TECHNICAL REPORT

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# TECHNICAL REPORT FOR THE ZACATECAS PROJECT, ZACETECAS, MEXICO

WGS 84 / UTM Zone 13N, 753,502 m E, 2,527,183 m N
LATITUDE 22° 50’ 00” N, LONGITUDE 102° 31’ 48” W

**Prepared for:**

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# 1 SUMMARY

## 1.1 Introduction

SGS Geological Services Inc. (“SGS”) was contracted by Defiance Silver Corp., (“Defiance” or the "Company") to complete a National Instrument 43-101 (“NI 43-101”) Technical Report for the Zacatecas Silver Property (“Property”) in Zacatecas State, central Mexico.

The Company is a publicly listed company on the TSX Venture Exchange (“TSX-V”) trading under the symbol “DEF”, “DNCVF” on the OTCQX, and “D4E” on the Frankfurt Exchange. The Company is a Mexico-based silver, gold, copper, and polymetallic exploration company.

The head office and principal address of the Company is located at Suite 2900-550 Burrard Street, Vancouver, BC, V6C 0A3.

The current report is authored by Ben Eggers, MAIG, P.Geo. (“Eggers”), and Sarah Dean, P.Geo. (“Dean”) of SGS (the “Authors”). The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report.

The current Technical Report will be used by Defiance in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”).

## 1.2 Property Description, Location, Access, and Physiography

The Zacatecas Project is the amalgamation of three separate claim transactions: San Acacio, Lucita, and Lagartos. The Company refers to the San Acacio and Lagartos transactions as the San Acacio land package, and the Lucita transaction as the Lucita land package. The Project is more than 15 kilometers long from north to south and over 5 kilometers wide from east to west.

The centre of the Zacatecas Project is situated eight kilometres north northeast of the City of Zacatecas, Zacatecas State, central Mexico. The Project consists of 52 concessions covering a total area of 4,217 hectares. Of these concessions, 42 are 100% owned and duly registered in the name of Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp. The remaining ten concession titles are registered in the name of Calidad Estrategica Cencorp, S.A de C.V., with whom Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp, has an option to purchase agreement. Defiance has surface rights access agreements in place for the majority of the Zacatecas Property.

On October 24, 2011, Defiance entered into an option agreement with a private Mexican company, for the right to acquire a 100% interest in the San Acacio concessions, including the past producing San Acacio mine. This land package consists of 10 mining concessions totaling 746.60 hectares, hosting the southeastern portion of the Veta Grande vein system.

In June 2018, Defiance entered into a binding agreement to acquire MAG Silver’s Zacatecas District holdings. On June 25, 2018, the Company completed the transaction and received a 100% interest in MAG’s Lagartos concessions. The Lagartos transaction consists of 14 concessions totaling 796.34 hectares.

On November 30, 2020, Defiance entered into a definitive option agreement with Pan American Silver Corp. to acquire a 100% interest in Pan American’s Lucita property consisting of 28 mining concessions, located adjacent to the Company’s San Acacio concessions. The Lucita land package covers an area of 2674.09 hectares. In December 2023, the Company acquired 100% ownership of the Lucita concessions from Pan American; Pan American retains a 2% NSR.

Mineral concessions are valid for 50 years from the date the title number is granted. To maintain a concession in good standing, concession holders must pay fees during the life of the concession. These fees (in Mexican pesos) are payable to the Federal government in January and July of each calendar year and are based upon the size of the mining concession. Failure to pay these fees may result in the cancellation of the mining concession. There is a statutory expenditure requirement based on both the date of issue of the concession and the size of the concession in hectares; current average annual fees per hectare in 2024 for the Zacatecas Project are approximately $212 MXP per hectare.

The main access to the Project is via a well-maintained paved road from Zacatecas City to the Veta Grande and Panuco Municipalities. A network of dirt roads allows easy access to historic development sites and prospective zones within the Zacatecas Project.

The Zacatecas concessions lie within a portion of the Central Mexican Plateau or Mexican Altiplano at an average elevation of 2200 to 2700 metres. The mountains of the Altiplano commonly occur as clusters of elongated to circular expressions of rolling hills and ridges separated by extensive flat plains.

## 1.3 **History of Exploration, Drilling**

Zacatecas state has a long mining history beginning prior to colonial times. The historic colonial city was settled by the Spanish in the mid-1500s leading to an era of substantial silver production from the district.

Zacatecas state continues to be the largest producer of silver in Mexico (Jaganmohan, 2024) and is in large part the reason that Mexico remains the world's largest silver producer (USGS, 2024). The Central Mexican Silver Belt is one of the most prolific silver producing areas in the world, hosting the Fresnillo and Zacatecas silver districts which, combined, have produced over 1.5 Boz of silver (Wang et al, 2019).

The principal vein systems in the Zacatecas district include Mala Noche, El Bote-Cantera, Veta Grande, Panuco, and El Orito. Production in the Zacatecas district commenced in earnest in 1548, and as such, a complete history and production records are not available for the Veta Grande area. Several companies and individuals share ownership of various mines along the Veta Grande trend.

The San Acacio mine was evaluated by Minas de San Luis SA de CV in 1988. It was estimated at this time that 1.6 million tons had been extracted with an average grade of 205 g/t silver and 0.28 g/t gold. (6 oz silver per ton and 0.0082 oz gold per ton). A detailed study, complete with good quality maps, was done by the company (Atlas Mining materials). Minor small-scale intermittent mining continued up to at least 1996 (Konkin 1996).

Minera San Acacio, S.A. de C.V. was processing backfill material from stopes at or near surface for silica flux in 1994-1995. The company crushed the siliceous vein material to minus 3/4 inch mesh and direct shipped the ore to San Luis Potosi. At that time, the ore graded 180 grams/tonne silver and one to two grams/tonne gold. Approximately 80 tonnes of ore was shipped per week, or about 300 tonnes per month. Local illegal "high-graders" from the surrounding communities occasionally worked the various backfilled stopes along the surface.

Campaigns of percussion and diamond drilling were completed at San Acacio between 1995 and 2010 by two companies, Silver Standard and Source Exploration. Drilling was undertaken primarily from surface with minor underground drilling. Historical exploration drilling amounted to a total of 8,418.57 metres completed in 53 holes at San Acacio.

Two historical diamond drilling campaigns were completed at Lagartos between 2008 and 2009 by MAG Silver. Historical exploration drilling amounted to a total of 11,520.51 metres completed in 27 diamond drill holes at Lagartos. Drilling was focused in two areas with a total of 19 diamond drill holes drilled in the Las Majadas area (LM08-01, LM09-02 to LM09-18) and a total of 8 diamond drill holes drilled in the La Predilecta area (PR09-01 to PR09-08).

Historical diamond drilling campaigns were completed at Lucita by Pan American Silver in 1996, 2011, and 2012. Historical exploration drilling amounted to a total of 5,103.26 metres completed in 30 diamond drill holes at Lucita.

Historical drilling on the Zacatecas Property comprises a total of 110 drill holes for 25,042.34 metres.

From 2011 to 2024, Defiance has conducted surface exploration in the form of soil and rock chip sampling, detailed geological mapping, and geophysical surveys (ground magnetics and induced polarization surveys). Safe access to the extensive historic workings at San Acacio is limited; however, various generations of historic underground maps of the workings, geology, and mineralization exist in the Defiance data set. The Company conducted validation work on the location of the historic underground workings using both the series of maps as well as surveyed surface locations of shafts and tunnels. The results of this validation work were used to create a 3D model to serve as a guide for drill planning and resource estimation purposes.

Defiance has completed 86 holes for a total of 30,379.83 m of diamond drilling on the Zacatecas Project. Drilling campaigns were conducted by Defiance in 2014, 2015, 2017, 2019, 2020, 2021, 2022, and 2023.

Since optioning the San Acacio concessions on October 24, 2011, Defiance has completed 73 drill holes for a total of 26,578.03 m primarily targeting the Veta Grande structure. The 2014 drill holes were the first drilled at San Acacio since 2010. Drilling has confirmed that the Veta Grande vein system has a dominant northwest-southeast trend and dips towards the southwest, on average 65 degrees. The continuity of the mineralized structures of the Veta Grande vein system have been validated through drilling over at least 2,000 m along strike and to depths of at least 400 m below surface on the Project.

Since optioning the Lucita concessions on December 2, 2020, the company completed a surface mapping and sampling program on the Lucita South land package in early 2021, and subsequently completed a first pass regional drilling program on the previously undrilled Palenque vein system. Defiance completed 13 drillholes for a total of 3,801.80 m on the Palenque vein system confirming the presence of significant mineralization. Drilling tested the footprint on the Palenque vein system along approximately 3.5 km of strike.

At San Acacio, drilling by previous operators as well as Defiance Silver from 1995 to early 2017 confirmed the presence of significant mineralizing events that provide evidence for a long-lived mineralizing system. Drilling in late 2017 and early 2019 outlined complexities in the structural geology of the area and identified significant “down dropped” and rotated structural blocks as the company tested the Veta Grande at similar elevations where it was encountered by earlier mining and drilling.

A limited two-hole drill program in 2020 targeted the previously untested area of the Veta Grande system between the Esperanza and Guadalupe zones and the Morada vein-fault at depth but returned no significant results. Drilling in 2021 and 2022 targeted the Veta Grande vein system and continued to expand and delineate mineralized zones within the San Acacio deposit. Holes were designed to improve the main Veta Grande structural model and to infill poorly drilled areas, as well as to test both hanging wall and footwall splays to the Veta Grande system.

Drilling in 2023 encountered the highest-grade and widest-width mineralization ever drilled at San Acacio. Drill hole DDSA-23-66 returned the widest width drilled to date: 41.83 m of 157.30 g/t Ag (from 225.60 m to 267.43 m) including 15.96 metres of 379.90 g/t Ag (from 251.47 m to 267.43 m). Within this interval is a sub-interval grading 5,510 g/t Ag from 265.54 m to 265.80 m.

During 2023, Defiance re-logged and sampled previous historical and pre-2020 Defiance drill holes to create a geological compilation using the Company’s current lithology, alteration and mineralization logging scheme. Re-logging and sampling of historic drill holes was designed to identify and sample mineralization that was not previously analyzed during previous drill campaigns. Drill holes from 2009, 2010, 2011, 2012, 2014, 2015, and 2017 were sampled. Holes from all previous campaigns were relogged. A total of 56 drill holes were relogged for a total of 15,730.53m.

## 1.4 Geology and Mineralization

The Zacatecas Mining District is in central Zacatecas state at the boundary of the Sierra Madre Occidental and the Mesa Central physiographic provinces. It is also located near the border of the tectonostratigraphic provinces of the Guerrero Composite Terrane (GCT), the Central and Oaxaquia terranes, as well as the terrane boundary for the overlying Cenozoic volcanics, which represent one of the world's most voluminous silicic large igneous provinces (Centeno-Garcia et al, 2008; Bryan, 2007).

The Zacatecas District is interpreted to lie within the northeastern extent of the Zihuatanejo Terrane (ZT), one of the 5 sub-terranes that make up Guerrero Composite Terrane (GCT). The ZT is part of an accreted island arc system that formed during the late Jurassic to early Cretaceous and accreted to ancestral Mexico (Oaxaquia Terrane) during the late Cretaceous (Centeno-Garcia et al, 2008). The ZT consists of a network of intra-arc and back-arc basins, and hosts both VMS deposits of Late Jurassic to Early Cretaceous age (e.g. San Nicolas VMS, located ~50 km southeast of the Zacatecas Property, Agnico Eagle-Teck JV) as well as epithermal deposits of Tertiary age.

The Zacatecas Project geology is predominantly composed of the Chilitos Formation and is typical of a volcanic submarine arc environment. Rock types include a variety of volcanic, sedimentary, and intrusive rocks.

The oldest rocks in the area comprise a weakly metamorphosed package of predominantly sediments, interpreted to be part of the underlying Triassic succession. Overlying the metamorphic rocks are limestones with intercalations of siliciclastic sediments and pillow lavas followed by a package of sedimentary rocks with minor intercalations of intermediate to mafic flows and sills. In San Acacio, the siliciclastic sedimentary package consists of predominantly siltstones and sandstones with lesser intervals of shale. The sedimentary package can reach up to 200 metres in thickness, with bedding varying between <1 cm to 60 cm. Overlying these units is the most abundant lithology at the Zacatecas Property: a sequence of pillow lavas intercalated with fine-grained, massive flows. Near to the base of this unit and transitional to the sedimentary package, intermediate to mafic pyroclastic units with varying textures are present. The youngest unit in the volcano-sedimentary package within the Project is a vesicular andesite, occurring in San Acacio and Lucita South. This unit overlies the units described above and is interpreted as a volcanic dome.

Intrusive rocks present on the Project are predominantly gabbro and diorite, although ultramafic intrusions are present in a smaller proportion. Age dating of sanidine from the equigranular diorite in San Acacio using Rb-Sr isotopes (technique described in Larson et al., 2023) returned a Late Cretaceous age of 69.50 ± 2.24 Ma (unpublished report, 2022), placing it well before the currently accepted age of the Veta Grande mineralisation (42.36 ± 0.18 Ma Ar-Ar, adularia, Zamora-Vega et al, 2018).

Defiance's Zacatecas Property is located within the Central Mexican Silver Belt, a northwest-trending belt of world-class mining districts such as Fresnillo, Guanajuato, Sombrerete, and the Zacatecas District itself (Megaw, 2010). The Property is located along a regional fault system, known as the San Luis-Tepehuanes Fault System, a delineating feature of the Central Mexican Silver Belt.

The Zacatecas Mining District covers an area of over 700 square kilometres in north central Mexico and is known for its rich epithermal vein deposits containing silver, gold, zinc, lead, and copper. The predominant NW trend of the veins in the district reflects the northwest trend of the larger Central Mexican Silver Belt; these trends are controlled by the large, crustal-scale structures that act as hosts to the mineralization. These structures that host the veins in the Zacatecas District tend to have persistent strike length (~4 –16 km) across the exposed block. The veins along these structures pinch and swell – both horizontally and vertically – from less than 1 metre up to 30 metres in width and often have associated vein splays and veinlet array zones.

The Ag-dominant, polymetallic intermediate-sulfidation epithermal vein systems (Ag ± Au, Zn, Cu, Pb) are by far the most dominant mineralization and have been the most economically important in the district over its history. The main vein systems in the district are the El Bote-Cantera system, the Mala Noche system (Cozamin Mine, Capstone), the Veta Grande system in San Acacio, the Palenque and Panuco systems in Lucita, as well as the Au-dominant El Orito system (El Compas mine) south of Zacatecas City.

Mineralization at the Zacatecas Project is predominantly characterized by Ag-rich, polymetallic (Zn, Pb, ± Au, ± Cu) intermediate sulfidation epithermal veins. These veins contain banded to brecciated textures and show evidence of multiple hydrothermal events. Exploration work at the Project has also identified the potential for precious metal-rich (i.e., Ag and Au) low-sulfidation epithermal veins and carbonate replacement-style polymetallic mineralization.

The main mineralized structure on the Zacatecas Project is the Veta Grande vein system. The Veta Grande vein system has a dominant northwest strike and dips towards the southwest, on average at 65 degrees. The mapped strike extent of the Veta Grande vein system within the Property is approximately 5 kilometers and extends to depths of at least 400 m below surface as evidenced from underground development and drilling on the Property. The Veta Grande vein system is characterized by three main mineralization morphologies: fault-fill veins with polyphase breccias, vein splays with predominantly fault-fill vein textures, and veinlet array zones that frequently display banded textures.

Fault-fill Vein textures are best developed along the main Veta Grande structure, which can vary from 1 – 30 metres in width. On the Zacatecas Property, the Veta Grande records at least 7 identified stages of mineralization with varying mineralogy and metal content and multiple episodes of brecciation.

Vein Splays are most strongly developed in the Guadalupe and Refugio zones, with historic miners concentrating on the central splay. A hanging wall splay is also present in the Esperanza zone. These splays have characteristics similar to the main Veta Grande.

Veinlet-Array Zones appear to be best developed in the northwestern extent of the Property (Carolina and Almaden zones) in the hanging wall to the Veta Grande, though they can also occur in the footwall as they do in the Esperanza zone. These zones are typically characterized by domains of anastomosing veinlets that commonly carry high-grade, silver-rich mineralization and are spatially associated with amethyst and quartz gangue. This amethyst-rich mineralizing event is considered to be one of the earliest known hydrothermal phases of the Veta Grande vein system.

The primary metals found in the Veta Grande are silver (as acanthite and other silver-bearing minerals) and zinc as sphalerite. Lead, as galena, and gold are also commonly present.

The highest-grade silver mineralization is typically associated with silver sulfides, argentiferous galena, and spatially correlated with honey-coloured sphalerite. These sulfides typically occur with light to dark purple amethyst, which is locally banded with rarer light, blue-white chalcedony. Polymetallic metal assemblages frequently occur in the massive to semi-massive sulfide phases with pyrite, galena and sphalerite. The highest-grade gold mineralization is typically associated with pyrite, brown to red-coloured sphalerite, and occasionally with hematite.

The principal gangue minerals include quartz, amethyst, calcite, dolomite, adularia, and barite. The main minerals of potential economic interest in the Veta Grande vein system include acanthite, sphalerite, galena, chalcopyrite, pyrargyrite, proustite, and pyrite.

At San Acacio, the best exposure and the densest drilling are in the northwestern portion of the property, where the Veta Grande vein system is exposed at deeper levels of the epithermal system with higher-grade mineralization near surface. Broadly speaking, moving eastward across the property, the exposure level of the mineralized system exhibits features of higher levels in the paleo-topography and in the epithermal system, suggesting that intact mineralization could potentially be present at deeper elevations in the SE part of the Property.

Multiple vein systems are present at Lucita, and more than 10 significant vein structures have been identified at surface. The most prominent vein systems at Lucita trend northwest-southeast and east-west and outcrop as mineralized veins, breccias, and alteration zones. Vein systems at Lucita have similar banded, brecciated, and massive textures as seen in other low to intermediate sulfidation epithermal vein systems. The two geometric sets, however, have slightly different characteristics in their mineral assemblages and morphologies.

## 1.5 **Mineral Processing, Metallurgical Testing and Recovery Methods**

Initial metallurgical testing by Defiance was completed on the Project between 2012-2013. Inspectorate Exploration and Mining Services Ltd., Metallurgical Division was commissioned to complete scoping level metallurgical test work, primarily using flotation, on samples from San Acacio and the neighbouring property.

The best flotation results achieved a 71% Ag recovery at grade of 500 – 523 g/t Ag. This resulted at a primary grind of P80=75µm, using sulphidization and 5 stages of roughers with a total flotation time of 25 minutes.

Studying rougher flotation kinetics versus grind size, indicated that grind did not have a significant effect on recovery in the range of 64 to 95 microns. It is recommended that a size by assay analysis be conducted on test F5 tailings to look at the distribution of losses and confirm the losses are not grind related.

Varying the pH and using different modifiers (soda ash, $Na_2S$ and NaCN) appeared to have little or no impact on the kinetics.

Test F9, in which NaCN was tested, produced an Ag recovery of 64.1%. However, the sulphur recovery into the concentrate decreased from the 72-79% range down to 31% in this one test. Cyanide, being a pyrite depressant, would tend to indicate the majority of the silver is not associated with pyrite. It is recommended a diagnostic leach test be conducted to assist in identifying the silver and its mineral association.

A gravity separation test run at the same grind of 75 microns indicates little silver is to be recovered using this method. The up-graded Knelson concentrates graded 2966 and 2125 g/t Ag at recoveries of 2.0 and 0.7% respectively. It is recommended no further testing be conducted using gravity.

Cyanidation of the flotation tailings achieved a 77.6% Ag extraction after 48 hours. With cyanidation results being fairly good on this product, it is recommended standard 48 hour or 72 hour cyanidation tests be run on the whole ore samples at several different grinds to study that processing option.

## 1.6 **Recommendations**

The Zacatecas Project contains silver, gold and base metal mineralization concentrated along both the Veta Grande vein system on well-defined mineralized trends at San Acacio, and on numerous mineralized vein systems at Lucita. These targets are supported by an extensive geological data set, including vein and structure models. The San Acacio deposit within the Veta Grande vein system is open along strike and at depth. There is potential to discover new mineralized zones outside of the historic mine area in San Acacio and along the underexplored veins in Lucita; these zones could be defined as “brownfields” exploration targets.

Eggers considers that the Veta Grande vein system warrants an estimate of Mineral Resources and that it has potential for the delineation of additional mineralization, and further exploration is warranted. Drill results at Lucita South and surface geochemical sampling from a number of mineralized veins in Lucita North indicate that further exploration at Lucita, including drilling, is warranted. Given the prospective nature of the Zacatecas Property, it is the opinion of the QP that the Property merits further exploration and that a proposed plan for further work by Defiance is justified.

It is recommended that Defiance Silver conduct further exploration, subject to funding and any other matters which may cause the proposed exploration program to be altered in the normal course of its business activities or alterations which may affect the program as a result of exploration activities themselves.

Defiance is planning a 2-phase work program leading to a MRE for San Acacio. The proposed Phase One work program (Table 1-1) consists of surface mapping and sampling, a Project wide Lidar survey, surface and downhole geophysical surveys, and a 12,500 m drill program with both infill and step-out drilling at San Acacio and exploratory drilling at Lucita. This phase of drilling will be focused on targets in and around the Veta Grande vein system to support a MRE, as well as additional drilling at Lucita South and initial drilling at Lucita North.

The Phase Two program (Table 1-2) is informed by Phase One results and consists of metallurgical test work, a MRE, additional geophysics and a proposed 12,500 m exploration drill program.

The total cost of the planned work programs by Defiance is estimated at $9.2 Million (USD) (Table 1-3), with Phase 1 estimated at $4.686 Million (USD) and Phase 2 estimated at $4.514 million (USD).

**Table 1-1 Zacatecas Phase One Work Program Budget**

| Item | Cost (USD) |
|---|---|
| Surface mapping & sampling | $200,000 |
| Lidar | $100,000 |
| AMT Geophysical survey | $200,000 |
| Downhole EM | $50,000 |
| Drilling (12,500m) | $3,125,000 |
| Permitting, Community Relations | $150,000 |
| Support (food, accommodation, trucks) | $250,000 |
| Contingencies (15%) | $611,250 |
| **Total Phase I** | **$4,686,250** |

**Table 1-2 Zacatecas Phase Two Work Program Budget**

| Item | Cost (USD) |
|---|---|
| Metallurgical Test work | $100,000 |
| Resource Estimate | $150,000 |
| Geophysics | $150,000 |
| Drilling (12,500m) | $3,125,000 |
| Permitting, Community Relations | $150,000 |
| Support (food, accommodation, trucks) | $250,000 |
| Contingencies (15%) | $588,750 |
| **Total Phase II** | **$4,513,750** |

**Table 1-3 Zacatecas Phase One and Phase Two Budget Totals**

| Item | Cost (USD) |
|---|---|
| Total Phase One | $4,686,250 |
| Total Phase Two | $4,513,750 |
| **Grand Total** | **$9,200,000** |

# 2 INTRODUCTION

SGS Geological Services Inc. (“SGS”) was contracted by Defiance Silver Corp., (“Defiance” or the "Company") to complete a National Instrument 43-101 (“NI 43-101”) Technical Report for the Zacatecas Silver Property ( the “Property”) in Zacatecas State, central Mexico.

The Company is a publicly listed company on the TSX Venture Exchange (“TSX-V”) trading under the symbol “DEF”, “DNCVF” on the OTCQX, and “D4E” on the Frankfurt Exchange. The Company is a Mexico-based silver, gold, copper, and polymetallic exploration company.

The head office and principal address of the Company is located at Suite 2900-550 Burrard Street, Vancouver, BC, V6C 0A3.

The current report is authored by Ben Eggers, MAIG, P.Geo. (“Eggers”) and Sarah Dean, P.Geo. (“Dean”) of SGS (the “Authors”). The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report.

The current Technical Report will be used by Defiance in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”).

In preparing the current technical report, the Authors utilized a digital database, provided to the Author by Defiance. All background information regarding the Property has been sourced from previous technical reports and revised or updated as required.

- *“Technical Report, San Acacio Deposit, Zacatecas, Mexico” dated April 16, 2012, prepared for Defiance Silver Corp., was prepared and signed by Pierre Desautels, P.Geo.*

Information regarding the Property accessibility, climate, local resources, infrastructure, and physiography, exploration history, previous mineral resource estimates, regional Property geology, deposit type, recent exploration and drilling, metallurgical test work, and sample preparation, analyses, and security for previous drill programs (Sections 5-13) have been sourced from data provided by the Company. The Authors believe the information used to prepare the current Technical Report is valid and appropriate considering the status of the Project and the purpose of the Technical Report.

## 2.1 **Site Visit**

Eggers conducted a site visit to the Project on April 16 and 17th, 2024, accompanied by Jen Roskowski – Principal Geologist, Armando Vazquez – Senior Consultant, Claudia Marin – Senior Geologist, and additional geological staff of Defiance Silver. The site visit consisted of a field tour of the Property and inspection of the core logging and sampling facilities and core storage areas in the City of Zacatecas.

The field tour of the Property area included visits to several outcrops and surface excavations to review the local geology, and recent and historical drill sites. All areas were easily accessible by road. Validation checks of drillhole collar locations were completed for of a selection of 18 holes spanning historical and Defiance drilling programs completed at San Acacio and Lucita. Collars were appropriately marked and labeled with concrete markers placed at drillholes. No collar markings remain for the 1995 Silver Standard San Acacio drill holes. Individual hole monuments were observed, and collar locations were validated with the use of a handheld GPS. Drillhole collar positions reported in the Company database were validated as surveyed, with minor discrepancies noted being well within the handheld GPS instrumental error.

The site visit to the Zacatecas core logging, sampling, and storage facilities included the inspection of the areas used for the geologists to log and photograph core, the area used to measure density (by drying, waxing, and measurement of water displacement), the areas for cutting and sampling core, the area to update geological sections on paper, the secure sample storage area, the core storage areas, and the office area.

During the site visit selected mineralized core intervals were examined from 18 diamond drillholes spanning Defiance and historical drilling programs from the Property. The accompanying drill logs, cross sections, and assay certificates and assays were examined against the drill core mineralized zones. Current core sampling, QA/QC and core security procedures were reviewed. Core boxes for drillholes reviewed are properly stored in the warehouse, easily accessible and well labelled. Sample tags are present in the boxes, and it was possible to validate sample numbers and confirm the presence of mineralization in witness half-core samples from the mineralized zones.

A core re-logging program was in progress during the time of the site visit. The entire path of the drill core, from the drill rig to the logging and sampling facility and finally to the laboratory was reviewed and discussed. The QP is of the opinion that current protocols in place, as have been described and documented by Defiance, are adequate.

As a result of the site visit, the QP was able to become familiar with conditions on the Property, was able to observe and gain an understanding of the geology and various styles mineralization, was able to verify the work done and, on that basis, can review and recommend to the Company an appropriate exploration program.

The site visit completed in April 2024 is considered as current, per Section 6.2 of NI 43-101CP. To the Authors knowledge there is no new material scientific or technical information about the Property since that personal inspection. The technical report contains all material information about the Property.

## 2.2 Units of Measure

Units used in the report are metric units unless otherwise noted. Monetary units are in United States dollars (US$) unless otherwise stated.

## 2.3 Effective Date

The effective date of this technical report is October 1, 2024.

## 2.4 Units and Abbreviations

All units of measurement used in this technical report are in metric. All currency is in US dollars (US$), unless otherwise noted.

**Table 2-1 List of Abbreviations**

| | | | |
|---|---|---|---|
| $ | Dollar Sign | $m^2$ | Square Metres |
| % | Percent Sign | $m^3$ | Cubic Meters |
| ° | Degree | masl | Metres Above Sea Level |
| °C | Degree Celsius | mm | Millimetre |
| °F | Degree Fahrenheit | $mm^2$ | Square Millimetre |
| µm | Micron | $mm^3$ | Cubic Millimetre |
| AA | Atomic Absorption | Moz | Million Troy Ounces |
| Ag | Silver | MRE | Mineral Resource Estimate |
| AgEq | Silver Equivalent | Mt | Million Tonnes |
| Au | Gold | mTW | Metres True Width |
| Azi | Azimuth | NI | National Instrument |

| | | | |
|---|---|---|---|
| BQ | Drill Core Size (3.65 cm in Diameter) | NQ | Drill Core Size (4.76 cm in Diameter) |
| CAD$ | Canadian Dollar | NQ3 | Drill Core Size (4.5 cm in Diameter) |
| CAF | Cut and Fill Mining | HQ3 | Drill Core Size (6.11 cm in Diameter) |
| cm | Centimetre | oz | Ounce |
| $cm^2$ | Square Centimetre | OK | Ordinary Kriging |
| $cm^3$ | Cubic Centimetre | Pb | Lead |
| Cu | Copper | ppb | Parts per Billion |
| DDH | Diamond Drill Hole | ppm | Parts per Million |
| ft | Feet | QA | Quality Assurance |
| $ft^2$ | Square Feet | QC | Quality Control |
| $ft^3$ | Cubic Feet | QP | Qualified Person |
| g | Grams | RC | Reverse Circulation |
| GEMS | Geovia GEMS 6.8.3 Desktop | RQD | Rock Quality Designation |
| g/t or gpt | Grams per Tonne | SD | Standard Deviation |
| GPS | Global Positioning System | SG | Specific Gravity |
| Ha | Hectares | SLS | Sub-Level Stoping |
| HQ | Drill Core Size (6.3 cm in diameter) | Moz | Million Ounce |
| ICP | Induced Coupled Plasma | Ton | Short Ton |
| $ID^2$ | Inverse Distance Weighting to the Power of Two | Zn | Zinc |
| $ID^3$ | Inverse Distance weighting to the Power of Three | Tonnes or T | Metric Tonnes |
| kg | Kilograms | TPM | Total Platinum Minerals |
| km | Kilometres | US$ | US Dollar |
| $km^2$ | Square Kilometre | µm | Micron |
| kt | Kilo Tonnes | UTM | Universal Transverse Mercator |
| m | Metres | WGS 84 | World Geodetic System 1984 |

# 3 RELIANCE ON OTHER EXPERTS

Final verification of information concerning Property status and ownership, which are presented in Section 4 below, have been provided to the Author by Armando Vazquez for Defiance, by way of E-mail on November 23, 2024. The Author only reviewed the land tenure in a preliminary fashion and has not independently verified the legal status or ownership of the Property or any underlying agreements or obligations attached to ownership of the Property. However, the Author has no reason to doubt that the title situation is other than what is presented in this technical report (Section 4). The Author is not qualified to express any legal opinion with respect to Property titles or current ownership.

# 4 PROPERTY DESCRIPTION AND LOCATION

## 4.1 Property Location

The Zacatecas Project is the amalgamation of three separate claim transactions: San Acacio, Lucita, and Lagartos. The Company refers to the San Acacio and Lagartos transactions as the San Acacio land package, and the Lucita transaction as the Lucita land package (Figure 4-1). The Project (Figure 4-1) is more than 15 kilometers long from north to south and over 5 kilometers wide from east to west. The central point of the Zacatecas Project is situated eight kilometres north-northeast of downtown Zacatecas City, Zacatecas, Mexico, approximately at the historic Purisima tunnel entrance at WGS 84 / UTM Zone 13N 753502 mE, 2,527,183 mN (Latitude 22.49597460, Longitude -102.31477637).

The main access to the Project is via a well-maintained paved road from Zacatecas City to the Veta Grande and Panuco Municipalities. A network of dirt roads allows easy access to historic development sites and prospective zones within the Zacatecas Project (Figure 4-1).

A secondary access route is via Mexican Federal Highway 45D along the Zacatecas bypass from the town of Osiris to the town of Morelos. This east-west bypass traverses the Zacatecas Project, connecting with paved and unpaved access roads to both San Acacio and Lucita. The Project is located near the municipalities of Veta Grande and Panuco as well as the town of Sauceda de la Borda. (Figure 4-1).

## 4.2 Land Tenure and Mining Concessions

Mineral concessions are valid for 50 years from the date the title number is granted. To maintain a concession in good standing, concession holders must pay fees during the life of the concession. These fees (in Mexican pesos) are payable to the Federal government in January and July of each calendar year and are based upon the size of the mining concession. Failure to pay these fees may result in the cancellation of the mining concession. There is a statutory expenditure requirement based on both the date of issue of the concession and the size of the concession in hectares; current average annual fees per hectare in 2024 for the Zacatecas Project are approximately $212 MXP per hectare.

Defiance's Zacatecas Project consists of 52 concessions covering a total area of 4,217 hectares (Figure 4-2 & Table 4-1). The concession location information is contained in the mineral title documents and has been verified against the data available in the Public Registry of Mining (Registro Público de Minería [RPM]) of the Dirección General de Minas [DGM] of Mexico. A legal opinion on the Project titles was completed by Mauricio Heiras Garibay, Attorney at Law in the Republic of Mexico.

**Figure 4-1 Zacatecas Property Location Map**

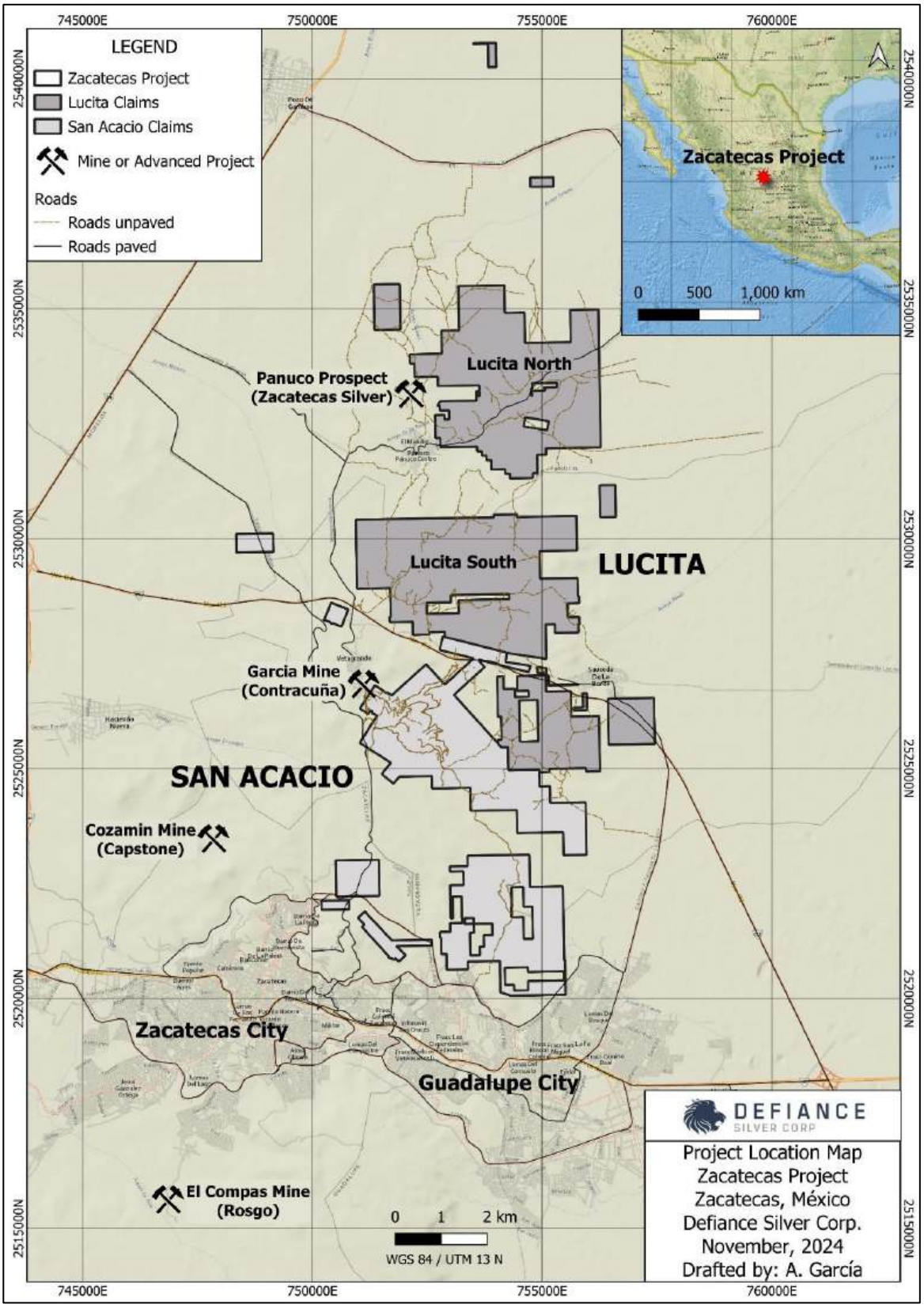
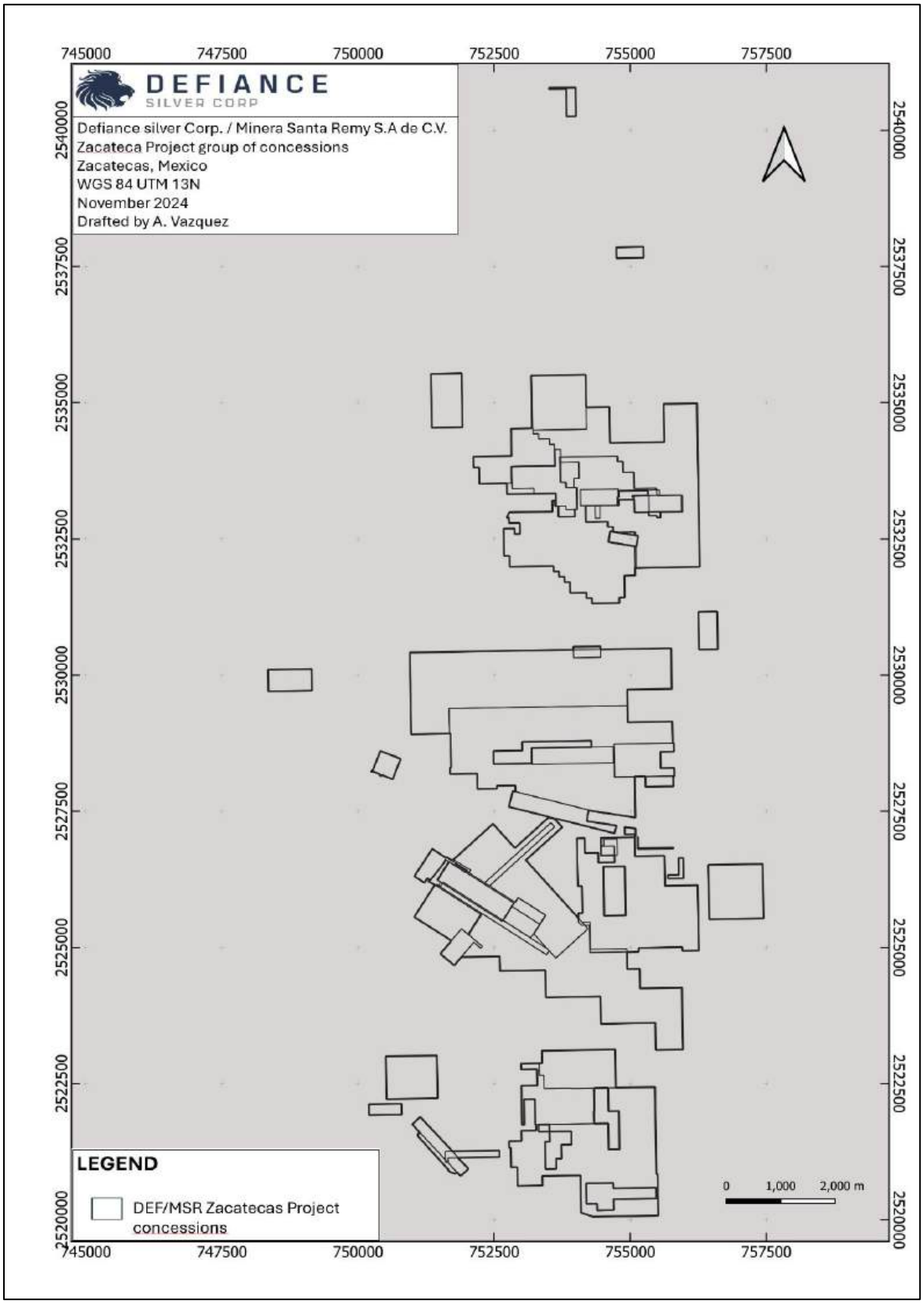


**Figure 4-2 Zacatecas Property Concession Map**



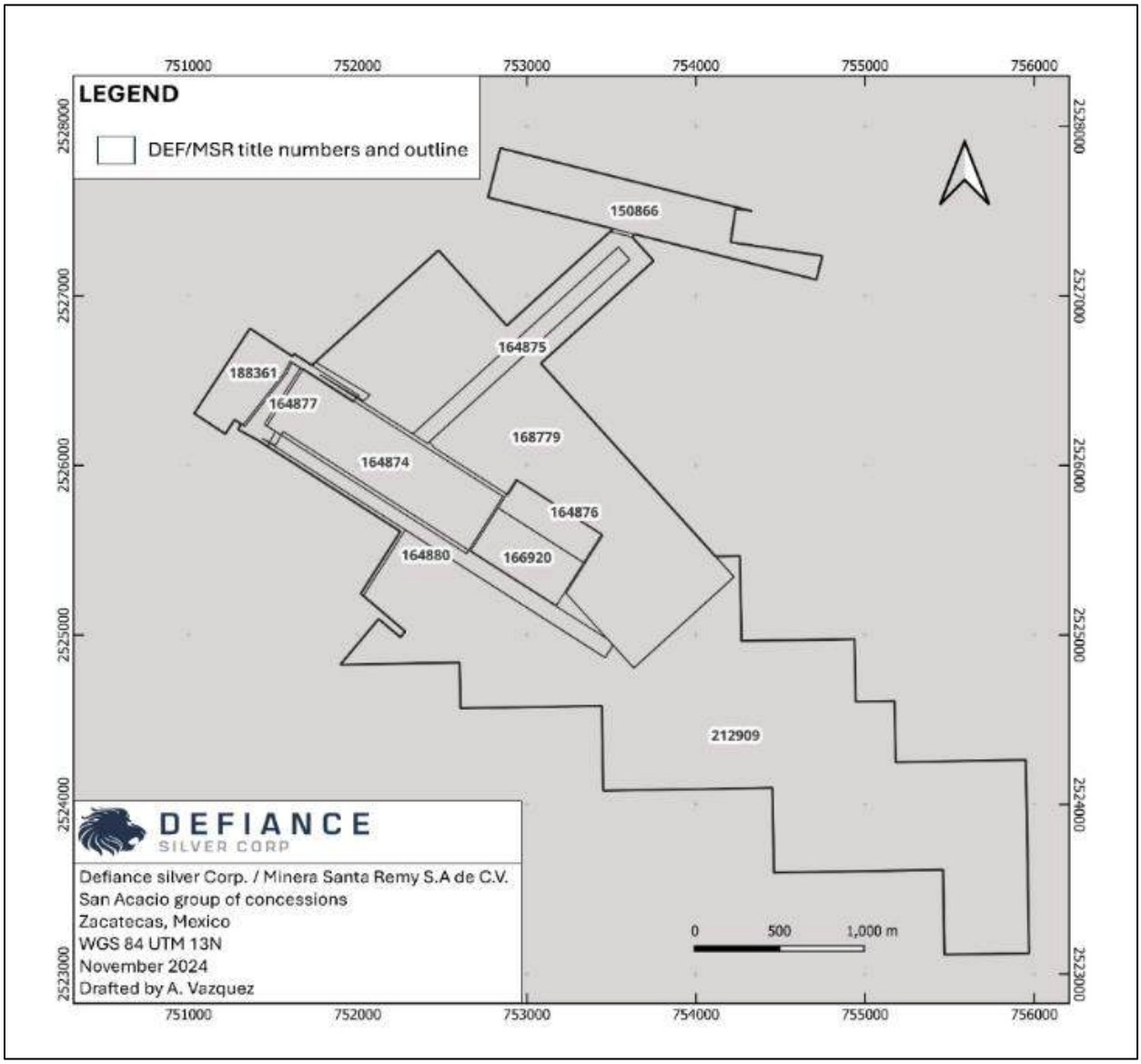
## Table 4-1 Zacatecas Property Concessions

| Concession Name | Title # | Area (Ha) | Date of issue | Expiry Date | Semestral Concession Taxes (MXP) | Title holder |
|---|---|---|---|---|---|---|
| **SAN ACACIO** | | | | | | |
| TAHURES | 150866 | 49.92 | 16-Jan-69 | 15-Jan-69 | 10,602.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SAN ACACIO | 164874 | 56.00 | 11-Jul-79 | 10-Jul-29 | 11,892.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SOCAVON DE PURISIMA | 164875 | 16.27 | 11-Jul-79 | 10-Jul-29 | 3,455.00 | Calidad Estrategica Cencorp, S.A de C.V |
| AMPL. A SAN JOSE DE LA ROCHA | 164876 | 12.00 | 11-Jul-79 | 10-Jul-29 | 2,548.00 | Calidad Estrategica Cencorp, S.A de C.V |
| ALMADEN | 164877 | 4.38 | 11-Jul-79 | 10-Jul-29 | 930.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SAN ACACIO TRES | 164880 | 23.19 | 11-Jul-79 | 10-Jul-29 | 4,226.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SAN JOSE DE ROCHA | 166920 | 18.00 | 25-Jul-80 | 24-Jul-30 | 3,822.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SAN ACACIO DOS | 168779 | 203.33 | 22-Jul-81 | 21-Jul-31 | 43,178.00 | Calidad Estrategica Cencorp, S.A de C.V |
| LA CONTRACUÑA II | 188361 | 19.38 | 22-Nov-90 | 23-Mar-37 | 4,116.00 | Calidad Estrategica Cencorp, S.A de C.V |
| SAN ACACIO CUATRO | 212909 | 344.13 | 13-Feb-01 | 12-Feb-51 | 73,080.00 | Calidad Estrategica Cencorp, S.A de C.V |
| **LAGARTOS** | | | | | | |
| AMPL. A SAN FERNANDO | 162400 | 65.22 | 12-Jan-78 | 11-Jan-28 | 13,850.00 | Minera Santa Remy, S.A de C.V. |
| SAN FERNANDO | 162437 | 20.69 | 12-Jun-78 | 11-Jun-28 | 4,394.00 | Minera Santa Remy, S.A de C.V. |
| PREDILECTA | 164960 | 32.00 | 3-Aug-79 | 2-Aug-29 | 6,796 | Minera Santa Remy, S.A de C.V. |
| LA CONSTANCIA | 196319 | 25.96 | 16-Jul-93 | 15-Jul-43 | 5,514 | Minera Santa Remy, S.A de C.V. |
| SAN MARTINITO | 196156 | 12.00 | 16-Jul-93 | 15-Jul-43 | 2,548 | Minera Santa Remy, S.A de C.V. |
| LAS MARIAS | 215229 | 73.54 | 14-Feb-02 | 13-Feb-52 | 15,618 | Minera Santa Remy, S.A de C.V. |
| SAN MIGUEL | 215509 | 16.13 | 22-Feb-02 | 21-Feb-52 | 3,425 | Minera Santa Remy, S.A de C.V. |
| PAULINA | 217496 | 7.70 | 16-Jul-02 | 15-Jul-52 | 1,634 | Minera Santa Remy, S.A de C.V. |
| GEMINIS XIII | 224581 | 86.64 | 20-May-05 | 19-May-55 | 18,399 | Minera Santa Remy, S.A de C.V. |
| CUMBRES I | 224582 | 331.63 | 20-May-05 | 19-May-55 | 70,425 | Minera Santa Remy, S.A de C.V. |
| LA COMOCHA 2 | 224841 | 8.34 | 14-Jun-05 | 13-Jun-55 | 1,771 | Minera Santa Remy, S.A de C.V. |
| GEMINIS XXIII | 227962 | 94.31 | 15-Sep-06 | 14-Sep-56 | 20,028 | Minera Santa Remy, S.A de C.V. |
| LAGARTOS XIII | 228633 | 12.54 | 15-Dec-06 | 14-Dec-56 | 2,663 | Minera Santa Remy, S.A de C.V. |
| LAG 14 | 238805 | 9.64 | 25-Oct-11 | 24-Oct-61 | 2,047 | Minera Santa Remy, S.A de C.V. |
| **LUCITA** | | | | | | |
| MALANOCHE | 213518 | 99.95 | 18-May-01 | 17-May-51 | 21,225 | Minera Santa Remy, S.A de C.V. |
| NORMA | 222284 | 55.75 | 22-Jun-04 | 21-Jun-54 | 11,838 | Minera Santa Remy, S.A de C.V. |
| CANCER | 218199 | 58.86 | 11-Oct-02 | 10-Oct-52 | 12,499 | Minera Santa Remy, S.A de C.V. |
| JENNA FRACC. I | 204787 | 13.73 | 25-Apr-97 | 24-Apr-47 | 2,916 | Minera Santa Remy, S.A de C.V. |
| JENNA FRACC. II | 220420 | 4.94 | 25-Jul-03 | 24-Jul-53 | 1,048 | Minera Santa Remy, S.A de C.V. |
| LUCITA FRACC. 1 | 219308 | 2.36 | 25-Feb-03 | 24-Feb-53 | 500 | Minera Santa Remy, S.A de C.V. |
| CONCHITA | 222290 | 10.00 | 22-Jun-04 | 21-Jun-54 | 2,124 | Minera Santa Remy, S.A de C.V. |
| REINITA | 219060 | 330.81 | 4-Feb-03 | 3-Feb-53 | 70,207 | Minera Santa Remy, S.A de C.V. |
| REINITA FRACC. I | 218958 | 0.97 | 28-Jan-03 | 27-Jan-53 | 206 | Minera Santa Remy, S.A de C.V. |
| LA PLOMOSA NUM. UNO FRACC II | 213837 | 1.66 | 3-Jul-01 | 2-Jul-51 | 352 | Minera Santa Remy, S.A de C.V. |
| LA PLOMOSA | 184910 | 8.26 | 6-Dec-89 | 5-Dec-39 | 1,753 | Minera Santa Remy, S.A de C.V. |
| 2da AMPL. A LA PLOMOSA | 190286 | 18.00 | 6-Dec-90 | 5-Dec-40 | 3,822 | Minera Santa Remy, S.A de C.V. |
| LA PLOMOSA NUM. UNO FRACC. I | 213835 | 2.14 | 3-Jul-01 | 2-Jul-51 | 454 | Minera Santa Remy, S.A de C.V. |
| EL SAGRADO CORAZON | 185026 | 20.71 | 14-Dec-89 | 13-Dec-39 | 4,397 | Minera Santa Remy, S.A de C.V. |
| LA PLOMOSA NUM. UNO FRACC. II | 213836 | 1.90 | 3-Jul-01 | 2-Jul-51 | 404 | Minera Santa Remy, S.A de C.V. |
| LA PEQUEÑA | 222294 | 10.00 | 22-Jun-04 | 21-Jun-54 | 2,124 | Minera Santa Remy, S.A de C.V. |
| EL PAISANO | 219149 | 23.98 | 14-Feb-03 | 13-Feb-53 | 5,093 | Minera Santa Remy, S.A de C.V. |
| PATTY | 219520 | 507.33 | 12-Mar-03 | 11-Mar-53 | 107,736 | Minera Santa Remy, S.A de C.V. |
| LUCITA FRACC. 2 | 219309 | 9.78 | 25-Feb-03 | 24-Feb-53 | 2,073 | Minera Santa Remy, S.A de C.V. |
| SANTA ROSALIA | 184993 | 100.00 | 13-Dec-89 | 12-Dec-39 | 21,236 | Minera Santa Remy, S.A de C.V. |
| ATILA | 207294 | 4.52 | 27-May-98 | 26-May-48 | 959 | Minera Santa Remy, S.A de C.V. |
| ATILA FRACC. 1 | 223951 | 0.96 | 15-Mar-05 | 14-Mar-55 | 204 | Minera Santa Remy, S.A de C.V. |
| JACARANDAS | 217448 | 307.12 | 16-Jul-02 | 15-Jul-52 | 65,220 | Minera Santa Remy, S.A de C.V. |
| EL PUERTO | 213360 | 58.50 | 27-Apr-01 | 26-Apr-51 | 12,423 | Minera Santa Remy, S.A de C.V. |
| EL PALENQUE | 164363 | 45.00 | 7-May-79 | 6-May-29 | 9,556 | Minera Santa Remy, S.A de C.V. |
| CANCER | 218889 | 78.31 | 23-Jan-03 | 22-Jan-53 | 16,629 | Minera Santa Remy, S.A de C.V. |
| LUCITA | 219310 | 486.57 | 25-Feb-03 | 24-Feb-53 | 103,328 | Minera Santa Remy, S.A de C.V. |
| JENNA | 217798 | 412.01 | 27-Aug-02 | 24-Apr-47 | 87,495 | Minera Santa Remy, S.A de C.V. |
| **Total:** | | **4,217.03** | | | **894,782.00** | |

### 4.2.1 San Acacio

The San Acacio transaction is made up of 10 concessions, covering a total area of 746.60 hectares, whose titles are registered in the name of Calidad Estrategica Cencorp, S.A de C.V., with whom Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp, has an option to purchase agreement. A map of the concessions is shown in Figure 4-3. Concession details are shown in Table 4-1.

