

COMPANY PROFILE | PREMIER MEXICO EXPLORATION AND DEVELOPMENT

Defiance Silver Corp. (TSXV: DEF / OTC: DNCVF) is an exploration company advancing its district-scale Zacatecas Projects, located in the historic Zacatecas Silver District and the 100% owned Tepal Gold/Copper Project in Michoacán state, Mexico. Defiance is managed by a team of proven mine developers with a track record of exploring, advancing and developing several operating mines and advanced resource projects. Defiance's corporate mandate is to expand the Zacatecas and Tepal projects to become premier Mexican silver and gold deposits.

5 REASONS TO BUY | ESTABLISHED RESOURCE WITH SIGNIFICANT EXPLORATION POTENTIAL

ROBUST RESOURCE BASE WITH SIGNIFICANT NEAR-TERM EXPLORATION POTENTIAL

- Two core assets including the district-scale Zacatecas Projects, located in the historic Zacatecas Silver District and the 100% owned Tepal Gold/Copper Project in Michoacán state.
- Zacatecas Silver district is one of the worlds most prolific silver deposits and has produced ~1B ozs Ag and is still a leading global mining region for silver and base metal deposits.

ADDING OUNCES USING SYSTEMATIC, MODERN DISCOVERY-FOCUSED GEOSCIENCE

- Re-interpreting and following up on historic work using systematic modern geoscience.
- Neighboring Fresnillo mine out of ore by the mid 1960's; now the world's largest primary silver mine → discovery-focused geoscience works.
- Aggressive exploration planned for 2021 including surface geochemistry, surface geophysics and diamond drilling.

HIGH GRADE PRECIOUS METALS WITH SIGNIFICANT TORQUE TO PRICES

- The San Acacio project is located on the high-grade Veta Grande vein with silver grades of over 600 g/t.
- Projects have excellent leverage to precious metal prices.
- Historically leveraged to silver prices; in 2016, the company returned 6x when silver prices appreciated 20%.

RISK DIVERSIFIED ACROSS MULTIPLE ASSETS AND COMMODITIES

- Two core assets allow for diversification benefits and multiple opportunities for discovery.
- Silver and gold focus.

EXPERIENCED MANAGEMENT TEAM HIGHLY ALIGNED WITH SHAREHOLDERS

- Management has a track record of acquiring, financing, and developing precious metals deposits in Mexico.
- Management & Insiders own over 5%; over 35% held by institutions.

SOLID PROJECT BASE | WITH A FOCUS ON PRECIOUS METALS

Zacatecas Projects

Tepal Project

	Zacatecas Projects	Tepal Project
LOCATION	Zacatecas	Michoacán
PRIMARY COMMODITY	Silver	Gold-Copper
DEPOSIT TYPE	Epithermal Vein	Porphyry-Epithermal
STAGE	Resource	Pre-Feasibility
NI 43-101 RESOURCE	16.9mm ozs Ag *	1.8mm ozs Au + 813mm lbs Cu
INFRASTRUCTURE	Excellent; road, power grid, water, and experienced Mexican labor	Excellent; road, seaport, access with low topographical relief
OWNERSHIP	Under Option	100%



Source: *Giroux & Cuttle, 2014 + JDS Energy & Mining, 2017

ZACATECAS DISTRICT

- Our Zacatecas projects are located in the high-grade Veta Grande and Mala Noche camps.
- Recent work highlights the potential for composite vein systems at depth and suggests the presence of a long-lived mineralizing system at San Acacio.

TEPAL

- Tepal is a large, advanced-stage Gold & Copper project in Mexico.
- The project has attractive economics at current spot prices and compelling exploration targets outside of the current pit design.

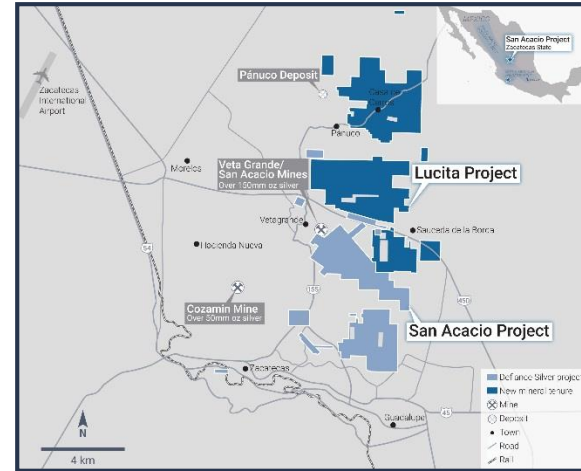
Defiance Silver is focused on adding ounces to our resource projects using systematic, modern discovery- focused geoscience.

