Property that defined mineralization at the Capitan Hill Deposit, Jesús María mineralized zone, and San Rafael and Santa Teresa prospects of the Property; and

(iii) significant silver and gold mineralization intersected by recent sampling and drilling programs, culminating in the preparation of the 2025 Capitan Hill MRE.

25.7 Risks and Uncertainties

A source of uncertainty in the 2025 Capitan Hill MRE relates to limited QA-QC documentation for a small portion of the historical drilling completed in 2004 and 2008. While these data support geological continuity, the absence of fully verifiable QA-QC records limits their suitability for higher-confidence resource classifications unless confirmed by sufficient modern drilling. Future infill drilling incorporating modern QA-QC procedures is expected to reduce this uncertainty by enabling spatial pairing analyses, allowing the representativeness of historical assays to be evaluated as a population.

Bulk density represents a source of uncertainty in the current resource model. A total of 105 bulk density measurements were used to assign average density values based on lithology and mineralization; however, observed variability indicates that density is more variable than is currently captured by the model. Mineralized material shows a bimodal density distribution, while country rock exhibits a broad range of values. Additional density data are required to better parameterize density within the model and improve confidence in future mineralized material and waste tonnage and contained metal estimates.

The Cruz de Plata Project is subject to the same types of risks and uncertainties as other similar precious and base metal exploration projects. Capitan will attempt to reduce risk/uncertainty through effective project management, engaging technical experts, and developing contingency plans. Potential risk factors include changes in metal prices, increases in operating costs, fluctuations in labour costs and availability, availability of investment capital, infrastructure failures, changes in government regulations, community engagement and socio-economic community relations, civil disobedience and protest, permitting and legal challenges, and general environmental concerns. The exploration and mining industry in Mexico is also prone to incursions by illegal miners, or “lupios”, who gain access to mines or exploration areas to steal mineralized material. These incursions pose a safety, security and financial risk and can potentially compromise operations.

There is no guarantee that further exploration at the Property will result in the discovery of additional mineralization or an economic mineral deposit. Nevertheless, in the QPs opinion there are no significant risks or uncertainties, other than mentioned above, that could reasonably be expected to affect the reliability or confidence in the currently available exploration information with respect to the Property. There appears to be no apparent impediments to developing the MRE at the Cruz de Plata Property.

26 Recommendations

As a property of merit, a staged two-phase exploration and evaluation program is recommended to upgrade existing Mineral Resources, test for potential Mineral Resource expansion, and advance the technical evaluation of the Property toward assessment of its longer-term development potential.

26.1 Phase 1 Recommended Program

Phase 1 is designed to focus on Mineral Resource growth, geological interpretation, and technical risk reduction. The Author recommends a drilling program totaling approximately 20,000 m, intended to:

(i) Drill test extensions to existing zones of mineralization within the Property, with focus on the Capitan Hill Deposit and Jesús María mineralized zone.

(ii) Step-out drilling along the Gully Fault zone.

In addition, regional surface exploration is recommended, including geological mapping and geochemical sampling (trenching and soil sampling), to refine and prioritize newly defined targets within the Property. These targets include Casco Norte, Jesús María Northwest, Jesús María East, La Providencia, La Purisima, and the El Tubo Hill gold target.

The estimated cost of the Phase 1 drilling and surface exploration program is CAD$5,000,000, exclusive of contingency and applicable taxes (Table 26.1).

26.2 Phase 2 Recommended Program

Phase 2 exploration is contingent upon the results and successful achievement of the technical objectives established for Phase 1, including confirmation of geological continuity, grade distribution, and sufficient data density to support mineral resource estimation. This subsequent phase is designed to include systematic step-out and infill drilling at the Capitan Hill Deposit and Jesús María zone, alongside initial drill testing of regional targets identified during Phase 1 surface sampling. A key focus of Phase 2 will be infill drilling at the Capitan Hill Deposit and the Jesús María mineralized zone to increase data density and geological confidence, with the objective of supporting the potential upgrading of existing Inferred Mineral Resources to higher classifications at Capitan Hill and advancing the delineation of mineralized zones at Jesús María, subject to data verification and geological interpretation.