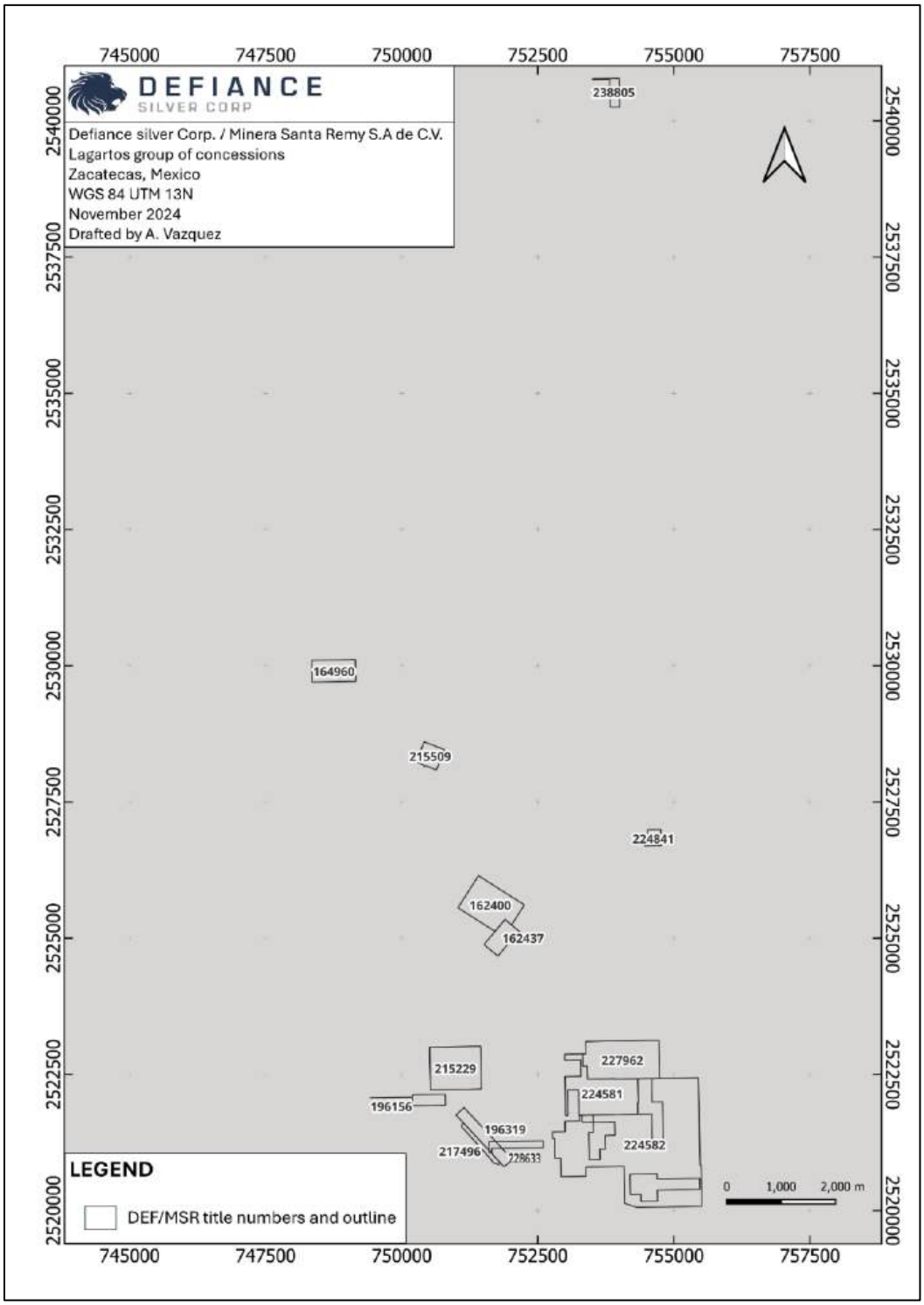
**Figure 4-3 Concession Map – San Acacio Transaction**



### 4.2.2 Lagartos

The Lagartos transaction consists of 14 concessions, covering a total area of 796.34 hectares, which are 100% owned and duly registered in the name of Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp. A map of the concessions is shown in Figure 4-4. Concession details are shown in Table 4-1.

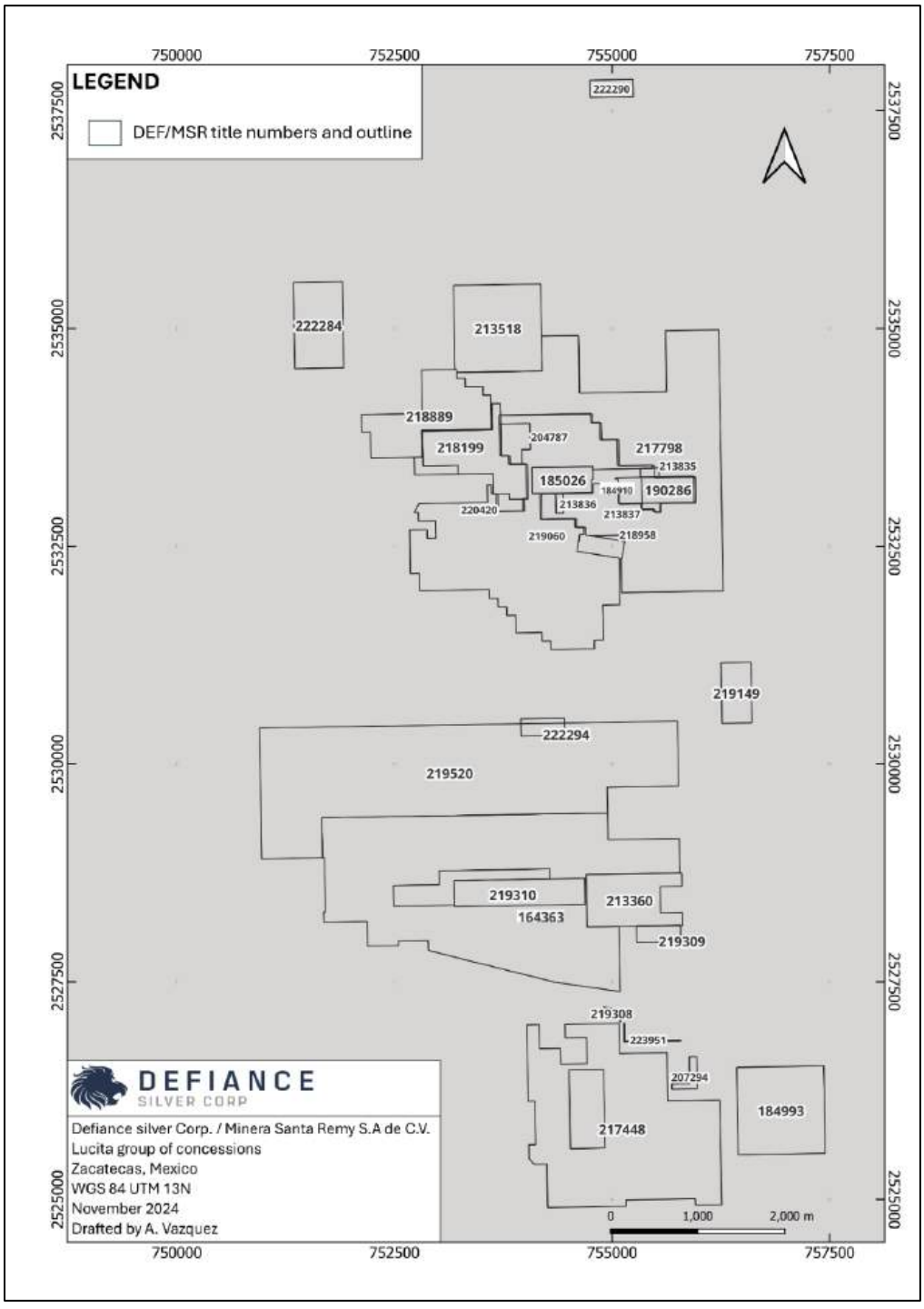
**Figure 4-4 Concession Map – Lagartos Transaction**



### 4.2.3 Lucita

The Lucita transaction comprises 28 concessions, covering a total area of 2,674.09 hectares, which are 100% owned by Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp. The company is in the process to duly register these concessions in its name in front of the Public Registry of Mining (Registro Publico de Minería, RPM). A map of the concessions is shown in Figure 4-5. Concession details are shown in Table 4-1.

**Figure 4-5 Concession Map – Lucita Transaction**



## 4.3 Underlying Agreements

### 4.3.1 San Acacio Transaction

On November 1, 2011, Defiance Silver Corp announced that it had entered into an option agreement on October 24, 2011, through Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance, with Calidad Estrategica Cencorp, S.A de C.V. ("CEC") for an option to purchase a 100% interest in the San Acacio concessions. The agreement covers the 10 mining concessions as well as the option to purchase two associated surface rights deeds, and the historic dry tailings owned by CEC.

Upon closing of the transactions contemplated by the option agreement, Defiance will acquire a 100% ownership interest in the CEC San Acacio property (comprising 10 mining concessions with a combined surface area of 746.60 hectares) in consideration for a total purchase price of US$5.75 million dollars with a royalty on production from the concessions. This agreement was subsequently the subject of several amendments.

During the agreement year ending June 30, 2020, the Company renegotiated and extended the terms of the San Acacio option agreement by three years from September 27, 2020, to September 27, 2023. In addition, 80% of the payments due on March 27 and June 27, 2020, were deferred as a part of this extension. The Company has made quarterly payments to CEC in accordance with the agreement.

On January 11, 2024, the Company successfully restructured the option to acquire 100% of the San Acacio concessions. CEC has agreed to extend the option agreement terms by one year from September 27, 2023 to September, 27, 2024. The Company will continue to make quarterly payments to CEC totaling US$539,721.51, until the final option payment of US$2,300,000 is completed. In accordance with the original agreement, CEC retains a 2.5% NSR which may be purchased for US$2,500,000. The payment terms are detailed in Table 4-2.

On September 24, 2024, the Company through its wholly owned subsidiary, Minera Santa Remy S.A., has at CEC's request, agreed to extend the term of its option to acquire 100% of the San Acacio concessions. As a result of this amendment, the scheduled payment due September 27, 2024, has now been changed to December 31, 2024. There were no changes to the economic terms of the option agreement.

**Table 4-2 San Acacio Payment Terms**

| Date | Letter of Intent Payment | Option Payment | Lease Payment | Interest Payment | Total | Status |
|---|---|---|---|---|---|---|
| **By September 27, 2012** | $25,000 | | | | $25,000 | **(paid)** |
| **By September 27, 2013** | | $250,000 | | | $250,000 | **(paid)** |
| **By September 27, 2014** | | | $150,000 | | $150,000 | **(paid)** |
| **By September 27, 2015** | | | $225,000 | | $225,000 | **(paid)** |
| **By September 27,2016** | | $100,000 | $150,900 | | $250,000 | **(paid)** |
| **By September 27, 2017** | | $200,000 | $150,000 | | $350,000 | **(paid}** |
| **By September 27, 2018** | | $600,000 | $150,000 | | $750,000 | **(paid)** |
| **By September 27, 2019** | | $600,000 | $200,000 | $107,600 | $907,600 | **(paid}** |
| **By September 27, 2020** | | $500,000 | $100,000 | | $600,000 | **(paid)** |
| **By September 27, 2021** | | $400,000 | $283,334 | $86,063 | $769,397 | **(paid)** |
| **By September 27, 2022** | | $400,000 | $283,333 | $76,063 | $759,396 | **(paid)** |
| **By September 27, 2023** | | $400,000 | $283,333 | $66,063 | $749,396 | **(paid)** |
| **By June 27, 2024** | | | $275,000 | $264,721 | $539,721 | **(paid)** |
| **On December 31, 2024** | | $2,300,000 | | $107,461 | $2,407,461 | **pending** |
| **Total USD** | **$25,000** | **$5,750,000** | **$2,250,900** | **$443,250** | **$8,193,250** | |

### 4.3.2 Lagartos Transaction

In June 2018, the Company entered into a binding agreement to acquire MAG Silver's Zacatecas District holdings. As consideration for the sale, MAG received 5,000,000 common shares of the Company, representing an approximate 5% strategic investment position, and cash of $10,000 USD. The Company received a 100% interest in MAG's Lagartos concessions along with a significant regional exploration dataset covering 135,000 hectares stretching from the Zacatecas to the Fresnillo Silver Districts.

On June 25, 2018, the Company completed the transaction. The Lagartos transaction consists of 14 concessions totaling 796.34 hectares (Figure 4-4). The transaction provided Defiance control over a 1,542.94 hectare land package within the rapidly consolidating Zacatecas Silver District.

### 4.3.3 Lucita Transaction

On November 30, 2020, the Company entered into a definitive option agreement with Pan American Silver Corp. ("Pan American") to acquire a 100% interest in Pan American's Lucita property consisting of 28 mining concessions, located adjacent to the Company's San Acacio concessions. In December 2023, the Company acquired 100% ownership of the Lucita concessions from Pan American; Pan American retains a 2% NSR. The option terms included an initial payment of US$100,000 upon signing; US$100,000 on or before the first-year anniversary; US$500,000 on or before the second-year anniversary; and a final payment of US$800,000 on or before the third-year anniversary. The terms were successfully completed as of December 2023 with total payments of US$1,500,000 being made. The Lucita concessions are subject to a 2% NSR payable to the vendors on production.

## 4.4 Surface Rights

Defiance has surface access agreements in place for the majority of Zacatecas Project. Surface rights holdings are shown in Figure 4-6.

On February 27, 2015, the Company entered into a Surface Rights Agreement with the Sauceda de la Borda Ejido, Municipality of Vetagrande, State of Zacatecas, for the right to occupy and perform exploration work on common use lands of the Ejido, specifically over the 10 concessions owned by Calidad Estrategica Cencorp, S.A de C.V. The Company had the authorization to explore from surface for a term of three years, which could be extended for an additional three years at the Company's choice by making biannual payments and by paying a one-time fee on the execution of the agreement.

On February 26, 2018, the Company exercised its right to extend the term of the aforementioned agreement for an additional three years by making a one-time signature payment and continuing to make biannual payments. All required payments were made.

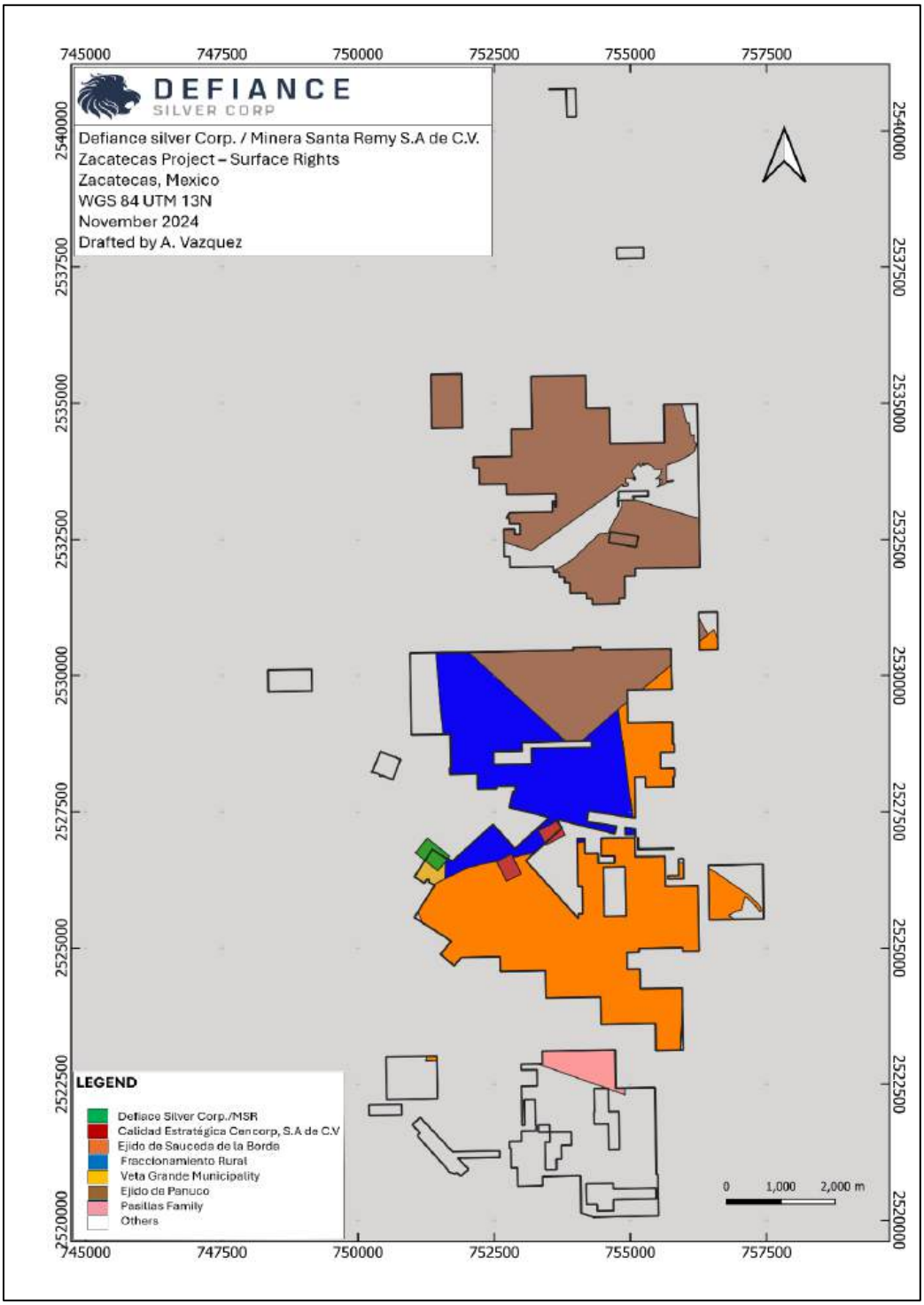
On March 30, 2021, the Company elected to extend the Surface Rights Agreement with the Sauceda de la Borda Ejido. It was agreed that the Company could continue with its exploration works on the Ejido's lands for three additional years. The Surface Rights Agreement is valid until March 12, 2024. The Company has the right to extend the Surface Rights Agreement for an additional term of three years, subject to the approval of the Ejido's assembly.

On August 13, 2021, the Company entered into a Temporary Occupancy and Right of Way Agreement over common use held by the Fraccionamiento Rural Sauceda de la Borda, Municipality of Vetagrande, State of Zacatecas, in which the Company is authorized to conduct mining exploration works. This agreement is valid until August 13, 2026.

On November 16, 2021, the Company purchased the deed to a Predio Rustico (rural property) located in the northwest portion of the Project (Figure 4-3); Defiance owns the exclusive surface rights to this piece of land. The surface rights are duly registered with the Public Registry of Property (Registro Público de la Propiedad) in the name of Minera Santa Remy S.A. de C.V., a Mexican subsidiary of Defiance Silver Corp.).

On May 18, 2024, the Company entered into a new Surface Rights Agreement with the Sauceda de la Borda Ejido, where it was agreed that the Company could continue with its exploration works on the Ejido's lands within both San Acacio and Lucita for three years. The Surface Rights Agreement is valid until May 18th, 2027. The Company has the right to extend the Surface Rights Agreement for an additional term of three years, subject to the approval of the Ejido's assembly.

**Figure 4-6 Surface Rights**



## 4.5 **Permits**

Exploration and mining activities in Mexico are regulated by the General Law of Ecological Equilibrium and Environmental Protection (Ley General de Equilibrio Ecologico y Proteccion al Ambiente [LGEEPA]), and the Regulations Environmental Impact Assessment [REIA]. Laws pertaining to mining and exploration activities are administered by SEMARNAT and the Federal Attorney for Environmental Protection (Procuraduria Federal de Proteccion al Ambiente [PROFEPA]) enforces SEMARNAT laws and policy.

The Company is allowed to carry out exploration activities in areas where the environment has been previously impacted, such as existing dirt roads or zones devoid of vegetation. The Project is not located within any specially protected, federally designated, ecological zones known as Áreas Naturales Protegidas (ANP).

Exploration activities that are expected to generate impacts to the physical or social environment that are assessed as potentially of low significance by the regulators are regulated under Norma Oficial Mexicana-120-SEMARNAT-1997 (NOM-120-SEMARNAT-1997), and its subsequent modifications.

SEMARNAT authorizes activities that fall below the specified threshold under Article 31 of the LGEEPA, and require the submission a report known as Informe Preventivo. The Company is in the process of acquiring two additional drilling permits to conduct exploration on the Zacatecas Project in 2024 through the submission of an Informe Preventivo report.

## 4.6 **Environmental Considerations**

The Zacatecas Project is located within the Zacatecas Mining District and has been subject to extensive historical mining since the mid-1500s. The mineralized bodies and the enclosing host rock halos are anomalous in base and precious metals and have generated elevated metal values in surficial material that extends beyond known workings, including in historic tailings and dumps. Historical milling and processing facilities were formerly situated on the Property; this infrastructure was previously removed, but associated old mine workings, excavations, and dumps remain on the Project.

Numerous historical surface openings of various sizes exist on the Property and historical subsurface development is poorly documented in many areas. Defiance has secured most surface openings with concrete fence post and wire fencing as a preventative safety measure. A total of 38 shafts and tunnels in San Acacio area, 20 in Lucita South, and 60 in Lucita North have been secured in this way.

Environmental impacts within the Project site result from historical activities. Under the Mexican environmental and regulatory system, these impacts due to historical activities are considered pre-existing environmental liabilities deemed not significant and acknowledged by regulators.

## 4.7 **Other Relevant Factors**

The Project has no outstanding environmental liabilities from prior mining activities. The Author is unaware of any other significant factors and risks that may affect access, title, or the right, or ability to perform exploration work recommended for the Project.

# 5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

## 5.1 Accessibility

The Project is located eight kilometres north of the City of Zacatecas, the capital city of the State of Zacatecas, central Mexico. Zacatecas is located around 600 km northwest of Mexico City, 300 km northeast of Guadalajara, and 560 km southwest of Monterrey.

The main access to the Project is via a well-maintained paved road from Zacatecas City to the Veta Grande and Panuco Municipalities. A network of dirt roads allows easy access to historic development sites and prospective zones within the Zacatecas Project.

A secondary access route is via Mexican Federal Highway 45D along the Zacatecas bypass from the town of Osiris to the town of Morelos. This east-west bypass traverses the Zacatecas Project, connecting with paved and unpaved access roads to both San Acacio and Lucita. The Project is located near the municipalities of Veta Grande and Panuco as well as the town of Sauceda de la Borda.

From other areas in Mexico, the city of Zacatecas is located in the State of Zacatecas and can be reached by a variety of paved highways and smaller roads. At least one scheduled daily flights to or from Mexico City are available with Aero-Mexico. Other international flights with American Airlines connect Zacatecas and Dallas / Fort Worth, Texas.

## 5.2 Infrastructure

No permanent infrastructure exists on the Property. Surface exploration and drill crews typically operate out of the city of Zacatecas. Core logging is completed in a secure facility located in the town of Martinez Dominguez; drill core and samples are stored at the same facility.

Electrical power is available from the communities of Veta Grande and Panuco. Surface water for drilling purposes may be difficult to source other than from small collection dams during the rainy season between June and October.

## 5.3 Local Resources

Zacatecas is the closest city to the project with a population of about 393,000 as of 2024 (MacroTrends, 2024). It was established as a Spanish silver mining camp in the mid 16$^{th}$ century. Zacatecas is the main hub for local supplies and experienced labour force, together with the neighbouring city of Guadalupe. The area has a long history of mining, is generally mining friendly and offers all facilities necessary for exploration and smaller scale mining activities.

## 5.4 Climate

The Project area is located in a semi-arid climate with moderate temperature ranges and sparse rainfall throughtout the year. The average temperature in Zacatecas is 15.4˚C. The average high temperatures in Zacatecas range from 18.7°C, experienced in January, and go as high as 27.2°C in May. The low temperatures, however, show a minimum reading of 5.8°C in January, elevating to a peak of 15.1°C in June.

Relative humidity levels remain considerably low, with the highest occurring at 68% in September and the lowest at 29% in April. This trend aligns with the semi-arid nature of the climate and contributes to the pleasantly dry conditions.

The city's weather pattern further contains periods of rainfall variability, spanning between 7 mm in April to 93 mm in July. A corresponding fluctuation in rainfall days can be noticed throughout the year, with the least in February at 2.9 days, and maximum in September at 20.5 days.

Snowfall of 1mm can be observed only in January, indicating the presence of cold weather despite due to high elevation despite being in the tropic region.

## 5.5 **Physiography and Vegetation**

The Zacatecas concessions lie within a portion of the Central Mexican Plateau or Mexican Altiplano at an average elevation of 2200 to 2700 metres. The mountains of the Altiplano commonly occur as clusters of elongated to circular expressions of rolling hills and ridges separated by extensive flat plains.

The vegetation is spare and includes dry grasses, several species of cactus, thorny shrubs with pines, and oaks at higher elevations. The soils are dry and the area can be dusty with strong prevailing winds.

# 6 HISTORY

## 6.1 Historical Mining – Regional History

Zacatecas state has a long mining history beginning prior to colonial times. The historic colonial city was settled by the Spanish in the mid-1500s leading to an era of substantial silver production from the district.

Zacatecas state continues to be the largest producer of silver in Mexico (Jaganmohan, 2024) and is in large part the reason that Mexico remains the world's largest silver producer (USGS, 2024). The Central Mexican Silver Belt (Figure 7-7) is one of the most prolific silver producing areas in the world, hosting the Fresnillo and Zacatecas silver districts which, combined, have produced over 1.5 Boz of silver (Wang et al, 2019).

The principal vein systems in the Zacatecas district include Mala Noche, El Bote-Cantera, Veta Grande, Panuco, and El Orito. Production in the Zacatecas district commenced in earnest in 1548, and as such, a complete history and production records are not available for the Veta Grande area. Several companies and individuals share ownership of various mines along the Veta Grande trend.

Mining halted between 1910 and 1914, due the Mexican Revolution. While unoccupied, the workings became inaccessible because of flooding and cave-ins. Foreign companies arriving later implemented exploration, drainage, and rehabilitation programs in the mines. Exploitation occurred in the area during 1936 to 1948, when labour problems, lack of electric power, and low metal prices finally forced the mines to close.

## 6.2 History of the San Acacio Mine

1548-1765: In the colonial period, Spanish miners extracted only oxide ores from the high-grade shoots, leaving behind most of the sulphide mineralization, partly as backfill. An estimate of historic production was made by Minera Teck of 750,000 to 1 million tonnes mined, grading 1 kg/ton silver or better, based on vein widths and stopes.

1765-1782: The Esperanza area was worked by the Frenchman Jose de la Borda, who was reported to have taken out 4 million pesos of ore each year.

Late 1800's: An English company held the San Acacio mine and drove the 2-kilometer-long Purisima tunnel for access and drainage. A small amount of material was mined.

1835-1870: Various high-grade zones were mined intermittently from the San Acacio mine.

1870-1911: Intermittent production. The Mexican revolution (1910) put a stop to most mining in Zacatecas, as heavy fighting occurred on the local hills.

1920-1922: The San Acacio mine was inspected by Compania Dos Estrellas based in Mexico City. (Tomas Skewes Saunders, consultant Engineer). Skewes Saunders examined the accessible parts of the mine in 1920-1922, although the lower workings were below water level.

1923: The western part of the Veta Grande vein system (on ground to the west of the Zacatecas Property and now owned by others) was mined by the Pittsburgh Vetagrande Company who erected a 750 ton per day cyanide plant for silica-rich ores, and American Metals Co., who later built a 150 ton per day plant for flotation of complex lead-zinc ores. Both plants were successful until tenor of the mineralization dropped at depth (oxide to sulphide transition).

1935: A fairly complete report was written by T. Skewes Saunders for his client Dr. Roy B. Dean. At that time, San Acacio appeared to be owned by the Mesta family of Zacatecas, and was being worked under the supervision of James Berry, an English engineer for Compania Minera San Bartolo, SA. Berry concentrated on opening the El Refugio adit and also the Purisima tunnel (1800 meters). Much geological

information was provided by geologists Sr. Ezequiel Ordonez, a respected and experienced individual who had overseen the Geological Institute.

1936-1945: Some dumps from San Acacio were mined by Cia. Fresnillo (who operated the adjacent property). It is reported that about 100 tons per day were processed.

1953: The San Acacio property was offered by Sr. Julio and Jose Romo to Asarco (American Smelting and Refining Co.).

1960's: The Amado Mesta family built a 100 ton per day flotation plant to process dumps, and some backfill material, from the San Acacio mine.

1974: The Amado Mesta family incorporated Minera San Acacio and built a larger plant (250 tons per day) again to process dumps and surface material. No fresh vein material was mined or milled.

1977: The San Acacio mine was reviewed by S. Pastor for Compania Sedemex. It was owned at that time by Compania de Minas San Acacio, under the supervision of Engineer Alfredo Sandoval. Levels 100, 160 and 250 were available for inspection. The adjacent Veta Grande property to the west was owned by Compania Fresnillo. Inco (International Nickel) had expressed an interest in the property, but the 2-3 owners were not interested in “unitizing” ownership to one company. The underlying claims were held by the Mesta Howard family and associates, who had 50-60 people working at the mine and mill. The Guillermo winze was being de-watered but apparently this was not completely successful, although about 1000 tons of silver ore was mined.

1988: The San Acacio mine (Figure 6-1) was evaluated by Minas de San Luis SA de CV. It was estimated at this time that 1.6 million tons had been extracted with an average grade of 205 g/t silver and 0.28 g/t gold. (6 oz silver per ton and 0.0082 oz gold per ton). A detailed study, complete with good quality maps, was done by the company (Atlas Mining materials). Minor small-scale intermittent mining continued up to at least 1996 (Konkin 1996).

1994-1995: Minera San Acacio, S.A. de C.V. was processing backfill material from stopes at or near surface for silica flux. The company crushed the siliceous vein material to minus 3/4 inch mesh and direct shipped the ore to San Luis Potosi. At that time, the ore graded 180 grams/tonne silver and one to two grams/tonne gold. Approximately 80 tonnes of ore was shipped per week, or about 300 tonnes per month. Local illegal "high-graders" from the surrounding communities occasionally worked the various backfilled stopes along the surface.

1994-1997: The San Acacio concessions were optioned by Silver Standard Resources Inc. in 1994 and held and explored by them until 1997. The program undertaken by Silver Standard is summarized by Konkin (1996). Silver Standard completed several different initial surveys including grid preparation, surface and underground mapping and rock sampling, sporadic geophysical surveying, trenching, road building, percussion drilling and diamond drilling.

Late 1997 or early 1998: Minera Argentum SA de CV., a subsidiary of Atlas Mining Inc. (a US SEC reporting issuer) signed a 3-year option on the San Acacio concessions. Minera Argentum worked in Mexico under the direction of Richard Tschauder and Gabriel Arredondo. Olympic Silver Resources Inc., a Nevada Corporation, acquired Minera Argentum, and then Olympic merged into Atlas. The option on the concessions was relinquished by Atlas in 2001.

2004-2008: Sterling Mining de Mexico completed surface trenching and sampling, reopening the Refugio adit in order to sample the exposure within the mine, re-examination of the Silver Standard core, building maps and sections, and metallurgical work on the San Acacio vein. A total of 189 rock chip samples were taken from in situ vein material and backfilled stopes by Sterling in 2006.

2008-2010: On December 3, 2008, Source Exploration Corp. announced an option to purchase Sterling Mining’s remaining interest in the San Acacio concessions through an earn-in agreement with Sterling to

acquire the San Acacio deposit. Source conducted surface diamond drilling, rehabilitated the Refugio level and conducted a limited underground drill program. On October 28, 2010, Source announced that the option had been terminated.

## 6.3 Historical Development and Production

### 6.3.1 San Acacio

During the many years of mining activity at the Zacatecas Project, the mineralized veins have been accessed by numerous shafts, tunnels, drifts, and cross-cuts (Figure 6-1). Much of the oxide portion of the veins was mined prior to the 1900's. Some of the deeper sulphide portions were later mined when technology allowed for the extraction of silver from sulphide minerals. Many of the ancient stopes were backfilled with material, some of which includes silver mineralization at, or exceeding, grade ranges targeted by Defiance exploration.

In the historic San Acacio mine, the San Genaro shaft (2.5 m x 4 m) was one of the main productive shafts. It reaches the San Rafael Level (Level 160) and the Purísima Level (200 m). The Refugio level is also open to the San Genaro shaft and Intermedio shaft. Access to the Refugio workings was gained in 2008-2010 by Source Exploration as part of an underground sampling and drilling program (Desautels, 2012).

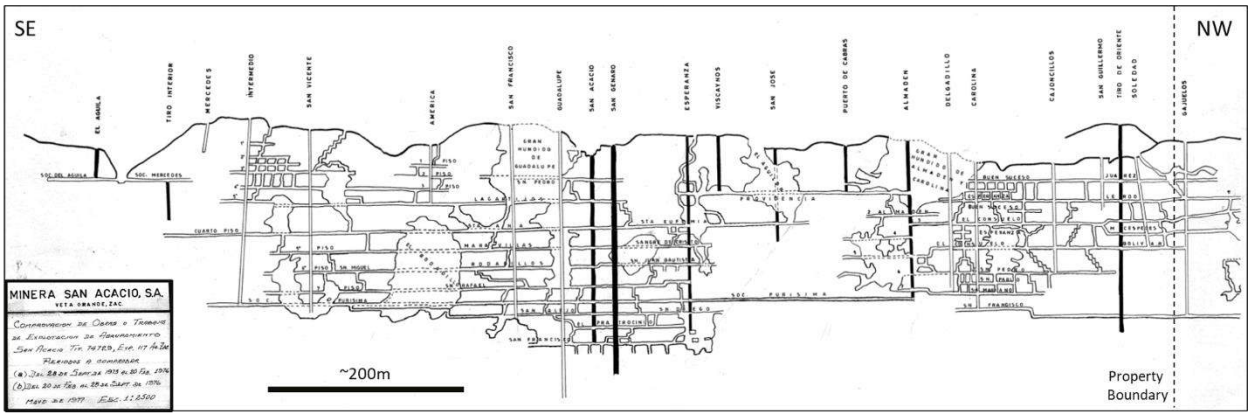
The lowest access is the Purísima tunnel which is 1,800 m in length and 2.5 m x 2.5 m in cross section. This access level is open for about 1,300 m (out of the total 1,800 m length), beyond which point a partial collapse has flooded the remainder of the tunnel towards the old mine with at least 50 cm deep water. As recently as 2023, this tunnel had sufficient natural ventilation for safe access to 1,300 m. However, old wooden structures present a safety risk, and rehabilitation would be required before future work continues in the tunnel.

Whilst the main developments are along the Veta Grande structure, other historical workings are present on various veins in the Project. For example, the San Fernando tunnel in the southwestern part of San Acacio consists of approximately 65 metres of a horizontal drift.

Numerous other shafts originally accessed the veins, as shown from old maps and sections. The position of many of the shafts has been surveyed. Information about historic production is limited.

The Amado Mesta Mill was a fully-operational 100 or 250 t/d mill on the Property; all equipment was removed and only ruins remain. A number of dumps of mined material occur on the Property generated from historical mining activities. The sources of this material and estimates of tonnages of are uncertain. A qualified person has not done sufficient work to verify the tonnages and nature of this material.

**Figure 6-1 Long Section Showing Historic Underground Workings and Shafts at San Acacio (Minera San Acacio S.A., 1977)**




### 6.3.2 Lucita

In Lucita North, the La Plomosa historical working is the most significant development. The main historic mine access consists of a small shaft (2x2 m section and 105 m deep). This mine was in production during the years 1980-1983. It was developed by a private local licensee, producing a total of 413.5 Tons of mineralized vein material with an average Au grade of 0.45 g/t, 159 g/ton Ag, 5.4% Pb and 3.75% Zn.

In Lucita South, the Palenque working is by far the biggest, having a 115 m long drift along the mineralized structure (1.8 x 1.5 m in section). The excavations started in 1979, and work finished in 1987. There is no information regarding production or grades, or the mineral assemblage that was encountered.

## 6.4 Historical Work Programs

### 6.4.1 San Acacio

#### 6.4.1.1 1995: Silver Standard – Surface Exploration, Underground Chip Sampling, and Surface Drilling

The 1995 work by Silver Standard as detailed in Konkin (1996) consisted of the following:

- Marking of a base line over six kilometers in length and over 66 kilometers of crosslines
- Surface rock and soil sampling as well as surface geophysical surveys conducted over a wide spaced picketed grid
- Five bulldozer trenches varying from 160 to 215 meters in length, and several kilometers of road construction
- Underground rehabilitation efforts along the Purisima, Rodadillo, San Rafael, Refugio, Mercedes, El Aguilon and '77' workings. Partial access was gained to these levels but access to the Veta Grande system within the Mercedes and El Aguilon workings remained closed due to excessive caving
- Mapping and sampling of the Veta Grande system within the Purisima, Rodadillo, San Rafael, Refugio and '77' levels. Several high-grade values of up to 730 g/tonne silver over 1.3 meters were obtained from the lowest accessible level, the Purisima. Enough encouragement was obtained from the first phase of surface and underground exploration to warrant a drill program

*Diamond Drilling – 1995*

A diamond drilling program was initiated in 1995 to test the potential for a near surface open-pit deposit and to test the down dip and lateral extension of the Veta Grande vein system for potential high-grade silver mineralization. A total of 32 diamond drill holes were completed and 4,060.87 metres of BQ, NQ and HQ diameter bore holes were logged, split, and sampled (Figure 6-2). Holes 23A and 23B were wedges off the same hole, SAD95-23. Drill logs indicate acid test etchings were collected for only some drill holes.

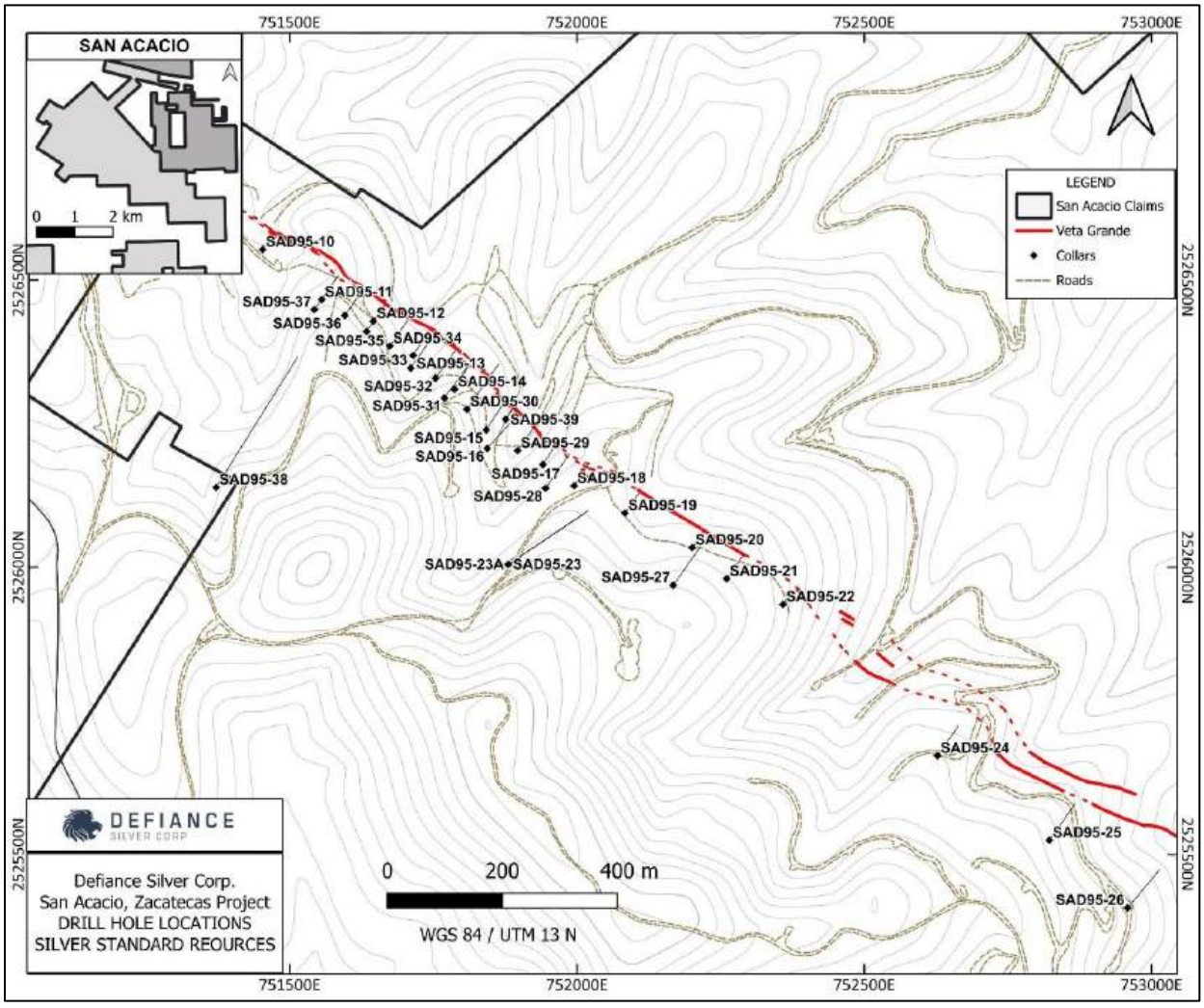
The diamond drilling tested a complete strike length of over 1,900 metres with the bulk of the drilling concentrated between the Almaden and San Acacio shaft areas, a distance of 550 metres.