ZACATECAS DISTRICT PROJECTS | WITHIN THE BILLION OZ ZACATECAS SILVER CAMP

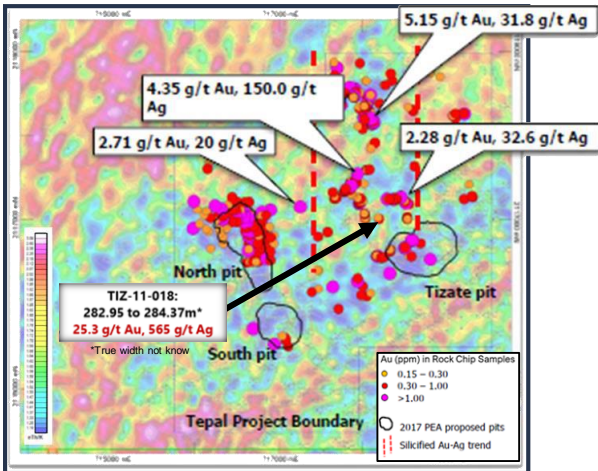
- San Acacio has a 16.9 Million Oz Inferred silver resource along the prolific Veta Grande vein.
- Mineralization outside of the main Veta Grande fault structures are historically untested.
- Hanging Wall / Foot Wall exploration potential has been demonstrated in the district (Fresnillo, Capstone, Santacruz).
- Lucita acquisition (Q4/20) nearly triples Defiance land position in historic Zacatecas silver district and strengthens land position to ~1/4th of the district.
- Lucita hosts the on-strike extension to Zacatecas Silver's Panuco Ag deposit, as well as several highly-prospective vein structures.

VEIN	TONNES	GRADE		CONTAINED METAL	
		Ag (g/t)	Au (g/t)	Ag (ozs)	Au (ozs)
VETA G	2,150,000	192.43	0.19	13,302,000	10,000
VETA C	739,000	153.28	0.08	3,642,000	1,900
TOTAL	2,889,000	182.42	0.16	16,944,000	11,900

Source: Giroux, Cuttle 2014



TEPAL GOLD-COPPER PROJECT | TECHNICALLY & FINANCIALLY DE-RISKED



- Acquired December 2018 from ValOro for \$4.2 mm in shares.
- \$27.0 mm spent by predecessor company. PFS & PEA
- Current M&I resource: 1.8 mm Oz. Au & 813 mm lbs Cu+.
- Highly leveraged to increased metal prices.
- Significant potential to increase Au and Ag head grade through targeted exploration and resource drilling.
- Recently discovered High Grade Gold Feeder System remains mostly untested.

2017 PEA HIGHLIGHTS

Initial Capex	\$214M
Pre-Tax NPV 5%	\$299
Post-Tax NPV 5%	\$169M
Pre-Tax IRR 5%	36%
Post-Tax IRR 5%	24%
Payback (Post Tax)	2.3 Years
Gold Price	\$1,250
Copper Price	\$2.50
Post-Tax NPV @ \$1,375 Au and \$2.75 Cu	\$345M
Average LOM Production	Au: 79,000 ozs Cu: 32M lbs
Average LOM Cash Costs	Cash Cost: \$313/oz AISC: \$396/oz

Source: JDS Energy & Mining, 2017

CAPITALIZATION OVERVIEW

TRADING	Trading Symbols	TSXV:DEF OTC:DNCVCF
	52 Week Hi-Low	\$1.05-\$0.06
	Average Daily Trading Volume	~328,000
CASH POSITION	Cash (CAD \$M)	\$10.1
December 31 st , 2020		
SHARE STRUCTURE	Share Price	\$0.86
February 23, 2020		
	Market Cap (CAD \$M)	~\$148.48
	Common Shares	195.3
	Options	5.8
	Warrants	35.5
	Fully Diluted	~237.1
OWNERSHIP	Inside Ownership	~5%
	Institutional Ownership	~35%

MILESTONES AND CATALYSTS

2020 MILESTONES

- ✓ Completed \$10.0 million private placement to pursue aggressive exploration program
- ✓ Commenced drilling program at the San Acacio project
- ✓ Lucita acquisition nearly triples land position in Zacatecas region
- ✓ Acquired option to purchase 2.5% NSR and license agreement, doubling footprint at the Tepal Project

2021 CATALYSTS

- ☐ Execute aggressive exploration program at Zacatecas projects
 - Minimum of 5,000 m drilling
 - Re-logging / sampling of historical drill holes; continued data compilation and regional surface geochemistry program
 - Preparing additional drill permit applications
- ☐ Tepal exploration and Phase I drilling

MANAGEMENT TEAM

CHRIS WRIGHT
Chairman & CEO

SHERRY ROBERGE
CFO

GEORGE CAVEY
VP Exploration

DOUGLAS CAVEY
VP Corporate Development

JENNIFER ROSKOWSKI
Principal Geologist



FORWARD-LOOKING INFORMATION AND STATEMENTS
This fact sheet contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "estimate", "intend" and similar terminology and reflect assumptions, estimates, opinions and analysis made by management of Defiance in light of its experience, current conditions, expectations of future development and other factors which it believes to be reasonable and relevant.
Forward-looking information and statements involve known and unknown risks and uncertainties that may cause Defiance's actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon. Risks and uncertainties that may cause actual results to vary include but are not limited to the speculative nature of mineral exploration and development, including the uncertainty of reserve and resource estimates; operational and technical difficulties; the availability of suitable financing alternatives; fluctuations in gold and other commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks arising from Defiance's Mexican activities; fluctuations in foreign exchange rates; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management's Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. Defiance disclaims any obligation to update or revise any forward-looking information or statements except as may be required by law.
N43-101 DISCLOSURE:
George Cavey, P. Geo., a Qualified Person under the meaning of Canadian National Instrument 43-101 is responsible for the technical information in this fact sheet.