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2 September 2026

Andean accelerates economic studies and production restart planning after A$40m raising

Aggressive ongoing drilling campaign with resource update set for early CY27

- **Andean has received firm commitments totalling A$40 million via a Placement to institutional and sophisticated investors**
- **The Placement was priced at A$2.45 per share, representing a 13.7% discount to the last sale price of A$2.84 and a 5.8% discount to the 10-day VWAP of A$2.60**
- **The scaled-back Placement was strongly supported by large new and existing institutional investors based domestically and offshore**
- **Proceeds of the Placement will see Andean emerge with pro-forma cash of ~$82.7 million[1]**
- **The proceeds will enable Andean to accelerate production restart activities in parallel to ongoing growth and upgrades in the resource**
- **Canaccord Genuity and Euroz Hartleys acted as Joint Lead Managers and Bookrunners to the Placement, with Jett Capital Advisors, LLC acting as Co-Manager.**

Andean Managing Director Matt Allen said: *"The highly successful Placement puts Andean in an extremely strong position to create further growth on several fronts at the same time.*

"We will maintain our aggressive drilling campaign with six rigs turning. This is aimed at driving further growth in the resources by pursuing extensions to known mineralisation and testing the huge number of mineralised veins already identified across the project. We also intend to continue converting inferred resources to the indicated category.

"At the same time, our strong cash position will enable us to undertake economic studies and production restart activities. This work will give us another avenue of value creation as we demonstrate the production and cashflow potential of Cerro Bayo. It will also illustrate the huge advantages which stem from the existing infrastructure, including a well-maintained plant.

"Cerro Bayo has so many distinct advantages, ranging from its high grades and huge exploration upside to the highly valuable infrastructure and beneficial mix of silver and gold.

"We are now focused on delivering the Scoping Study in early CY27 followed by a Feasibility Study towards the end of next year.

[1] Based on ~$42.7 million cash on hand as at 30 June 2026, plus $40 million Placement (before costs).

"The ongoing support from Andean's shareholder base, including a number of new holders coming into this raise, provides the platform for Andean to continue delivering on Cerro Bayo's significant potential".

Andean Silver Limited (ASX: ASL, OTCQX: ADSLF) is pleased to advise that it has received firm commitments from institutional and sophisticated investors to raise A$40 million (before costs) through the issue of 16,326,531 fully paid ordinary shares in the Company (**Shares**) at an issue price of A$2.45 per Share (**Placement**).

The Placement was conducted using the Company's existing capacity under ASX Listing Rule 7.1 to raise a total of A$40 million (before costs), with settlement scheduled for Tuesday, 8 September 2026.

The issue price represented a discount of 13.7% to the last closing price of A$2.84 on Friday, 28 August 2026 and a 5.8% discount to the 10-day volume weighted average price (**VWAP**) of A$2.60 per share.

Proceeds from the Placement will fund:

- Resource Upgrade and Growth:
  - Drilling fleet of 6 rigs upgrading the current Mineral Resources to Measured and Indicated and testing key growth targets at the Cerro Bayo district; and
  - Greenfield permitting underway targeting >200 drill pads in the Juanita to Droughtmaster corridor for drilling commencing in 2H CY27;
- Studies, Development and Early Works:
  - Scoping Study underway for delivery to market within 6 months;
  - Deliver Feasibility Study and maiden Ore Reserve by end CY27; and
  - Commence early works for restart activities, including mill refurbishments, underground dewatering and infrastructure upgrades; and
- General working capital requirements, as well as costs associated with the Placement.

Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited acted as Joint Lead Managers and Bookrunners to the Placement. Jett Capital Advisors, LLC acted as Co-Manager to the Placement.

The Company carefully considered whether to offer eligible shareholders the opportunity to participate in the capital raising through a Share Purchase Plan (**SPP**). However, as Andean has completed an SPP within the previous 12 months, it is unable to undertake a further SPP relying on the relevant disclosure exemptions under the *Corporations Act 2001* (Cth).

Consequently, any further SPP would have required the preparation of a prospectus or equivalent disclosure document. After considering the associated costs, timing and administrative requirements, the Board determined not to proceed with an SPP as part of the current capital raising.

Indicative Timetable*

Event	Time/Date
Announcement of Placement and Trading Halted lifted	Wednesday, 2 September 2026
Settlement of Placement Shares	Tuesday, 8 September 2026
Issue of and application for quotation of Placement Shares	Wednesday, 9 September 2026
Commencement of trading of Placement Shares	Thursday, 10 September 2026

**The above timetable is indicative only and remains subject to change at Andean's discretion, subject to compliance with the Corporations Act, the ASX Listing Rules and other applicable laws.*

All amounts are in Australian dollars unless otherwise indicated.