Four distinct veins were identified by Silver Standard, namely the Veta Grande, Veta Blanca, Veta Chica and Veta Grande Intermedio.

*Percussion Drilling – 1995*

In 1995, a percussion drill program was initiated but was abandoned after the ninth hole due to drilling difficulties. The maximum drill hole depth reached during the program was 33 metres. The percussion drilling attempted to test two areas over a strike distance of 400 metres between the Almaden and Esperanza shaft zones.

**Figure 6-2 1995 Silver Standard San Acacio Drilling Plan**



#### 6.4.1.2 2004-2008: Sterling Mining – Trenching and Underground Sampling

Sterling Mining began testing oxide material found in dumps, surface exposures and backfilled stopes close to surface. Results of the surface trenching are described in Price (2008) and Desautels (2012) and summarized below.

The surface-trace of the northwestern portion of the Veta Grande vein was surveyed to determine a more accurate width and the position of the more accessible areas for mining fill material. A detailed sampling program was initiated at the San Acacio mine. On the surface, approximately 900 meters of exposed vein was surveyed and was sampled with the aid of a small excavator. Samples were collected from the fill material as well as the footwall and hanging wall of the low-grade portions of the vein left in place by the old mining.

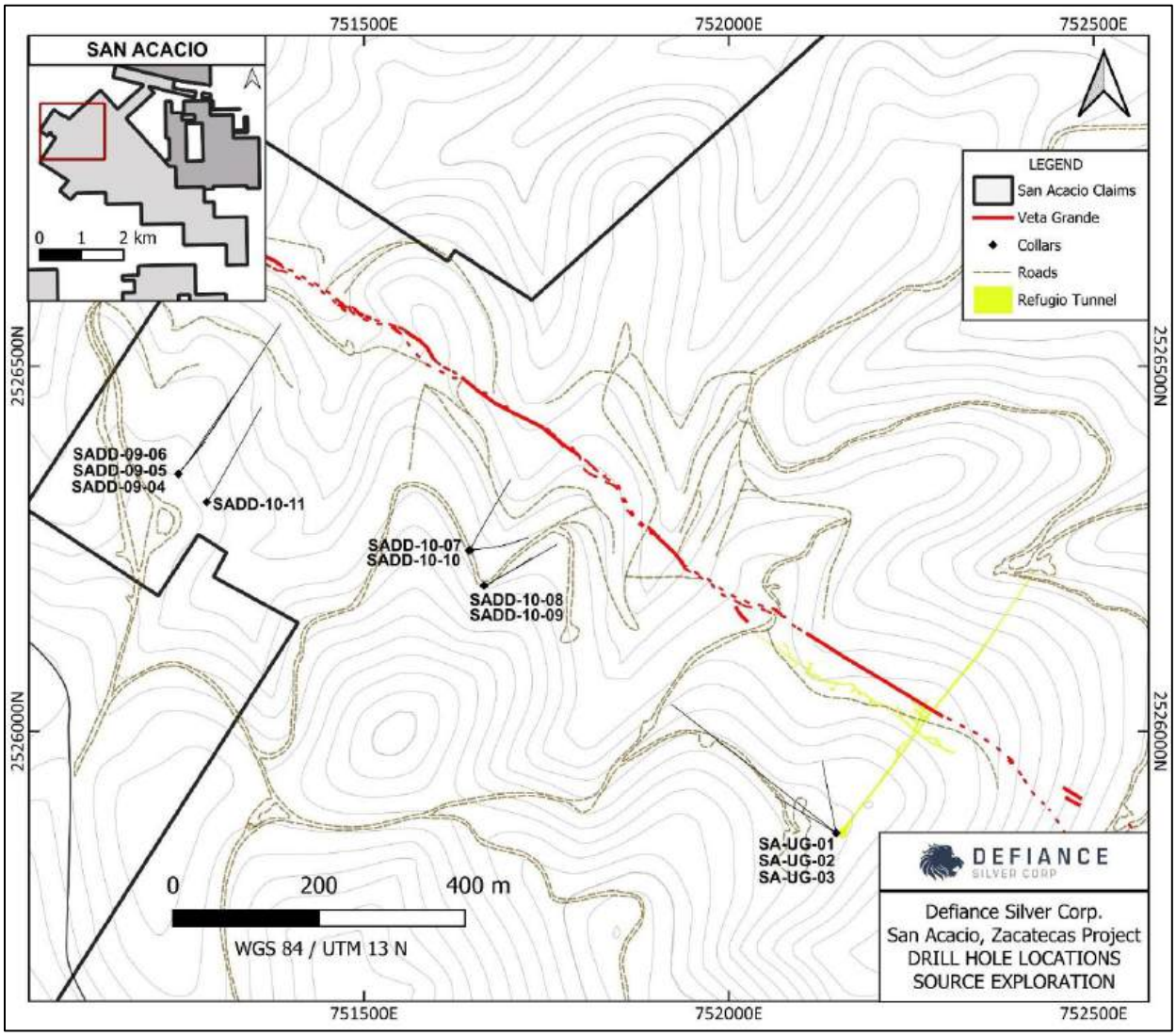
The vein and backfill sampled in the trenches averaged 149 g/t silver over 12.33 meters. The trenches were spaced approximately every 25 metres along the northwestern section of the San Acacio mine and dug to depths of up to 3 metres. Individual samples from these trenches averaged 1.5 to 2.0 metres in width and were selected from the sides and bottom of the trench beginning from footwall and ending in hanging wall. The average silver calculation above includes assays from all trenches without using a grade cut-off. The goal of this program was to verify previous surface sampling and to investigate the near-surface material as a source of feed for Sterling's nearby Barones leach plant.

Rehabilitation of the Refugio Adit was undertaken with the intention of sampling in-situ vein and backfill material found in the stopes. A crew of eight mine workers cleaned the adit and placed ladders to access sub levels above and below the main adit. 189 rock and ‘muck’ chip samples were collected and results tended to reflect previous sampling campaigns by Silver Standard. Various plans and long sections detailing this work are included in the 2008 report.

#### 6.4.1.3 2009-2010: Source Exploration – Surface and Underground Drilling

Source Exploration personnel initially compiled and rebuilt maps and sections of the Veta Grande vein system. A surface drilling program consisting of 9 holes for a total of 3,506.8 metres was completed in 2009 to 2010 (Figure 6-3). The surface holes are located in the northwestern portion of the San Acacio area and were drilled to test the deeper extends of the San Acacio vein structure. Source cleaned access to the Refugio adit and extended a drill drift for an underground drill program of 3 holes for a total of 726.6 metres in 2010. A ‘Pre-Scoping’ study was initiated for the potential purchase of the Barones Mill and leach facility (Zurowski, 2010).

**Figure 6-3 2009-2010 Source Exploration San Acacio Drilling Plan**




### 6.4.2 Lagartos

#### 6.4.2.1 2008-2009: MAG Silver – Diamond Drilling

MAG Silver completed preliminary exploration drilling in two target areas, Las Majadas (Figure 6-4) and Predilecta (Figure 6-5), in 2008 and 2009. The Las Majadas is structure dips to the northeast and appears continuous for 3,100 m. Most of the holes intersected Ag-Pb-Zn mineralization at Las Majadas over widths of 0.4 to 1.1 m at shallow levels, down to approximately 160 m below surface. At Predilecta initial surface mapping and sampling indicated Ag mineralization on several semi-parallel veins. Shallow drilling targeted three northwest trending veins. Of the eight drillholes completed, only one intersected Au-Ag-Pb-Zn mineralization in a narrow 0.45 m vein (Fraga, 2009).

**Figure 6-4 2008-2009 MAG Silver Las Majadas Drilling Plan**

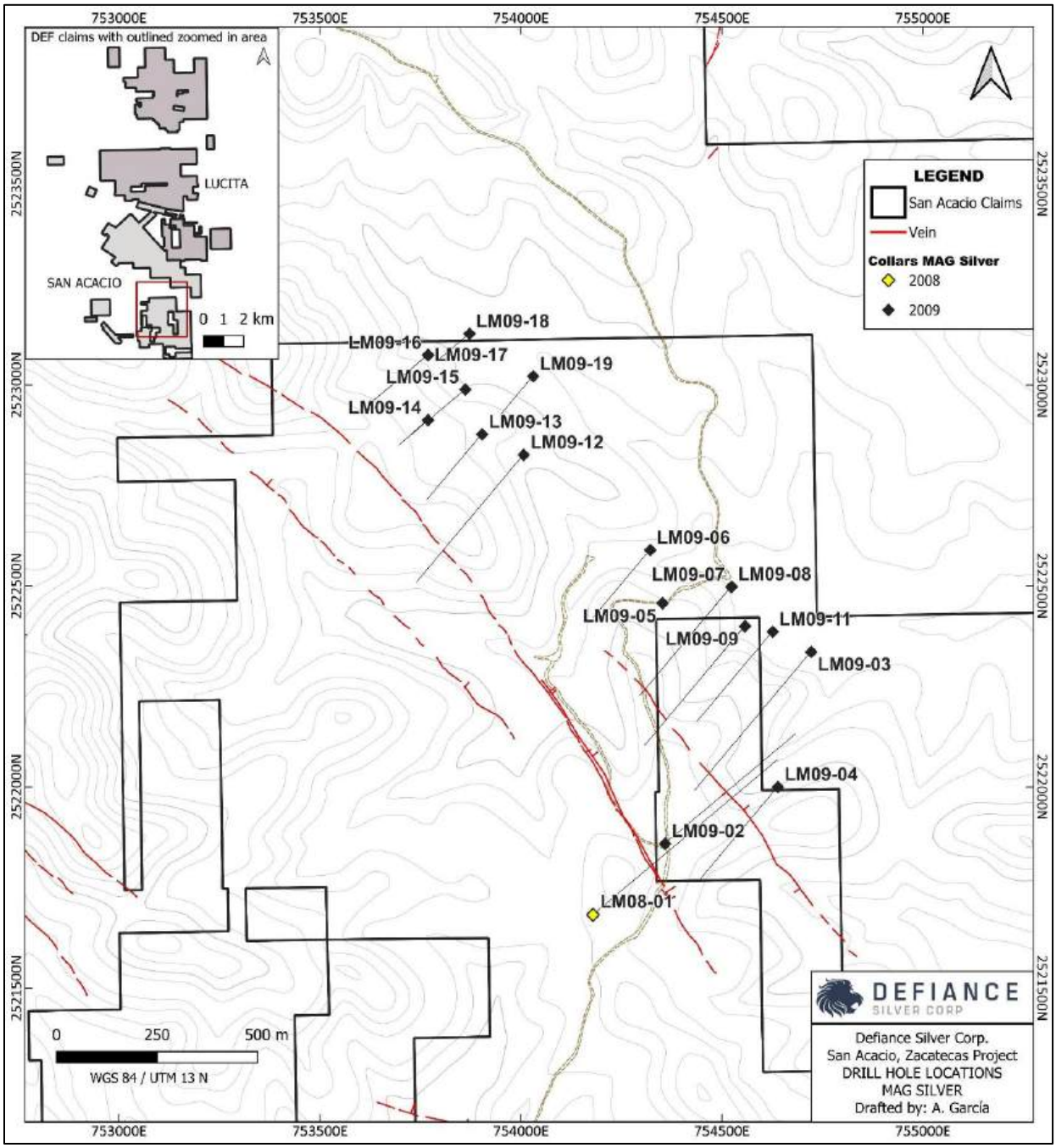
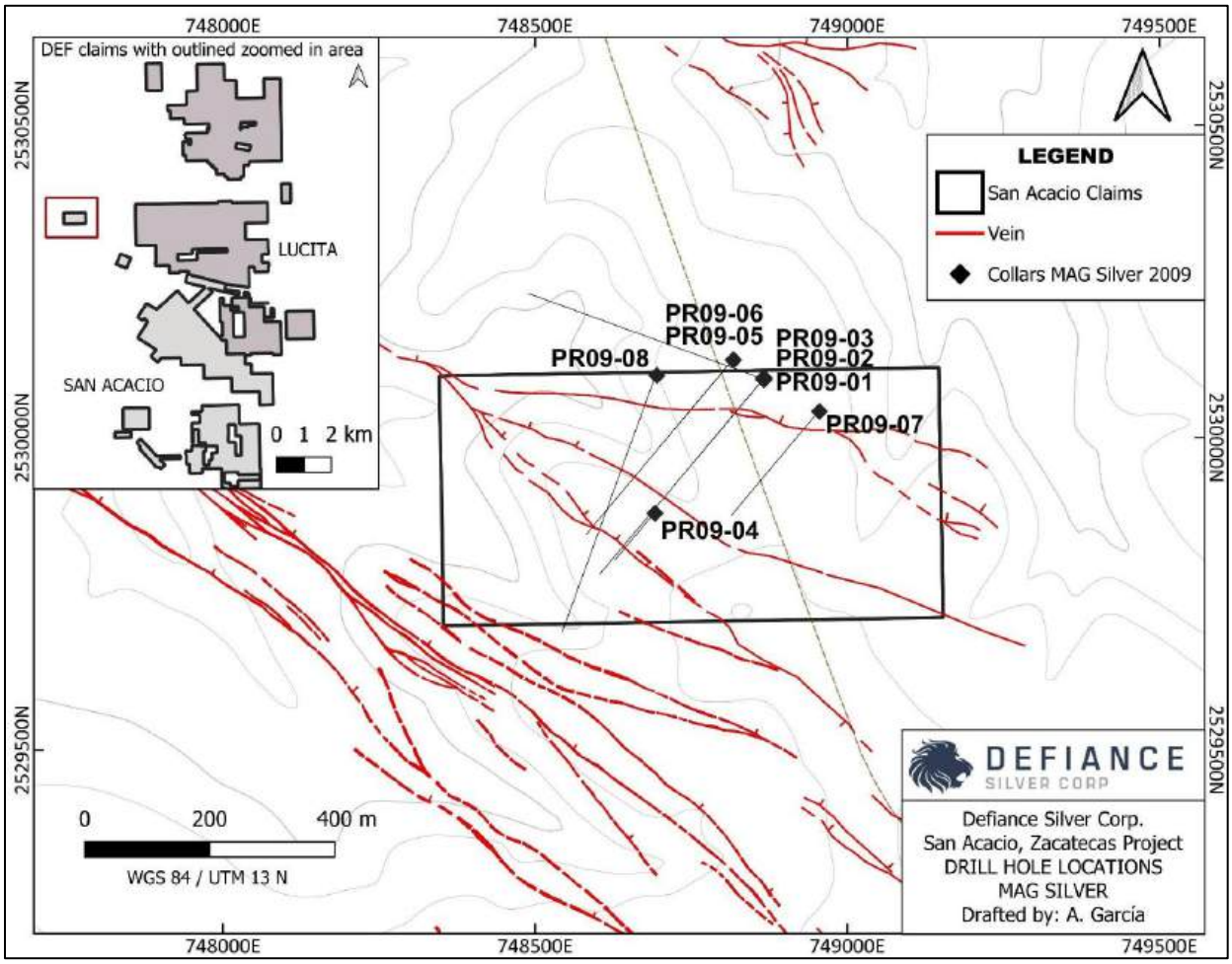


**Figure 6-5 2009 MAG Silver Predilecta Drilling Plan**




### 6.4.3 Lucita

#### 6.4.3.1 1995-2012: Pan American Silver – Surface Mapping, Sampling, and Diamond Drilling

Pan American Silver acquired concessions that comprise the Lucita property in 1995 and initiated surface sampling and mapping of the area. In 1996 they completed a diamond drilling program (Figure 6-6), with a total of 10 drill holes for 1409.85 m of drilling. Ag-Pb-Zn mineralization as intersected over intervals of several meters. A geological reconnaissance program at the end of 2008 identified additional mineralized zones. In 2011, follow up geological mapping and sampling of the area began. Drilling was completed in October to December 2011 and again from April and May 2012. A total of 20 drill holes were drilled with 3693.41m drilled and a total of 687 samples taken including standards and blanks, intersecting mineralized structures (Morfin, 2012).

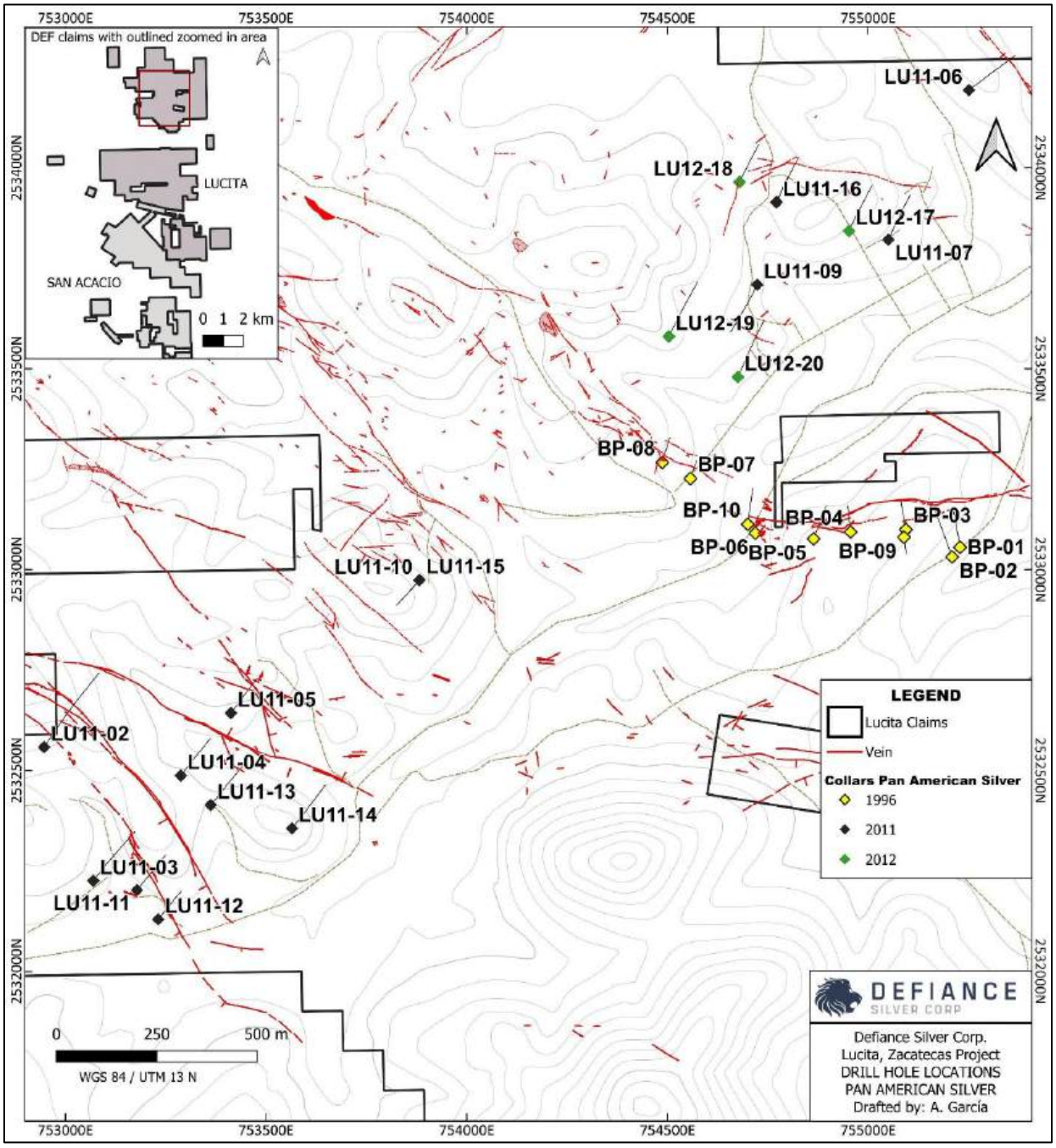
Surface geochemical sampling performed by Pan American Silver in 2008 (86), 2011 (664), and 2012 (36) totalled 786 samples, included samples from rock outcrop, dumps, as well as standards and blanks. Results indicated mineralized vein structures with anomalous values generally in the range of 60 to 728 g/t Ag, 0.5 to 1.46 g/t Au, 0.5 to 1.43% Zn, 0.5 to 2.68% Pb, and 0.025 to 0.10% Cu. One very high-grade dump sample (ID 110785) returned 460 g/t Ag, 4.76 g/t Au, 6.33 % Pb, and 31.5% Zn from the Lucero vein system.

The mineralized structures at Lucita were intersected as veins, breccias and stockworks with orientations trending 275°-315° with dips from 50°-70° to the SW and 65°-75° to the NE. They were noted to have a

strike extent of 4 km and are 0.20 m to 4 m wide. In the southern part of the Lucita property, the Palenque vein hosts an alteration zone up to 12 m wide. This zone was not drill tested as permits could not be obtained.

Drilling tested mineralization along the San Andres, Lucero, San Francisco, Peñafiel, Los Tajos, Santa Rosa, and San Joaquin veins. Most of the structures were drilled very shallowly between 70 and 100 m below surface and above 2150 m elevation. The San Andres vein was tested deeper at 2125 m elevation and returned the highest values from the program in LU11-09 of 779 g/t Ag, 0.08 g/t Au, 0.77% Pb, 0.8% Zn, and 0.07% Cu over 1.25 m from 180.1 m.

**Figure 6-6 1996 and 2011-2012 Pan American Silver Lucita Drilling Plan**



## 6.5 Historical Drilling Summary

Campaigns of percussion and diamond drilling were completed at San Acacio between 1995 and 2010 by two companies, Silver Standard and Source Exploration (Table 6-1). Drilling was undertaken primarily from surface with minor underground drilling. Historical exploration drilling amounted to a total of 8,418.57 metres completed in 53 holes at San Acacio.

Two historical diamond drilling campaigns were completed at Lagartos between 2008 and 2009 by MAG Silver (Table 6-1). Historical exploration drilling amounted to a total of 11,520.51 metres completed in 27 diamond drill holes at Lagartos. Drilling was focused in two areas with a total of 19 diamond drill holes drilled in the Las Majadas area (LM08-01, LM09-02 to LM09-18) and a total of 8 diamond drill holes drilled in the La Predilecta area (PR09-01 to PR09-08).

Historical diamond drilling campaigns were completed at Lucita by Pan American Silver in 1996, 2011, and 2012. Historical exploration drilling amounted to a total of 5,103.26 metres completed in 30 diamond drill holes at Lucita (Table 6-1).

Historical drilling on the Zacatecas Property comprises a total of 110 drill holes for 25,042.34 metres.

**Table 6-1 Summary of Historical Drilling at Zacatecas by Company**

| Year | Company | Drilling Type | Location | Hole Prefix | Number of Holes | Total Metres | Area |
|---|---|---|---|---|---|---|---|
| 1995 | Silver Standard | Percussion | Surface | SAP | 9 | 124.30 | San Acacio |
| 1995 | Silver Standard | Diamond | Surface | SAD | 32 | 4,060.87 | San Acacio |
| 2009-2010 | Source Exploration | Diamond | Surface | SADD | 9 | 3,506.80 | San Acacio |
| 2010 | Source Exploration | Diamond | Underground | SA-UG | 3 | 726.60 | San Acacio |
| **Total** | | | | | **53** | **8,418.57** | **San Acacio** |
| 2008 | MAG Silver | Diamond | Surface | LM | 1 | 936.35 | Lagartos (Las Majadas) |
| 2009 | MAG Silver | Diamond | Surface | LM | 18 | 7,307.86 | Lagartos (Las Majadas) |
| 2009 | MAG Silver | Diamond | Surface | PR | 8 | 3,276.30 | Lagartos (Predilecta) |
| **Total** | | | | | **27** | **11,520.51** | **Lagartos** |
| 1996 | Pan American Silver | Diamond | Surface | BP | 10 | 1,409.85 | Lucita |
| 2011 | Pan American Silver | Diamond | Surface | LU | 16 | 2,934.95 | Lucita |
| 2012 | Pan American Silver | Diamond | Surface | LU | 4 | 758.46 | Lucita |
| **Total** | | | | | **30** | **5,103.26** | **Lucita** |
| **Total** | | | | | **110** | **25,042.34** | **Zacatecas** |

## 6.6 Previous Mineral Resource Estimates (No Longer Current)

AGP Mining Consultants Inc. ("AGP") was retained by Defiance Silver Corp. in 2012 to update the independent Mineral Resource Estimate for the San Acacio property. This resource updated a previous estimate completed in 2010 by PEG Mining Consultants Inc. for Source Exploration Corp. The updated MRE (Table 6-2) had an effective date of April 16, 2012 and was disclosed by Defiance Silver in a news release dated October 25, 2012.

The 2012 San Acacio MRE is no longer considered current. Defiance has completed additional diamond drilling on the project since 2014, including 73 drill holes for a total of 26,578.03 metres on the San Acacio project, as well as extensive surface geological and structural mapping of the mineralized zones, and surface soil sampling of the entire project. This work has not yet been incorporated into current geological and resource models for use in the preparation of a current mineral resource estimate by an independent qualified person. There are no current MREs on the Property.

The previous 2012 MRE was based on all available data prior to the initiation of drilling by Defiance in late 2014 at San Acacio.

Table 6-2 shows a summary of the 2012 resource estimate for San Acacio reported as silver and gold mineralization with a silver equivalent base case cut-off grade of 65 g/t. The total Indicated resource was 1.15 Mt grading at 95.8 g/t Ag and 0.20 g/t Au containing 3.55 Moz of silver and 7,600 oz Au. The total Inferred resource was 2.89 Mt grading at 134.1 g/t Ag and 0.17 g/t Au containing 12.45 Moz of silver and 16,170 oz Au. Resources were estimated for both *in situ* mineralization as well as mineralized backfill material relic from historical mining on the Property. Credit from zinc, lead, and copper was expected; however, grade could not be interpolated due lack of assay results for these elements in the Silver Standard chip samples program. The mineral resource estimate is based on 41 drill holes completed by Silver Standard and Source Exploration Inc. and 371 drill core assay values contained within the mineralized zones. This data was complemented with 275 underground chip samples sourced from Silver Standard and Sterling Mining level plans. The resource estimate was completed by Pierre Desautels, P.Geo. of AGP Mining Consultants Inc (Desautels, 2012).

**Table 6-2 Previous 2012 San Acacio MRE at a Cut-off Grade of 65 g/t AgEQ (Effective April 16, 2012) – No Longer Current**

| Resource Category | Tonnage (Mt) | Ag (g/t) | Au (g/t) | Ag Eq.* (g/t) | Ag (Moz) | Au (Oz) | Ag Eq.* (Moz) |
|---|---|---|---|---|---|---|---|
| **Total Indicated** | **1.15** | **95.8** | **0.2** | **108.03** | **3.55** | **7,600** | **4.01** |
| Inferred (Drill and chip sample supported) | 2.16 | 100 | 0.16 | 109.73 | 6.94 | 11,300 | 7.64 |
| Inferred (Mineralized Fill) | 0.72 | 236.7 | 0.21 | 249.2 | 5.49 | 4,800 | 5.78 |
| **Total Inferred** | **2.89** | **134.1** | **0.17** | **144.6** | **12.45** | **16,170** | **13.4** |

*Silver equivalent (AgEq) is calculated as the sum of the silver content plus 60 times the gold content, based on prices of US$ 14.75/oz for silver and US$ 885/oz for gold. (Note: total contained AgEq values may not add exactly because of rounding). Metallurgical recoveries were not taken into account in the calculation.

The data and methodology utilized for the resource estimate was as follows:

- Mineral resources were estimated in conformance with the CIM Mineral Resource and Mineral Reserve definitions referred to in NI 43-101, Standards of Disclosure for Mineral Projects (2011).
- The Resource Estimate database contained 8147 m of diamond drill hole data and supplemented by 457 underground chip samples. Trench data was available but not used in the estimation. Data

was sourced from the 1997 Silver Standard exploration program, a 2004-2006 Sterling Mining Company work program, and work performed by Source Exploration in 2009-2010.

- All of the Source samples were analyzed using fire assay with AA finish. For samples grading >100 g/t Ag the samples were reanalyzed using fire assay with gravimetric finish.
- All drill holes are diamond drill core and were sampled mostly at 1.3 m intervals. A comprehensive QA/QC program was in place during the Source drill program, which included the insertion of standards and duplicates at regular intervals. The QA/QC program on the Silver Standard and Sterling Mining Company data is not known.
- Historical density of 2.55 for the in-situ material and 1.75 for the mineralized fill was used for the resource.
- An estimated 10% void space was factored in for the Mineralized fill tonnages.
- The development of the 3D mineralized domain models used in the resource estimate were primarily on the lithological contacts and partially on a grade value above 25 g/t silver. Exceptions were made in consideration to lithological controls and zonal continuity.
- The mineralized fill 3D wireframe was constructed using the stope and fill intercepts in the drill hole database and supplemented from information provided by the underground level plans. The resultant mineralized fill solid was subsequently cut by a series of polygons of the old stopes digitized from a historical long section and adjusted with known mined out areas deducted from the level plans and surface observation.
- The composite intervals selected were 2.0 meters. When present, true gaps in the sampling were composited at zero grade. Voids, stope and fill intervals were ignored in the interpolation of the in-situ resource but used in the interpolation of the fill material.
- For the treatment of outliers at San Acacio, the Veta Grande domain was evaluated for both silver and gold mineralization. A combination of high-grade capping and search restrictions imposed on low threshold values was used to restrict their influence. The procedure used allows the deposit to retain the high-grade assays while limiting their influence during the interpolation.
- A three-dimensional (3D) geological and block model was generated using GEMS© software. The block model matrix size of 5 x 5 x 4 meters was selected with consultation with the engineering team from AGP to allow for better definition of the grade within some of the narrow mineralized domains. It was also based on the size that was suitable for a selective mining unit to mine “ore” versus “waste” for both an open-pit and underground mining scenarios.
- Ordinary kriging was used for all domains. The interpolation was carried out in multiple passes with increasing search ellipsoid dimensions. Inverse distance and nearest neighbor models were used for validation.
- Classification was based primarily on the pass number and distance to the nearest sample. The area evaluated as indicated resources in the model supported mainly by chip samples was downgraded to inferred resources.

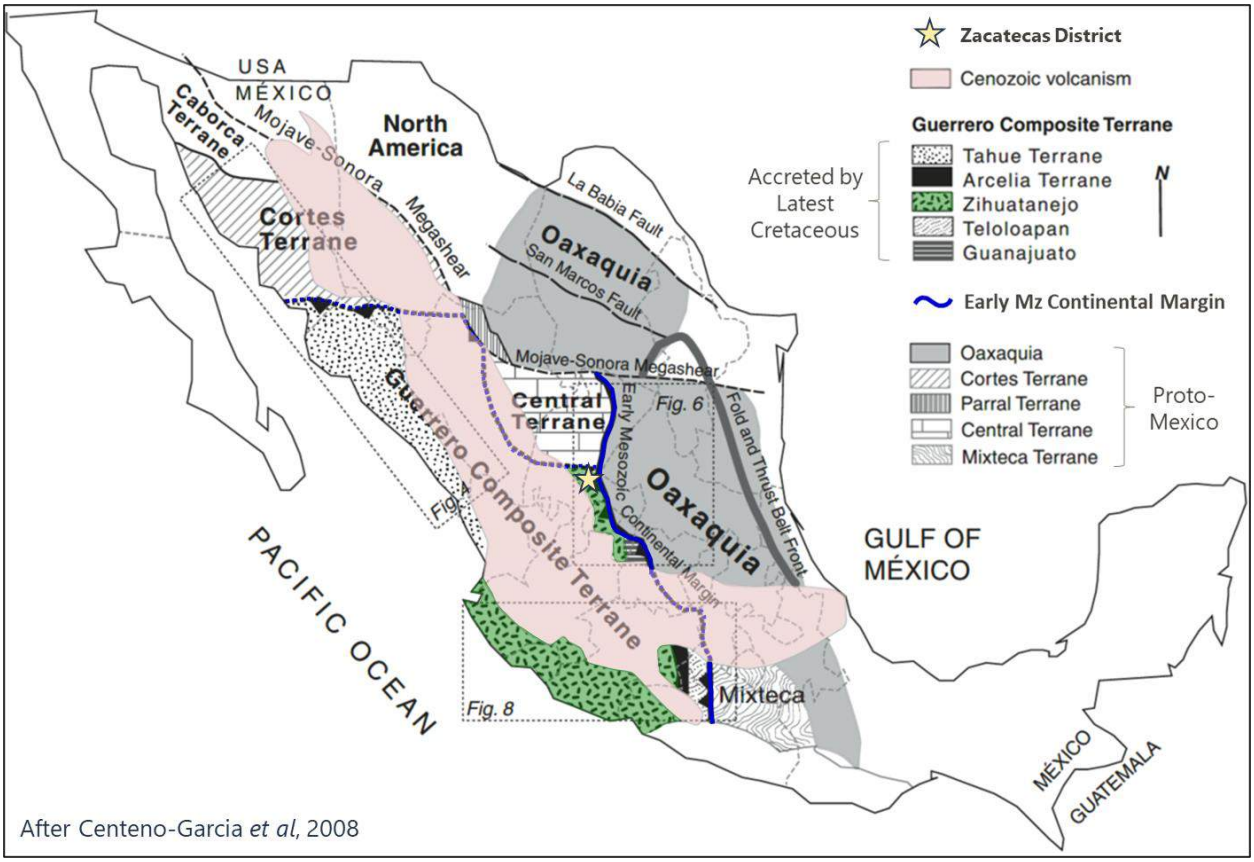
# 7 GEOLOGICAL SETTING AND MINERALIZATION

## 7.1 Geological Setting – Zacatecas Area

The Zacatecas Mining District is in central Zacatecas state at the boundary of the Sierra Madre Occidental and the Mesa Central physiographic provinces. It is also located near the border of the tectonostratigraphic provinces of the Guerrero Composite Terrane (GCT), the Central and Oaxaquia terranes, as well as the terrane boundary for the overlying Cenozoic volcanics, which represent one of the world's most voluminous silicic large igneous provinces (Centeno-Garcia et al, 2008; Bryan, 2007).

The GCT records a large-scale, protracted, arc subduction and accretion process driven by global tectonic forces that occurred from the Early Jurassic through the Latest Cretaceous and into the Earliest Tertiary (Centeno-Garcia et al, 2008). The Zacatecas District is interpreted to lie within the northeastern extent of the Zihuatanejo Terrane (ZT), one of the 5 sub-terranes that make up Guerrero Composite Terrane (GCT). From a conceptual prospectivity perspective, the Zacatecas District ranks highly due to its location near the juncture of three deep-seated crustal structures spanning multiple periods of geodynamic activity (Figure 7-1).

**Figure 7-1 Tectonostatigraphic Setting of the Zacatecas District**




The ZT is part of an accreted island arc system that formed during the late Jurassic to early Cretaceous and accreted to ancestral Mexico (Oaxaquia Terrane) during the late Cretaceous (Centeno-Garcia et al, 2008). The ZT consists of a network of intra-arc and back-arc basins, and hosts both VMS deposits of Late Jurassic to Early Cretaceous age (e.g. San Nicolas VMS, located ~50 km southeast of the Zacatecas Property, Agnico Eagle-Teck JV) as well as epithermal deposits of Tertiary age.

Stratigraphically, the lithologic units known in this area range in age from Triassic to Quaternary. Rocks from the Triassic through Tertiary are discussed in detail here; Quaternary rocks consist mainly of unconsolidated, continental-derived cover. A geologic map of the central and southern Zacatecas District is presented in Figure 7-2.

***Triassic***

The oldest unit known in the district is the Upper Triassic Zacatecas Formation, a clastic marine sequence which is predominantly composed of phyllite, schist and slate. Limestone, intercalated lava flows, and tuffs have also been reported. Contact with overlying volcano-sedimentary sequences of the late Jurassic – early Cretaceous is unconformable. This upper Triassic boundary is considered by Defiance geologists to be the bottom-of-arc contact for the Jurassic-Cretaceous arc described above; the likely connection of these Triassic units to earlier phases of the arc accretion process is acknowledged.

***Jurassic - Cretaceous***

The Chilitos Formation overlies and is interpreted to have variably depositional and tectonic contacts with the Triassic unit. The Chilitos Formation was deposited during the Late Jurassic to Early Cretaceous in a back-arc basin environment. This formation is composed of a volcano-sedimentary sequence composed of lavas of andesitic and basaltic composition, intercalated with horizons of shallow marine sediments predominantly composed of siltstone and sandstone.

***Paleocene - Eocene***

The Zacatecas Red Conglomerate, interpreted to be a sequence of terrestrial sedimentary deposits, unconformably overlies the Chilitos; the unconformity contact is interpreted by Defiance geologists to represent the top-of-arc, erosional contact for the Jurassic-Cretaceous arc described above. The age of the Zacatecas Red Conglomerate is estimated to be Paleocene-Eocene. The conglomerate is supported by a sandy matrix of distinctive reddish colour and contains clasts of volcanic rocks, volcanic breccias, milky quartz, granite, and sediments. The clasts vary in size from 2 mm to 5 cm and in some areas can reach 30 cm.

***Eocene***

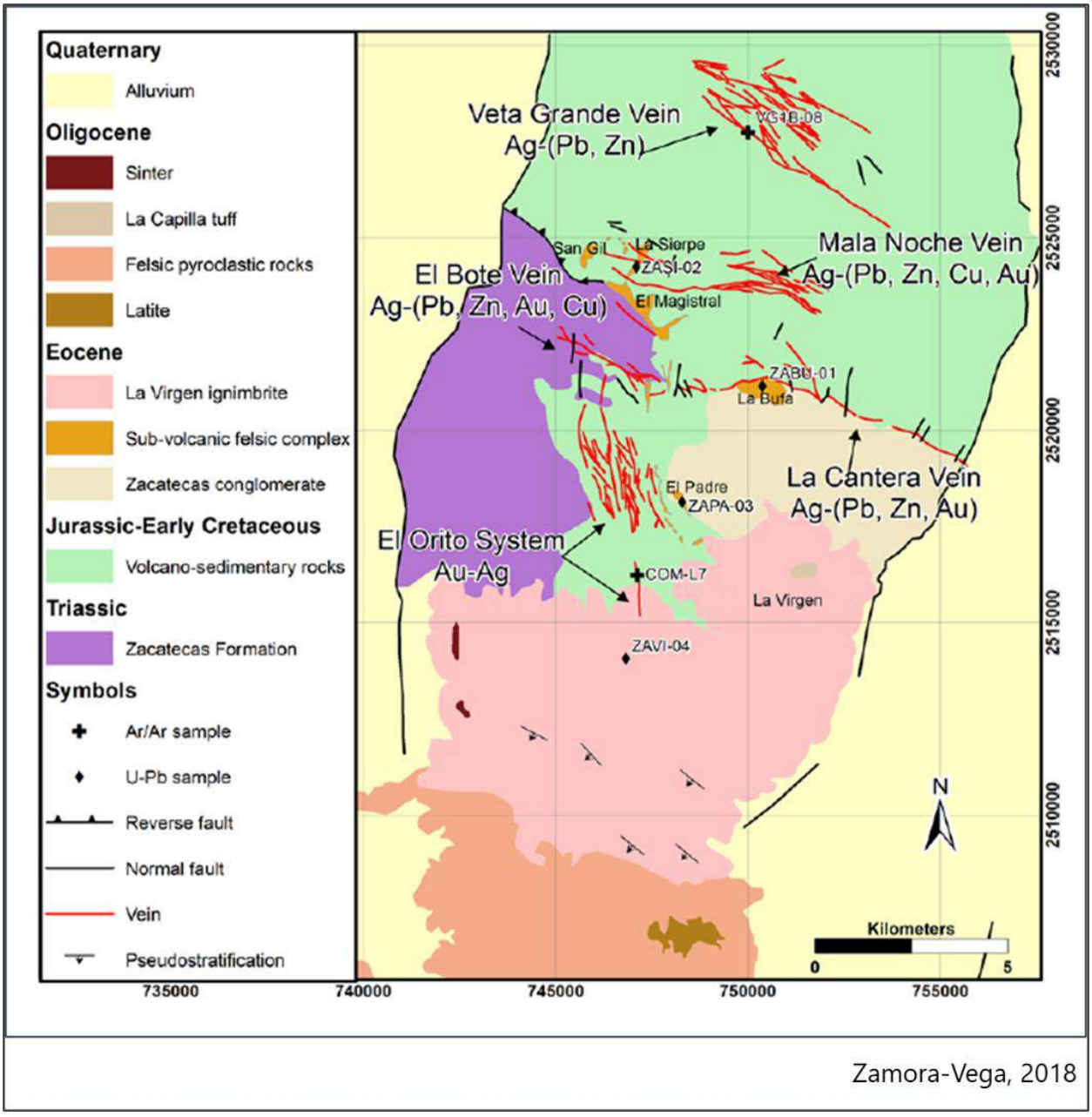
The La Bufa Formation, a phase of rhyolitic volcanism most spectacularly visible at La Bufa dome in Zacatecas City, is expressed as a set of felsic domes, plugs, and dykes that outcrop in the central and northern areas of the District and crosscut the older rocks described above. The rhyolite is typically light gray to pink at surface and white in drill core; it ranges from flow-banded to porphyritic at depth. This unit is diachronous across the district and has been dated to between 51 – 44 Ma (U-Pb zircon ages obtained by Zamora-Vega et al, 2018).

The La Virgen Formation is a voluminous pyroclastic unit with various facies that outcrops south of Zacatecas City. It can be up to 200 m thick and has been dated to of 41.72 ± 0.45 Ma (U-Pb zircon age, Zamora-Vega et al, 2018). The basal portion of the unit is variably argilized.

***Oligocene***

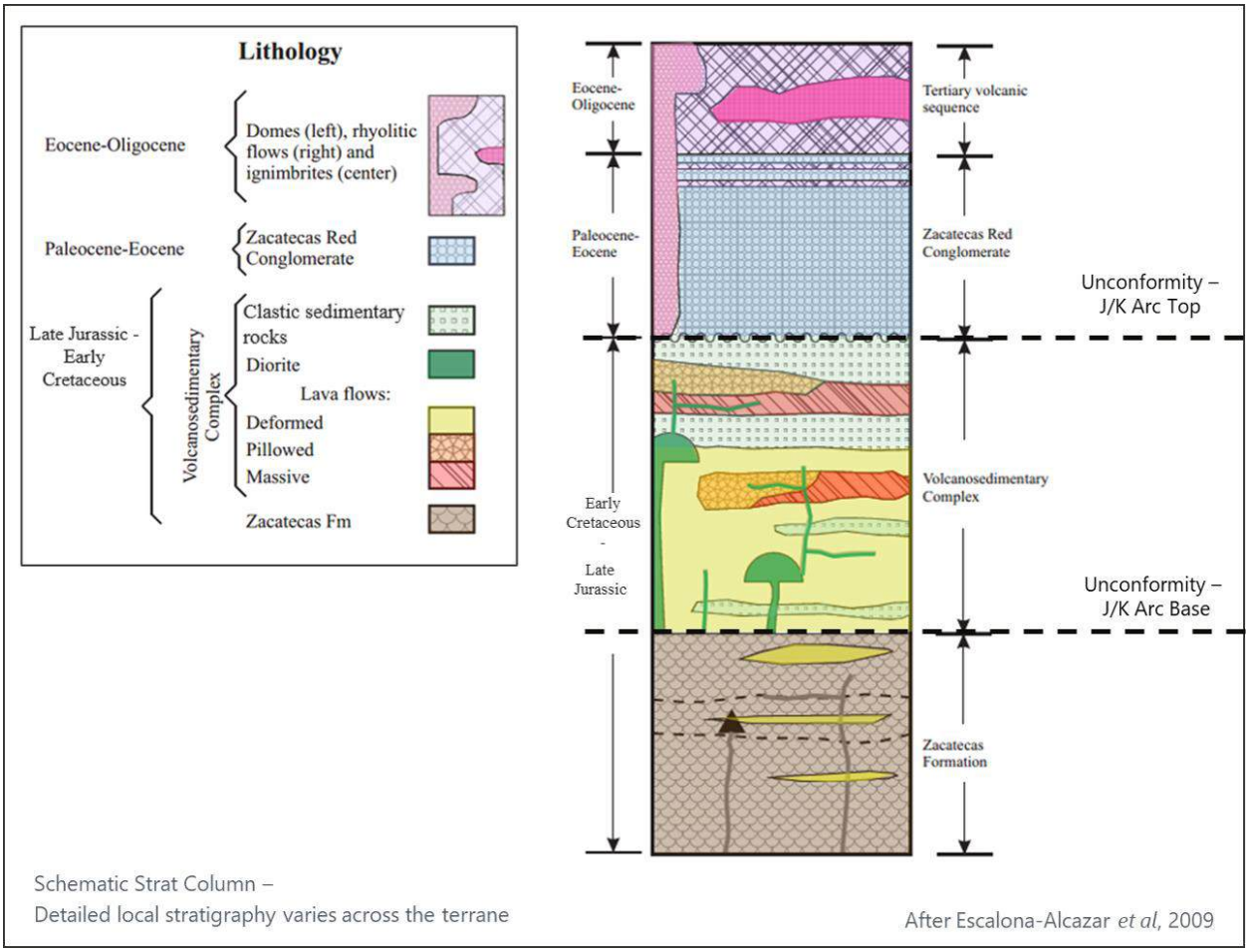
A package of volcanic rocks interpreted to be Oligocene in age is present in the far southern extent of the Zacatecas block. These units are dominated by felsic pyroclastic material, with minor extrusive rocks and sinters.

**Figure 7-2 Geological Map of the Central and Southern Zacatecas District**




Zamora-Vega, 2018

**Figure 7-3 Regional Stratigraphic Column**




## 7.2 Local Geology

The Zacatecas Project is predominantly composed of the Chilitos Formation and is typical of a volcanic submarine arc environment. Rock types include a variety of volcanic, sedimentary, and intrusive rocks. The geologic map for the Project and stratigraphic sections for both San Acacio and Lucita are shown in Figure 7-4, Figure 7-5, and Figure 7-6 respectively. The geology in San Acacio and Lucita is similar; however, stratigraphic correlation between Lucita North and the southern Project area requires further work.