Phase 2 should also incorporate comprehensive metallurgical testwork and preparation of an updated Mineral Resource Estimate that includes both the Capitan Hill Deposit and Jesús María mineralized zone, provided that sufficient drilling, sampling, and data verification have been completed in accordance with NI 43-101. For Capitan Hill, metallurgical testwork should focus on optimizing crush size and operating parameters based on historical metallurgical results. For Jesús María, the follow-up metallurgical testwork program should include bottle roll testing and comminution testing to build upon the 2015 Morro Bay testwork results, subject to confirmation that the tested material is representative of mineralization defined by recent drilling.

The estimated cost of the Phase 2 exploration program for the Property totals CAD$5,865,000, exclusive of contingency funds and applicable taxes.

Collectively, the estimated cost of the recommended work programs for the Property totals CAD$10,865,000, exclusive of contingency funds and applicable taxes (Table 26.1).

Table 26.1 Budget for proposed exploration at the Cruz de Plata Property.

Phase	Item	Approximate Cost (CAD$)
Phase 1	All in cost for RC drilling (5,000 m $150/m)	$750,000
	All in cost for DDH drilling (15,000 m $250/m)	$3,750,000
	Geological Mapping and Geochemical Sampling	$500,000
	Sub-total:	$5,000,000
Phase 2	All in cost for RC drilling (10,000 m $150/m)	$1,500,000
	All in cost for DDH drilling (15,000 m $250/m)	$3,750,000
	Metallurgical Test Work	$500,000
	Mineral Resource Estimate and Technical Report	$115,000
	Sub-total:	$5,865,000
Phase 1 & 2	Total:	$10,865,000

Source: APEX (2025)

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28 Certificate of Authors

28.1 Michael B. Dufresne Certificate of Author

I, Michael B. Dufresne, M.Sc., P.Geo., P.Geol., of Edmonton, Alberta, do hereby certify that:

1) I am President and a Principal of APEX Geoscience Ltd. ("APEX"), with a business address of 100, 11450 – 160 St. NW, Edmonton, Alberta, Canada.
2) I am an Author and am responsible for Sections 1.1 to 1.3, 1.7, 1.9, 2 to 4, 9 to 11.2, 13, 23 to 24, 25.4, 25.6 to 25.7, 26 of this Technical Report entitled: "NI 43-101 Technical Report and Mineral Resource Estimate for the Cruz de Plata Property, Durango, Mexico", with an Effective Date of October 14, 2025 (the "Technical Report").
3) I graduated with a B.Sc. Degree in Geology from the University of North Carolina at Wilmington in 1983 and a M.Sc. Degree in Economic Geology from the University of Alberta in 1987. I have worked as a geologist for more than 40 years since my graduation from university and have been involved in all aspects of mineral exploration and mineral resource estimations for precious and base metal mineral projects and deposits in Canada and internationally.
4) I am and have been registered as a Professional Geologist with the Association of Professional Engineers and Geoscientists ("APEGA") of Alberta since 1989 and a Professional Geoscientist with the Association of Professional Engineers and Geoscientists ("EGBC") of British Columbia since 2012. I am a 'Qualified Person' in relation to the subject matter of this Technical Report.
5) I have not visited the Property that is the subject of this Technical Report. I have conducted a review of the Cruz de Plata Property data.
6) I am independent of Capitan Silver Corp., as defined by Section 1.5 of National Instrument 43-101. I have not received, nor do I expect to receive, any interest, directly or indirectly, in the Company. I am not aware of any other information or circumstance that could interfere with my judgement regarding the preparation of the Technical Report.
7) I have had no previous involvement with the Cruz de Plata Property, that is the subject of this Technical Report.
8) I have read and understand National Instrument 43-101 and Form 43-101 F1 and the Report has been prepared in compliance with the instrument.
9) To the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated and Signed this 16th day of January 2026 in Edmonton, Alberta, Canada

Original Signed and Sealed

Signature of Qualified Person
Michael B. Dufresne, M.Sc., P.Geo., P.Geol. (APEGA #48439; EGBC #37074)

28.2 Warren E. Black Certificate of Author

I, Warren E. Black, M.Sc., P.Geo., of Edmonton, Alberta, do hereby certify that:

1) I am a Senior Geologist and Geostatistician of APEX Geoscience Ltd. ("APEX"), with a business address of 100, 11450 – 160 St. NW, Edmonton, Alberta, Canada.
2) I am an Author and am responsible for Sections 1.8, 11.3, 11.4, 12, 14, 25.5 of this Technical Report entitled: "NI 43-101 Technical Report and Mineral Resource Estimate for the Cruz de Plata Property, Durango, Mexico", with an Effective Date of October 14, 2025 (the "Technical Report").
3) I am a graduate of the University of Alberta, Edmonton, AB, with a B.Sc. in Geology Specialization (2012) and the University of Alberta, Edmonton, AB, with a M.Sc. in Civil Engineering Specializing in Geostatistics (2016). I have over 12 years of experience in mineral exploration and project development, covering both North American and global settings. Specializing in mineral resource estimation, I have completed resource evaluations and uncertainty analysis for various deposit types using advanced geostatistical methods. My research in multivariate geostatistical prediction has contributed to the field of geostatistics.
4) I am a Professional Geologist (P.Geo.) registered with the Association of Professional Engineers and Geoscientists of Alberta (APEGA, Member #: 134064), a Professional Geoscientist with Engineers and Geoscientists British Columbia (EGBC, Member #: 58051), and a Professional Geologist (Géologue) with L'Ordre des Géologues du Québec (OQLF, Member #: 10884). I am a 'Qualified Person' concerning the subject matter of this Technical Report.
5) I visited the Property that is the subject of this Technical Report on August 5, 2025. I have conducted a review of the Cruz de Plata Property data.
6) I am independent of Capitan Silver Corp., as defined by Section 1.5 of National Instrument 43-101. I have not received, nor do I expect to receive, any interest, directly or indirectly, in the Company. I am not aware of any other information or circumstance that could interfere with my judgement regarding the preparation of the Technical Report.
7) I have had no previous involvement with the Cruz de Plata Property, that is the subject of this Technical Report.
8) I have read and understand National Instrument 43-101 and Form 43-101 F1 and the Report has been prepared in compliance with the instrument.
9) To the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated and Signed this 16th day of January 2026 in Edmonton, Alberta, Canada

Original Signed and Sealed

Signature of Qualified Person
Warren E. Black, M.Sc., P.Geo. (OQLF #10884; APEGA #134064; EGBC #58051)

28.3 Fallon T. Clarke Certificate of Author

I, Fallon T. Clarke, B.Sc., P.Geo., of Victoria, British Columbia, do hereby certify that:

1) I am a Senior Geologist of APEX Geoscience Ltd. ("APEX"), with a business address of 100, 11450 – 160 St. NW, Edmonton, Alberta, Canada.
2) I am an Author and am responsible for Sections 1.4 to 1.6, 5 to 8, 25.1 to 25.3, 27 of this Technical Report entitled: "NI 43-101 Technical Report and Mineral Resource Estimate for the Cruz de Plata Property, Durango, Mexico", with an Effective Date of October 14, 2025 (the "Technical Report").
3) I graduated with a B.Sc. Degree in Geology from the University of Saskatchewan in 2010. I have worked as a geologist for more than 12 years since my graduation from university and have experience with exploration for precious and base metal deposits of various types through North America and Australia, including epithermal silver-gold deposits.
4) I am and have been registered as a Professional Geologist with the Association of Professional Engineers and Geoscientists ("APEGS") of Saskatchewan since 2015. I am a 'Qualified Person' in relation to the subject matter of this Technical Report.
5) I have not visited the Property that is the subject of this Technical Report. I have conducted a review of the Cruz de Plata Property data.
6) I am independent of Capitan Silver Corp., as defined by Section 1.5 of National Instrument 43-101. I have not received, nor do I expect to receive, any interest, directly or indirectly, in the Company. I am not aware of any other information or circumstance that could interfere with my judgement regarding the preparation of the Technical Report.
7) I have had no previous involvement with the Cruz de Plata Property, that is the subject of this Technical Report.
8) I have read and understand National Instrument 43-101 and Form 43-101 F1 and the Report has been prepared in compliance with the instrument.
9) To the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated and Signed this 16th day of January 2026 in Victoria, British Columbia, Canada

Original Signed and Sealed

Signature of Qualified Person
Fallon T. Clarke, B.Sc., P.Geo (APEGS #27238)