-ENDS-

This announcement has been approved for release by the Board of Directors.

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About Andean Silver

Andean Silver Limited (ASX:ASL, OTCQX: ADSLF) is an Australian mineral exploration and development company focused on advancing its 100% owned Cerro Bayo Silver-Gold project in the Aysen region of Southern Chile. The Cerro Bayo Silver-Gold Project currently hosts Indicated and Inferred Mineral Resources of 20Mt at a grade of 211g/t for 136Moz of contained AgEq (refer Appendix A). Andean intends to rapidly advance the project and grow the existing silver-gold Resource to demonstrate a globally significant, potential near-term producing silver-gold asset. For further information regarding Andean Silver Limited, please visit the ASX platform (ASX:ASL) or the Company's website at www.andeansilver.com

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Competent Persons Statement and Compliance Statements

The Mineral Resource Estimate for the Cerro Bayo Project referred to in this announcement was first reported in the Company's ASX release dated 30 June 2026, titled "Andean Silver's Indicated Resource increases by 230% to 60Moz AgEq". Andean confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the mineral resource estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Metal equivalents have been calculated at a silver price of US$36/oz and gold price of US$3,000/oz. Individual grades for the metals are set out at Appendix A of this announcement. Silver equivalent was calculated based on the formula AgEq(g/t) = Ag(g/t) + (83 x Au(g/t). Gold equivalent was calculated based on the formula AuEq(g/t) = Au(g/t) + (Ag(g/t) / 83). Metallurgical recoveries for gold and silver are closely linked and are typically 85-93% for gold and silver. The actual assumed metallurgical recovery rate used to calculate the metal equivalents is 90% for each of gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.

Forward Looking Statements

This document contains forward looking statements concerning the Company. Forward-looking statements are not statements of historical fact, and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate.

Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of commodities, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this release will actually occur.

APPENDIX A – Cerro Bayo Project Mineral Resource Estimate

Mineral Resource Estimate as at 15 June 2026

Underground Resource

Category	Tonnes (Mt)	Ag (g/t)	Ag (Moz)	Au (g/t)	Au (Moz)	AgEq(g/t)	AgEq(Moz)
Indicated	3.5	199	22	2.6	0.3	417	47
Inferred	4.4	139	20	2.2	0.3	318	45
Total	**7.9**	**165**	**42**	**2.4**	**0.6**	**361**	**92**

Open Pit Resource

Category	Tonnes (Mt)	Ag (g/t)	Ag (Moz)	Au (g/t)	Au (Moz)	AgEq(g/t)	AgEq(Moz)
Indicated	1.2	110	4	2.7	0.1	330	13
Inferred	10.9	23	8	0.8	0.3	88	31
Total	**12.1**	**32**	**12**	**1.0**	**0.4**	**112**	**44**

Total Resource

Category	Tonnes (Mt)	Ag (g/t)	Ag (Moz)	Au (g/t)	Au (Moz)	AgEq(g/t)	AgEq(Moz)
Indicated	4.7	176	27	2.6	0.4	395	60
Inferred	15.3	57	28	1.2	0.6	155	76
Total	**20.0**	**85**	**55**	**1.5**	**1.0**	**211**	**136**

Notes:

1. *Mineral Resource Estimates are classified and reported in accordance with the JORC Code.*
2. *MSO shapes were generated to constrain the Resource using an NSR value of US$124/t and a minimum mining width of 1.2m.*
3. *Pit optimisation shells were generated at an NSR cutoff or US$47/t to constrain the open pit resources with SMU of 3m x 5m x 5m applied.*
4. *A gold price of US$3,500/oz and Silver price of US$45/oz was used to generate NSR cutoffs.*
5. *Individual grades for all metals included in the metal equivalents calculation are set out in the table above. Silver equivalents are calculated using the equation AgEq = Ag(g/t) + (83 x Au(g/t)) and gold equivalents are calculated based on the equation AuEq = Au(g/t) + (Ag(g/t) / 83) based on a gold price of US$3,000/oz and Silver price of US$36/oz. Metallurgical recoveries for gold and silver are closely linked and are typically 85-93% for gold and silver. The actual assumed metallurgical recovery rate used to calculate the metal equivalents is 90% for each of gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.*
6. *Bulk Density of 2.63g/cm^3 has been applied to veins and 2.57g/cm^3 has been applied to stockwork and waste domains.*
7. *Numbers may not add due to rounding.*