The oldest rocks in the area comprise a weakly metamorphosed package of predominantly sediments, interpreted to be part of the underlying Triassic succession. This rock package is exposed just outside of the Project area and is believed to exist at depth within the Project as shown in the stratigraphic sections (Figure 7-5 and Figure 7-6). Overlying the metamorphic rocks, limestones with intercalations of siliciclastic sediments and pillow lavas have been observed to the north of the Project area. This more carbonate-rich succession is interpreted to be in faulted to potentially depositional contact with the siliciclastic succession that outcrops in the Project area.

Overlying these older units is a package of sedimentary rocks with minor intercalations of intermediate to mafic flows and sills. In San Acacio, the siliciclastic sedimentary package consists of predominantly siltstones and sandstones with lesser intervals of shale. The sedimentary package can reach up to 200 metres in thickness, with bedding varying between <1 cm to 60 cm. The sedimentary package is commonly found in the footwall of the Veta Grande structure but is also observed in outcrop in the southwest of San

Acacio, near the San Fernando structure. Hydrothermal alteration in the sediments is dominantly clays with minor silicification and local adularia.

In Lucita South, the siliciclastic sedimentary package rarely crop out; however, siltstones and black shales were encountered in drilling in faulted contact with the overlying volcanics. These sediments are interpreted to correlate with the base of the stratigraphic sequence of San Acacio.

In Lucita North, the siliciclastic sedimentary package differs from San Acacio and Lucita South due to: (1) the presence of greywackes and greywacke breccias and (2) increasing interstitial carbonate material and the presence of limestones to the north of the project area. Sediments are predominantly sandstones, siltstones and shales that are locally weakly calcareous. Greywackes occur at the top of sedimentary package here and consist of variations of feldspathic wacke (>50% feldspars) to lithic wacke (> 50% lithics), as well as wacke breccias with clast and matrix-supported compositions and variably outsized clasts. Locally wacke units are moderately to strongly silicified.

Overlying these sedimentary units is the most abundant lithology at the Zacatecas Project: a sequence of pillow lavas intercalated with fine-grained, massive to vesicular flows and bimodal volcaniclastic tuffs and breccias. Volcaniclastic rocks tend to occur near the base of this unit, transitional to the sedimentary package. Pillow basalt flows are variably fine-grained to strongly vesicular with local autoclastic breccias at interpreted flow edges and tops. Hydrothermal alteration in the mafic volcanic package is dominantly chlorite and epidote with zones of silicification. When the Veta Grande structure is within this unit, the mineralization tends to be both wider and contain higher grades.

The volcanic package is predominantly located in the hanging wall of the Veta Grande structure; however, in both the NW and SE parts of San Acacio, this unit is present in both the hanging wall and foot wall. The unit is very abundant in Lucita South and occurs across Lucita North but is most abundant in the north. In Lucita North, pillow basalts are interbedded with sediments, dominantly siltstones, at the base of the volcanic sequence and to date, no volcaniclastic rocks have been encountered in this part of the Project.

In San Acacio, a porphyritic phase of andesite occurs cross-cutting the sedimentary package and contains feldspar phenocrysts on average 2 to 5 mm in size within a fine-grained matrix. This unit is locally magnetic and weakly to moderately chlorite altered. This lithology is interpreted as small hypabyssal intrusions intruding the aforementioned sedimentary package. Dikes and sills of a similar porphyritic andesite unit have been observed in drill core in western San Acacio. It remains unclear if these units are the same.

The youngest unit in the volcano-sedimentary package within the Project is a vesicular andesite, occurring in San Acacio and Lucita South. This unit overlies the units described above and is interpreted as a volcanic dome. The vesicular andesite is fine-grained with abundant vesicles. Hydrothermal alteration in this unit can be quite strong and presents as epidote and silica flooding, often filling vesicles and giving the appearance of quartz eyes; locally, veining with variable sulfides and iron oxides is present. This unit is found mainly in the western part of San Acacio (Figure 7-5).

Intrusive rocks present on the Project are predominantly gabbro and diorite, although ultramafic intrusions are present in a smaller proportion. Diorites and gabbros have been observed at surface and in drill core across the Project. The gabbro is often magnetic and has a fine to medium-grained, equigranular texture with distinctive plagioclase phenocrysts with an acicular to lath-like habit; gabbro intrusions vary from small dikes to large bodies. The diorite typically occurs at the edges of the gabbro or intruding other units, mainly as dikes and sills. The most significant phase of the diorite is equigranular; however, a minor porphyritic phase is also present. Age dating of sanidine from the equigranular diorite in San Acacio using Rb-Sr isotopes (technique described in Larson et al., 2023) returned a Late Cretaceous age of 69.50 ± 2.24 Ma (unpublished report, 2022), placing it well before the currently accepted age of the Veta Grande mineralisation (42.36 ± 0.18 Ma Ar-Ar, adularia, Zamora-Vega et al, 2018).

**Figure 7-4 Defiance Geologic Mapping of the Zacatecas Property**

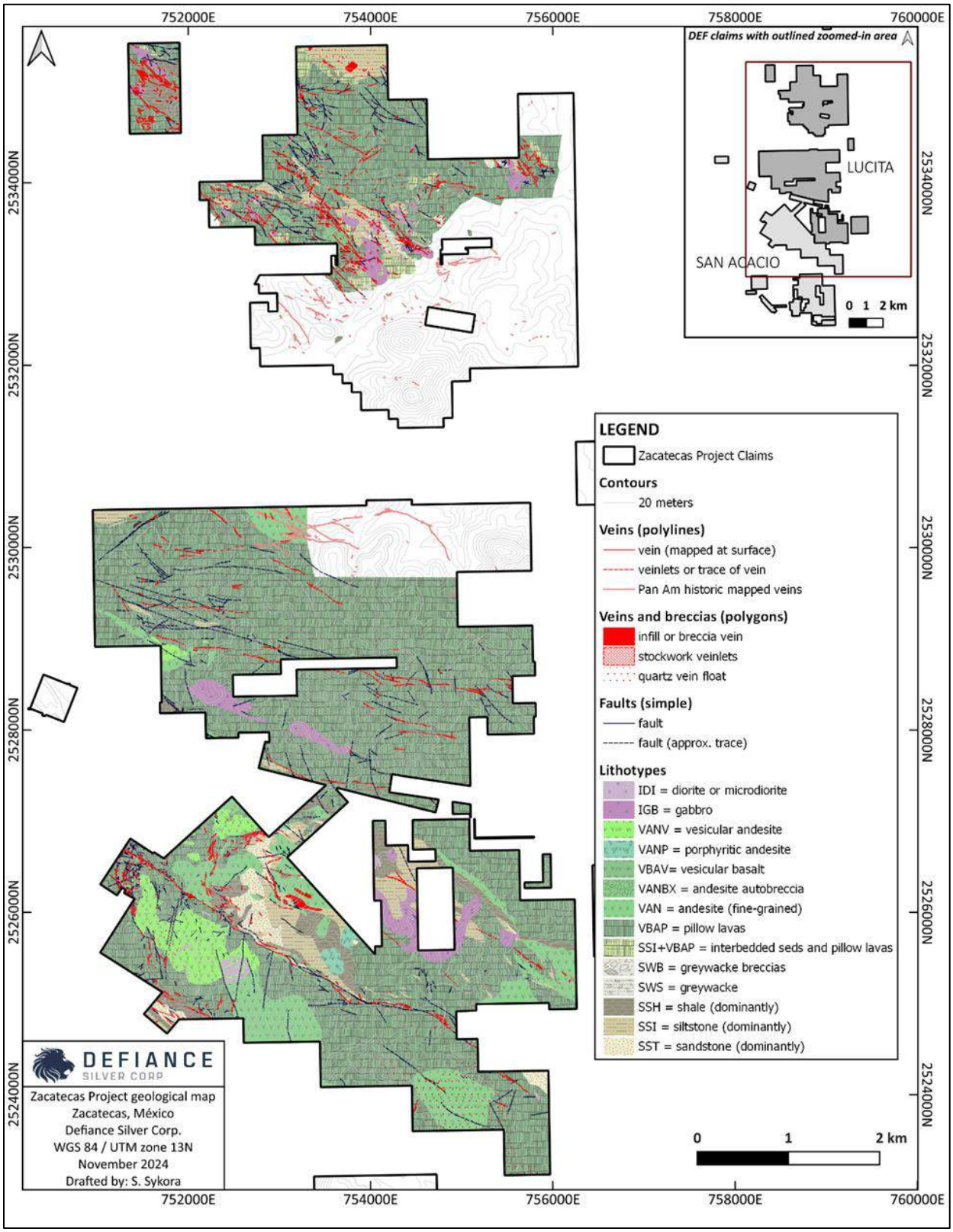


**Figure 7-5 Stratigraphic Column - San Acacio and Lucita South**

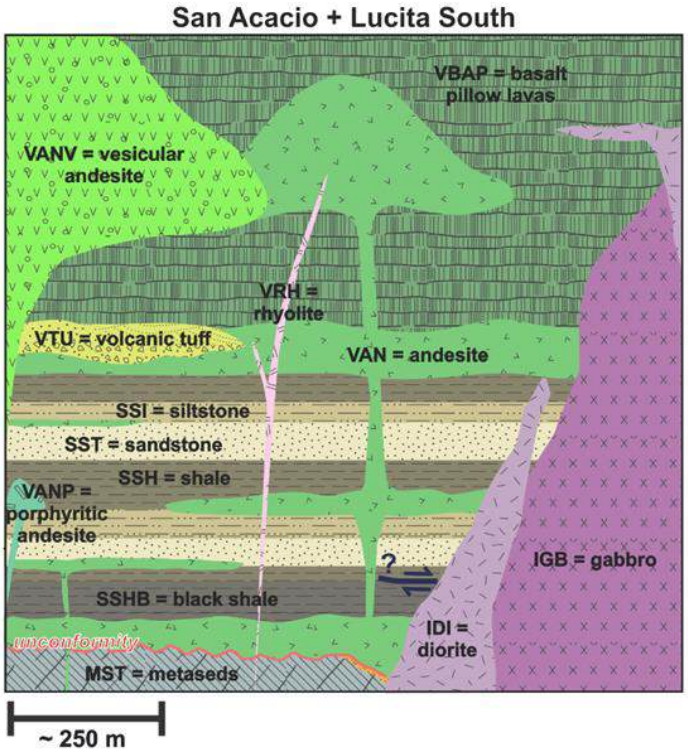
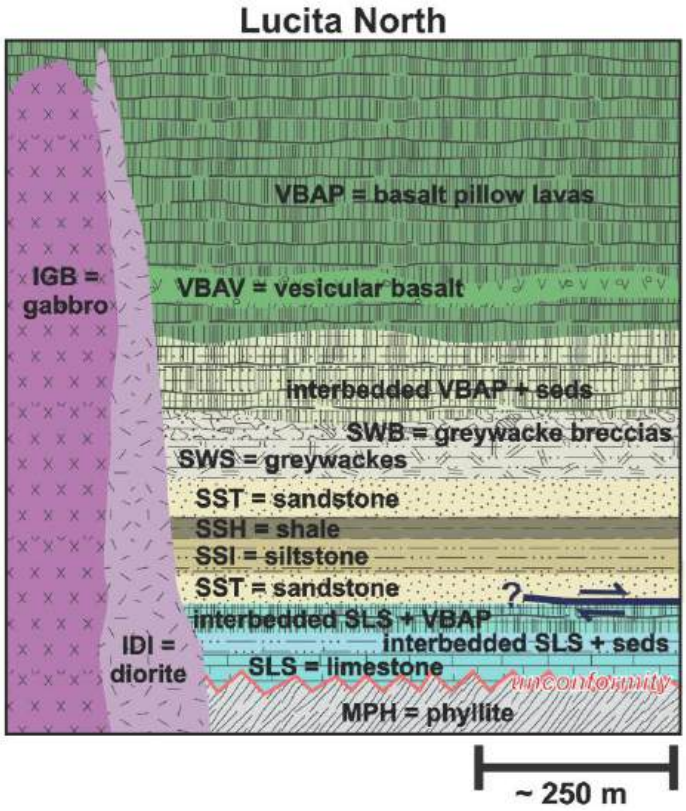



**Figure 7-6 Stratigraphic Column - Lucita North**

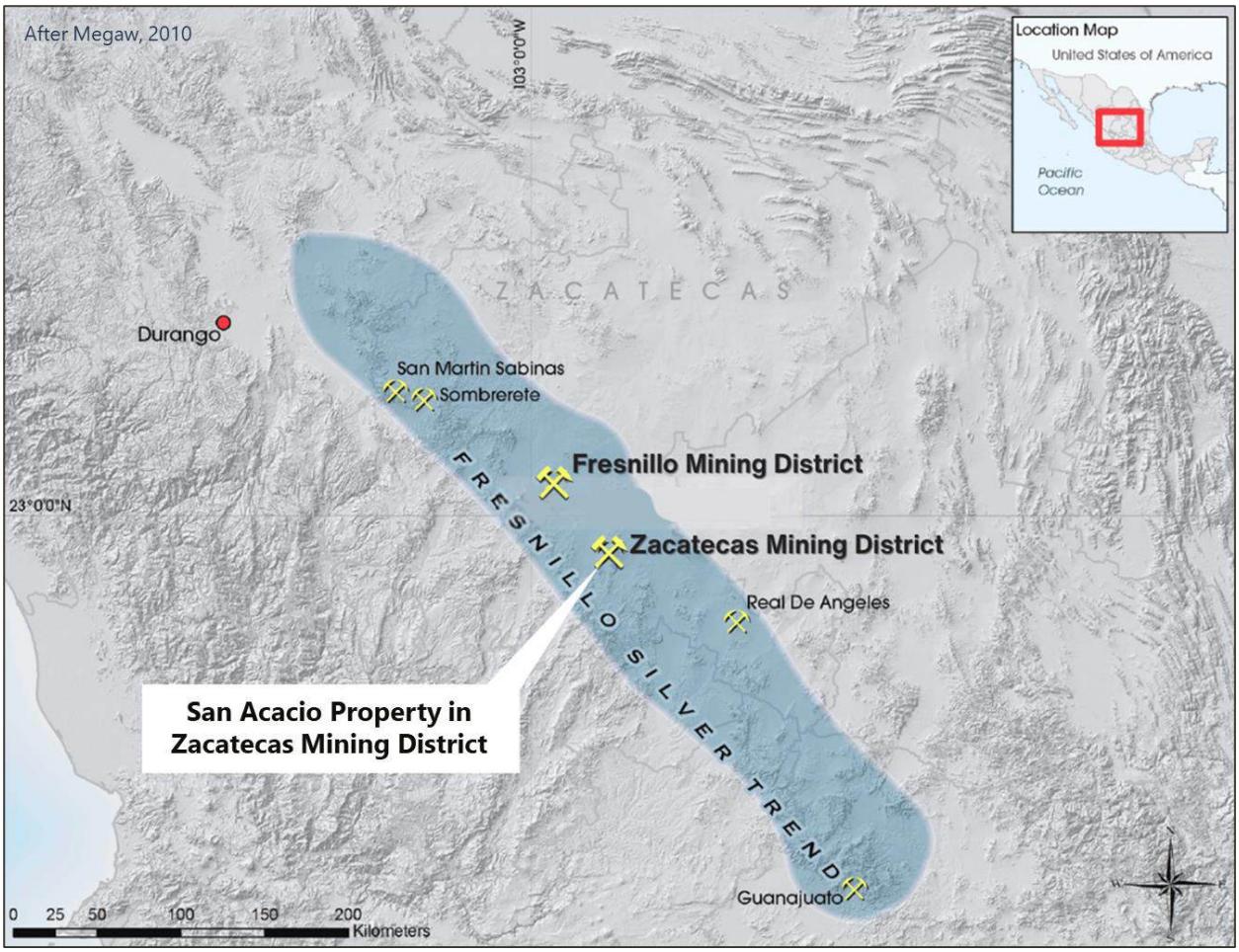


## 7.3 **Regional Mineralization Context**

Defiance's Zacatecas Property is located within the Central Mexican Silver Belt, a northwest-trending belt of world-class mining districts such as Fresnillo, Guanajuato, Sombrerete, and the Zacatecas District itself (Figure 7-7, Megaw, 2010). The Property is located along a regional fault system, known as the San Luis-Tepehuanes Fault System (Nieto-Samaniego et al., 2007), , a delineating feature of the Central Mexican Silver Belt.

The San Luis-Tepehuanes Fault System can be traced for approximately 1600 km and expresses as a NW-striking major lineament visible in satellite images, topographic maps, and geological and geophysical data sets. This long-lived, major fault system localized many world-class mining districts including Fresnillo (Juanicipio Mine, MAG Silver) and Sombrerete (La Colorada Mine, PanAmerican Silver); these districts are located 50 km to the NW and 150 km to the NW, respectively, along the same fault system as Defiance's concessions in the Zacatecas District.

**Figure 7-7 Property Location in the Central Mexican Silver Belt**




## 7.4 **District-Scale Mineralization**

The Zacatecas Silver District is one of the most prolific silver producing areas in the world, having produced in excess of 681 million ounces of silver during the period 1546 to 1895 (Consejo de Recursos Minerales, 1992). Zacatecas state continues to be the top producer of silver in Mexico and is one of the reasons Mexico remains the world's largest silver-producing region. Production in the district dates to at least 1548, when

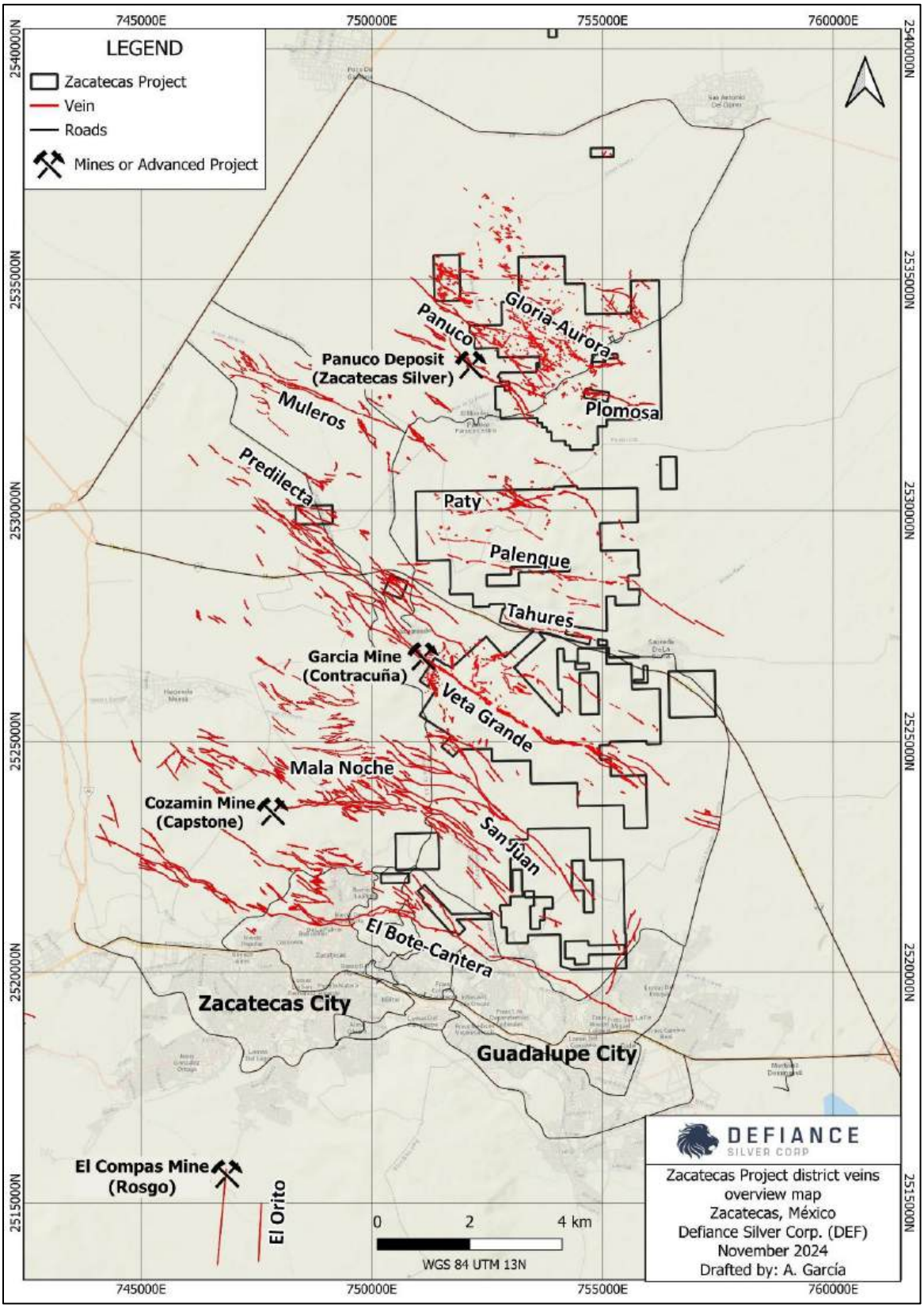
Spanish colonialists began mining mainly bonanza oxide ores that typically graded in excess of 1 kg/tonne silver (Ponce & Clark, 1988).

The Zacatecas Mining District covers an area of over 700 square kilometres in north central Mexico and is known for its rich epithermal vein deposits containing silver, gold, zinc, lead, and copper. The predominant NW trend of the veins in the district reflects the northwest trend of the larger Central Mexican Silver Belt; these trends are controlled by the large, crustal-scale structures that act as hosts to the mineralization. Structures that host the veins in the Zacatecas District tend to have persistent strike length (~ 4 –16 km) across the exposed block. The veins along these structures pinch and swell – both horizontally and vertically – from less than 1 metre up to 30 metres in width and often have associated vein splays and veinlet array zones.

The Ag-dominant, polymetallic intermediate-sulfidation epithermal vein systems (Ag ± Au, Zn, Cu, Pb) are by far the most dominant mineralization and have been the most economically important in the district over its history. The main vein systems in the district are shown in Figure 7-8 including the El Bote-Cantera system, the Mala Noche system (Cozamin Mine, Capstone), the Veta Grande system in San Acacio, the Palenque and Panuco systems in Lucita, as well as the Au-dominant El Orito system (El Compas mine) south of Zacatecas City.

The north-striking El Orito system as well as east-west trending structures appear to post-date the northwesterly structures and can host mineralisation that tends to show a more low sulfidation epithermal affinity, including higher Au/Ag ratios (e.g. Juanicipio Mine in the Fresnillo District, El Compas mine and various prospects in the Zacatecas District).

**Figure 7-8 Zacatecas District Vein Systems and Significant Mines**



## 7.5 Project Mineralization

Mineralization at the Zacatecas Project is predominantly characterized by Ag-rich, polymetallic (Zn, Pb, ± Au, ± Cu) intermediate sulfidation epithermal veins. These veins contain banded to brecciated textures and show evidence of multiple hydrothermal events. Exploration work at the Project has also identified the potential for precious metal-rich (i.e., Ag and Au) low-sulfidation epithermal veins and carbonate replacement-style polymetallic mineralization.

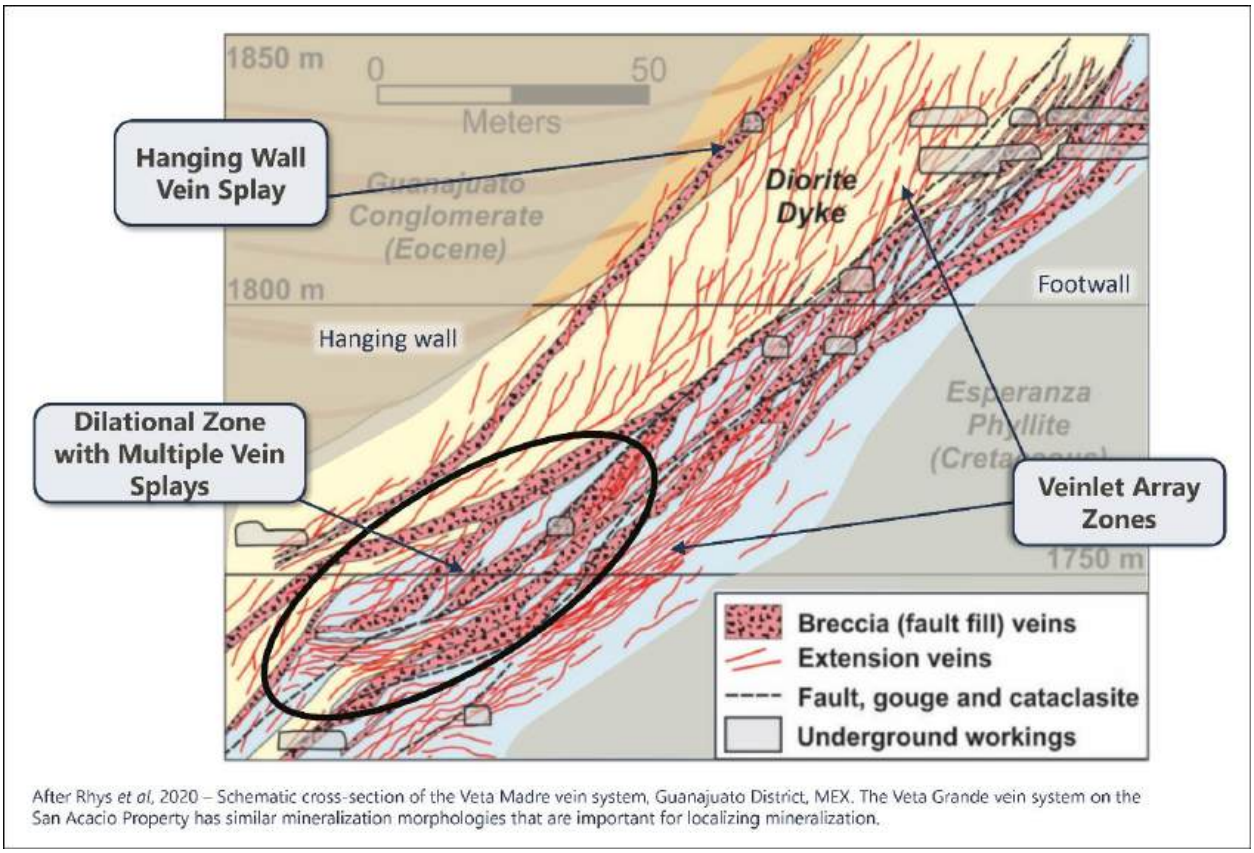
### 7.5.1 San Acacio Mineralization

The main mineralized structure at the Zacatecas Project is the Veta Grande vein system. The Veta Grande vein system has a dominant northwest strike and dips towards the southwest, on average 65 degrees. The mapped strike extent of the Veta Grande vein system within the San Acacio land package is approximately 5 kilometers and extends to depths of at least 400 m below surface as evidenced from underground development and drilling. The Veta Grande vein system and other vein systems in the district are characterized by three main mineralization morphologies:

- **fault-fill veins** with polyphase breccias
- **vein splays** with predominantly fault-fill vein textures
- **veinlet array zones** that frequently display banded textures.

The Veta Grande has an analogous mineral systems architecture to the Veta Madre in the Guanajuato District, which also displays a combination of a large fault-fill ‘mother vein’ with vein splays and veinlet array zones. Figure 7-9 illustrates the different morphologies of the mineralization in a schematic cross section, and Figure 7-10 shows an example of these morphologies and their grades on the Veta Grande at San Acacio.

**Figure 7-9 Schematic Cross-Section Showing Mineralization Morphologies Important for Mineralization at the Property**



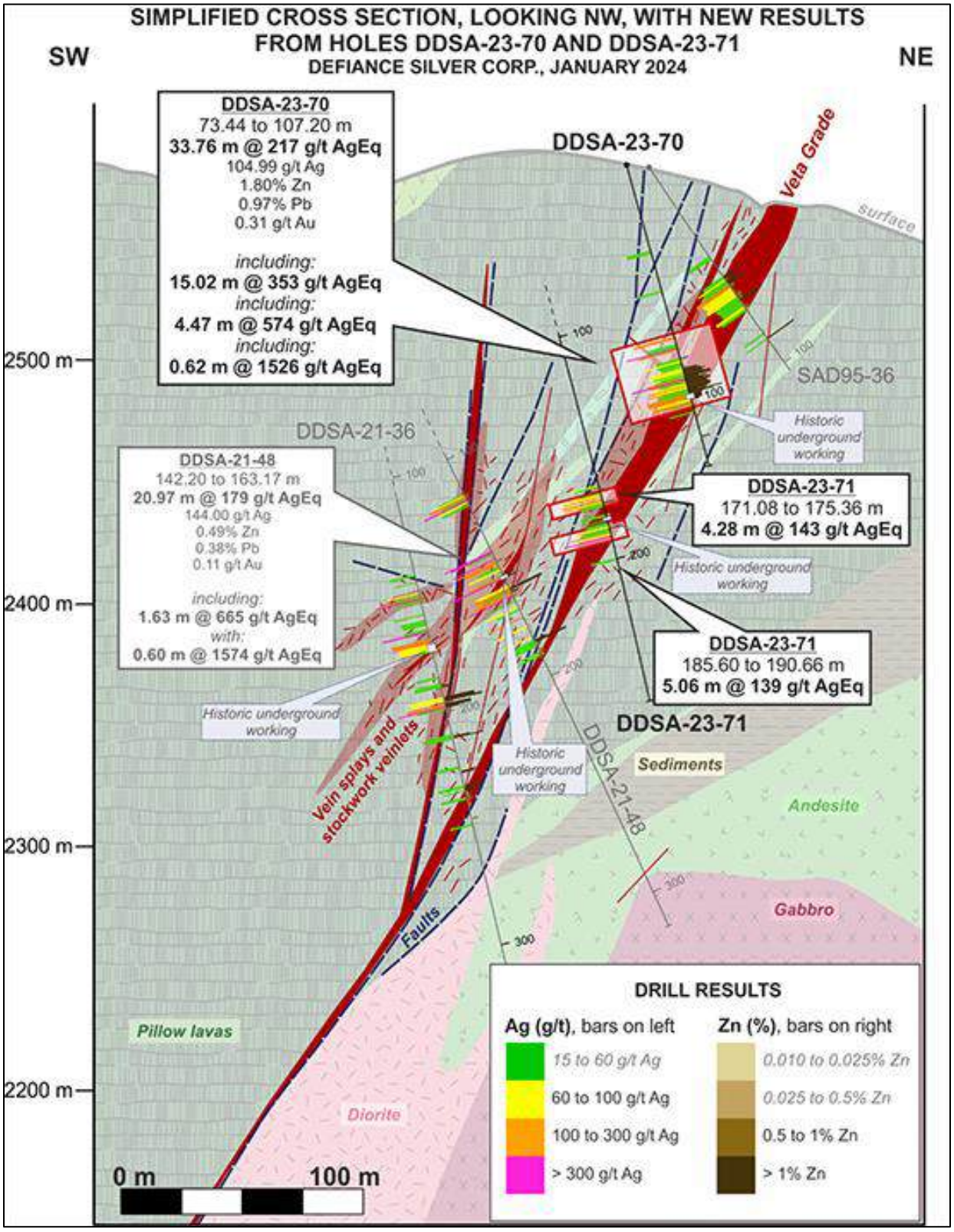

After Rhys *et al*, 2020 – Schematic cross-section of the Veta Madre vein system, Guanajuato District, MEX. The Veta Grande vein system on the San Acacio Property has similar mineralization morphologies that are important for localizing mineralization.

**Fault-fill Vein** textures are best developed along the main Veta Grande structure, which can vary from 1 – 30 metres in width. At San Acacio, the Veta Grande records at least 7 identified stages of mineralization with varying mineralogy and metal content and multiple episodes of brecciation.

**Vein Splays** are most strongly developed in the Guadalupe and Refugio zones, with historic miners concentrating on the central splay. A hanging wall splay is also present in the Esperanza zone. These splays have characteristics similar to the main Veta Grande.

**Veinlet-Array Zones** appear to be best developed in the northwestern extent of the Property (Carolina and Almaden zones) in the hanging wall to the Veta Grande, though they can also occur in the footwall as they do in the Esperanza zone. These zones are typically characterized by domains of anastomosing veinlets that commonly carry high-grade, silver-rich mineralization and are spatially associated with amethyst and quartz gangue. This amethyst-rich mineralizing event is considered to be one of the earliest known hydrothermal phases of the Veta Grande vein system.

**Figure 7-10 Simplified Cross-Section of the Veta Grande Vein System with Drill Results, from San Acacio**

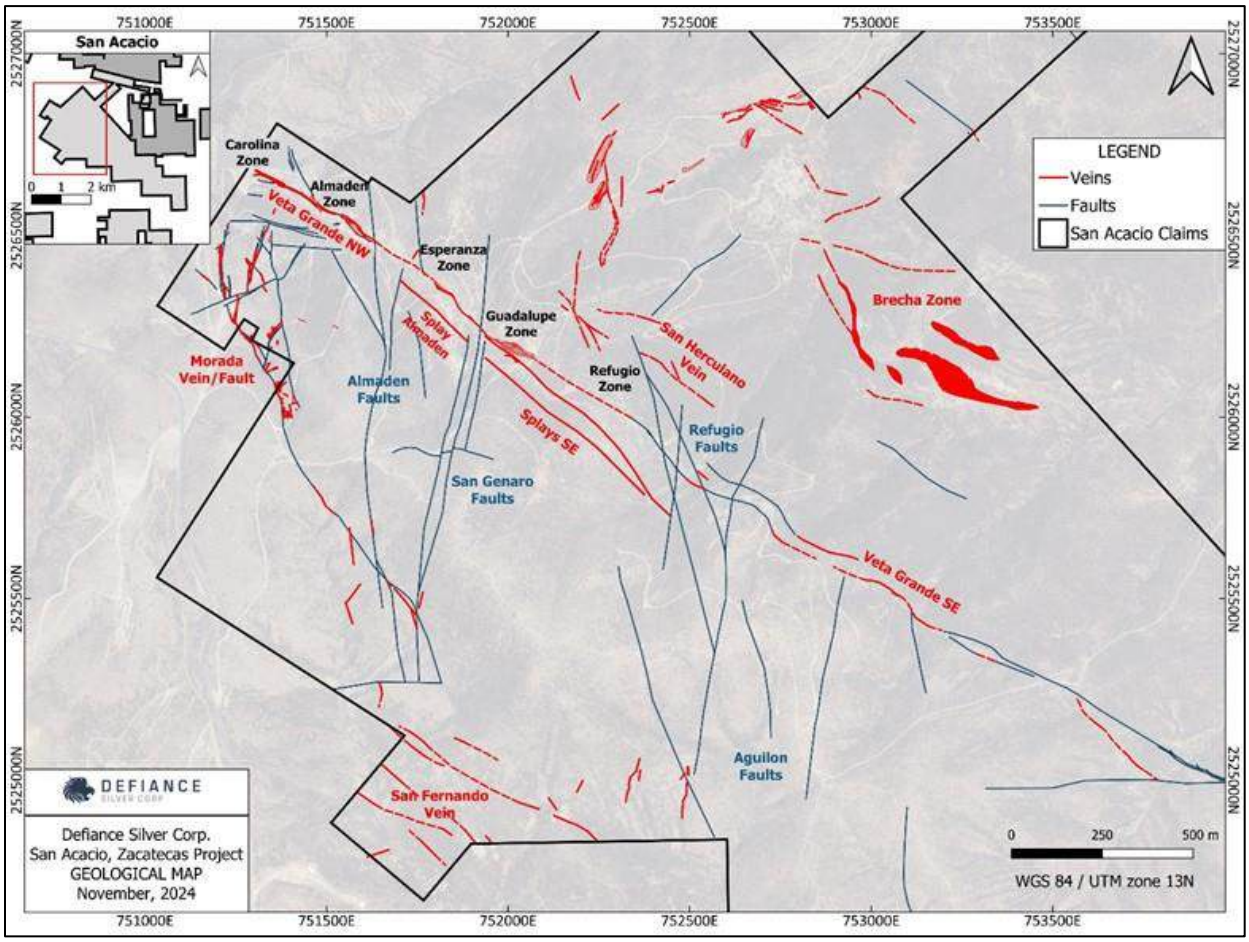


The primary metals found in the Veta Grande are silver (as acanthite and other silver-bearing minerals) and zinc as sphalerite. Lead, as galena, and gold are also commonly present.

The highest-grade silver mineralization is typically associated with silver sulfides, argentiferous galena, and spatially correlated with honey-coloured sphalerite. These sulfides typically occur with light to dark purple amethyst, which is locally banded with rarer light, blue-white chalcedony. Polymetallic metal assemblages frequently occur in the massive to semi-massive sulfide phases with pyrite, galena and sphalerite. The highest-grade gold mineralization is typically associated with pyrite, brown to red-coloured sphalerite, and occasionally with hematite.

The principal gangue minerals include quartz, amethyst, calcite, dolomite, adularia, and barite. The main minerals of potential economic interest in the Veta Grande vein system include acanthite, sphalerite, galena, chalcopyrite, pyrargyrite, proustite, and pyrite.

**Figure 7-11 Major Vein Systems and Faults at San Acacio**




At San Acacio, the best exposure and the densest drilling are in the northwestern portion of the claims, where the Veta Grande vein system is believed to be exposed at deeper levels of the epithermal system; higher-grade mineralization is present near surface. Moving toward the southeast along the Veta Grande, the exposure level of the mineralized system appears to have characteristics of higher levels in the epithermal system. Both historically mined and intact mineralization are present at deeper elevations to the southeast along the structure. There is potential for additional mineralization at depth in the far southeastern part of San Acacio.

Interpreted fault blocks, based on detailed mapping along the Veta Grande structure, are mainly controlled by both the location of NE striking ancestral faults most evident in geophysical data sets and younger NNW to NNE-striking faults that cross-cut and are cross-cut by the Veta Grande (Figure 7-11). Structural evidence from both the district and the Central Mexican Silver Belt suggests that W-striking faults are younger than the prominent set of NW-striking structures such as the Veta Grande. Both the NNW to NNE and W-striking fault sets exert significant controls on the location and tenor of the mineralization.

In addition to the Veta Grande, there are several vein systems at San Acacio, including Tahures, San Fernando, Veta Morada, and the Breccia Zone. These vein structures represent important targets for the Company, and exploration work is ongoing.

### 7.5.2 Lucita Mineralization

Multiple vein systems are present at Lucita, and more than 10 significant vein structures have been identified at surface (Figure 7-12). Drilling has been limited to three phases of scout drilling (Defiance 2021-2022, Pan American 1996, 2011-2012). Drilled veins have been poorly tested, and many veins remain undrilled.

The most prominent vein systems at Lucita trend northwest-southeast and east-west and outcrop as mineralized veins, breccias, and alteration zones. These structural orientations are characteristic of the most important mineralizing events of the world-class ore deposits in the Central Mexican Silver Belt. Intersections of these two mineralizing events often localize zones of significant mineralization. Several kinematic examples from detailed field mapping show dextral offset of the NW-striking structures by the W-striking system.

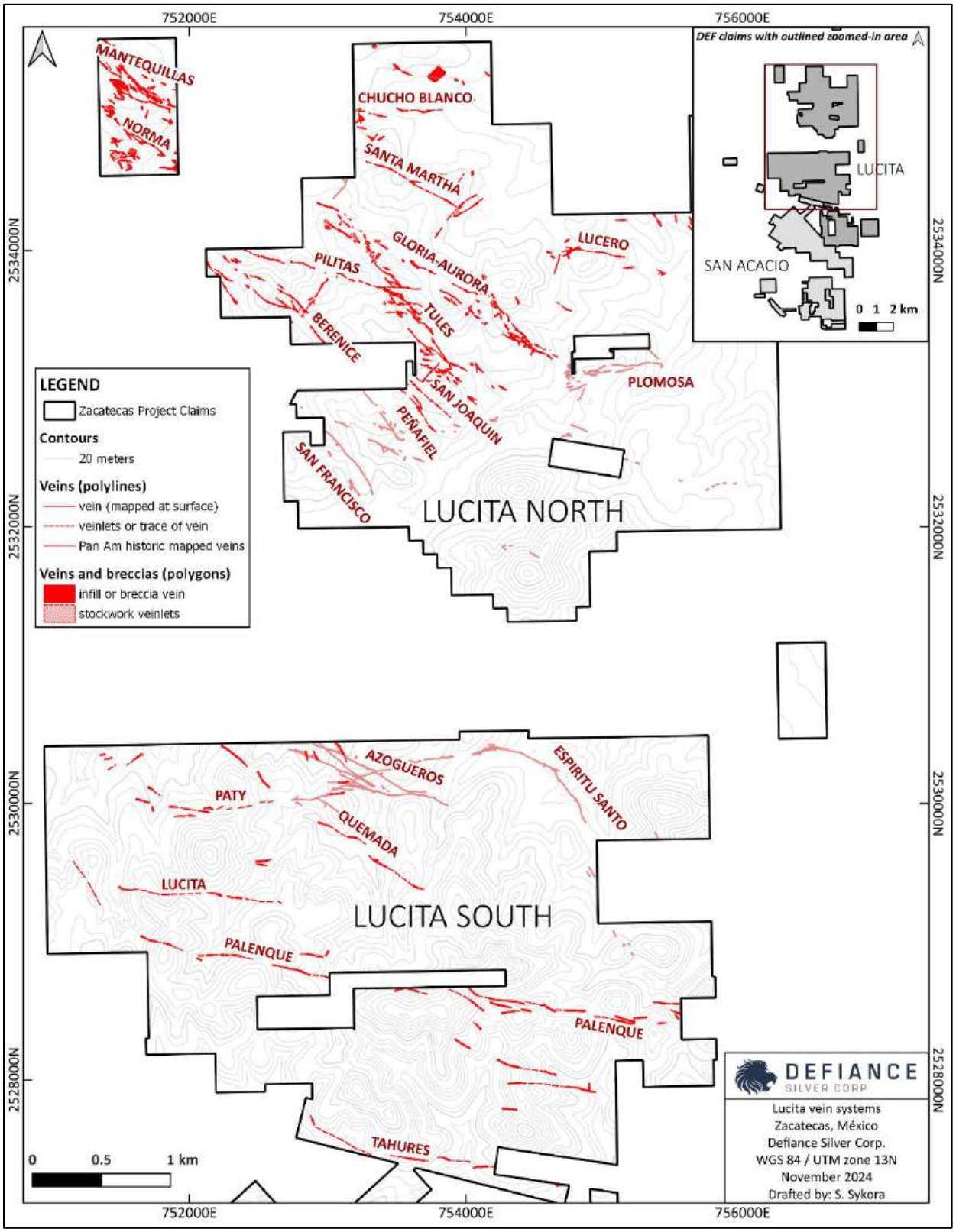
Vein systems at Lucita have similar banded, brecciated, and massive textures as seen in other low to intermediate sulfidation epithermal vein systems. The two geometric sets, however, have slightly different characteristics in their mineral assemblages and morphologies.

NW-striking veins in Lucita are dominantly composed of carbonates and iron carbonates, consisting mainly of calcite, dolomite, ankerite, and siderite, with lesser quartz. At surface these veins contain abundant iron oxide material as goethite and hematite and lesser manganese oxide. Quartz is lesser, but locally abundant. These NW-striking veins typically have a polymetallic geochemical signature with Ag-Zn-Pb-Au-(Cu).

W-striking veins in Lucita are dominantly carbonate and quartz-rich, consisting of calcite, quartz, and lesser dolomite, ankerite, and siderite. Surface manganese and iron oxides are also lesser, and sulfides are often present. Locally pale amethyst and barite occur. These W-striking veins appear to have a more Ag-Au-(Sb-As) dominant geochemical signature.

The primary metals found in Lucita are silver (as silver sulfosalts and acanthite) and zinc as sphalerite. Gold, lead as galena, and copper as chalcopyrite are also commonly present. The sulfide mineralogy at Lucita consists of pyrargyrite, proustite, other silver sulfosalts, acanthite, sphalerite, galena, chalcopyrite, stibnite, arsenopyrite, marcasite and pyrite.

**Figure 7-12 Major Vein Systems and Faults on at Lucita**



#### 7.5.2.1 Lucita North Mineralization

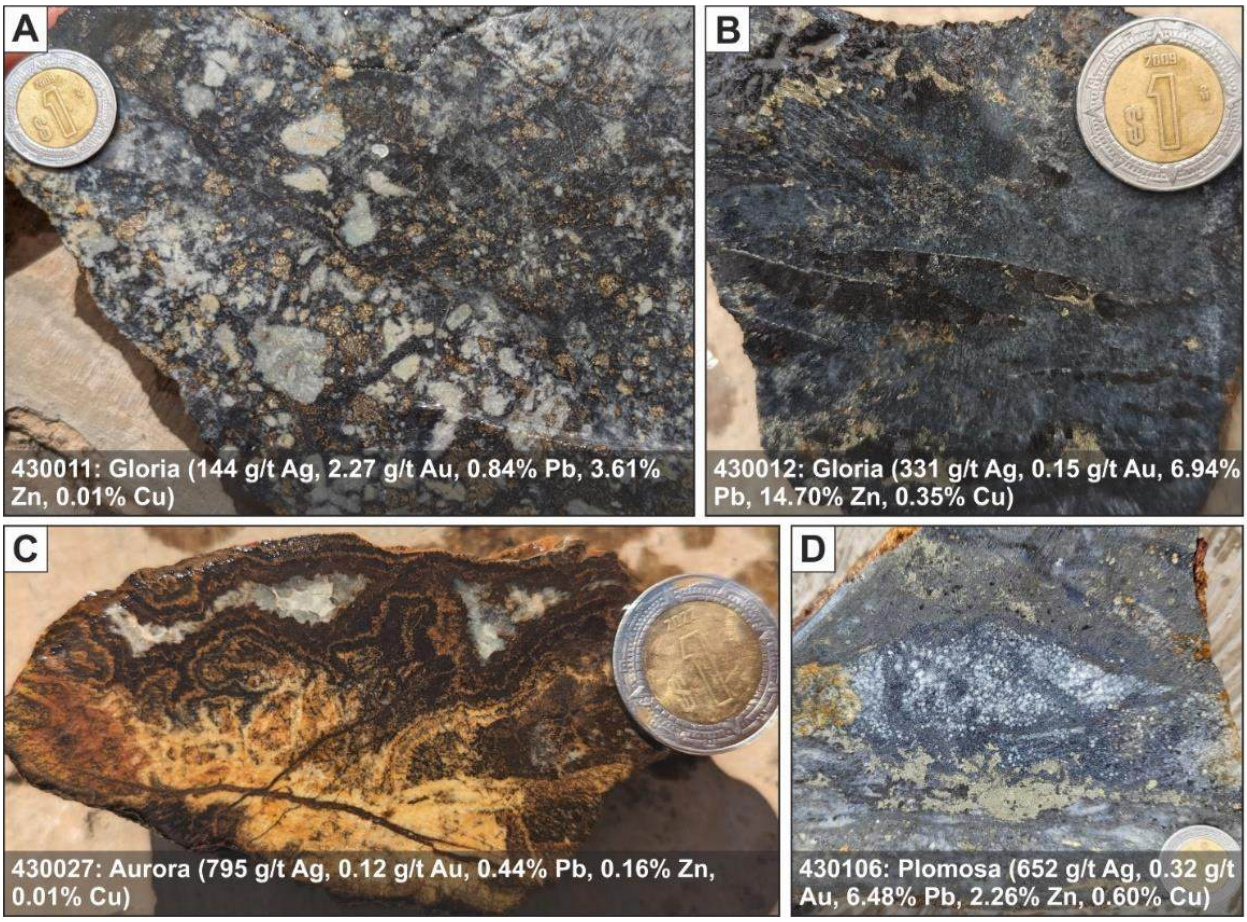
Outcropping vein structures in Lucita North range from 0.3 – 1.6 km in strike length and are dominantly NW-striking with additional W-striking structures. Widths of veins and breccia structures range from 0.1 to 19 meters. The highest-priority targets at Lucita North identified to date are in the Gloria-Aurora-Plomosa vein system and the Pilitas-Tules intersection zone. Surface exploration work including mapping and sampling is ongoing.

The Gloria-Aurora-Plomosa vein system is a large, regional structure similar in orientation and length to Defiance's Veta Grande system. The Gloria-Aurora-Plomosa system contains a high-density of altered and mineralized structures with high grades at and near surface. The Gloria-Aurora-Plomosa system has a combined strike length of at least 3 km and is one of the best polymetallic (i.e., Zn, Pb, Ag, Au, Cu) surface geochemical anomalies in the Zacatecas Project.

The mineralization style is dominantly multiphase, intermediate-sulfidation epithermal veins and breccias; this is best exhibited in the Aurora zone. The Gloria zone also contains an outstanding example of polymetallic, breccia-style mineralization with metal assemblages and textures reminiscent of carbonate-replacement style deposits (Figure 7-13). The eastern portion of Plomosa remains to be mapped, but preliminary findings indicate the presence of multiple mineralization styles. The historic Plomosa mine was operated as recently as 1983 and has surface shafts and underground workings to at least 105 m.

The Pilitas-Tules intersection zone is of particular interest due to the presence of east-west Ag-rich structures that intersect earlier northwest-southeast structures. The NW-striking breccia-vein zones are understood to be exposed at a high-level of the epithermal system, and therefore present important drill targets at depth. This architecture and mineralization style is reminiscent of the structures that are known to host significant mineralization in the Fresnillo district.

**Figure 7-13 Polymetallic Mineralization from the Gloria-Aurora-Plomosa System, Lucita North. Gloria (A & B), Aurora (C) and Plomosa (D).**




7.5.2.2 Lucita South Mineralization

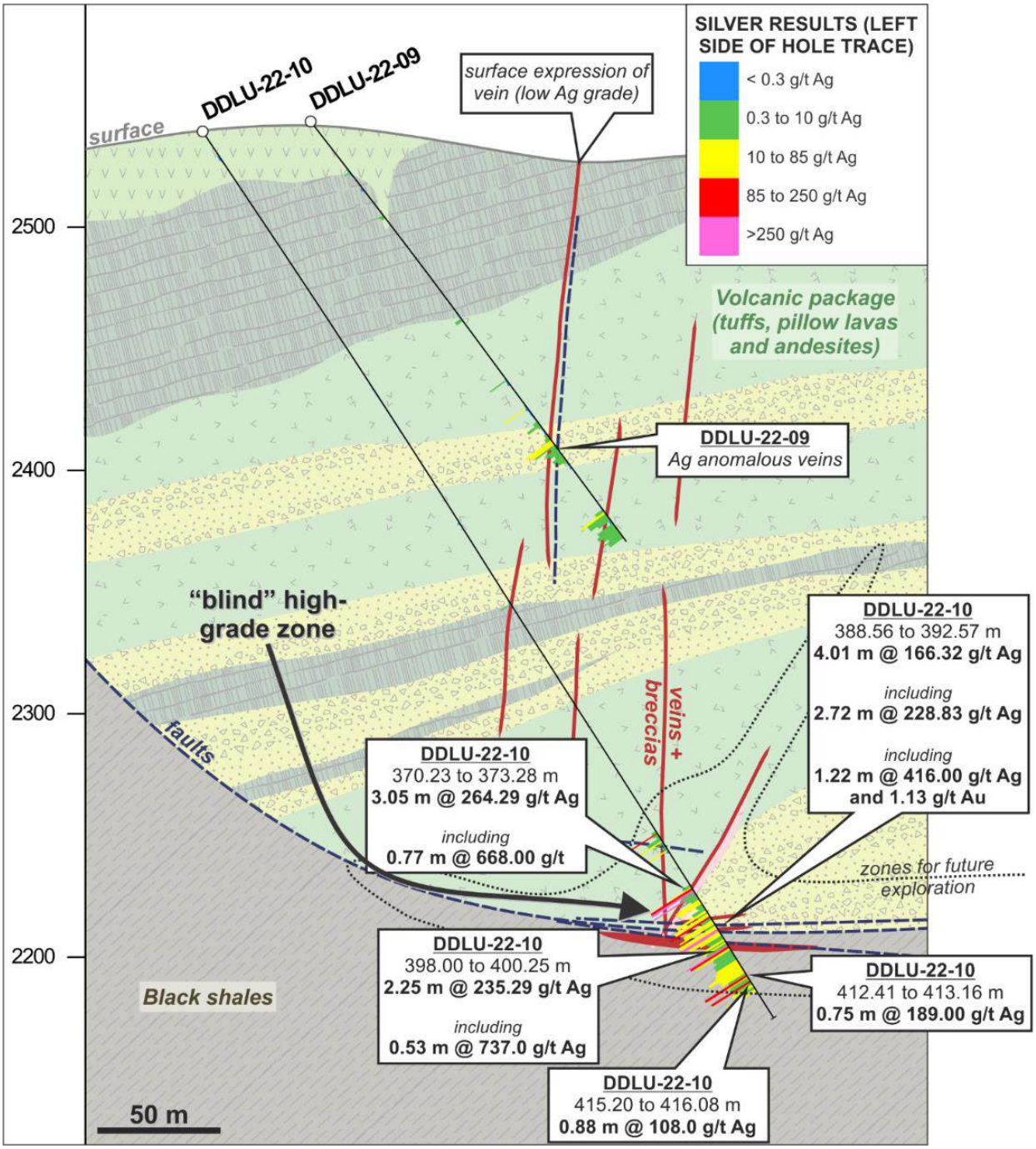
In Lucita South, outcropping vein structures range from 0.4 to 3.5 km in length and are dominantly E-W trending. Widths of veins vary from less than 1m up to 4 m in thickness. The highest priority targets identified to date are the Palenque, Lucita, and Paty structures.

The Palenque vein system was historically mined, and surface and underground workings exist across the property. Surface mapping and sampling identified mineralization and alteration at surface and led to the maiden drill program on Palenque in 2021-2022. The first pass drilling along Palenque confirmed the continuation of high-grade, near surface, Fresnillo-style, low to intermediate-sulfidation epithermal silver mineralization consisting of pyrargyrite (high-level sulfosalt) and silver sulfides that potentially indicate the higher-level setting of a zoned epithermal system. The drill program also identified blind mineralization in low-angle faults and within specific stratigraphic units (Figure 7-14).

The Lucita vein system has a 1.4 km long strike length, and likewise yielded very high surface Ag and anomalous Au grades during mapping. This structure also has historic workings and light purple-pink quartz (amethyst to rose quartz) reminiscent of the mineralogy in the Veta Grande. This system has yet to be drill tested.

Important intersections of the W-striking Paty vein, which contains the highest-grade surface sample from previously mined material (**2350 g/t Ag**), with several NW-striking veins represent additional Fresnillo-style drill targets.

**Figure 7-14 Lucita South, Cross-section of Drill Holes DDLU-22-09 and DDLU-22-10**



# 8 DEPOSIT TYPES

The main mineralised vein system at the Zacatecas Project is part of the larger Veta Grande vein system and is considered an intermediate sulphidation epithermal silver deposit with accessory zinc, lead, and minor gold. Other undrilled, mineralised structures on the Project may have low sulphidation epithermal affinities.

Intermediate sulphidation epithermal systems occur in two main geodynamic environments; the Veta Grande vein system is more typical of the post-collision extension type intermediate sulphidation epithermal systems (Wang et al, 2019). Most Mexican Ag-dominant epithermal systems are classified as post-collisional and are sometimes spatially associated with low sulphidation epithermal systems that tend to have significantly higher gold to silver ratios.

Known epithermal deposits are commonly Tertiary in age, as they typically form at shallow depths in extensional environments and thus have a low preservation potential over geologic time (2010 USGS Ch 3). Epithermal deposits occur along extensive regional fault structures and are hosted both within and adjacent to the controlling structures. High grade mineralized zones and shoots are focused in areas along the structures that had higher permeability at the time of mineralisation including dilatational zones controlled by fault flexures, jogs, and splays as well as zones of favourable host rocks and contrasting rheology.

Epithermal vein textures and alteration patterns of the vein structures can be used as vectors in the system towards zones with the potential for higher grade mineralisation (Rhys et al, 2020). Figure 8-1 shows the typical morphology of intermediate sulfidation vein systems (left), as well as a generalised view of the alteration and architecture of low to intermediate sulfidation vein systems (right). Classic epithermal vein textures can range from banded veins to fault-fill breccia veins and often both endmembers are present within the intermediate sulfidation vein systems (Figure 8-2).

Principle gangue minerals include quartz, amethyst, calcite, dolomite, adularia, barite and fluorite. Minerals of potential economic interest include acanthite, sphalerite, galena, chalcopyrite, pyrargyrite, proustite, pyrite, and electrum.

**Figure 8-1 Epithermal System Deposit Models**

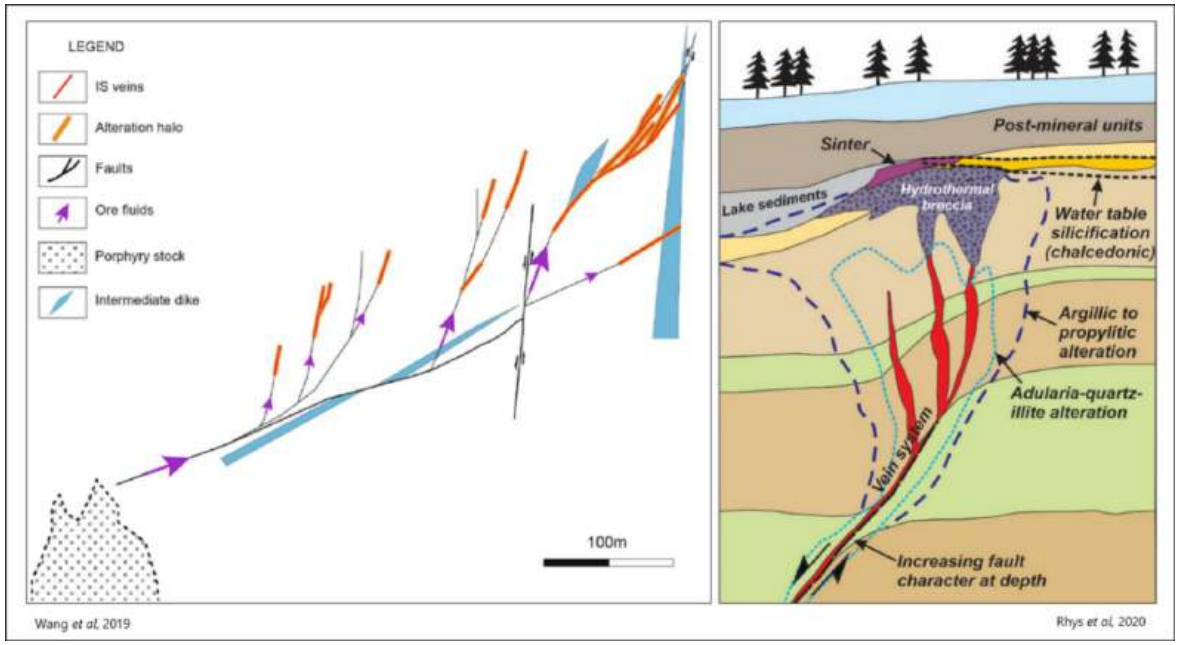
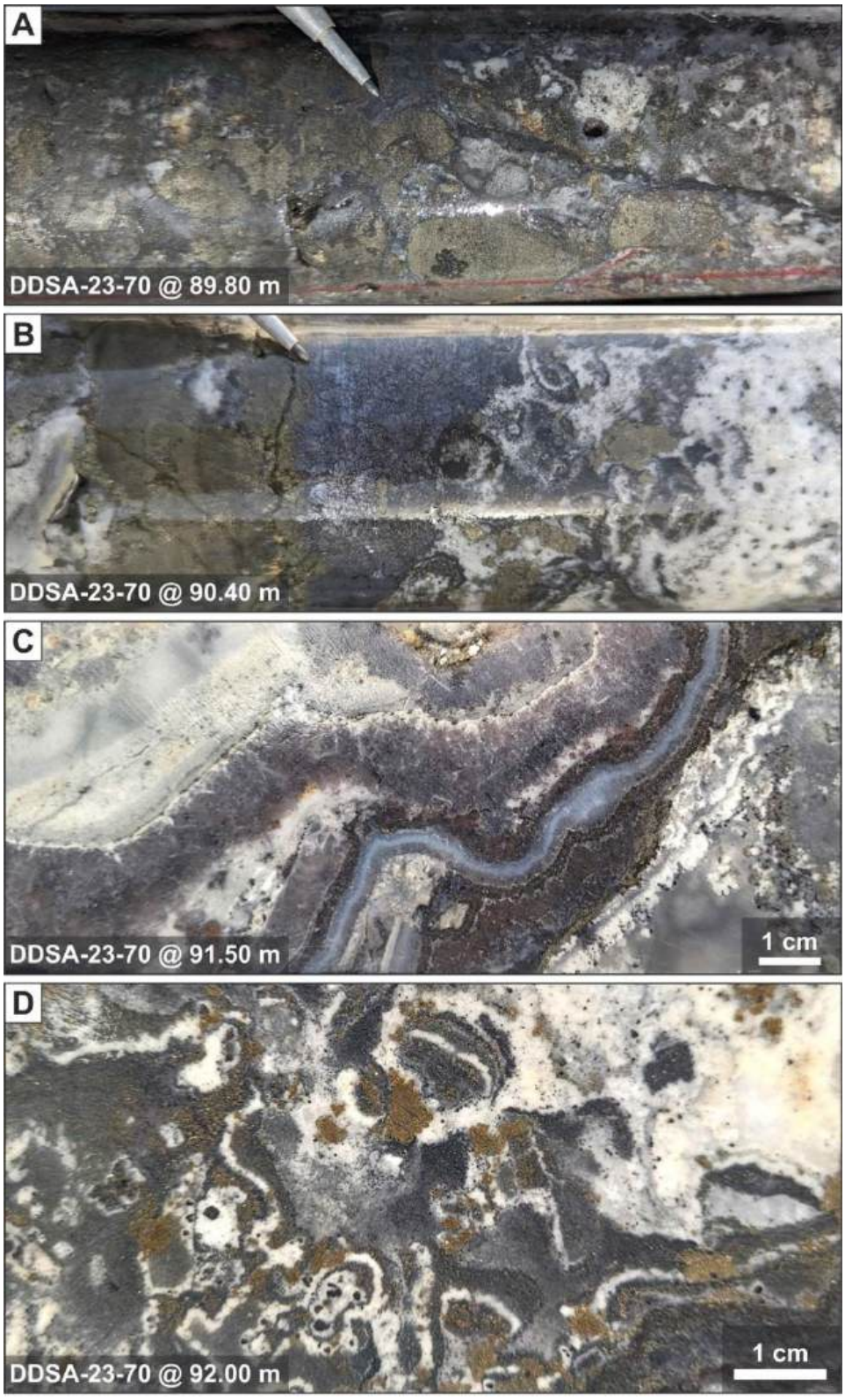


**Figure 8-2 Epithermal Textures of the Veta Grande Vein System at San Acacio (DDSA-23-70)**




*Note the presence of both banded and breccia textures*

# 9 EXPLORATION

## 9.1 Defiance Surface Exploration 2017 to 2023

### 9.1.1 Soil Sampling

A soil sampling campaign was conducted between August 2020 and February 2021, covering 12 claims within San Acacio. Samples were collected at 50 m spacing along 100m-spaced lines. A total of 1629 samples were collected and assayed. Simplified maps showing sample locations and assay results for Ag, Au, Pb and Zn are shown in Figure 9-1 to Figure 9-4.

Soil sampling is ongoing in Lucita North; no assaying has been completed at the time of this report.

**Figure 9-1 2020-2021 Soil Sampling Ag (ppm) Values**

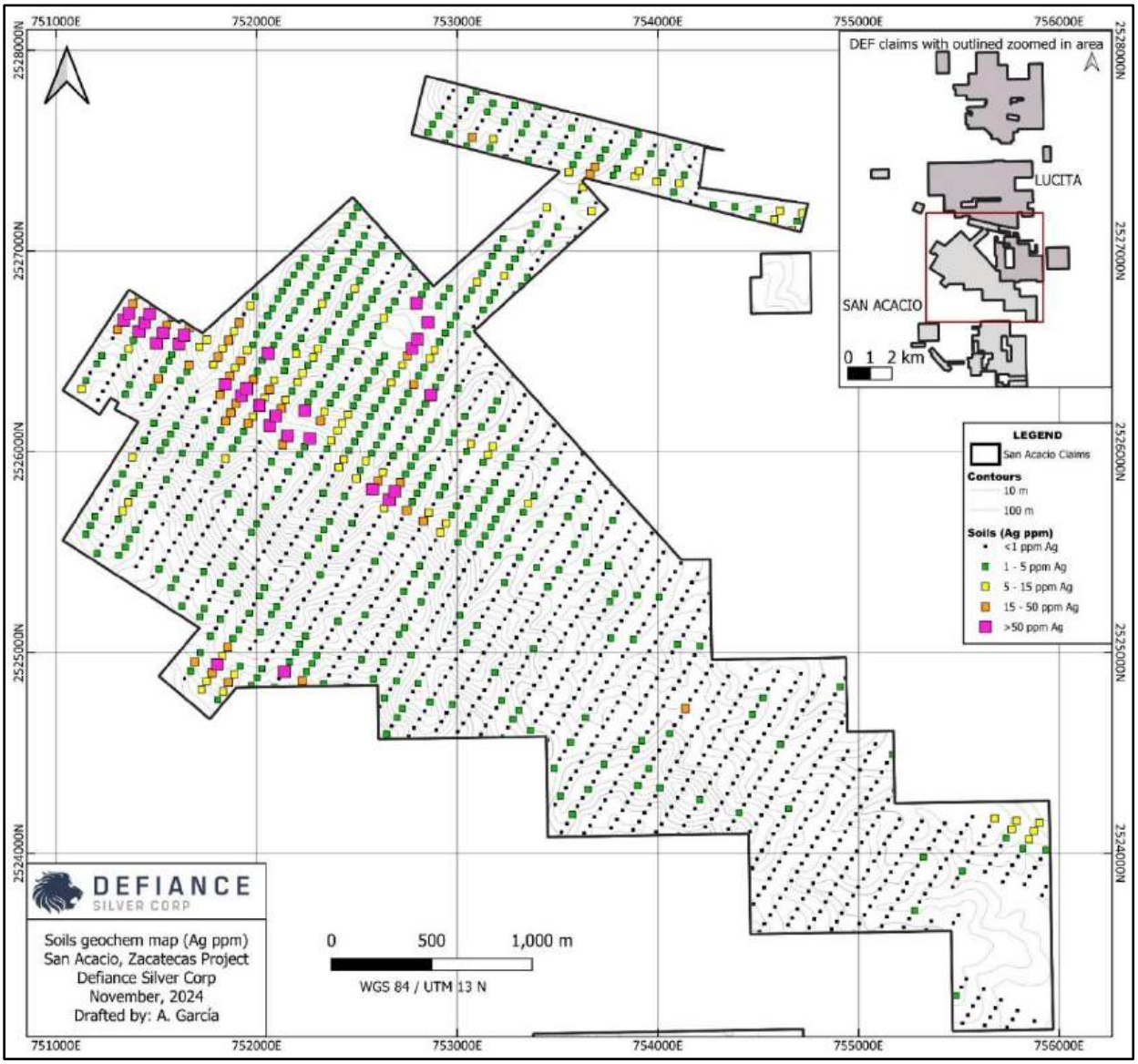


**Figure 9-2 2020-2021 Soil Sampling Au (ppm) Values**

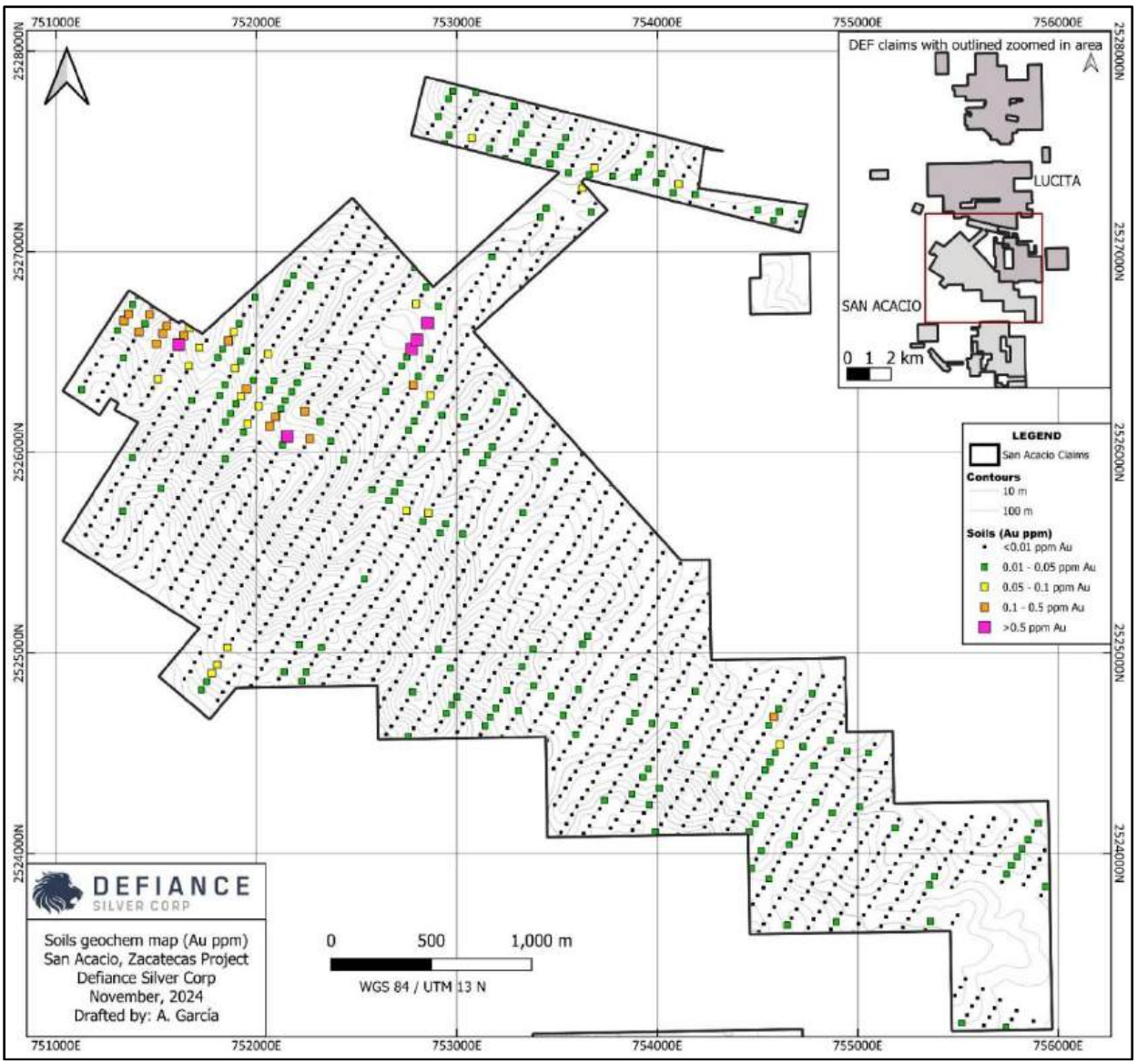


**Figure 9-3 2020-2021 Soil Sampling Pb (%) Values**

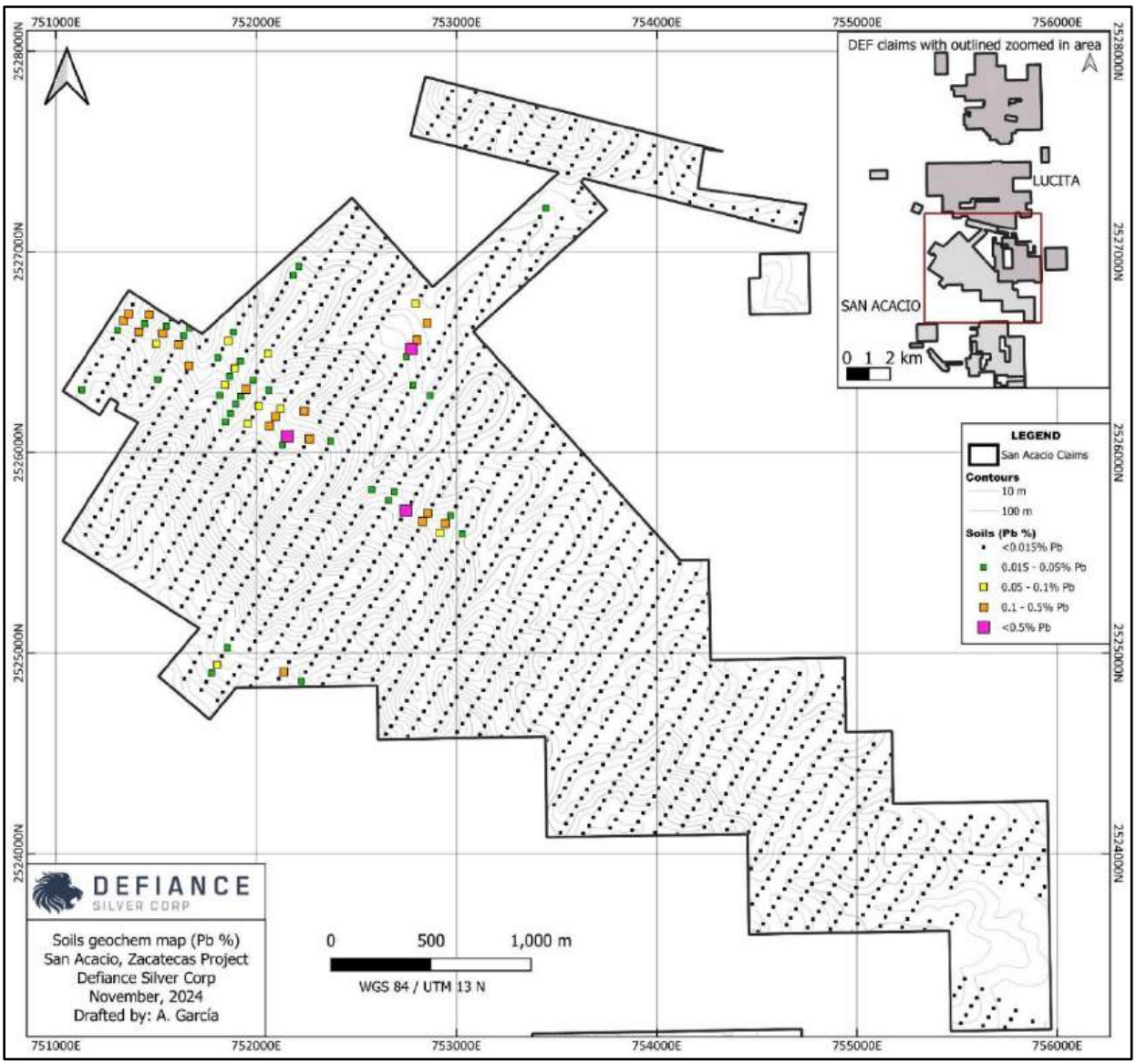
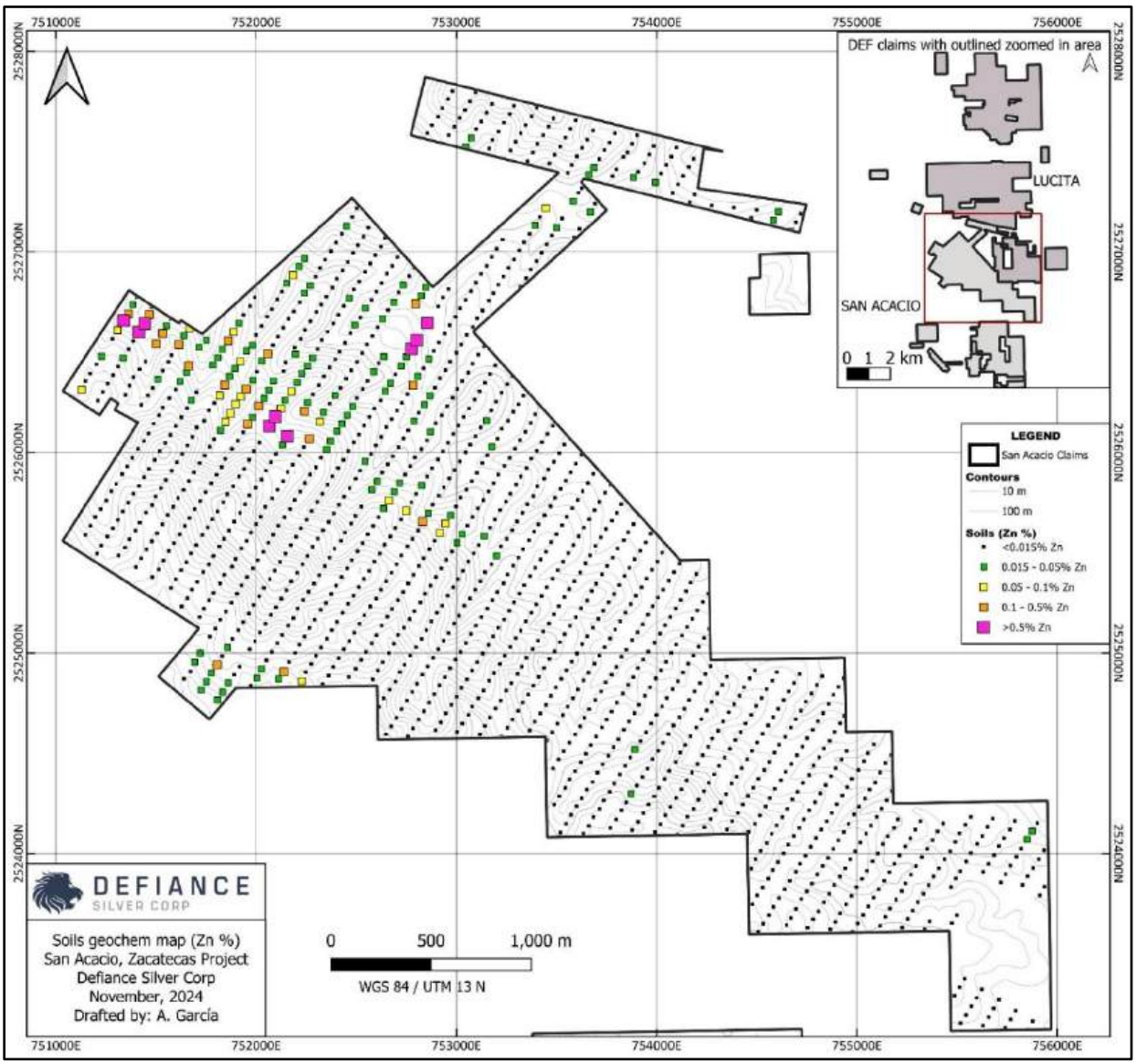


**Figure 9-4 2020-2021 Soil Sampling Zn (%) Values**



### 9.1.2 2021-2023 Geologic Mapping and Rock Chip Sampling Program

In the San Acacio area, a total of 206 surface rock grab samples were collected between 2021 and 2023, during several stages of geologic mapping. Initial 1:2,000 scale geological mapping covering the San Acacio area was conducted during the 2021 mapping program. Detailed 1:500 scale geological surface mapping along the historically mined surface expression of the Veta Grande structure (Carolina, Almaden, Esperanza, and Guadalupe pits) was completed in 2022, and infill 1:2,000 scale mapping along the Purisima tunnel trace was completed in 2023. During 2023 safely accessible underground workings were also mapped. The accessible portions of the Refugio and Mercedes historic workings were mapped as well as a small historic tunnel in the Aguilon area at a scale of 1:500 in early 2023.

In the Lucita North area, a total of 315 surface rock grab samples were collected during 2023. Geological mapping was completed over the northwestern portion of Lucita North at 1:1,000 scale. In the Lucita South area, a total of 155 surface rock grab samples were collected during 2021 and 2022. Initial 1:2,000 scale geological mapping covering the majority of Lucita South was also completed during this time.

The unified surface geological map for the Zacatecas Project is shown in Figure 9-5. Simplified maps showing surface sampling locations and assay results for Ag, Au, Pb and Zn in San Acacio and Lucita are shown in Figure 9-6 to Figure 9-9 and Figure 9-10 to Figure 9-13 respectively.

Additional rock chip samples were collected across the Project and analyzed with portable XRF and SWIR spectroscopy; these results have been integrated into the exploration data set and are being used to inform mapping of lithology, alteration, and mineralization.

**Figure 9-5 2021-2023 Zacatecas Project Surface Mapping**

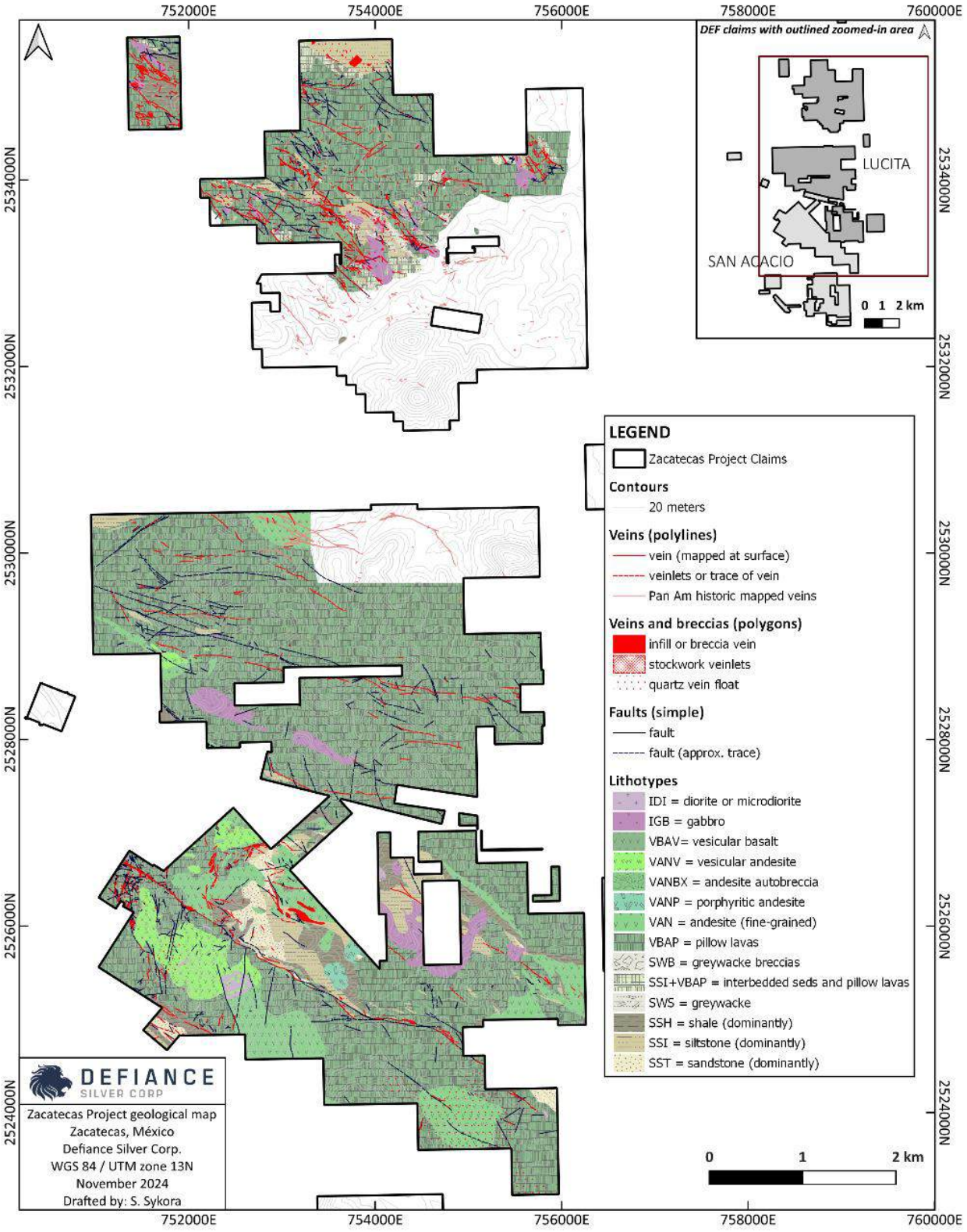


**Figure 9-6 2021-2023 San Acacio Rock Chip Sampling Ag (ppm) Values**

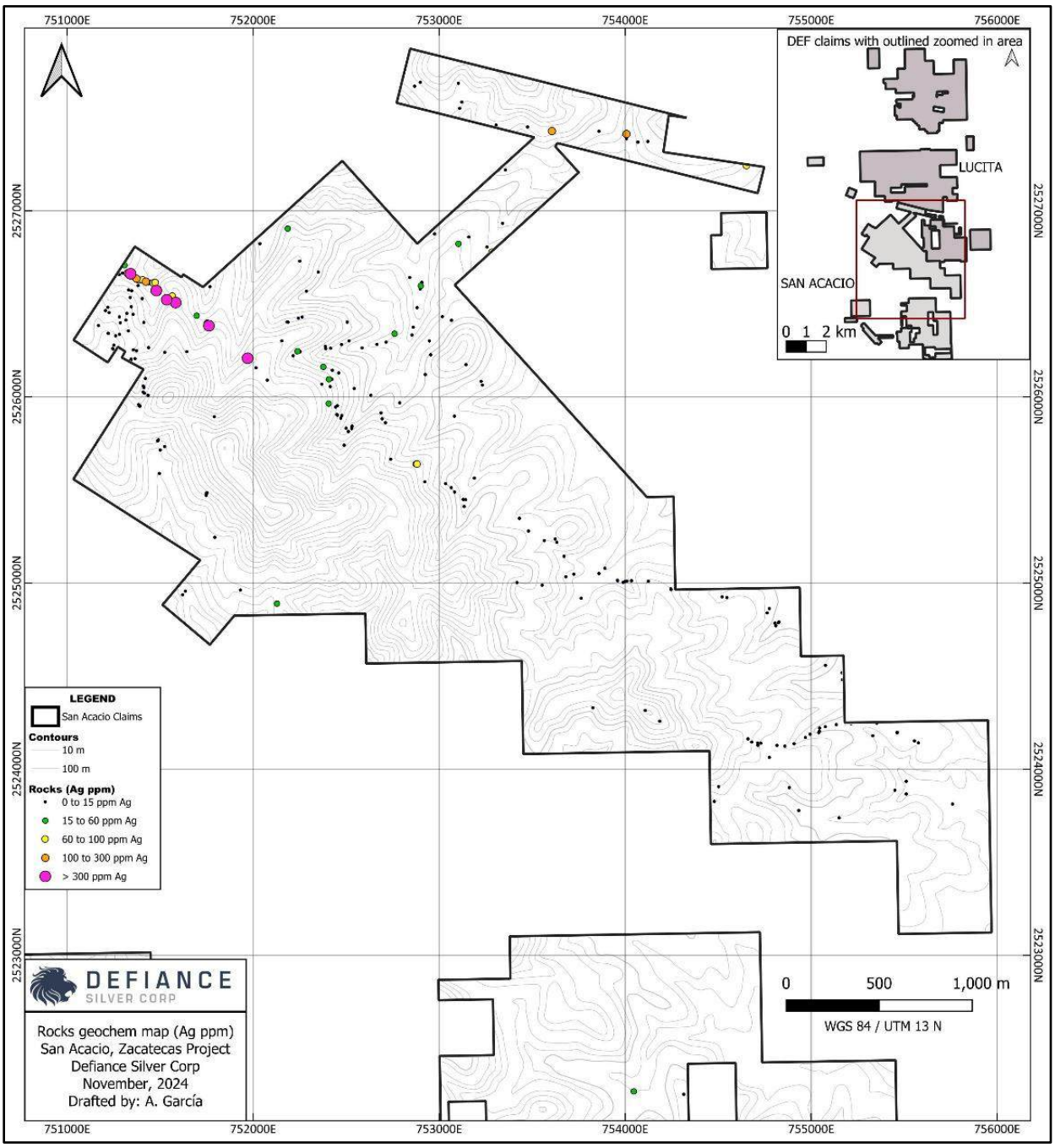


**Figure 9-7 2021-2023 Rock Chip Sampling Au (ppm) Values**

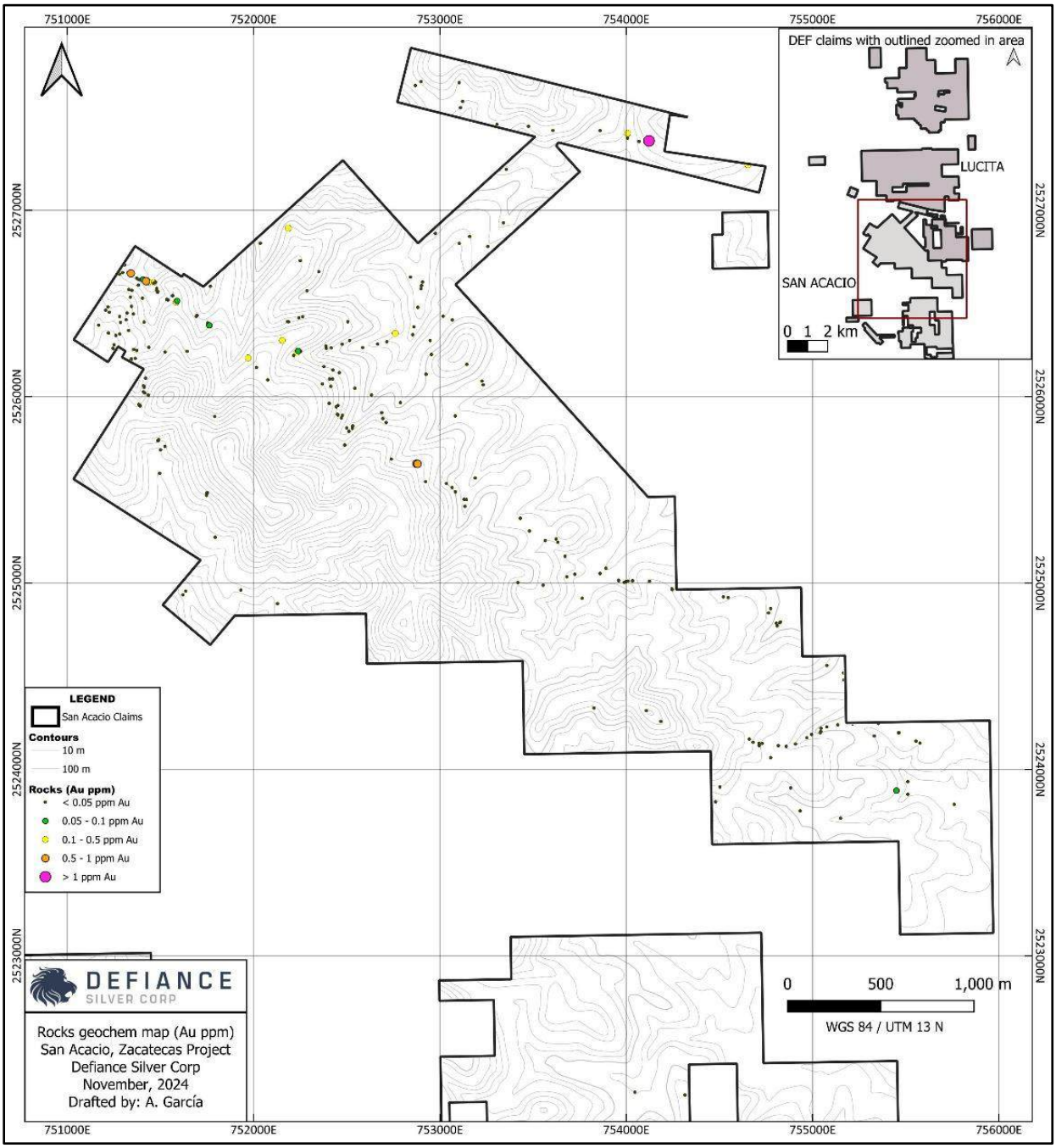


**Figure 9-8 2021-2023 Rock Chip Sampling Pb (%) Values**

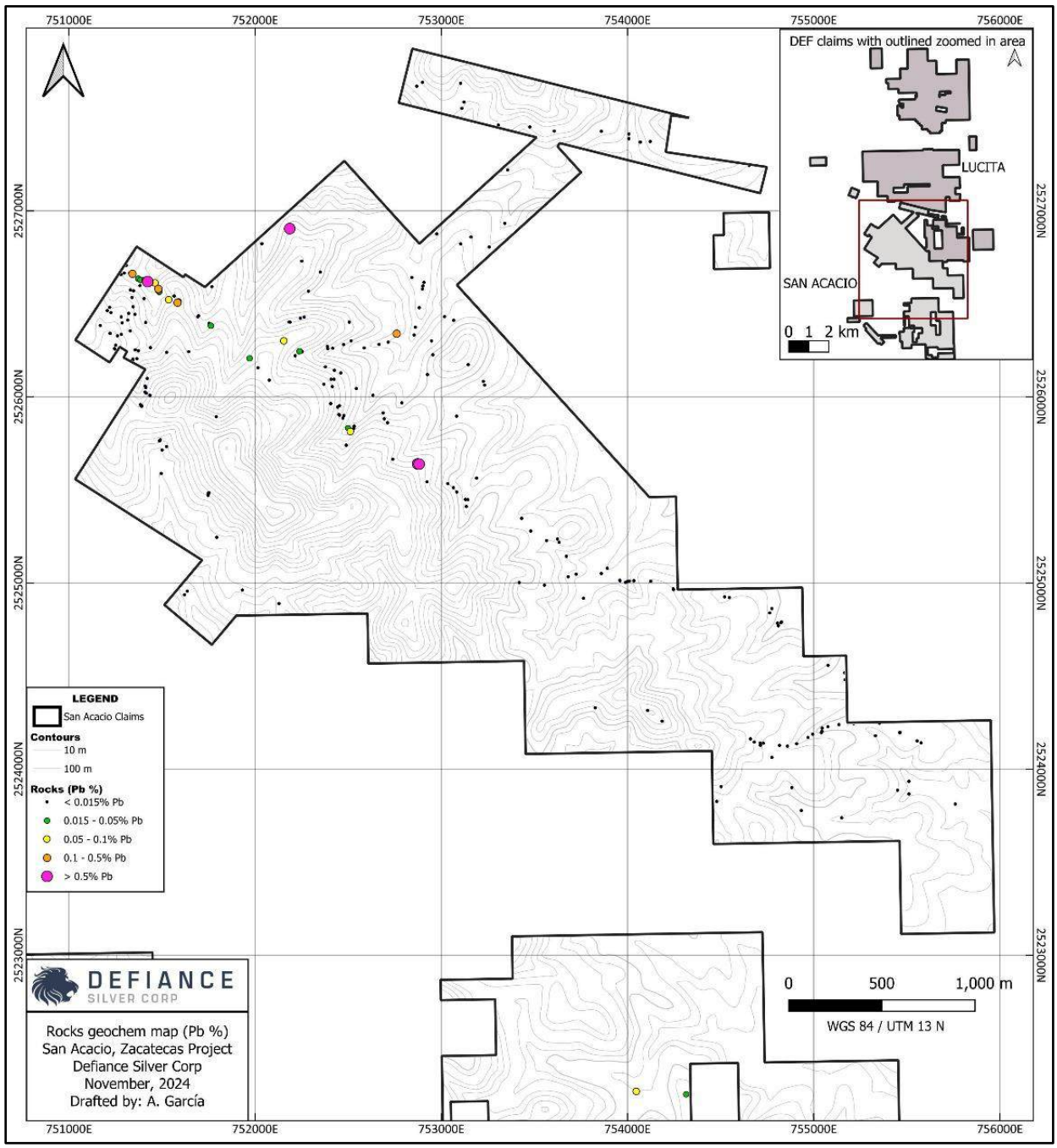


**Figure 9-9 2021-2023 Rock Chip Sampling Zn (%) Values**

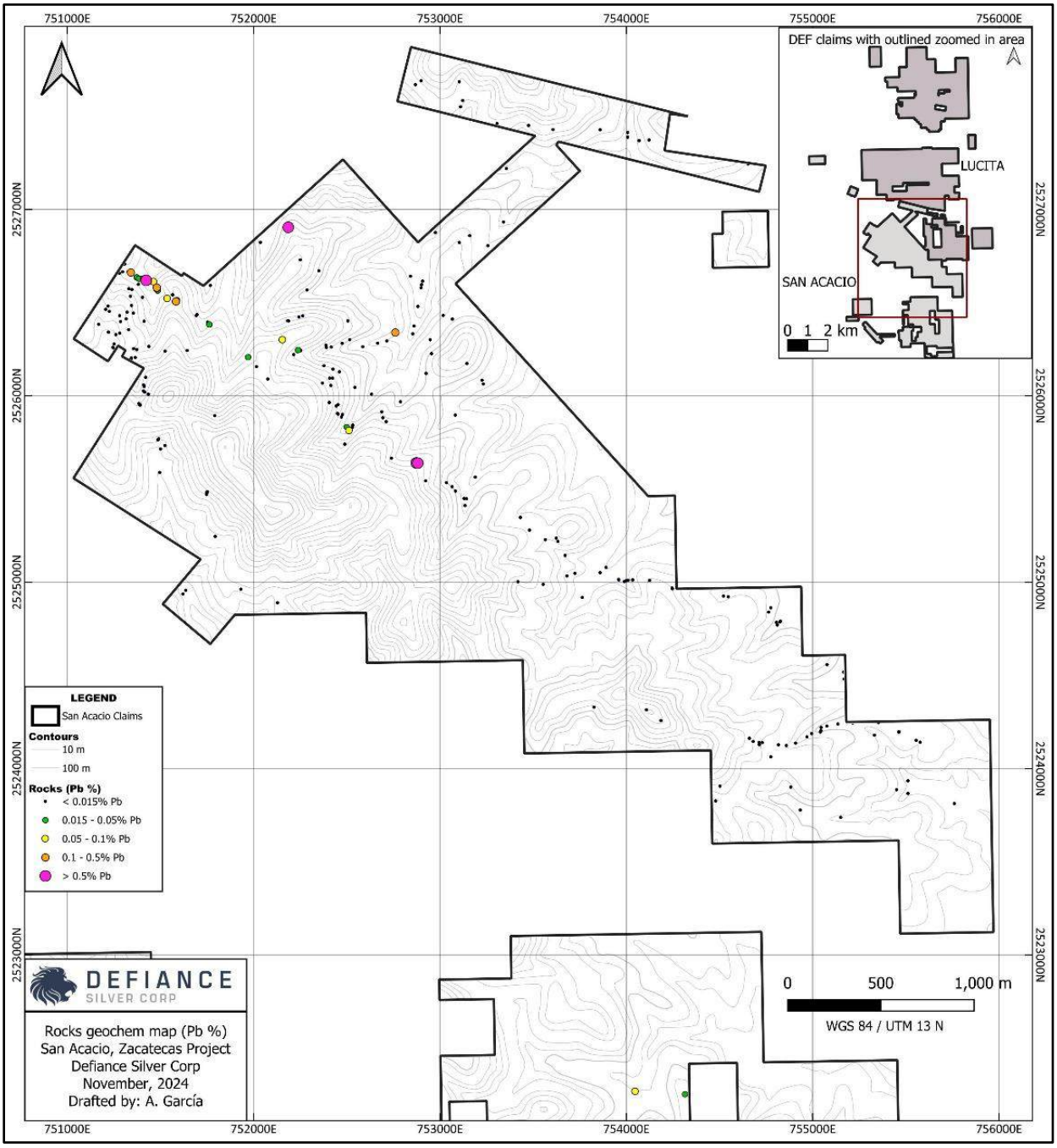


**Figure 9-10 2021-2023 Lucita Rock Chip Sampling Ag (ppm) Values**

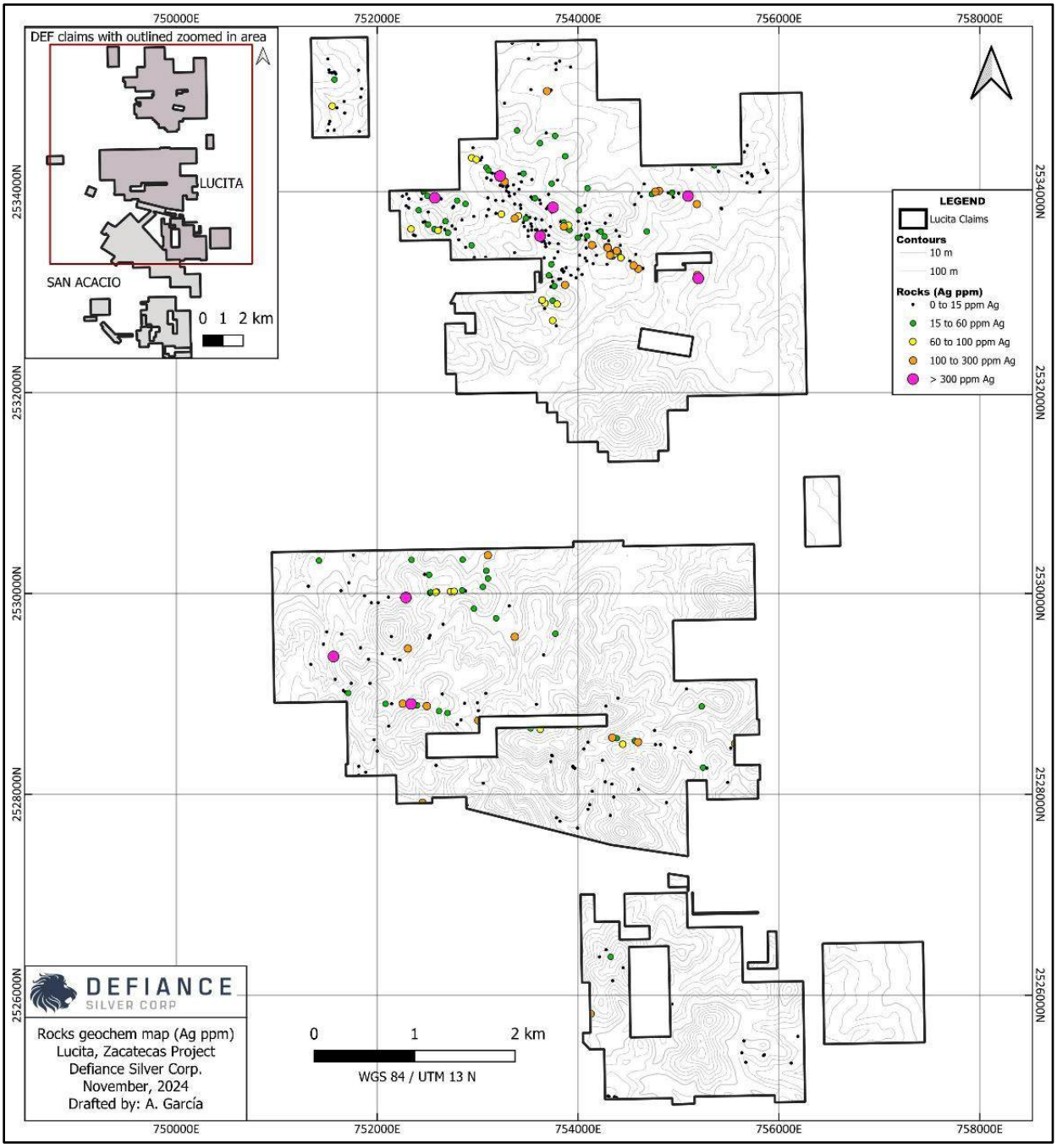


**Figure 9-11 2021-2023 Lucita Rock Chip Sampling Au (ppm) Values**

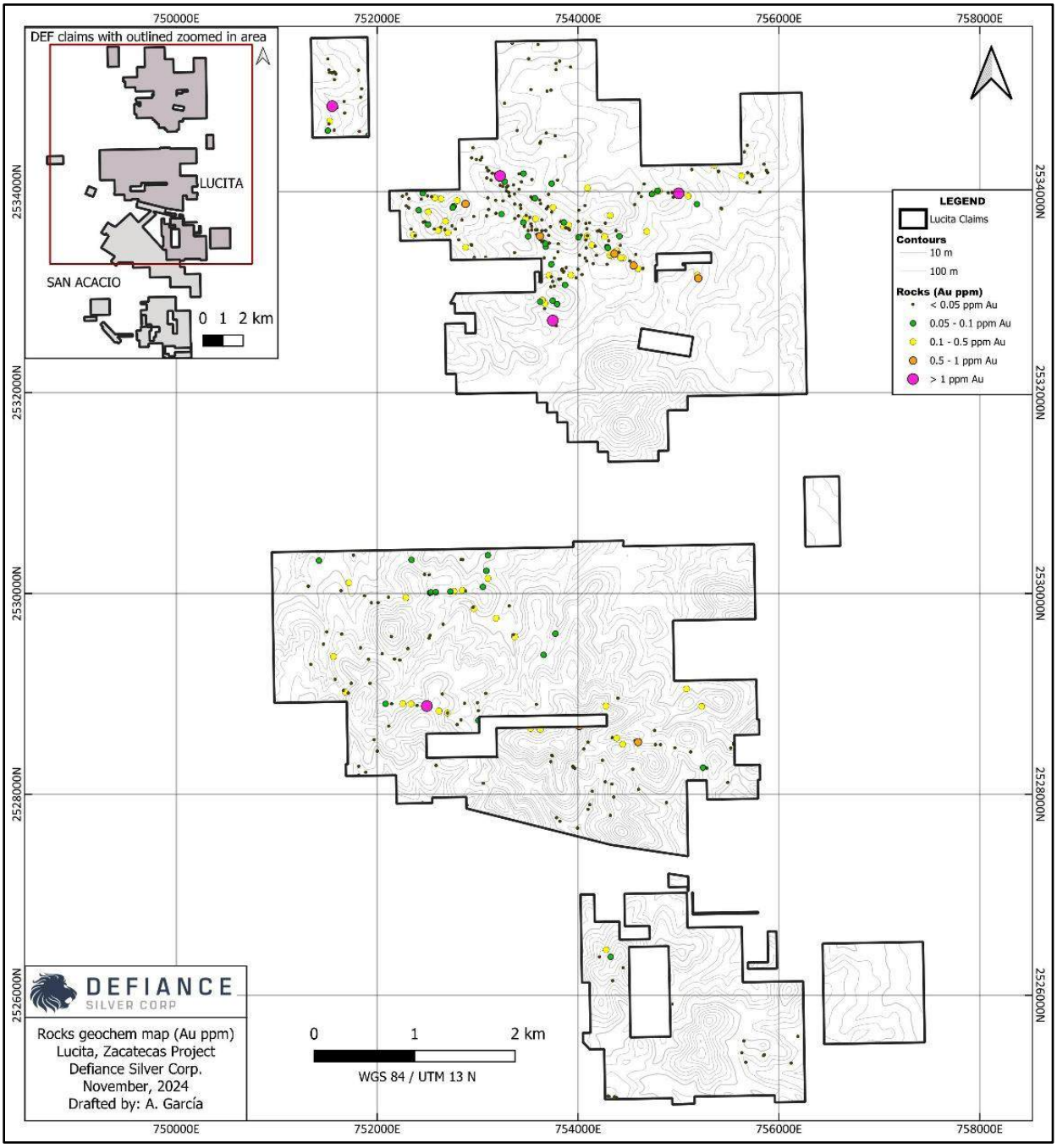


**Figure 9-12 2021-2023 Lucita Rock Chip Sampling Pb (%) Values**

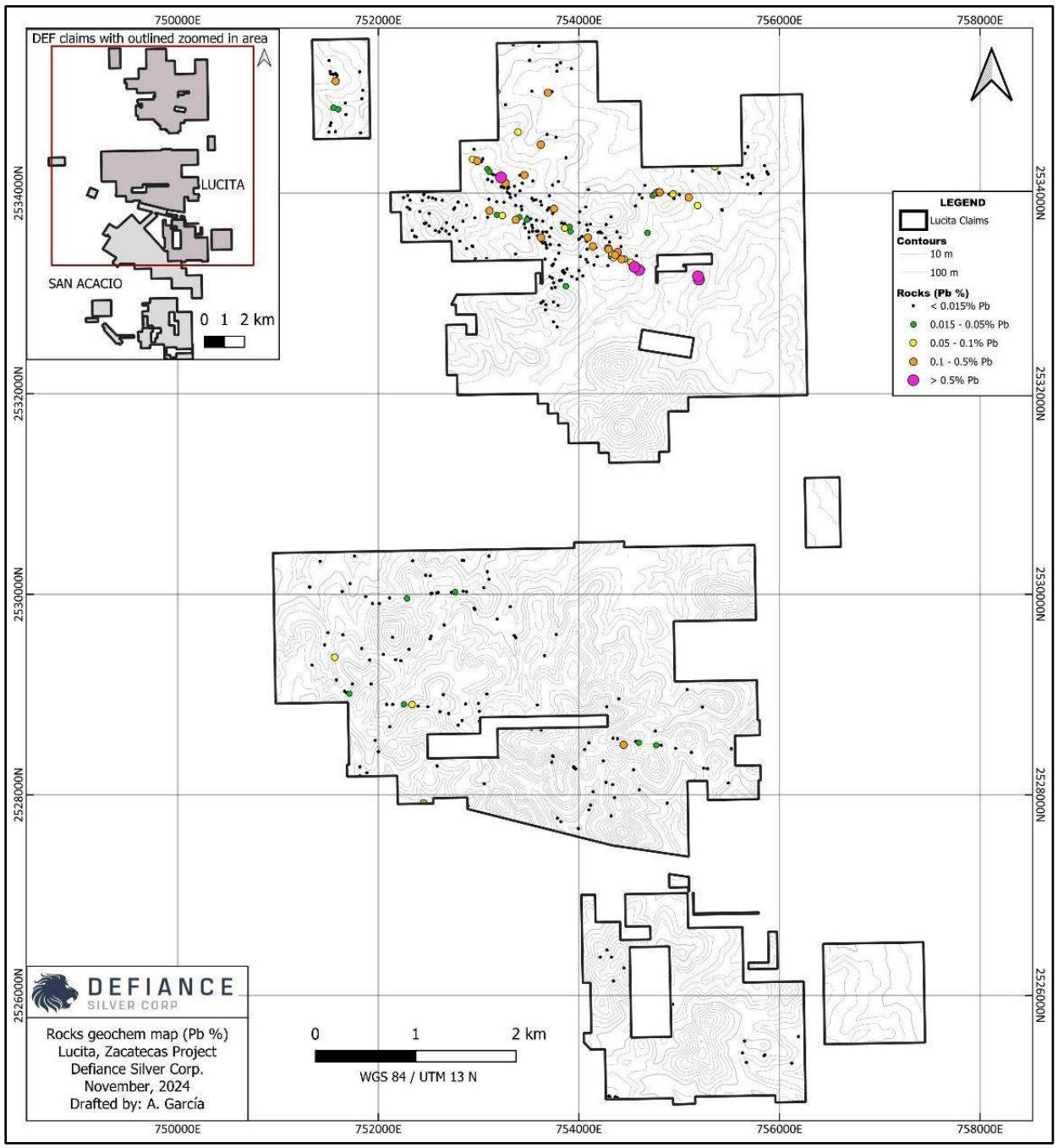
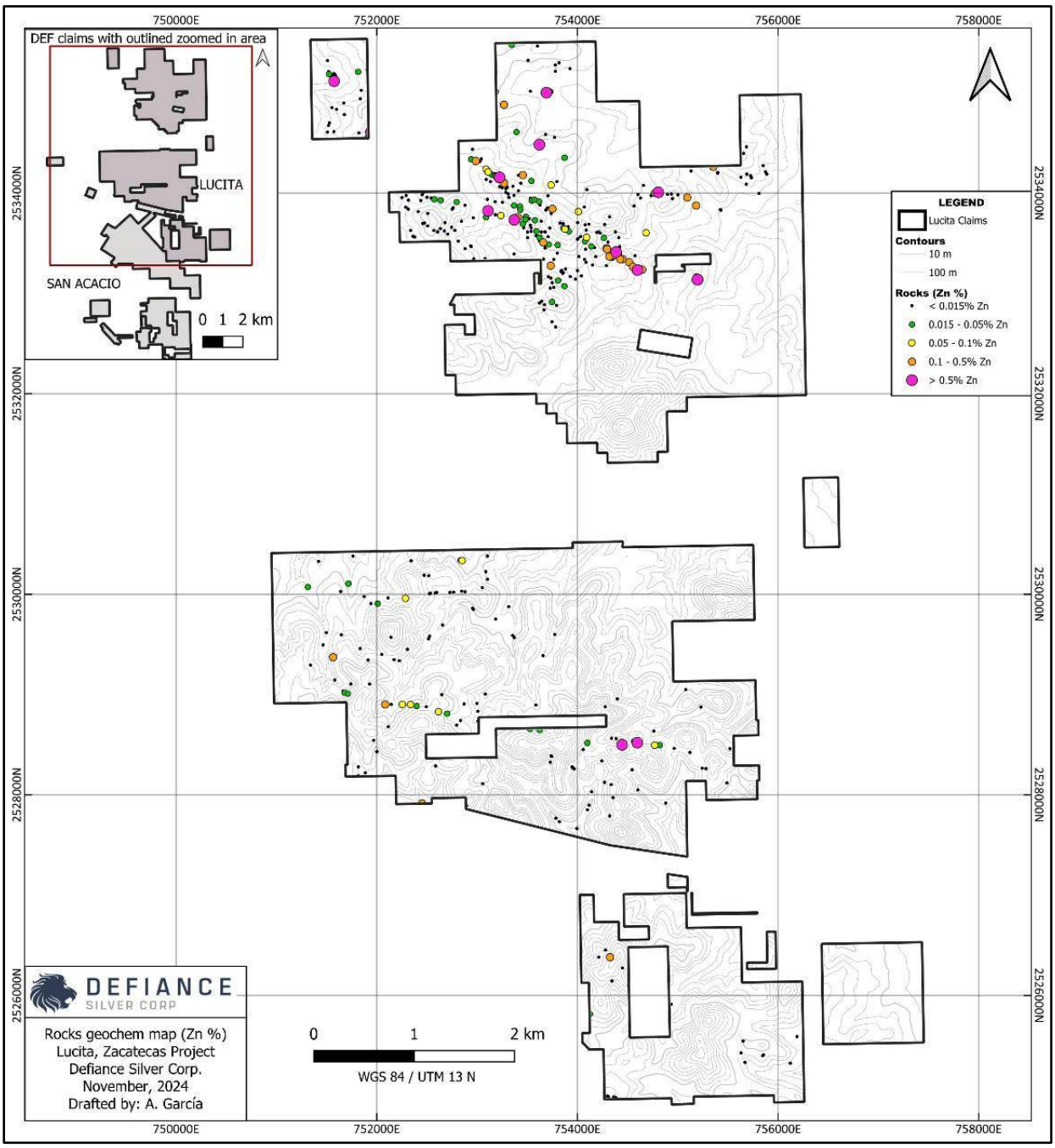


**Figure 9-13 2021-2023 Lucita Rock Chip Sampling Zn (%) Values**



### 9.1.3 Geophysics

Defiance Silver Corporation commissioned Geofisica TMC to carry out ground magnetic (Mag) and induced polarization (IP) surveys. The field work took place from 15 through 22 November 2017 and consisted of 3.0 line-km of Mag and IP across the Veta Grande structure in the central portion of San Acacio, 1.2 km to the southeast of the historic San Acacio workings. Figure 9-10 shows the survey location. Figure 9-11 – Figure 9-13 show some of the results obtained. Two drill holes were planned and executed in 2019 to follow up on a chargeability anomaly delineated by the results modelled in this study.

**Figure 9-14 2017 IP and Mag Survey Location Plan**

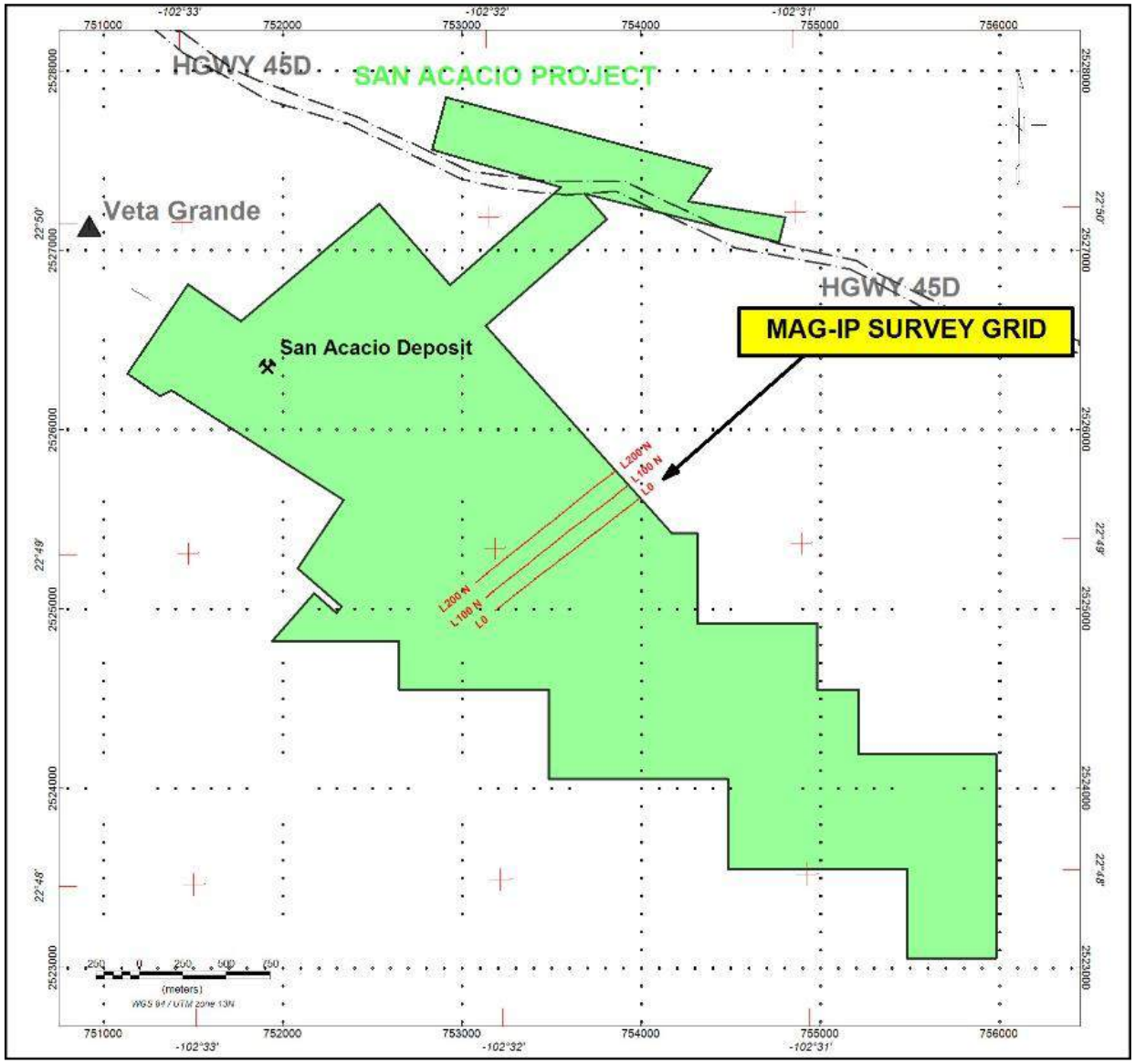


**Figure 9-15 2017 Magnetic Survey, Total Field Reduced to Pole**

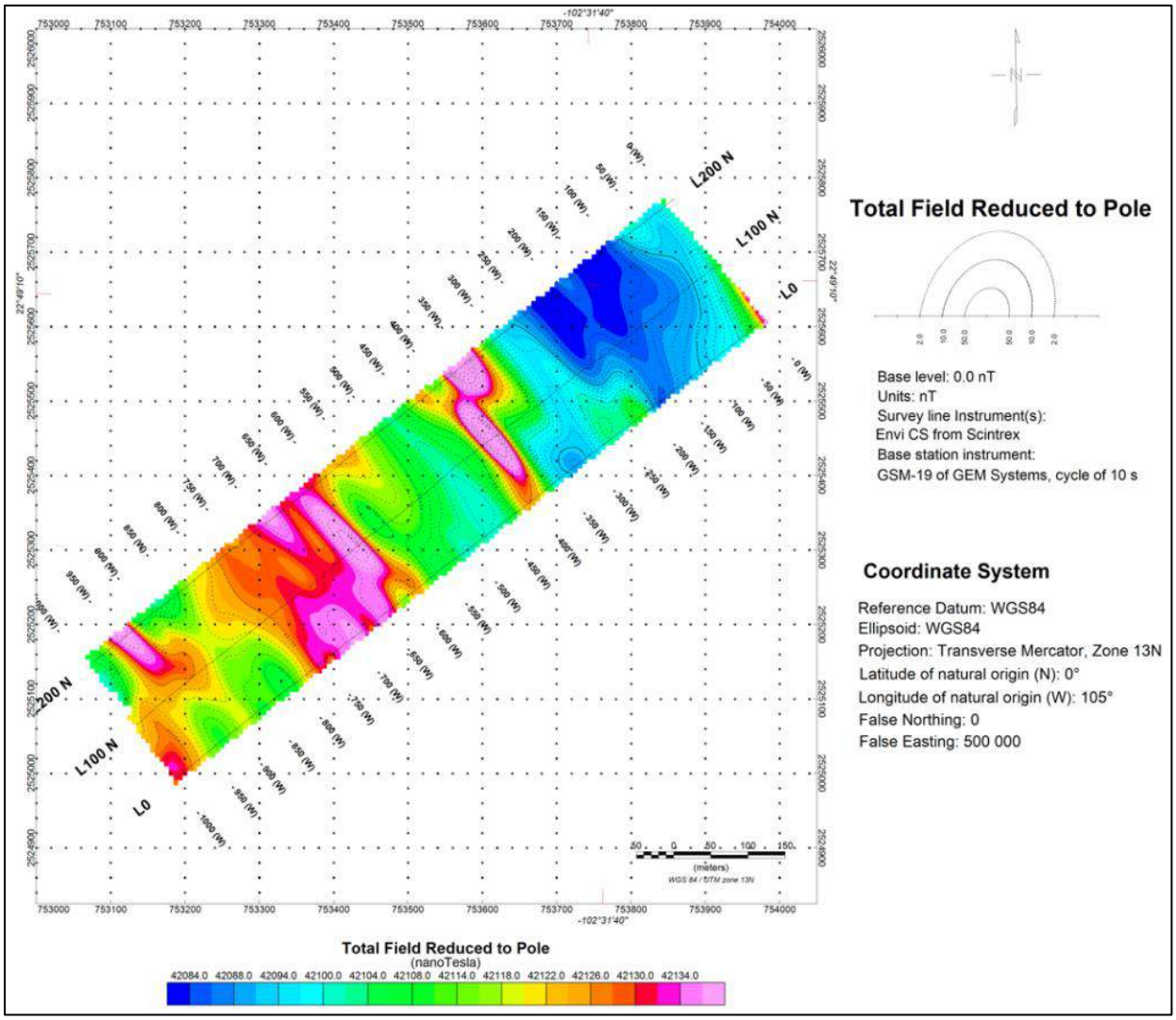


**Figure 9-16 2017 IP Survey, Modelled Apparent Resistivity Values at 250 m Depth**

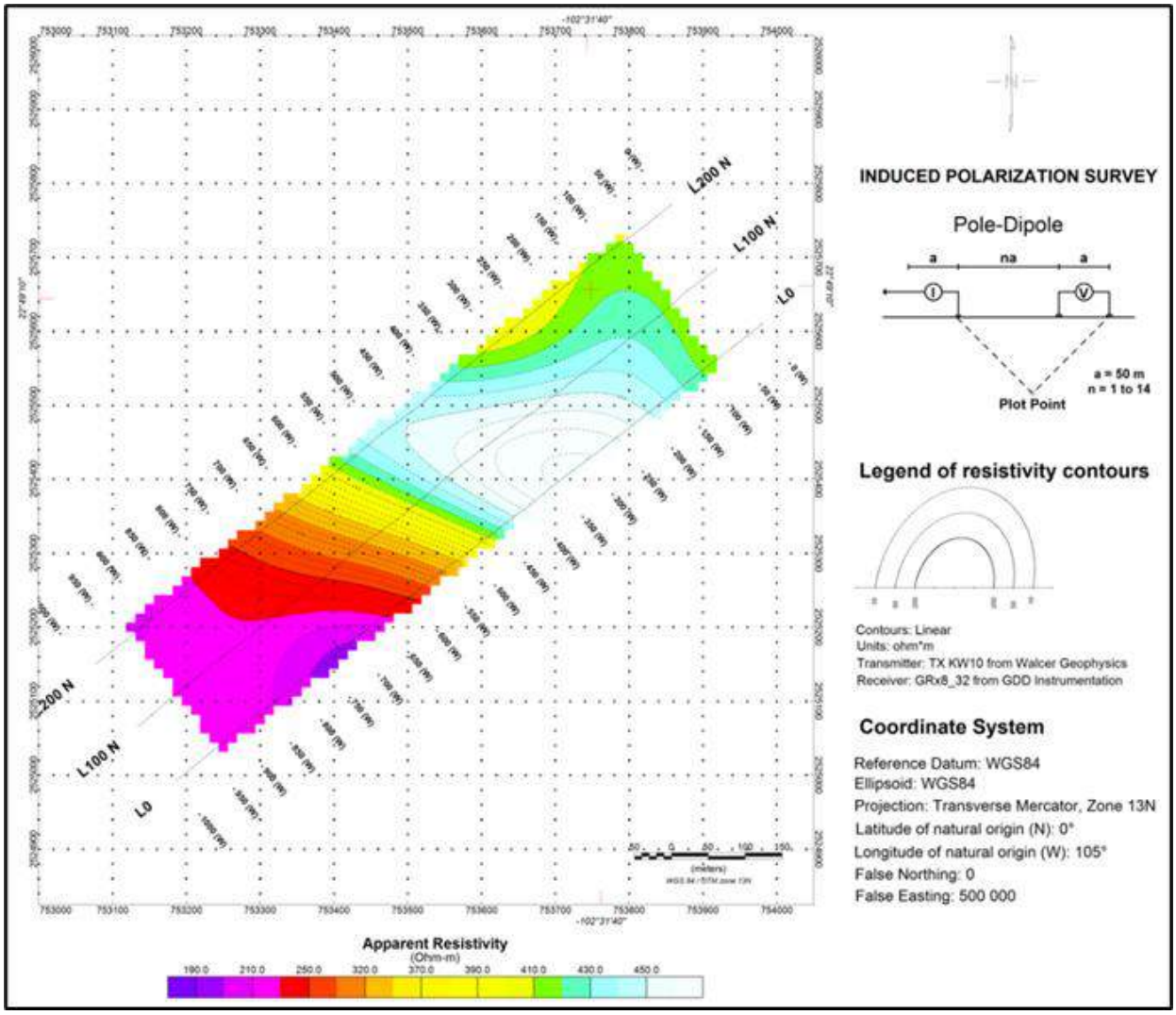
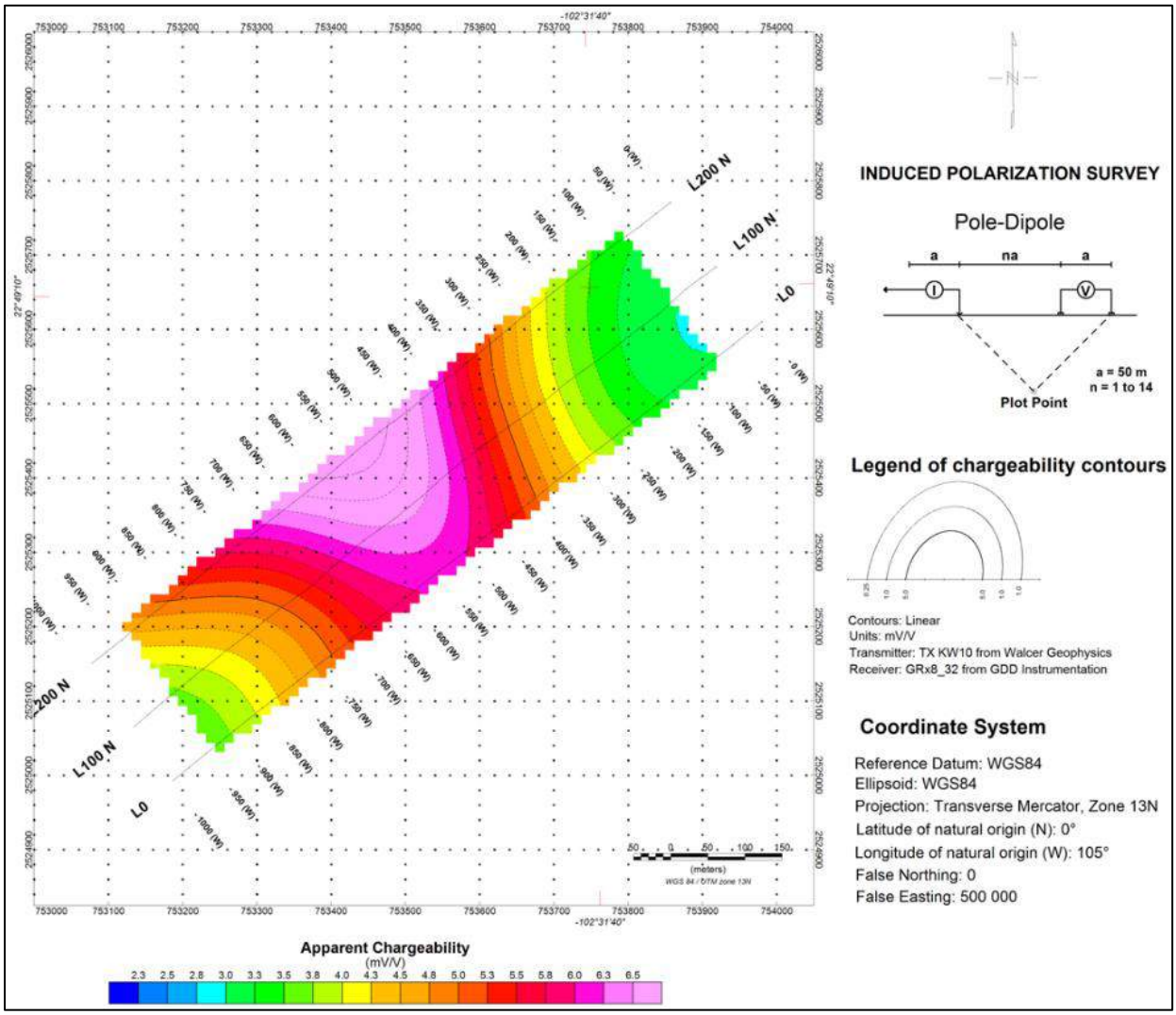


**Figure 9-17 2017 IP Survey, Modelled Apparent Chargeability Values at 250 m Depth**




### 9.1.4 Underground Workings Location Validation and Historical Geological Mapping Digitization

Safe access to the extensive historic workings at the historic San Acacio mine is limited; however, various generations of historic underground maps of the workings, geology, and mineralization exist in the Defiance data set. The Company conducted validation work on the location of the historic underground workings using both the series of maps as well as surveyed surface locations of shafts and tunnels. The results of this validation work were used to create a 3D model to serve as a guide for drill planning and resource estimation purposes. Figure 9-14 shows a 3D panoramic view of validated underground historical workings.

Additionally, all available historic underground mapping was georeferenced to the validated workings model. Information displayed on the maps – including veins, breccias, faults, wall rock geology, structural measurements, and samples – was digitized and is being incorporated into the company's geological and structural modeling. Figure 9-15 shows an example of digitized data from one of the historic Purisima Level (2371 m.a.s.l.) maps.

**Figure 9-18 Panoramic View of 3D Underground Historic Workings – San Acacio**

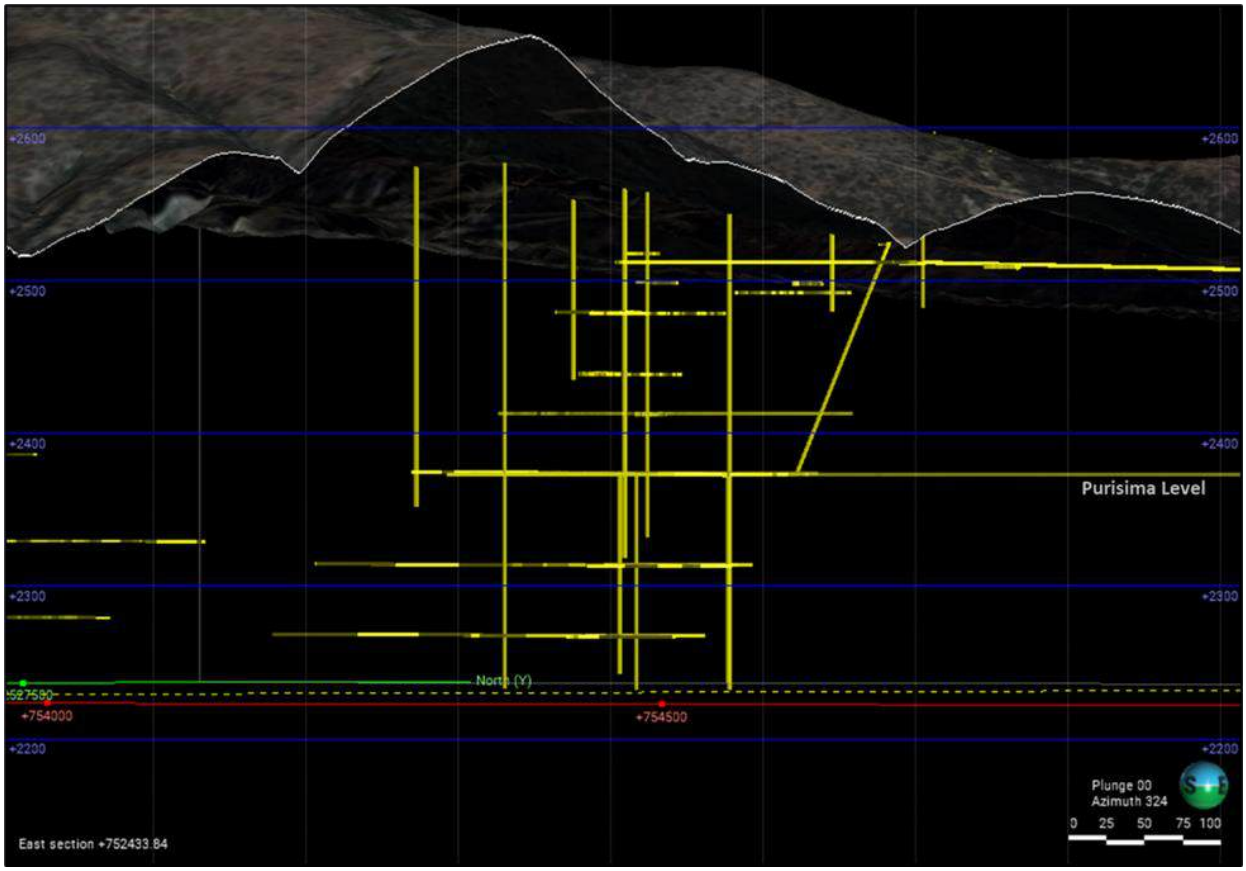
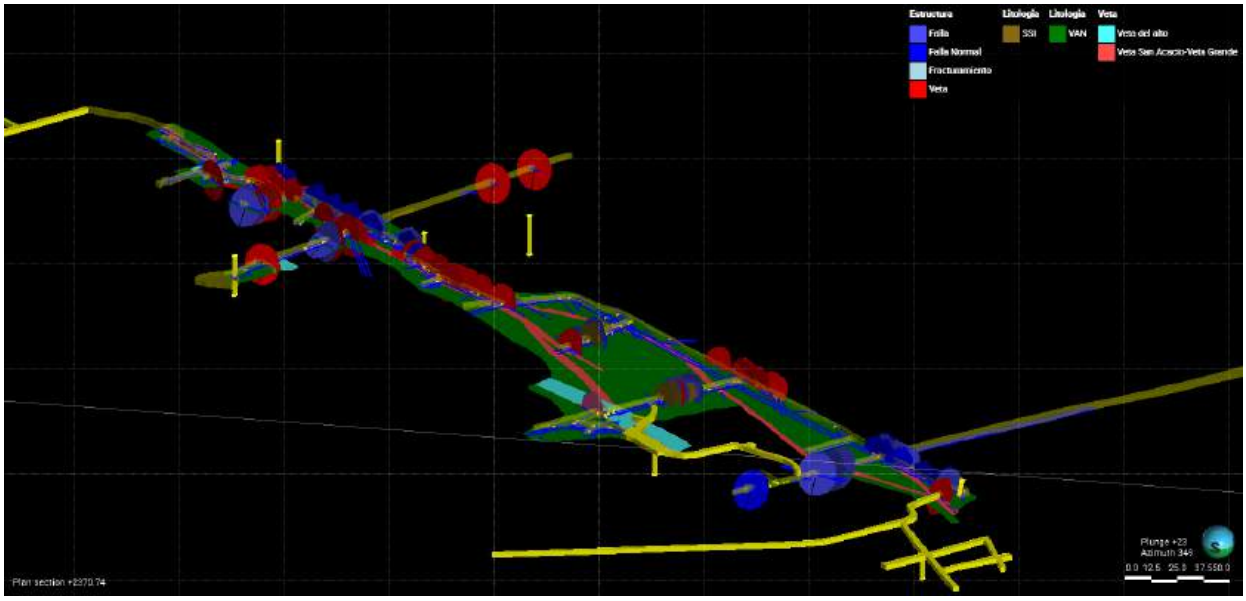



**Figure 9-19 Digitized Historic Underground Geology Mapping on Purisima Level (2371 m.a.s.l.) – San Acacio**



### 9.1.5 Historical Core Logging Interpretation

As part of the validation process, and in the absence of actual core for most of the 1995 Silver Standard Resources diamond drilling and the 1996 Pan American Silver diamond drilling, a digitized interpretation of the original handwritten downhole lithologic, alteration, and mineralization descriptions was performed by a staff geologist; historic logging information was captured using Defiance's current logging scheme and codes. This work has allowed Defiance to include the historic 1995 and 1996 downhole data into the current geological model and supported the validation of historic workings locations, as shallow drilling in San Acacio intersected several levels of underground workings.

# 10 DRILLING

## 10.1 Summary – Defiance Drilling

Since optioning the San Acacio concessions on October 24, 2011, Defiance has completed 73 drill holes for a total of 26,578.03 m primarily targeting the Veta Grande structure (Table 10-1). The 2014 drill holes were the first drilled at San Acacio since 2010. Drilling has confirmed that the Veta Grande vein system has a dominant northwest-southeast trend and dips towards the southwest, on average 65 degrees. The continuity of the mineralized structures of the Veta Grande vein system have been validated through drilling over at least 2,000 m along strike and to depths of at least 400 m below surface on the Project.

Since optioning the Lucita concessions on December 2, 2020, the company completed a surface mapping and sampling program on the Lucita South land package in early 2021, and subsequently completed a first pass regional drilling program on the previously undrilled Palenque vein system. Defiance completed 13 drillholes for a total of 3,801.80 m (Table 10-1) on the Palenque vein system confirming the presence of significant mineralization. Drilling tested the footprint on the Palenque vein system along approximately 3.5 km of strike.

Across the combined Zacatecas Project, Defiance has completed 86 holes for a total of 30,379.83 m.

Complete lists of San Acacio drill holes (Table 10-2) and Lucita drill holes (Table 10-3) completed by Defiance includes drilling collar coordinates, drill hole azimuth, drill hole dip, and drill hole depth. Holes drilled from 2020 through 2023 were HQ3/NQ3 in diameter, and all holes have oriented core. Holes drilled from 2014 through 2019 were HQ/NQ in diameter and were not oriented. All drill hole coordinates are reported in WGS 84 / UTM Zone 13N.

**Table 10-1 Summary of Drilling Completed on the Zacatecas Project by Defiance**

| Year | Area | # of Drill Holes | Metres Drilled |
|---|---|---|---|
| 2014 | San Acacio | 4 | 815.70 |
| 2015 | San Acacio | 7 | 2299.05 |
| 2017 | San Acacio | 19 | 6,144.04 |
| 2019 | San Acacio | 2 | 928.76 |
| 2020 | San Acacio | 2 | 1,112.00 |
| 2021 | San Acacio | 17 | 7649.10 |
| 2021 | Lucita South | 8 | 2,063.30 |
| 2022 | San Acacio | 12 | 3,988.78 |
| 2022 | Lucita South | 5 | 1,738.50 |
| 2023 | San Acacio | 10 | 3,640.60 |
| **Total** | **All Areas** | **85** | **30,379.83** |

**Table 10-2 Drill Holes Completed at San Acacio by Defiance**

| Hole ID | X | Y | Z | Azimuth | Dip | Length (m) |
|---|---|---|---|---|---|---|
| DDSA-20-33 | 751622.14 | 2525927.01 | 2673.00 | 50 | -60 | 671.50 |
| DDSA-20-34 | 751453.94 | 2526416.05 | 2548.95 | 250 | -50 | 440.50 |
| DDSA-21-35 | 751457.73 | 2526419.36 | 2548.77 | 310 | -80 | 350.80 |
| DDSA-21-36 | 751457.53 | 2526413.01 | 2549.16 | 90 | -75 | 402.00 |
| DDSA-21-37 | 751562.00 | 2526355.44 | 2604.55 | 350 | -80 | 321.00 |
| DDSA-21-38 | 751561.91 | 2526352.23 | 2604.78 | 35 | -82 | 396.00 |
| DDSA-21-39 | 751643.98 | 2526249.99 | 2602.09 | 355 | -72 | 339.00 |
| DDSA-21-40 | 751647.53 | 2526247.42 | 2601.74 | 85 | -60 | 386.00 |
| DDSA-21-41 | 752065.37 | 2525774.47 | 2651.17 | 37 | -66 | 462.00 |
| DDSA-21-42 | 752094.89 | 2525827.19 | 2648.64 | 355 | -67 | 515.20 |
| DDSA-21-43 | 752062.23 | 2525775.59 | 2651.34 | 355 | -75 | 591.00 |
| DDSA-21-44 | 752377.94 | 2525480.68 | 2607.25 | 2 | -70 | 177.00 |
| DDSA-21-45 | 752375.99 | 2525481.40 | 2607.19 | 2 | -70 | 612.00 |
| DDSA-21-46 | 751459.08 | 2526423.55 | 2548.46 | 225 | -77 | 558.60 |
| DDSA-21-47 | 751458.33 | 2526426.76 | 2548.19 | 35 | -50 | 354.00 |
| DDSA-21-48 | 751456.89 | 2526415.16 | 2548.92 | 75 | -62 | 315.50 |
| DDSA-21-49 | 751848.11 | 2525711.56 | 2721.68 | 205 | -60 | 915.00 |
| DDSA-21-50 | 754143.29 | 2527521.79 | 2389.45 | 180 | -74 | 450.00 |
| DDSA-21-51 | 754143.41 | 2527524.10 | 2389.38 | 0 | -85 | 504.00 |
| DDSA-22-52 | 751489.76 | 2526173.91 | 2624.64 | 10 | -57 | 489.00 |
| DDSA-22-53 | 751664.29 | 2526203.72 | 2600.77 | 70 | -70 | 400.00 |
| DDSA-22-54 | 751664.10 | 2526202.39 | 2600.82 | 40 | -65 | 441.00 |
| DDSA-22-55 | 752840.46 | 2525328.94 | 2589.99 | 52 | -43 | 342.00 |
| DDSA-22-56 | 754195.08 | 2524824.63 | 2478.01 | 50 | -48 | 249.00 |
| DDSA-22-57 | 754167.61 | 2524704.65 | 2487.73 | 42 | -52 | 379.20 |
| DDSA-22-58 | 752705.84 | 2525489.62 | 2605.35 | 55 | -42 | 365.00 |
| DDSA-22-59 | 752160.18 | 2526076.81 | 2587.93 | 39 | -50 | 240.60 |
| DDSA-22-60 | 752049.46 | 2526139.30 | 2598.60 | 40 | -55 | 261.70 |
| DDSA-22-61 | 751976.60 | 2525989.28 | 2642.13 | 60 | -55 | 338.10 |
| DDSA-22-62 | 751269.38 | 2526509.97 | 2584.71 | 25 | -63 | 276.50 |
| DDSA-22-63 | 751984.16 | 2526247.74 | 2577.80 | 43 | -62 | 206.68 |
| DDSA-23-64 | 751223.98 | 2526349.49 | 2619.30 | 10 | -58 | 482.30 |
| DDSA-23-65 | 751623.86 | 2525925.72 | 2672.41 | 73 | -49 | 671.50 |
| DDSA-23-66 | 752044.51 | 2525938.12 | 2642.39 | 52 | -62 | 297.10 |
| DDSA-23-66A | 752044.51 | 2525938.12 | 2642.39 | 52 | -62 | 483.20 |
| DDSA-23-67 | 752273.18 | 2525911.33 | 2619.26 | 60 | -72 | 368.50 |

| Hole ID | X | Y | Z | Azimuth | Dip | Length (m) |
|---|---|---|---|---|---|---|
| DDSA-23-68 | 751474.09 | 2526511.75 | 2541.30 | 38 | -45 | 137.00 |
| DDSA-23-69 | 751481.21 | 2526509.19 | 2541.39 | 80 | -45 | 101.20 |
| DDSA-23-70 | 751576.08 | 2526446.45 | 2581.40 | 55 | -75 | 128.70 |
| DDSA-23-71 | 751568.70 | 2526361.22 | 2602.65 | 1 | -64 | 263.60 |
| DDSA-23-72 | 751923.52 | 2525576.56 | 2716.45 | 39 | -62.5 | 707.50 |
| DSA19-001 | 753418.97 | 2525255.33 | 2497.32 | 52 | -68 | 451.51 |
| DSA19-002 | 753590.07 | 2525322.82 | 2467.39 | 160 | -48 | 477.25 |
| SAD-14-01 | 751345.79 | 2526525.20 | 2574.46 | 35 | -65 | 168.50 |
| SAD-14-02 | 751345.43 | 2526524.72 | 2574.52 | 35 | -73 | 204.70 |
| SAD-14-03 | 751345.07 | 2526523.90 | 2574.57 | 35 | 85 | 242.50 |
| SAD-14-04 | 751400.80 | 2526470.55 | 2564.41 | 35 | -57 | 200.00 |
| SAD-15-05 | 751462.06 | 2526423.58 | 2548.21 | 35 | -75 | 245.00 |
| SAD-15-06 | 751461.12 | 2526422.46 | 2548.30 | 22 | -85 | 250.80 |
| SAD-15-07 | 751399.77 | 2526468.48 | 2564.51 | 35 | -80 | 274.70 |
| SAD-15-08 | 751398.57 | 2526468.84 | 2564.61 | 215 | -85 | 358.65 |
| SAD-15-09 | 751978.20 | 2525991.31 | 2641.96 | 35 | -70 | 310.00 |
| SAD-15-10 | 751977.96 | 2525990.87 | 2641.98 | 45 | -80 | 410.00 |
| SAD-15-11 | 751892.93 | 2526009.37 | 2622.38 | 35 | -75 | 449.90 |
| SAD-17-12 | 751781.32 | 2526133.52 | 2607.88 | 35 | -57 | 301.00 |
| SAD-17-13 | 751781.07 | 2526132.78 | 2607.98 | 35 | -70 | 339.00 |
| SAD-17-14 | 751780.88 | 2526132.52 | 2608.00 | 35 | -80 | 423.00 |
| SAD-17-15 | 751884.31 | 2526089.02 | 2589.18 | 35 | -71 | 308.00 |
| SAD-17-16 | 751221.52 | 2526349.28 | 2620.92 | 35 | -65 | 428.84 |
| SAD-17-17 | 751806.52 | 2525898.02 | 2638.74 | 50 | -75 | 516.00 |
| SAD-17-18 | 752557.53 | 2525641.17 | 2587.52 | 40.5 | -69 | 213.00 |
| SAD-17-19 | 752558.04 | 2525641.78 | 2587.47 | 50 | -75 | 242.70 |
| SAD-17-20 | 752932.92 | 2525306.49 | 2549.69 | 35 | -79 | 310.80 |
| SAD-17-21 | 752839.02 | 2525325.66 | 2589.96 | 35 | -68 | 378.10 |
| SAD-17-22 | 752504.48 | 2525753.97 | 2535.11 | 35 | -50 | 188.00 |
| SAD-17-23 | 752503.65 | 2525752.69 | 2535.03 | 0 | -90 | 210.10 |
| SAD-17-24 | 752785.85 | 2525444.18 | 2599.40 | 35 | -76 | 314.60 |
| SAD-17-25 | 752420.30 | 2525801.16 | 2529.83 | 30 | -85 | 192.70 |
| SAD-17-26 | 752559.42 | 2525518.68 | 2623.78 | 35 | -73 | 334.95 |
| SAD-17-27 | 752702.65 | 2525488.11 | 2605.53 | 25 | -73 | 271.75 |
| SAD-17-28 | 752559.21 | 2525518.21 | 2623.76 | 0 | -90 | 406.20 |
| SAD-17-29 | 752365.92 | 2525362.53 | 2664.80 | 30 | -70 | 502.35 |
| SAD-17-30A | 752084.48 | 2525849.65 | 2648.89 | 30 | -71 | 262.95 |

**Table 10-3 Drill Holes Completed at Lucita South by Defiance Silver**

| Hole ID | X | Y | Z | Azimuth | Dip | Length (m) |
|---|---|---|---|---|---|---|
| DDLU-21-01 | 754291.00 | 2528398.00 | 2469.00 | 339.15 | -39.52 | 269.30 |
| DDLU-21-02 | 754291.00 | 2528398.00 | 2469.00 | 25.00 | -45.48 | 333.00 |
| DDLU-21-03 | 754266.50 | 2528463.00 | 2476.88 | 4.92 | -42.60 | 162.00 |
| DDLU-21-04 | 754599.90 | 2528410.10 | 2468.87 | 22.48 | -75.05 | 327.00 |
| DDLU-21-05 | 754518.00 | 2528445.00 | 2480.31 | 30.26 | -83.29 | 279.00 |
| DDLU-21-06 | 753046.00 | 2528799.00 | 2460.00 | 213.30 | -45.13 | 150.00 |
| DDLU-21-07 | 753046.00 | 2528799.00 | 2460.00 | 193.84 | -70.46 | 219.00 |
| DDLU-21-08 | 752244.00 | 2528713.00 | 2524.00 | 2.76 | -56.63 | 324.00 |
| DDLU-22-09 | 751816.00 | 2528886.00 | 2543.44 | 36.19 | -52.19 | 216.00 |
| DDLU-22-10 | 751807.00 | 2528837.00 | 2539.36 | 34.40 | -56.27 | 433.50 |
| DDLU-22-11 | 751695.35 | 2528929.80 | 2504.91 | 14.23 | -59.12 | 357.00 |
| DDLU-22-12 | 751575.07 | 2528936.90 | 2505.71 | 19.45 | -54.81 | 402.00 |
| DDLU-22-13 | 754735.59 | 2528366.10 | 2485.24 | 20.00 | -75.00 | 330.00 |

### 10.1.1 2014 Diamond Drilling

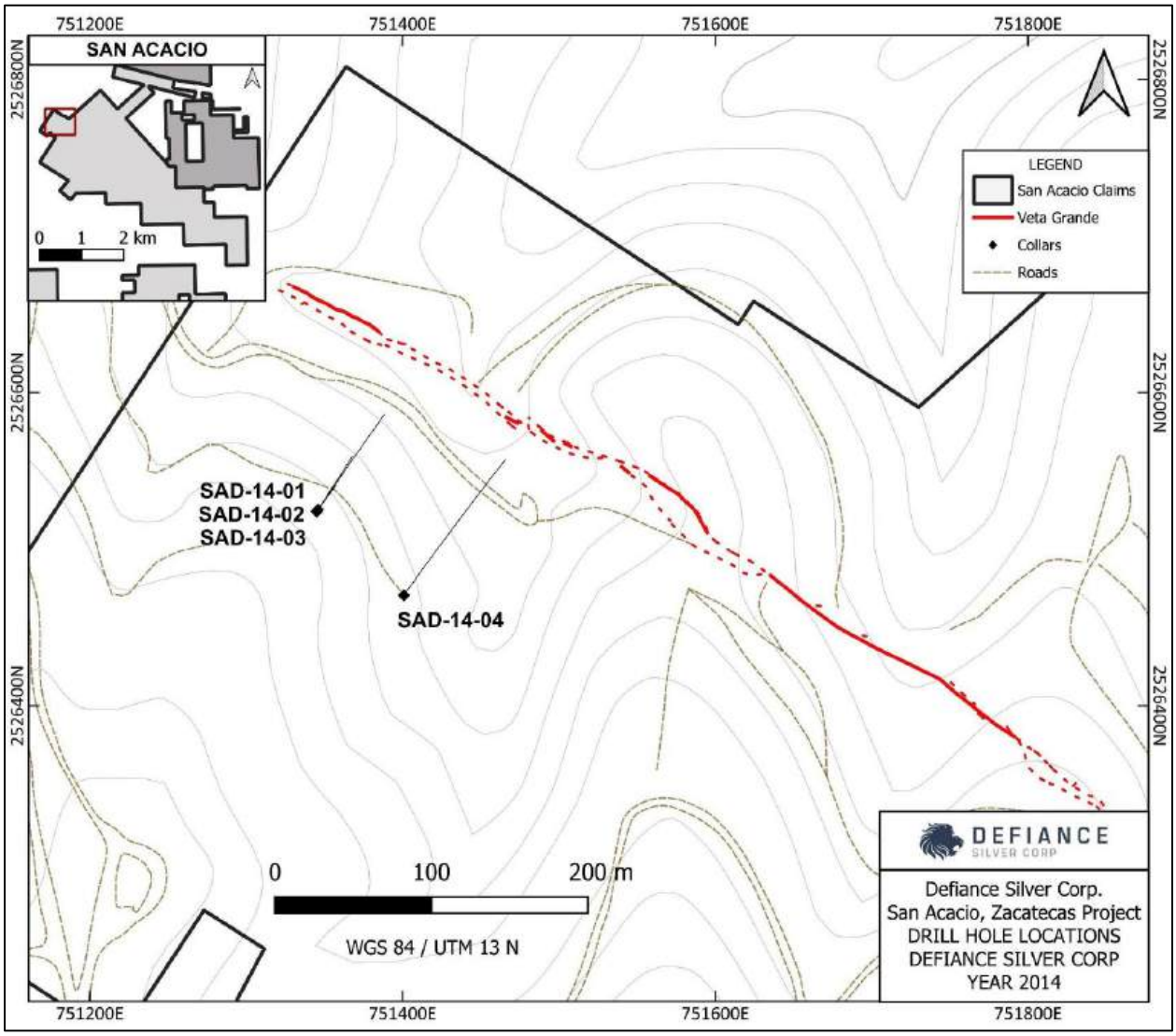
At San Acacio a total of 815.7 metres was drilled in 4 diamond drill holes (SAD-14-01 to SAD-14-04) during 2014. The drilling was designed to target the main Veta Grande structure down-dip of previous 1995 drilling and below the eastern portion the Carolina zone and the western extent of the Almaden zone; both the Almaden and Carolina zones were mined historically. Significant drill results are presented in Table 10-4. (see Defiance Management's Discussion & Analysis (MD&A) dated June 30, 2015, and News Release dated July 7, 2015, posted on SEDAR under Defiance profile). Drill hole locations are presented in Figure 10-1.

**Table 10-4 2014 San Acacio Significant Drill Results**

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Cu (%) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|---|
| SAD14-01 | 132.5 | 149.5 | 17.0 | 110.21 | 0.130 | 0.013 | 0.110 | 0.35 |
| including | 134.0 | 142.1 | 8.1 | 222.12 | 0.220 | 0.014 | 0.200 | 0.53 |
| SAD14-02 | 168.5 | 185.2 | 16.7 | 101.11 | 0.753 | 0.020 | 0.140 | 1.79 |
| including | 168.5 | 171.7 | 3.2 | 419.10 | 0.820 | 0.022 | 0.140 | 0.30 |
| including | 176.2 | 182.1 | 5.9 | 30.15 | 1.460 | 0.033 | 0.230 | 4.62 |
| SAD14-03 | 194.5 | 213.3 | 18.8 | 21.14 | 0.416 | 0.021 | 0.840 | 1.10 |
| including | 205.0 | 213.3 | 8.3 | 42.89 | 0.920 | 0.041 | 1.870 | 2.44 |
| SAD14-04 | 143.0 | 153.1 | 10.1 | 100.23 | 0.560 | 0.130 | 0.770 | 1.61 |
| Including | 147.0 | 153.1 | 6.1 | 138.35 | 0.800 | 0.190 | 1.270 | 1.90 |

*Note: True Widths are approximately 70% to 80% of each intersection.*

**Figure 10-1 2014 San Acacio Drill Hole Locations**




### 10.1.2 **2015 Diamond Drilling**

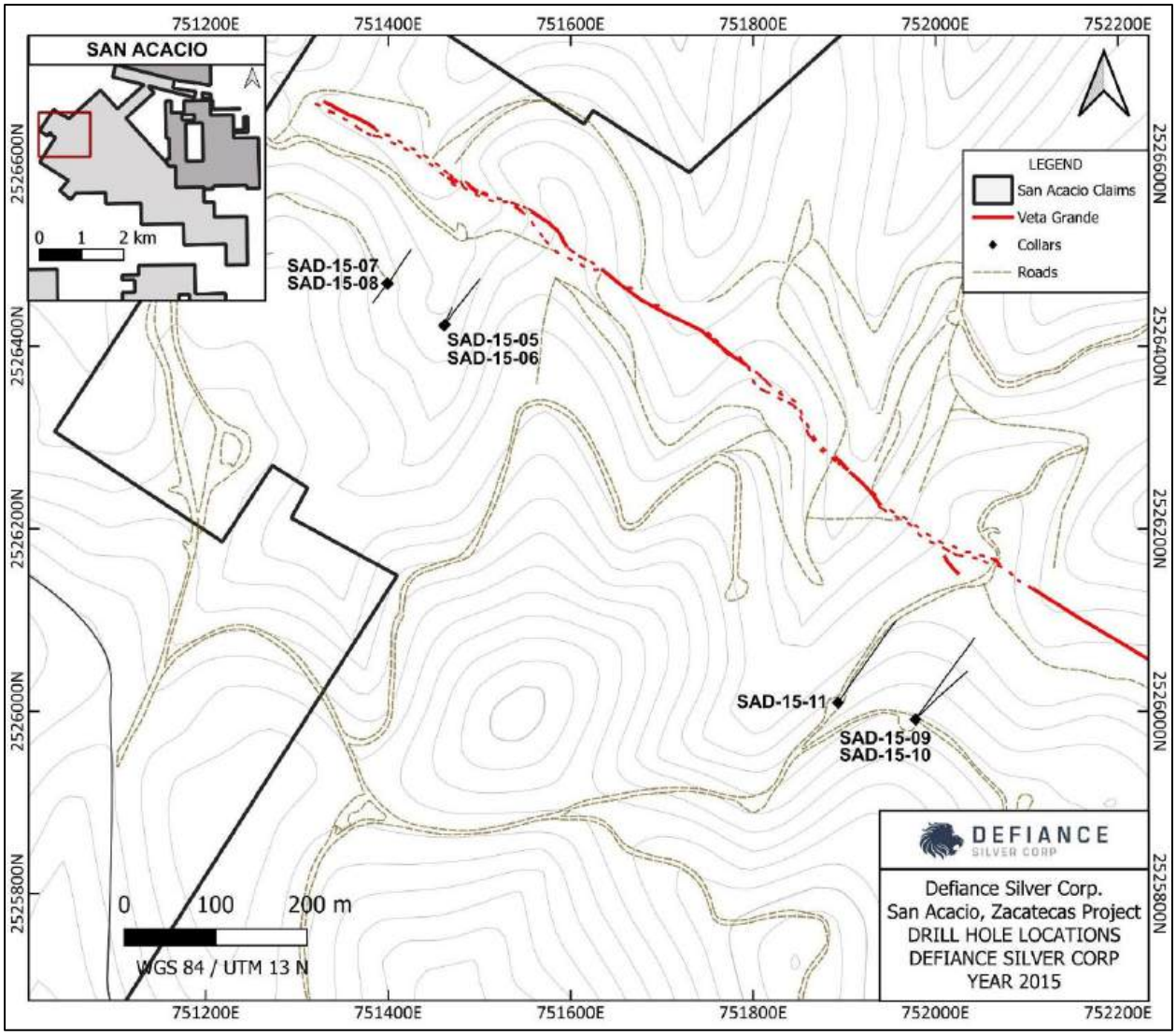
At San Acacio a total of 2,299.05 metres was drilled in 7 diamond drill holes (SAD-15-05 to SAD-15-11) during 2015. The 2015 drilling stepped along the Veta Grande vein system to the east of the first three holes drilled in 2014. Drilling was designed to continue testing the Veta Grande down-dip of 1995 drilling, both under the Almaden Zone as well as approximately 650 m to the southeast under the Guadalupe zone. Significant drill results are presented in Table 10-4 (see Defiance news releases dated between June 30, 2016, and June 30, 2017, posted on SEDAR under Defiance profile), and drill hole locations are shown in Figure 10-2.

**Table 10-5 2015 San Acacio Significant Drill Results**

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Cu (%) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|---|
| SAD15-05 | 148.00 | 155.40 | 7.40 | 18.510 | 0.067 | 0.008 | 0.064 | 0.140 |
| SAD15-05 | 176.60 | 185.80 | 9.20 | 10.400 | 0.041 | 0.010 | 0.010 | 0.070 |
| SAD15-06 | 178.00 | 185.30 | 7.30 | 109.210 | 0.129 | 0.010 | 0.040 | 0.090 |
| SAD15-06 | 219.50 | 231.00 | 11.50 | 20.060 | 0.390 | 0.026 | 0.043 | 1.537 |
| Including | 224.00 | 231.00 | 7.00 | 19.880 | 0.571 | 0.030 | 0.062 | 2.354 |
| SAD15-07 | 136.40 | 140.00 | 3.60 | 211.490 | 0.000 | 0.009 | 0.109 | 0.198 |
| SAD15-07 | 147.10 | 149.50 | 2.40 | 149.160 | 0.000 | 0.018 | 0.422 | 1.592 |
| SAD15-07 | 185.40 | 206.50 | 21.10 | 70.840 | 0.237 | 0.030 | 0.350 | 0.770 |
| Including | 199.10 | 200.50 | 1.40 | 203.390 | 0.890 | 0.080 | 0.880 | 1.170 |
| SAD15-08 | 106.05 | 113.30 | 7.25 | 631.460 | 0.426 | 0.005 | 0.088 | 0.222 |
| SAD15-08 | 119.50 | 120.20 | 0.70 | 431.950 | 0.237 | 0.007 | 0.213 | 0.642 |
| SAD15-08 | 163.05 | 163.80 | 0.75 | 330.750 | 0.098 | 0.013 | 0.145 | 0.306 |
| SAD15-08 | 260.50 | 266.50 | 6.00 | 11.250 | 0.308 | 0.011 | 0.041 | 0.528 |
| SAD15-08 | 272.10 | 275.50 | 3.40 | 38.470 | 0.199 | 0.009 | 0.026 | 0.267 |
| SAD15-08 | 319.30 | 326.60 | 7.30 | 13.760 | 0.000 | 0.020 | 0.090 | 0.324 |
| SAD15-09* | 221.00 | 224.05 | 3.05 | Mine Opening on Veta Grande | | | | |
| SAD15-09 | 226.15 | 241.80 | 15.65 | 65.220 | 0.020 | 0.010 | 0.010 | 0.040 |
| Including | 226.15 | 231.00 | 4.85 | 118.320 | 0.020 | 0.070 | 0.010 | 0.040 |
| SAD15-09 | 262.70 | 266.75 | 3.05 | 40.380 | 0.090 | 0.010 | 0.150 | 0.520 |
| SAD15-09* | 266.75 | 269.80 | 3.05 | Mine Opening on Veta Grande | | | | |
| SAD15-09 | 269.80 | 271.35 | 1.55 | 4.900 | 0.040 | 0.010 | 0.150 | 0.510 |
| SAD15-10 | 282.70 | 284.30 | 1.60 | 100.030 | 0.110 | 0.010 | 0.010 | 0.030 |
| SAD15-10 | 331.50 | 343.45 | 11.95 | Veta Grande Vein | | | | |
| Including | 331.50 | 333.60 | 2.10 | 283.310 | 0.170 | 0.010 | 0.380 | 0.700 |
| * | 333.60 | 335.65 | 2.05 | Mine Opening on Veta Grande | | | | |
| Including | 335.65 | 341.15 | 5.50 | 96.650 | 0.260 | 0.030 | 0.610 | 1.340 |
| * | 341.15 | 341.85 | 0.70 | Mine Opening on Veta Grande | | | | |
| Including | 341.85 | 343.45 | 1.60 | 19.440 | 0.120 | 0.020 | 0.400 | 1.580 |
| SAD15-11 | 283.50 | 285.00 | 1.50 | 136.030 | 0.030 | 0.020 | 0.030 | 0.060 |

*Notes: * Grade not calculated due to no data due to open mine workings. True Widths are approximately 70% to 80% of each intersection.*

**Figure 10-2 2015 San Acacio Drill Hole Locations**




### 10.1.3 2017 Diamond Drilling

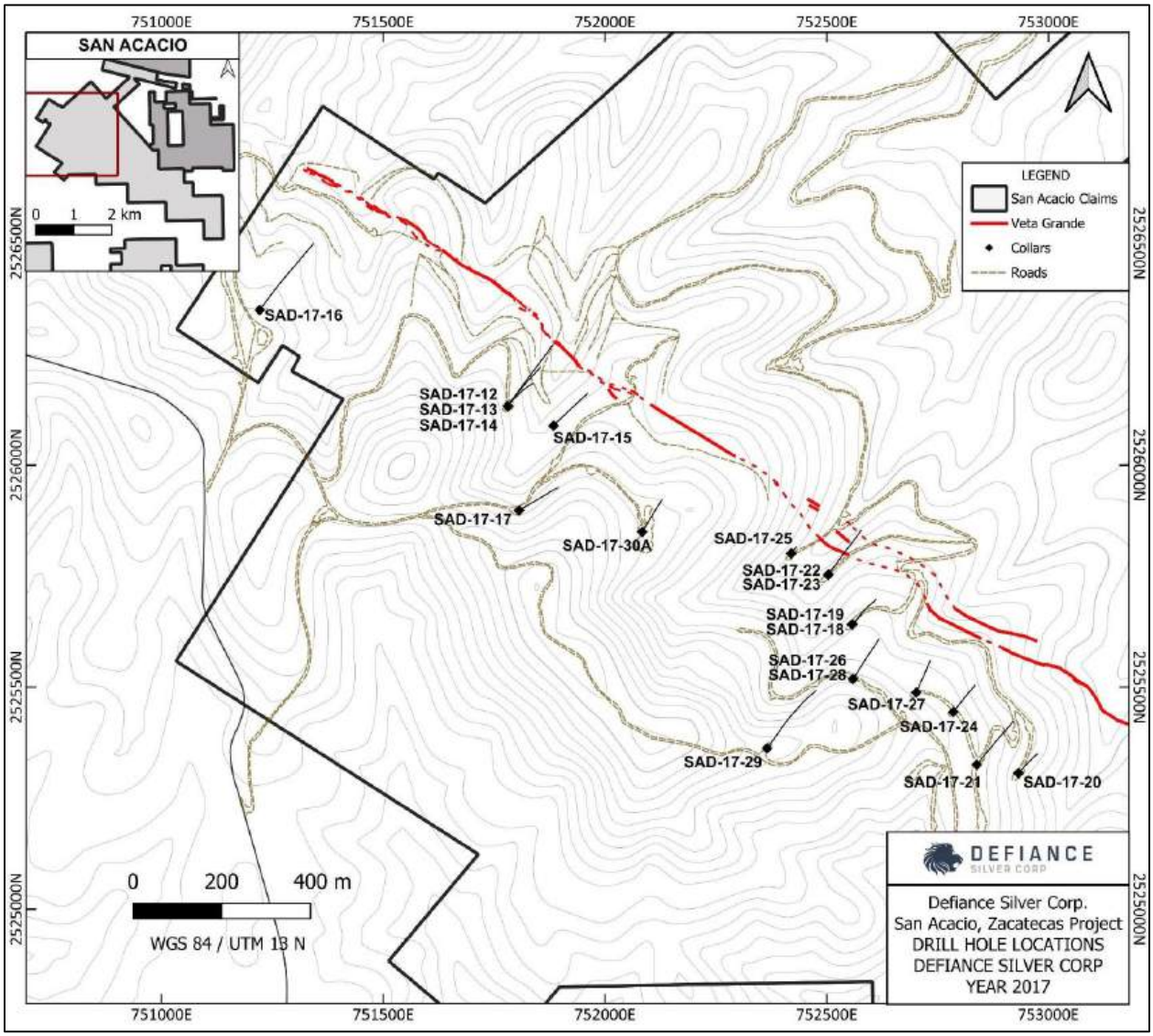
At San Acacio a total of 6,144.04 metres was drilled in 19 diamond drill holes during 2017 (SAD-17-12 to SAD-17-30A). The bulk of this drilling targeted the Veta Grande system to the southeast of the main historic workings and deep under the Guadalupe and Refugio zones; neither of the deeper holes reached the projection of Veta Grande. Additional holes were drilled to follow up on higher grade shoots in the Esperanza, Almaden, and Carolina zones. Significant drill results are presented in Table 10-6. (see Defiance MD&A dated June 30, 2017, posted on SEDAR under Defiance profile). 2017 drill hole locations are presented in Figure 10-3.

**Table 10-6 2017 San Acacio Significant Drill Results**

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Cu (%) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|---|
| SAD17-12 | 226.20 | 253.65 | 27.03 | 148.210 | 0.290 | 0.020 | 0.130 | 0.670 |
| Including | 226.20 | 234.20 | 7.58 | 212.910 | 0.050 | 0.010 | 0.060 | 0.260 |
| Including | 238.00 | 243.00 | 5.00 | 230.690 | 0.510 | 0.040 | 0.430 | 1.680 |
| Including | 247.60 | 253.65 | 6.05 | 122.070 | 0.740 | 0.010 | 0.090 | 1.040 |
| SAD17-13 | 261.00 | 271.00 | 10.00 | 171.220 | 0.080 | 0.010 | 0.270 | 0.420 |
| Including | 261.00 | 264.00 | 3.00 | 372.210 | 0.100 | 0.010 | 0.160 | 0.450 |
| SAD17-14 | 308.07 | 308.67 | 0.60 | 139.530 | 0.400 | 0.000 | 1.840 | 1.090 |
| SAD17-14 | 314.12 | 315.00 | 0.88 | 213.840 | 0.300 | 0.000 | 0.010 | 0.000 |
| SAD17-14 | 318.00 | 318.30 | 0.30 | 477.550 | 0.460 | 0.000 | 0.050 | 0.170 |
| SAD17-15 | 209.82 | 213.00 | 3.18 | 285.040 | 0.020 | 0.010 | 0.050 | 0.170 |
| SAD17-17 | 439.13 | 440.14 | 1.01 | 33.900 | 0.120 | 0.010 | 0.510 | 3.140 |

*Note: True Widths are approximately 70% to 80% of each intersection.*

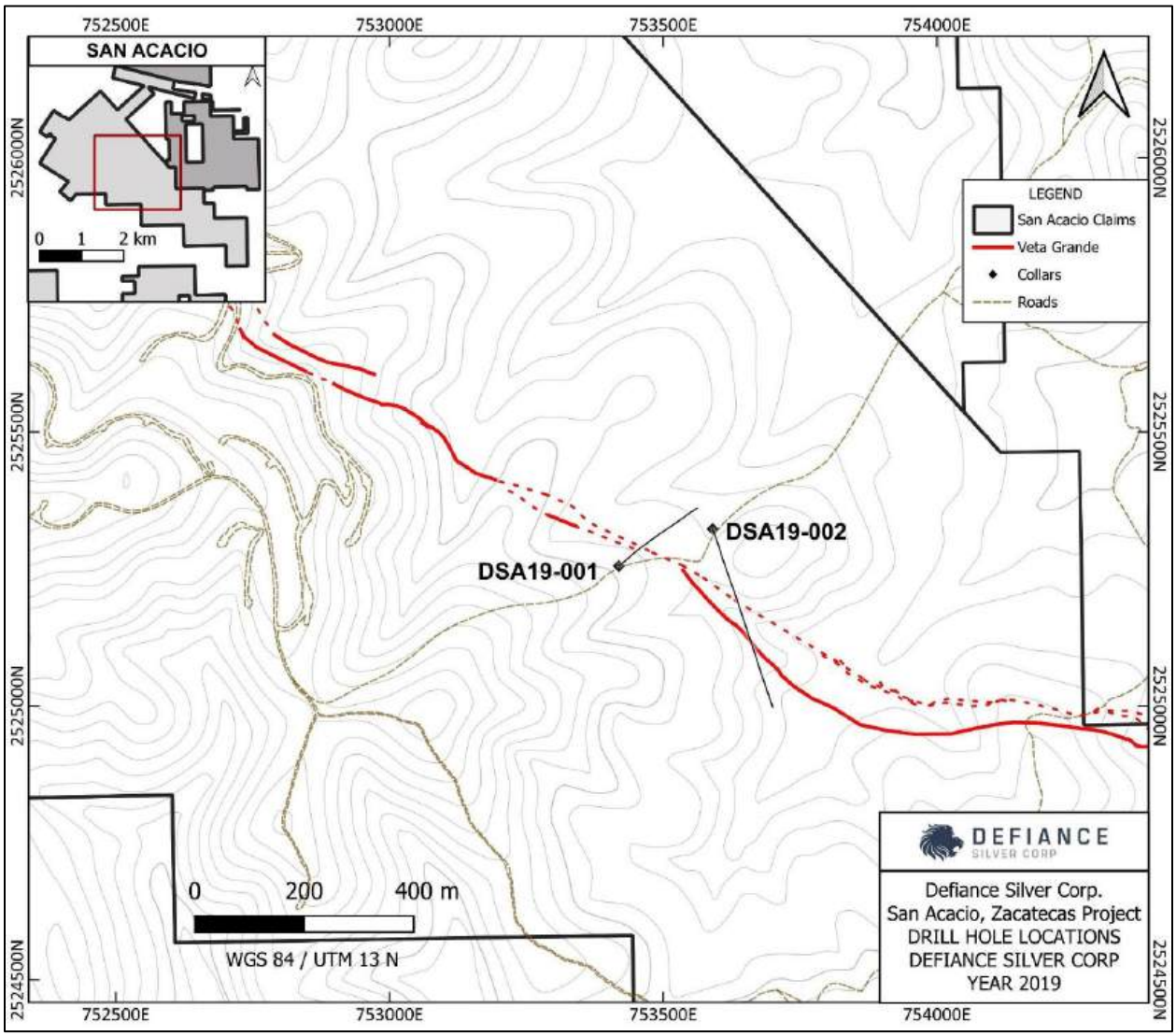
**Figure 10-3 2017 San Acacio Drill Hole Locations**



### 10.1.4 2019 Diamond Drilling

At San Acacio a total of 928.76 metres was drilled in 2 diamond drill holes during 2019 (DSA-19 -001 and DSA-19-002). The diamond drill program was designed to test a deep chargeability anomaly as well as a structural anomaly near the Veta Grande structure approximately 1,400 m southeast of the main zone of historic workings. No significant assay results were returned in either drill hole; drill hole locations are shown in Figure 10-4.

**Figure 10-4 2019 Drill Hole Locations**

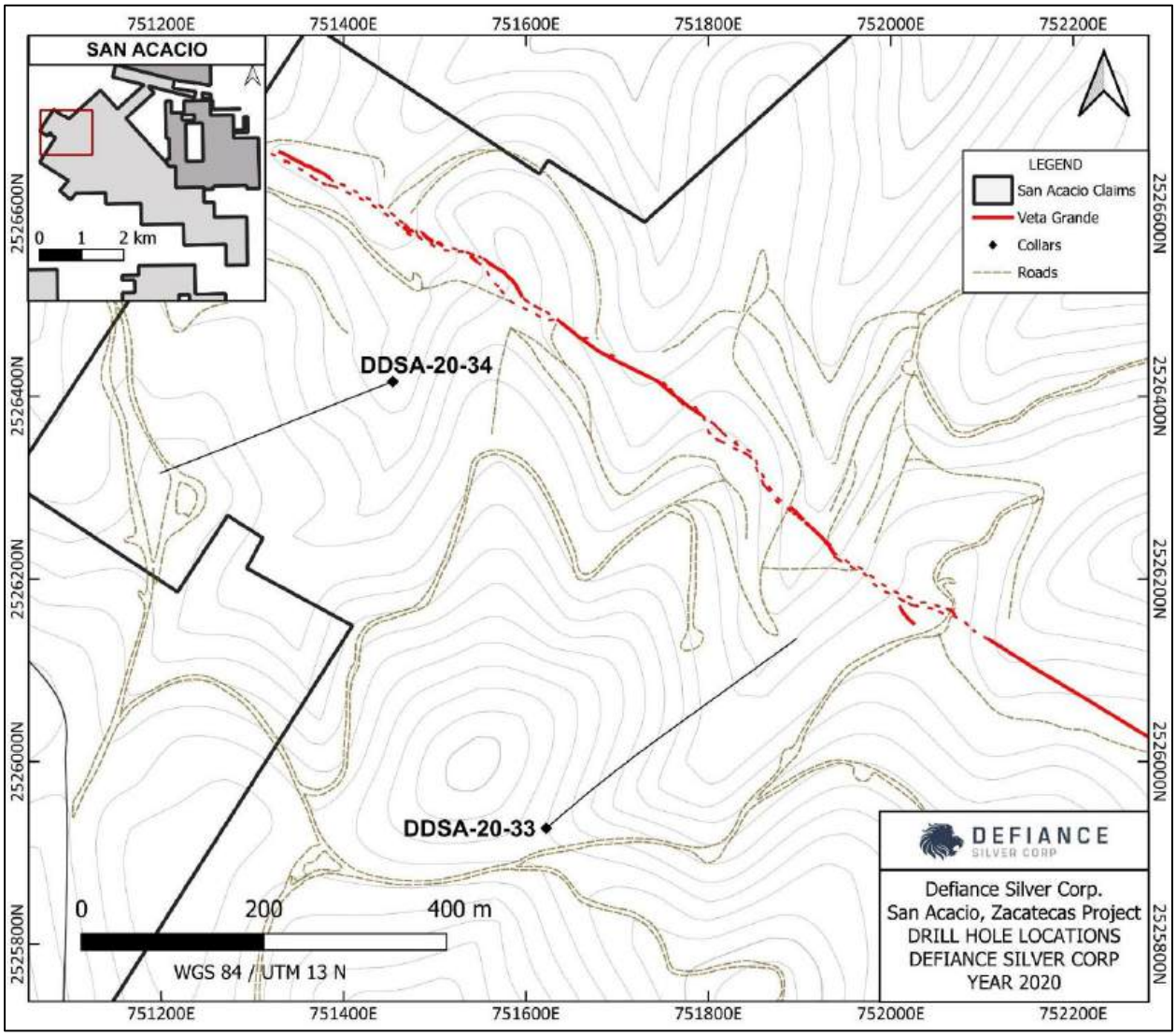



### 10.1.5 2020 Diamond Drilling

At San Acacio a total of 1,112.0 metres was drilled in 2 diamond drill holes DDSA-20-33 and DDSA-20-34 during 2020. Drill hole DDSA-20-33 was drilled into a previously untested area of the Veta Grande system between the Esperanza and Guadalupe zones. Drill hole DDSA-20-34 was designed to test the Morada

Vein-Fault at depth. No significant drill results were returned in these 2 drill holes. Drill hole locations are shown in Figure 10-5.

**Figure 10-5 2020 San Acacio Drill Hole Locations**




### 10.1.6 **2021 Diamond Drilling**

#### 10.1.6.1 San Acacio

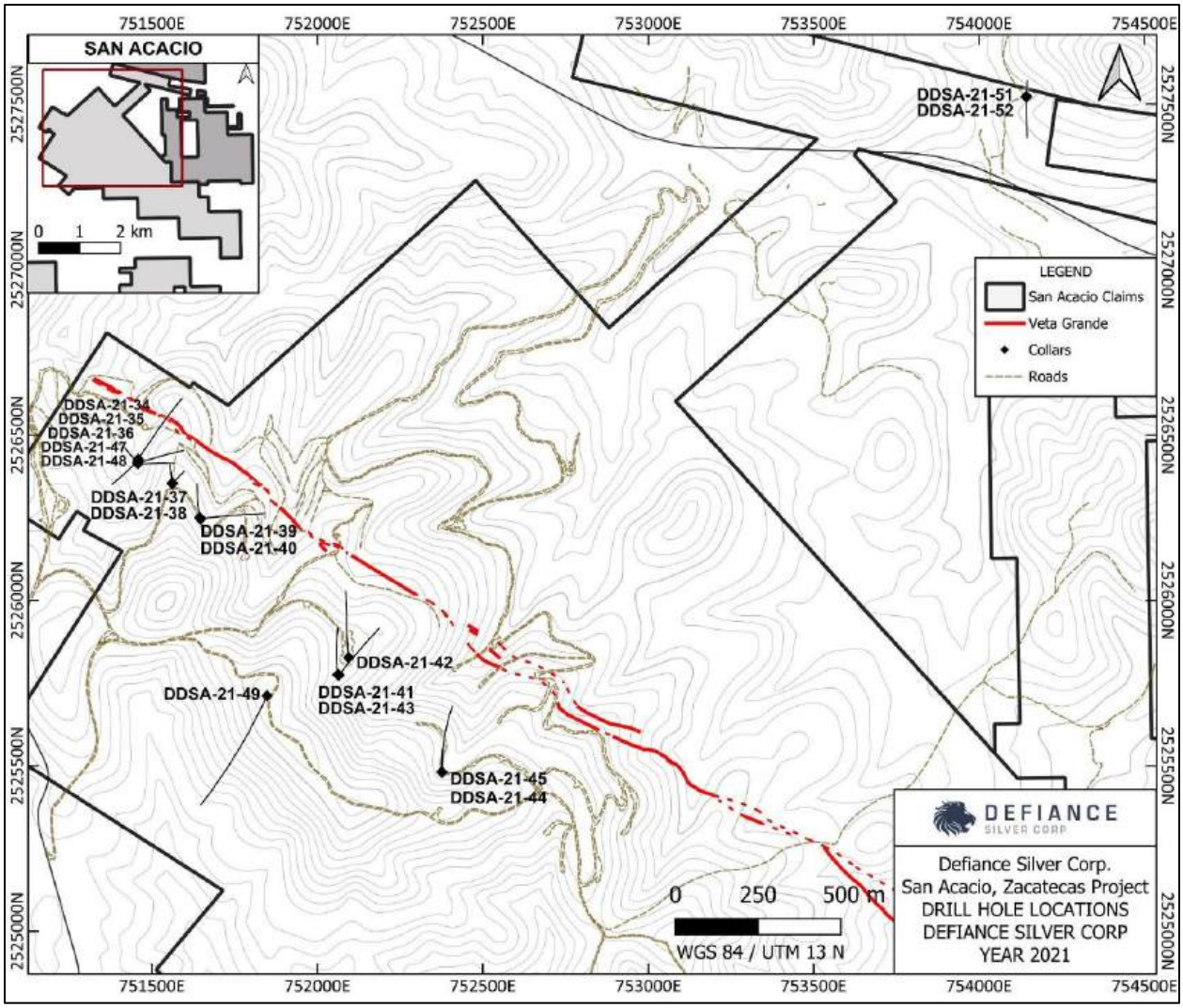
At San Acacio total of 7,649.1 metres was drilled in 17 diamond drill holes (DDSA-21-35 to DDSA-21-51) during 2021. The drill program targeted the Veta Grande vein system in the northwest of the Property and below the Guadalupe and Refugio zones, as well as the Tahures vein system in the far north of the San Acacio land package. Significant drill results are presented in Table 10-7 (see Defiance MD&A dated June 30, 2022 posted on SEDAR under Defiance's profile). Drill hole locations are shown in Table 10-7.

**Table 10-7 2021 San Acacio Significant Drill Results**

| Hole ID | Vein ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|---|
| DDSA-21-35 | Veta Blanca | 148.65 | 152.55 | 3.90 | 116.150 | 0.150 | 0.070 | 0.180 |
| DDSA-21-35 | Veta Blanca | 154.53 | 158.17 | 3.64 | 191.130 | 0.200 | 0.090 | 0.200 |
| Including | Veta Blanca | 154.53 | 155.45 | 0.92 | 705.430 | 0.740 | 0.340 | 0.700 |
| and | Veta Blanca | 155.05 | 155.45 | 0.40 | 1200.000 | 1.020 | 0.520 | 1.220 |
| DDSA-21-35 | Veta Grande | 241.35 | 259.90 | 18.55 | 99.530 | 0.390 | 0.080 | 0.630 |
| Including | Veta Grande | 248.70 | 250.27 | 1.57 | 1090.000 | 2.270 | 0.720 | 2.330 |
| DDSA-21-36 | Veta Blanca | 149.15 | 152.20 | 3.05 | 123.440 | 0.070 | 0.050 | 0.200 |
| DDSA-21-36 | Veta Intermedio | 165.65 | 174.00 | 8.35 | 96.770 | 0.070 | 0.020 | 0.040 |
| Including | Veta Intermedio | 165.65 | 166.35 | 0.70 | 4.300 | 0.230 | 0.090 | 0.120 |
| DDSA-21-36 | Veta Grande Splay | 188.05 | 211.55 | 23.50 | 51.700 | 0.470 | 0.930 | 1.360 |
| Including | Veta Grande Splay | 193.80 | 198.53 | 4.73 | 144.110 | 1.310 | 2.800 | 3.600 |
| DDSA-21-37 | Veta Blanca | 229.00 | 234.87 | 5.87 | 124.890 | 0.170 | 0.220 | 0.610 |
| DDSA-21-37 | Veta Intermedio | 250.18 | 255.75 | 5.57 | 182.870 | 0.040 | 0.080 | 0.260 |
| Including | Veta Intermedio | 253.10 | 255.75 | 2.65 | 307.260 | 0.050 | 0.090 | 0.270 |
| DDSA-21-37 | Veta Grande | 270.45 | 278.67 | 8.22 | 262.040 | 0.320 | 0.360 | 1.260 |
| Including | Veta Grande | 270.45 | 273.45 | 3.00 | 689.840 | 0.420 | 0.420 | 1.870 |
| and | Veta Grande | 270.45 | 272.30 | 1.85 | 1102.430 | 0.140 | 0.450 | 1.100 |
| DDSA-21-38 | Veta Grande | 226.40 | 275.96 | 9.56 | 42.840 | 0.820 | 0.150 | 2.310 |
| DDSA-21-40 | Veta Blanca | 214.21 | 216.43 | 2.22 | 138.230 | 0.010 | 0.020 | 0.080 |
| DDSA-21-40 | Veta Grande | 302.48 | 318.95 | 16.47 | 105.970 | 0.170 | 0.050 | 0.310 |
| Including | Veta Grande | 310.67 | 318.95 | 8.28 | 166.320 | 0.170 | 0.060 | 0.280 |
| and | Veta Grande | 314.40 | 318.95 | 4.55 | 241.450 | 0.120 | 0.070 | 0.170 |
| and | Veta Grande | 314.40 | 317.20 | 2.80 | 315.310 | 0.170 | 0.010 | 0.100 |
| DDSA-21-43 | Veta Grande | 480.486.26 | 486.26 | 6.26 | 29.000 | 0.110 | 0.020 | 2.060 |

*Note: True Widths are approximately 70% to 80% of each intersection.*

**Figure 10-6 2021 San Acacio Drill Hole Locations**



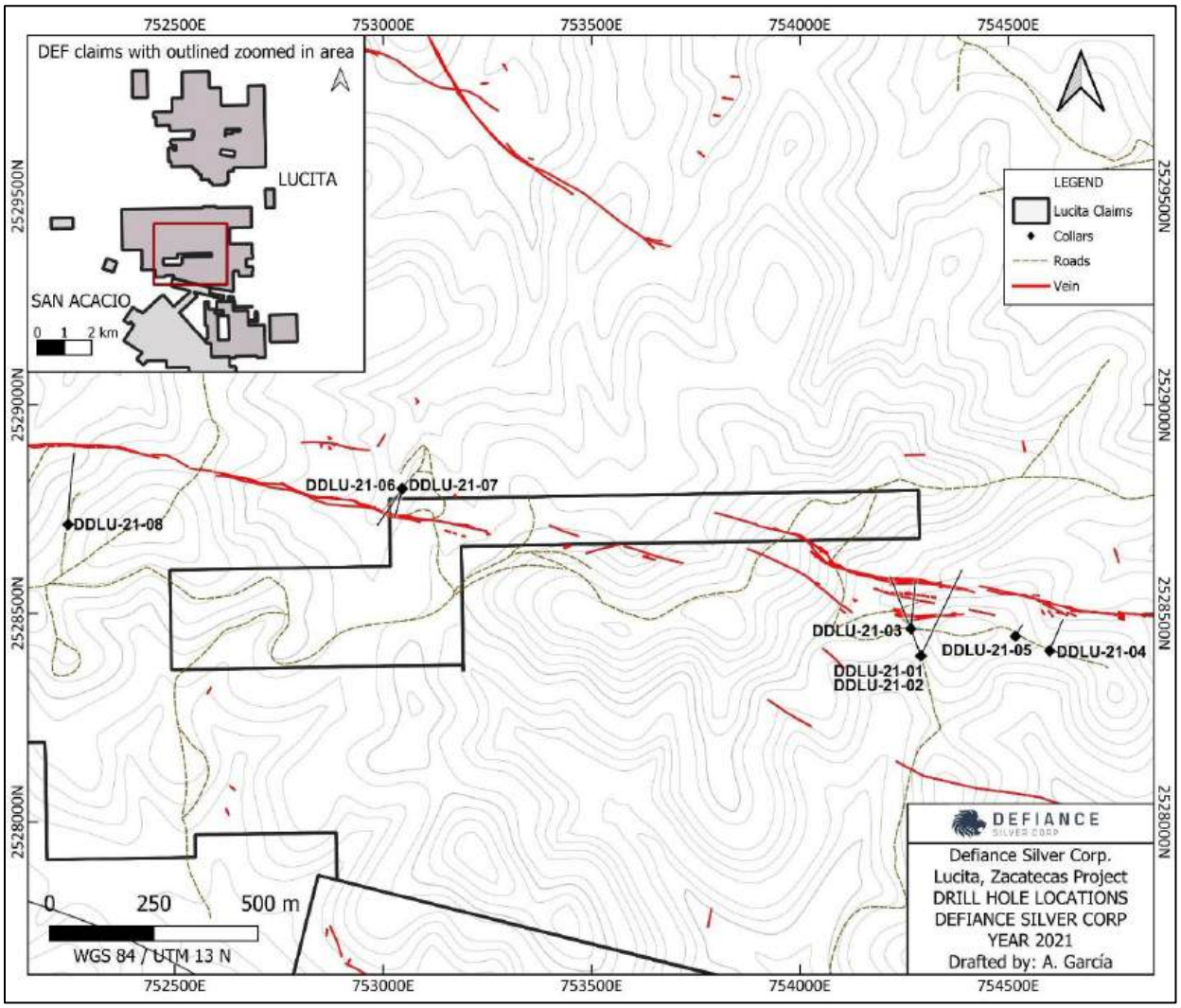

10.1.6.2 Lucita South

The Company completed a surface mapping and sampling program on the Lucita South land package in early 2021, and subsequently completed a first pass regional drilling program on the previously undrilled Palenque vein system. Drilling began in November 2021 and comprised 8 drill holes for a total of 2,063.3 m (Table 10-1) spread across approximately 2.5 km of strike length (Figure 10-7). Three holes returned significant mineralized intervals (Table 10-8) confirming the exploration potential of the multi-kilometer Palenque vein system (See News Releases April 13 and August 9, 2022). Drilling during this campaign continued into 2022.

**Table 10-8 2021 Lucita South Significant Drill Results**

| Hole | From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|
| DDLU-21-01 | 171.06 | 172 | 0.94 | 0.11 | 106.82 |
| DDLU-21-04 | 114.95 | 117.68 | 2.73 | 0.16 | 102.07 |
| including | 114.95 | 116.53 | 1.58 | 0.11 | 134 |
| DDLU-21-05 | 152.52 | 156 | 3.48 | 0.02 | 513.57 |
| including | 154.1 | 156 | 1.9 | 0.03 | 940.18 |
| including | 154.1 | 154.35 | 0.25 | 0.07 | 3260 |
| DDLU-21-05 | 164.4 | 165.45 | 1.05 | 0.19 | 317 |
| DDLU-21-05 | 219.53 | 223.62 | 4.09 | 0.1 | 137.4 |
| including | 219.53 | 220.13 | 0.6 | 0.28 | 618 |
| DDLU-21-05 | 229.35 | 230.86 | 1.51 | 0.76 | 191.92 |

**Figure 10-7 2021 Lucita South Drill Hole Locations**



### 10.1.7 **2022 Diamond Drilling**

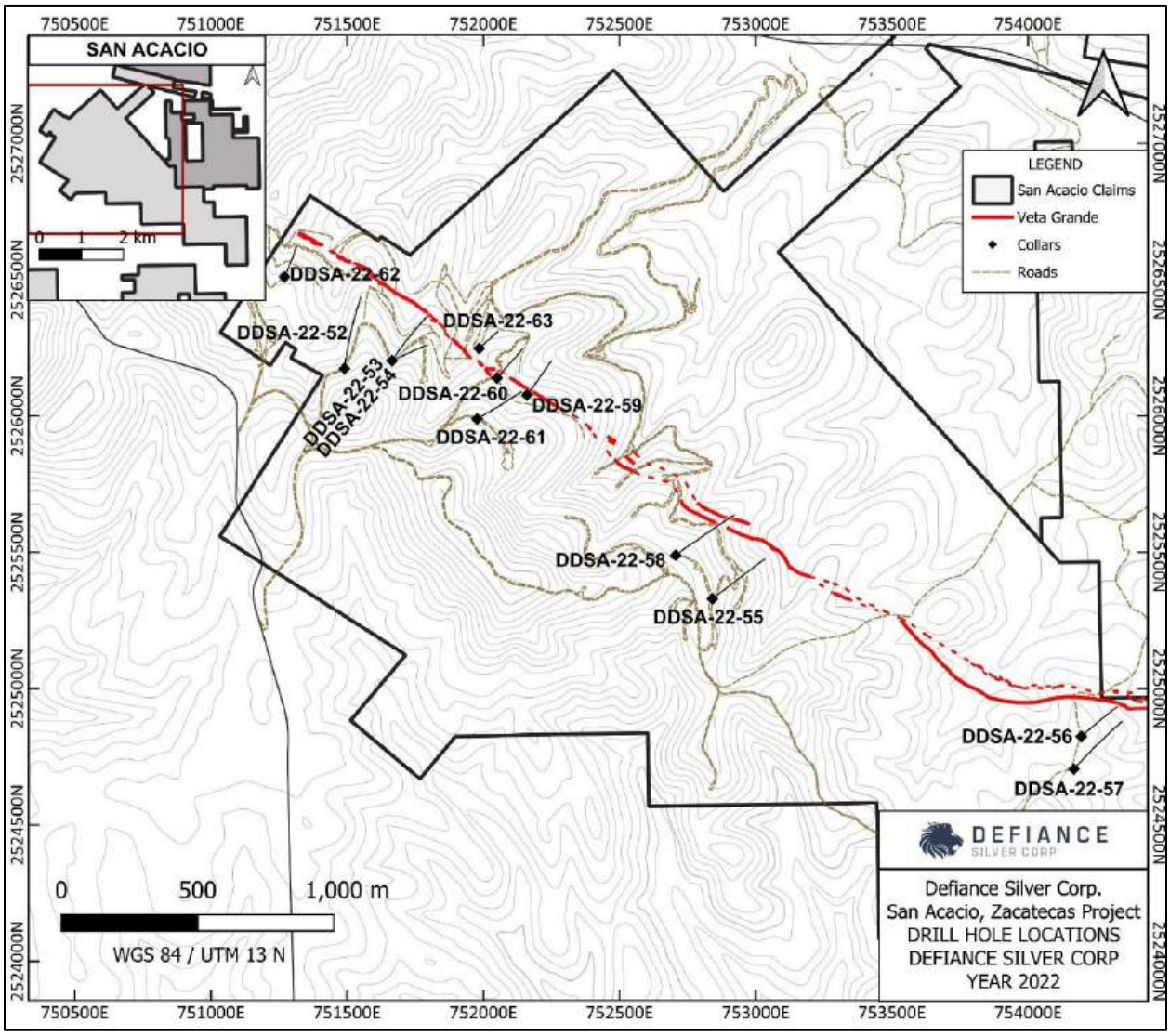
#### 10.1.7.1 San Acacio

At San Acacio a total of 3,988.78 metres was drilled in 12 diamond drill holes (DDSA-22-52 to DDSA-22-63) during 2020. These holes were designed to improve the main Veta Grande structural model and to infill poorly drilled areas, as well as to test both hanging wall and footwall splays to the Veta Grande system. The footwall San Herculano structure was one of the main exploration targets of this phase of drilling. Significant drill results are presented in Table 10-9 (see Defiance Silver's MD&A dated June 30, 2023, posted on SEDAR). Drill hole locations are shown in Figure 10-8.

**Table 10-9 2022 San Acacio Significant Drill Results**

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|
| DDSA-22-52 | 397.46 | 407.62 | 10.16 | 121.18 | 0.7 | 0.72 | 2.86 |
| Including | 400.22 | 403.6 | 3.38 | 344.91 | 1.96 | 2.12 | 8.01 |
| and | 400.22 | 402 | 1.78 | 616.02 | 2.79 | 3.35 | 11.38 |
| and | 400.72 | 401.62 | 0.9 | 868 | 4.18 | 4.61 | 17.05 |
| DDSA-22-53 | 301.17 | 303.17 | 2 | 121 | 0.51 | 1.36 | 4.85 |
| DDSA-22-53 | 343.02 | 344.14 | 1.12 | 126.66 | 0.52 | 0.23 | 1.02 |
| DDSA-22-54 | 255.07 | 255.87 | 0.8 | 100.37 | 0.11 | 0.04 | 0.24 |
| DDSA-22-54 | 280.46 | 282.4 | 1.94 | 29.07 | 0.62 | 0.42 | 1.15 |
| DDSA-22-55 | 256.12 | 258.31 | 2.19 | 78.72 | 0.29 | 0.06 | 0.17 |
| DDSA-22-55 | 257.88 | 258.31 | 0.43 | 204 | 0.7 | 0.17 | 0.5 |
| DDSA-22-58 | 213.28 | 214.32 | 1.04 | 96.14 | 0.07 | 0.02 | 0.25 |
| DDSA-22-59 | 1.38 | 10.95 | 9.57 | 157.38 | 0.12 | 0.06 | 0.1 |
| DDSA-22-59 | 23.1 | 31.69 | 8.59 | 59.6 | 0.07 | 0.03 | 0.07 |
| DDSA-22-59 | 27.3 | 29.72 | 2.42 | 117.89 | 0.04 | 0.01 | 0.02 |
| DDSA-22-59 | 63 | 64.15 | 1.15 | 45.42 | 0.34 | 1.32 | 0.64 |
| DDSA-22-60 | 31.1 | 38.08 | 6.98 | 81.09 | 0.17 | 0.01 | 0.07 |
| DDSA-22-60 | 31.1 | 35.31 | 4.21 | 119.21 | 0.12 | 0.01 | 0.04 |
| DDSA-22-61 | 230.04 | 235.01 | 4.97 | 133.58 | 0.02 | 0.01 | 0.04 |
| DDSA-22-61 | 230.04 | 232.77 | 2.73 | 236.67 | 0.04 | 0 | 0.06 |
| DDSA-22-61 | 231.28 | 232.77 | 1.49 | 377.79 | 0.06 | 0 | 0.1 |
| DDSA-22-61 | 245.68 | 247.91 | 2.23 | 94.56 | 0.14 | 0.01 | 0.03 |
| DDSA-22-62 | 205.15 | 216.37 | 11.22 | 23.98 | 0.34 | 0.69 | 1.69 |
| DDSA-22-62 | 212.97 | 216.37 | 3.4 | 50.45 | 0.71 | 1.72 | 3.85 |
| DDSA-22-62 | 213.4 | 215.98 | 2.58 | 58.02 | 0.85 | 2.25 | 4.88 |

**Figure 10-8 2022 San Acacio Drill Hole Locations**



10.1.7.2 Lucita South

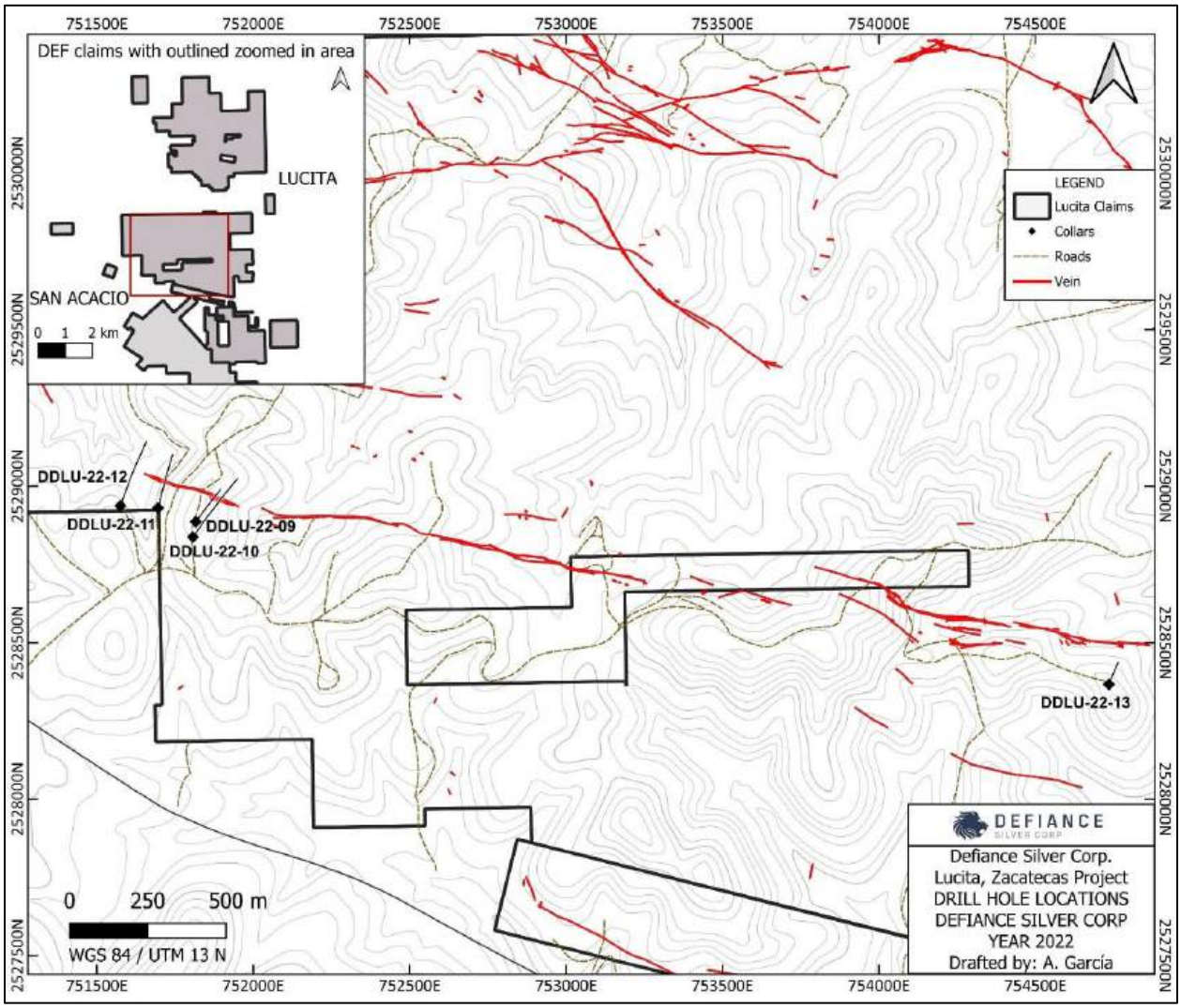
In early 2022 the Company continued a first pass regional drilling program on the previously undrilled Palenque vein system that was initiated in late 2021. In 2022 drilling comprised five drillholes for a total of 1,738.5 m (Table 10-1). Drilling consisted of step out drill holes along strike to the west (five holes) and east (one hole) extending the tested footprint on the Palenque vein system to approximately 3.5 km of strike length (Figure 10-9).

Drill hole DDLU-22-10 returned a 49.87 m wide zone with 58.79 g/t Ag from 370.23 m to 420.1 m including 3.05 m of 264.29 g/t Ag and 2.25 m of 235.29 g/t Ag (Table 10-10) (See News Release August 9, 2022).

**Table 10-10 2022 Lucita South Significant Drill Results**

| Hole | From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|
| DDLU-22-10 | 370.23 | 373.28 | 3.05 | 0.2 | 264.29 |
| including | 371.13 | 371.9 | 0.77 | 0.19 | 668 |
| DDLU-22-10 | 388.56 | 392.57 | 4.01 | 0.37 | 166.32 |
| including | 388.56 | 391.28 | 2.72 | 0.57 | 228.83 |
| including | 390.06 | 391.28 | 1.22 | 1.13 | 416 |
| DDLU-22-10 | 398 | 400.25 | 2.25 | 0.08 | 235.29 |
| including | 398 | 398.53 | 0.53 | 0.19 | 737 |
| DDLU-22-10 | 412.41 | 413.16 | 0.75 | 0.03 | 189 |
| DDLU-22-10 | 415.2 | 416.08 | 0.88 | 0.04 | 108 |
| DDLU-22-13 | 110.59 | 112.16 | 1.57 | 0.04 | 146.64 |
| DDLU-22-13 | 184 | 186 | 2 | 0.04 | 149.66 |
| including | 184 | 184.3 | 0.3 | 0.2 | 843 |
| DDLU-22-13 | 229.85 | 231 | 1.15 | 0.09 | 109.43 |

**Figure 10-9 2022 Lucita South Drill Hole Locations**




### 10.1.8 2023 Diamond Drilling

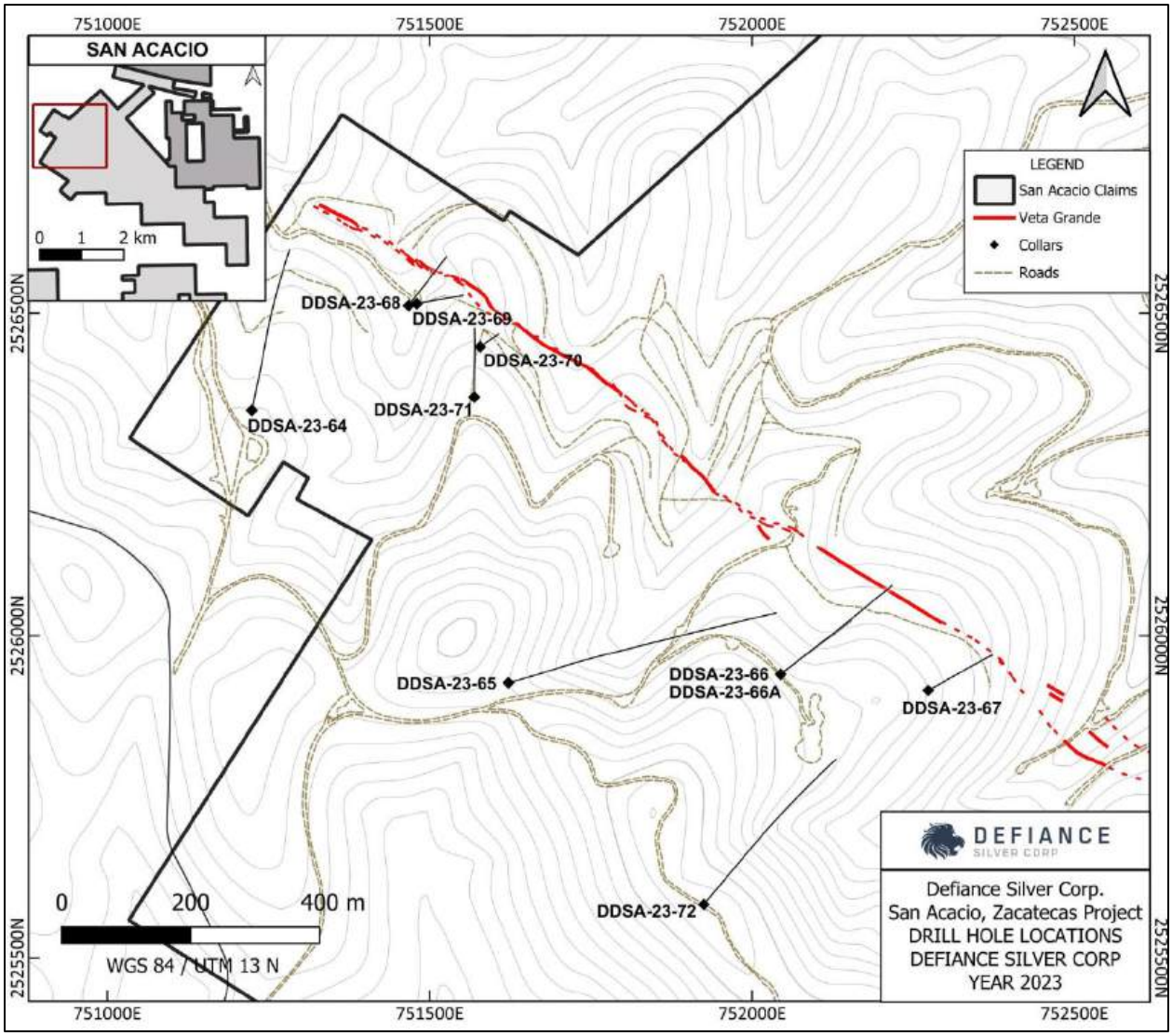
At San Acacio a total of 3640.6 m was drilled in 10 diamond drill holes (DDSA-23-64 to DDSA-23-72) during 2023. with a focus on testing shallow, poorly drilled levels in the Almaden and Guadalupe zones as well as deeper holes into the Guadalupe and Refugio zones. Significant drill results are presented in Table 10-11 (see Defiance Silver's Interim MD&A dated March 31, 2024, posted on SEDAR under Defiance's profile). Drill hole locations are shown in Figure 10-10.

**Table 10-11 2023 San Acacio Significant Drilling Results**

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|
| DDSA-23-64 | 218.84 | 220.47 | 1.63 | 136.44 | 0.1 | 0.06 | 0.2 |
| DDSA-23-64 | 236.72 | 241.52 | 4.8 | 349.37 | 0.14 | 0.14 | 0.35 |
| DDSA-23-64 | 239.07 | 240.39 | 1.32 | 1264.42 | 0.52 | 0.51 | 1.2 |
| DDSA-23-64 | 255.38 | 260.03 | 4.65 | 144.63 | 0.08 | 0.04 | 0.18 |
| DDSA-23-64 | 256.22 | 259.43 | 3.21 | 200.05 | 0.09 | 1.07 | 0.21 |

| Hole ID | From (m) | To (m) | Interval (m) | Ag (g/t) | Au (g/t) | Pb (%) | Zn (%) |
|---|---|---|---|---|---|---|---|
| DDSA-23-64 | 258.59 | 259.43 | 0.84 | 728 | 0.32 | 0.17 | 0.72 |
| DDSA-23-65 | 452.95 | 454.07 | 1.12 | 64.94 | 0.18 | 0.15 | 0.54 |
| DDSA-23-65 | 611.5 | 613 | 1.5 | 85.06 | 0.11 | 0.04 | 0.14 |
| DDSA-23-66 | 216.84 | 217.85 | 1.01 | 237.02 | 0.07 | 0.02 | 0.04 |
| DDSA-23-66 | 225.6 | 267.43 | 41.83 | 157.3 | 0.07 | 0.05 | 0.16 |
| DDSA-23-66 | 251.47 | 267.43 | 15.96 | 379.9 | 0.15 | 0.12 | 0.37 |
| DDSA-23-66 | 251.47 | 254.9 | 3.43 | 653.38 | 0.24 | 0.1 | 0.28 |
| DDSA-23-66 | 264.8 | 265.8 | 1 | 2350.2 | 0.51 | 0.77 | 2.78 |
| DDSA-23-66 | 265.54 | 265.8 | 0.26 | 5510 | 1.51 | 2.63 | 9.86 |
| DDSA-23-66A | 260 | 269.86 | 9.86 | 98.52 | 0.1 | 0.08 | 0.24 |
| DDSA-23-66A | 264.34 | 269.86 | 5.52 | 144.39 | 0.11 | 0.09 | 0.33 |
| DDSA-23-66A | 264.34 | 265.88 | 1.54 | 467.4 | 0.29 | 0.28 | 0.96 |
| DDSA-23-68 | 0 | 5 | 5 | 161.86 | 0.07 | 0.08 | 0.08 |
| DDSA-23-68 | 31.35 | 33.82 | 2.47 | 105.33 | 0.07 | 0.02 | 0.05 |
| DDSA-23-68 | 33.57 | 33.82 | 0.25 | 808 | 0.6 | 0.16 | 0.39 |
| DDSA-23-68 | 53.26 | 66.08 | 12.82 | 223.53 | 0.36 | 0.45 | 1.31 |
| DDSA-23-68 | 53.26 | 61.05 | 7.79 | 306.86 | 0.32 | 0.41 | 1.36 |
| DDSA-23-68 | 61.05 | 66.08 | 5.03 | 94.48 | 0.42 | 0.51 | 1.23 |
| DDSA-23-69 | 12.2 | 21.6 | 9.4 | 123.99 | 0.02 | 0.02 | 0.06 |
| DDSA-23-69 | 43.18 | 75.5 | 32.32 | 120.03 | 0.2 | 0.41 | 1.43 |
| DDSA-23-69 | 50.2 | 69.11 | 18.91 | 165.86 | 0.18 | 0.12 | 0.52 |
| DDSA-23-69 | 69.11 | 75.5 | 6.39 | 81.44 | 0.43 | 1.7 | 4.56 |
| DDSA-23-69 | 73.83 | 75.5 | 1.67 | 79.48 | 0.51 | 2.61 | 6.81 |
| DDSA-23-70 | 73.44 | 107.2 | 33.76 | 104.99 | 0.31 | 0.97 | 1.8 |
| DDSA-23-70 | 86.96 | 101.98 | 15.02 | 162.23 | 0.6 | 2.1 | 2.49 |
| DDSA-23-70 | 91.44 | 95.91 | 4.47 | 265.31 | 0.75 | 5.1 | 3.29 |
| DDSA-23-70 | 91.44 | 92.06 | 0.62 | 1345 | 0.63 | 0.75 | 3.22 |
| DDSA-23-70 | 97.7 | 99.89 | 2.19 | 260 | 0.49 | 0.22 | 1.73 |
| DDSA-23-71 | 171.08 | 175.36 | 4.28 | 126.2 | 0.05 | 0.1 | 0.29 |
| DDSA-23-71 | 185.6 | 190.66 | 5.06 | 113.31 | 0.14 | 0.08 | 0.34 |
| DDSA-23-71 | 190.11 | 190.66 | 0.55 | 549 | 0.42 | 0.18 | 0.46 |
| DDSA-23-72 | 654.23 | 655.99 | 1.76 | 84.55 | 0.01 | 0.06 | 0.21 |
| DDSA-23-72 | 655.02 | 655.99 | 0.97 | 117 | 0.02 | 0.08 | 0.29 |

**Figure 10-10 2023 San Acacio Drill Hole Locations**




### 10.1.9 2023 Re-Logging and Sampling of Historic Drill Holes

During 2023, Defiance re-logged and sampled previous historical and pre-2020 Defiance drill holes to create a geological compilation using the Company's current lithology, alteration and mineralization logging scheme.

Re-logging and sampling of historic drill holes was designed to identify and sample mineralization that was not previously analyzed during previous drill campaigns. Drill holes from 2009, 2010, 2011, 2012, 2014, 2015, and 2017 were sampled. Holes from all previous campaigns were relogged. A total of 56 drill holes were relogged for a total of 15,730.53m.

Ongoing re-logging and sampling of the historic drill core continue to reveal high-level alteration zones and high-grade intercepts that warrant follow-up both down dip and along strike. As part of the validation

process, and in the absence of actual core for most of the 1995 Silver Standard Resources diamond drilling and the 1996 Pan American Silver diamond drilling, a digitized interpretation of the original handwritten downhole lithologic, alteration and mineralization descriptions was performed by a staff geologist; historic logging information was captured using Defiance's current logging scheme and codes The re-logging exercise focused on recording mineralized structures and alteration zones.

#### 10.1.9.1 San Acacio

Newly sampled mineralized intervals from San Acacio core were dominantly found in the hanging-wall (HW) of the main Veta Grande structure.

On October 2, 2023, Defiance reported results from the sampling of historic drill core (Table 10-12). Significant results are reported in holes SAD-15-05, SAD-15-06, SAD-15-07, SAD-15-08, SAD-17-14, SAD-17-15, and SAD-17-16.

**Table 10-12 2023 San Acacio Significant Results of Historic Drill Core Sampling**

| Hole ID | From (m) | To (m) | Interval (m) | Ag g/t | Au g/t | Pb % | Zn % |
|---|---|---|---|---|---|---|---|
| SAD-15-05 | 98.00 | 99.00 | 1.00 | 98.00 | 0.10 | 0.01 | 0.03 |
| SAD-15-05 | 105.15 | 109.80 | 4.65 | 91.00 | 0.15 | 0.08 | 0.28 |
| Including | 105.15 | 106.00 | 0.85 | 308.00 | 0.06 | 0.05 | 0.16 |
| SAD-15-05 | 127.76 | 130.48 | 2.72 | 153.00 | 0.02 | 0.05 | 0.13 |
| SAD-15-06 | 155.00 | 157.50 | 2.50 | 118.00 | 0.08 | 0.03 | 0.04 |
| SAD-15-07 | 156.35 | 157.47 | 1.12 | 235.00 | 0.30 | 0.07 | 0.16 |
| SAD-15-07 | 166.07 | 169.84 | 3.77 | 89.00 | 0.16 | 0.13 | 0.51 |
| Including | 169.00 | 169.84 | 0.84 | 283.00 | 0.26 | 0.12 | 0.52 |
| SAD-15-08 | 97.65 | 99.28 | 1.63 | 158.00 | 0.06 | 0.02 | 0.07 |
| SAD-15-08 | 131.15 | 132.69 | 1.54 | 201.00 | 0.10 | 0.02 | 0.09 |
| SAD-17-14 | 283.21 | 290.04 | 6.83 | 129.00 | 0.25 | 0.06 | 0.18 |
| Including | 284.65 | 286.95 | 2.30 | 319.00 | 0.59 | 0.08 | 0.22 |
| Including | 284.65 | 285.00 | 0.35 | 1180.00 | 2.23 | 0.07 | 0.18 |
| SAD-17-15 | 191.30 | 228.00 | 36.70 | 155.00 | 0.02 | 0.06 | 0.14 |
| Including | 195.00 | 211.85 | 16.85 | 200.00 | 0.02 | 0.07 | 0.19 |
| Including | 203.01 | 209.82 | 6.81 | 279.00 | 0.03 | 0.12 | 0.32 |
| Including | 207.00 | 209.82 | 2.82 | 595.00 | 0.07 | 0.27 | 0.65 |
| Including | 208.44 | 209.82 | 1.38 | 854.00 | 0.06 | 0.28 | 0.27 |
| Including* | 209.82 | 213.00 | 3.18 | 285.00 | 0.02 | 0.05 | 0.17 |
| Including | 213.00 | 228.00 | 15.00 | 138.00 | 0.02 | 0.07 | 0.11 |
| Including | 221.41 | 228.00 | 6.59 | 228.00 | 0.03 | 0.14 | 0.19 |
| Including | 225.00 | 228.00 | 3.00 | 435.00 | 0.06 | 0.28 | 0.37 |
| SAD-17-16 | 219.40 | 221.71 | 2.31 | 192.00 | 0.10 | 0.02 | 0.05 |
| Including | 219.40 | 219.75 | 0.35 | 810.00 | 0.44 | 0.07 | 0.10 |

# 11 SAMPLE PREPARATION, ANALYSES, AND SECURITY

## 11.1 Overview

Defiance sample preparation and analysis methodologies used at the Zacatecas Project can be grouped into four periods: 2014 to 2017, 2019, 2020 to 2024, and a re-logging and sampling program in 2023. All surface sampling and drill core sampling includes the implementation of an extensive QA/QC program and follows industry standards. The following describes sample preparation, analyses and security protocols implemented by Defiance and previous explorers, with analytical labs and analysis methods summarized in Table 11-1, and includes all drilling data collected by Defiance up to December 2023.

From 2014 to 2017, all analytical work, including sample preparation and analyses, was performed at the Activation Laboratories Ltd (Actlabs) facility in Guadalupe, Zacatecas, Mexico. Trace element geochemistry was completed using a 4-acid 'near total' digestion with an ICP-OES finish (Method 1F2). Base metal overlimit assays were conducted using a 4-acid digest with an ICP-AAS finish, while overlimit silver assays were analyzed using a 30 g fire assay with gravimetric finish (Method 8-Ag). Gold was measured by 30 g fire assay with an AAS finish (Method 1A2). From 2014 to 2017, two CRMs were used CDN-ME-1303 and PB131.

In 2019, samples were analyzed by ALS Limited. Sample preparation was performed at the Zacatecas, Mexico, preparation facility, and analyses were performed at the Vancouver, Canada analytical facility. A 35-element aqua regia ICP-AES analysis was completed (ME-ICP41). Gold was analyzed by 50 g fire assay with an AAS finish (Au-AA24). No CRM's were used during the 2019 drilling campaign.

From 2020 to 2024 Zacatecas samples were analyzed by ALS Limited. Sample preparation was performed at their Zacatecas, Mexico, prep facility, and analyses were performed at the Vancouver, Canada, analytical facility. All elements except Au and Hg were analyzed with a multi-element geochemistry method utilizing a four-acid digestion by ICP-MS (Method ME-MS61m). Mercury was analyzed on a separate aqua regia digest by ICP-MS (Hg-MS42). Overlimit assays for Ag, Pb, and Zn were conducted using a multi-acid digest by ICP-AES/AAS (Method OG62) and for Ag greater than 1500 ppm, an additional overlimit method (Ag-GRA21) was conducted utilizing fire assay with gravimetric finish (30 g sample). Gold was analyzed by 50g fire-assay with an ICP-AES finish (Method Au-ICP22). CRMs were used during this period were OREAS 600b, OREAS 602b, OREAS 604b, OREAS 605b, OREAS 606, OREAS 607b, OREAS 630b,

From 2023-2024, Defiance re-logged and sampled previous historical and pre-2020 Defiance drill holes to standardize the logging data using the Company's current lithology, alteration and mineralization logging scheme. A total of 56 drill holes were relogged for a total of 15,730.53 m. All available core was checked and data collected was entered in MX Deposit. A total of 3,747.71 m of new sampling was completed for a total of 3135 new samples of previously unassayed intervals, including hanging wall structures. Samples were analyzed by ALS Limited. Sample preparation was performed at their Zacatecas, Mexico, preparation facility, and analyses were performed at the Vancouver, Canada, analytical facility using the same analysis described above from 2020-2024.

**Table 11-1 Summary of Analytical Labs and Analysis Methods 2014 – 2023**

| Year | Company | Hole_ID | Assay Method | Assay Lab | Method Code |
|---|---|---|---|---|---|
| 2014, 2015, 2017 | Defiance | SAD-14-01 to SAD-14-04, SAD-15-05 to SAD-15-11, SAD-17-12 to SAD-17-30A | 4-acid digest with an ICP-OES finish, overlimit Ag analyzed using a 30 g fire assay with gravimetric finish, Au – analyzed using 30 g fire assay with an AAS finish | ActLabs | 1F2, 8-Ag, 1A2 |
| 2019 | Defiance | DSA-19-001 – 002 | 35-element aqua regia ICP-AES, Au: 50 gram fire assay with an AAS finish | ALS | ME-ICP41, Au-AA-24 |
| 2020-2023 | Defiance | DDSA-20-33 to DDSA-20-34, DDSA-21-35 to DDSA-21-51, DDSA-22-52 to DDSA-22-63, DDSA-23-64 to DDSA-23-72, DDLU-21-01 to DDLU-21-09, DDLU-22-09 to DDLU-22-13 | 48-element 4-acid digest by ICP-MS, Hg: aqua regia digest by ICP-MS, Overlimit: multi-acid digest by ICP-AES/AAS, Overlimit Ag>1500ppm :30g fire assay with graviemetric finish, Au: 50 g fire-assay with an ICP-AES finish | ALS | ME-MS61m, HG-MS42, OG62, Ag-GRA21, Au-ICP22 |
| 2023 (Resampling) | Defiance | SAD-14-01 to SAD-14-04, SAD-15-05 to SAD-15-09, , SAD-17-12 to SAD-17-17 SAD-17-20 to SAD-17-22, SAD-17-24 to SAD-17-28, SAD-17-30A, SADD-09-04A-06, SADD-10-11, LU11-03 to LU11-05, LU11-08, LU11-10, LU11-13, LU11-15, LU11-16, and LU12-19 | 48-element 4-acid digest by ICP-MS, Hg: aqua regia digest by ICP-MS, Overlimit: multi-acid digest by ICP-AES/AAS, Overlimit Ag>1500ppm :30g fire assay with gravimetric finish, Au: 50 g fire-assay with an ICP-AES finish | ALS | ME-MS61m, HG-MS42, OG62, Ag-GRA21, Au-ICP22 |

Sampling QA/QC programs are set in place to ensure the reliability and trustworthiness of exploration data. They include written field procedures and independent verifications of drilling, surveying, sampling, assaying, data management, and database integrity. Appropriate documentation of quality-control measures and regular analysis of quality-control data are essential for the project data and form the basis for the quality-assurance program implemented during exploration.

Analytical quality control measures typically involve internal and external laboratory control measures implemented to monitor sampling, preparation, and assaying precision and accuracy. They are also essential to prevent sample mix-up and monitor the voluntary or inadvertent contamination of samples. Sampling QA/QC protocols typically involve regular duplicate and replicate assays as well as the insertion of blanks and standards (certified reference materials – “CRMs”). Routine monitoring of quality control samples is undertaken to ensure that the analytical process remains in control and confirms the accuracy and precision of laboratory analyses. In addition to laboratory internal quality control protocols, sample batches should be evaluated for evidence of suspected cross sample contamination, certified reference material performance evaluated relative to established warning and failure limits to ensure the analytical process remains in control while maintaining an acceptable level of accuracy and precision, duplicate and replicate assay performance evaluated, and any concerns communicated to the laboratory in a timely fashion. Check assaying is typically performed as an additional reliability test of assaying results. These checks involve re-assaying a set number of rejects and pulps at a second umpire laboratory.

## 11.2 2014 – 2023 Drilling Programs (Defiance)

### 11.2.1 Sampling Methods

Defiance's logging and sampling protocols have evolved through the course of the Company's drilling campaigns. The following protocol has been in effect since 2020.

All drilling programs on the Zacatecas Project systematically recorded drilling shift information, geological drilling information, and core recovery achieved during drilling. Drill hole ID, location (X-Y-Z), azimuth, dip, hole ID, hole depth, type of hole, hole diameter and start date were recorded for every drill hole prior to drilling. Drill hole orientation was measured and marked at the end of each core run.

At the drill pad, boxes were numbered in a consecutive sequence, core was placed in core boxes, all core boxes were labelled with hole number, consecutive box number, and depths from-to. Core box information was filled out and captured in MX Deposit. Wooden core blocks were labelled with from and to depths, meters drilled, and metres recovered. Core recovery and RQD were recorded in MX RQD (Recovery) tab.

Transportation of core boxes from the drill pad to the core shack was handled and transported by designated personnel. All boxes were firmly closed and tied with raffia before being placed in the back of a truck to be transported to the core shack. Partially filled boxes were prepared to prevent movement during transportation. Boxes were loaded in consecutive order. Core boxes were transported from the drill pad to the core shack at least once a day.

Core boxes were unloaded at the core shack and laid out in ascending order on core tables, checking box numbers, depths, run blocks, and cleaning the core.

The drill core was geologically logged for lithology, mineralization, structure, and alteration and captured in MX Deposit. Defiance has also incorporated the collection of pXRF (Portable X-Ray Fluorescence) and SWIR (Short-wave Infrared) spectroscopy measurements for precise pathfinder mineral identification.

Samples were selected based on the lithology, alteration, and mineralization characteristics; sample size generally ranges from 0.25 – 2m in width. All altered and mineralized intervals were sent for assay. Sample limits are marked both on the core box and on the drill core, and a cutting line was drawn on the drill core such that one representative sample will be retained in the core box and the other sent to the lab. A sample number from the ticket booklet was assigned for each sample and QC sample. The sample ticket was stapled to the shoulder of the core box. Core boxes were photographed both dry and wet prior to cutting; sampled zones were photographed wet following the sampling.

Competent core was cut length wise along the marked sample line. The core was sampled taking special care when removing the upper part of the cut core and placing samples in plastic bags that have been previously labeled with the sample number. The sample number of the bag was verified against the sample number of the sampled interval, and a label from the sample ticket was inserted into each bag. For duplicate samples, the sampled portion is cut in half to produce two ¼ core samples.

### 11.2.2 Sample Preparation and Analyses

Sample preparation and analyses from 2014 to 2017 was performed at the Activation Laboratories Ltd (Actlabs) facility in Guadalupe, Zacatecas, Mexico. Trace element geochemistry was completed using a 4-acid 'near total' digestion with an ICP-OES finish (Method 1F2). Base metal overlimit assays were conducted using a 4-acid digest with an ICP-AAS finish, while overlimit silver assays were analyzed using a 30 g fire assay with gravimetric finish (Method 8-Ag). Gold was measured by 30 g fire assay with an AAS finish (Method 1A2). From 2014 to 2017, two CRMs were used CDN-ME-1303 and PB131.

Sample preparation and analyses from 2019 was performed at ALS Limited at their Zacatecas, Mexico, preparation facility, and analyses were performed at the Vancouver, Canada, analytical facility. A 35-

element aqua regia ICP-AES analysis was completed (ME-ICP41). Gold was analyzed by 50 g fire assay with an AAS finish (Au-AA24). No CRM's were used during the 2019 drilling campaign.

Samples were analyzed by ALS Limited from 2020 to 2024. Sample preparation was performed at their Zacatecas, Mexico, prep facility, and analyses were performed at the Vancouver, Canada, analytical facility. All elements except Au and Hg were analyzed with a multi-element geochemistry method utilizing a four-acid digestion by ICP-MS (Method ME-MS61m). Mercury was analyzed on a separate aqua regia digest by ICP-MS (Hg-MS42). Overlimit assays for Ag, Pb, and Zn were conducted using a multi-acid digest by ICP-AES/AAS (Method OG62) and for Ag greater than 1500 ppm, an additional overlimit method (Ag-GRA21) was conducted utilizing fire assay with gravimetric finish (30 g sample). Gold was analyzed by 50g fire-assay with an ICP-AES finish (Method Au-ICP22). CRMs were used during this period were OREAS 600b, OREAS 602b, OREAS 604b, OREAS 605b, OREAS 606, OREAS 607b, OREAS 630b.

Samples were analyzed by ALS during the 2023-2024 re-logging and sampling program per the methodologies listed above from 2020-2024.

### 11.2.3 Density

From 2020 to 2024, prior to sampling, bulk density measurements were routinely carried out on drill core. Density measurements from historic and earlier Defiance holes was collected during the re-logging and sampling campaign of 2023.

Defiance collected representative density samples on the following basis:

- In waste rock one sample is selected every 20 m
- In mineralized areas, a sample is selected at a minimum of every 5 m and often every meter in vein zones
- Representative samples are selected from full core intervals approximately 10 cm in length
- The start and end depth of the density interval must be marked both on the rock and on the box shoulder
- A brief description of the density sample is recorded in MX Deposit along with the start and end depths.

Density was measured by Archimedes' Principle. Density samples were placed in a heated oven to approximately 200ºF for 15 minutes to dry. The dry sample weight was recorded using an electronic scale. The rock was dipped once in melted wax. Volume estimation consists of filling a test tube with 1 liter of clean water, then the rock is put in and the water is allowed to stabilize in order to measure the volume in milliliters (or cubic centimeters) corresponding to the displacement of water with the rock inside. The specific gravity (SG) of the sample is calculated using the following formula:

$$SG = \frac{Dry\ sample\ weight\ (g)}{Volume\ of sample\ (equivalant\ to\ the\ water\ displacement\ in\ cm3)}$$

### 11.2.4 Data Management

Data are verified and double-checked by senior geologists on site for data entry verification, error analysis, and adherence to strict analytical quality-control protocols.

### 11.2.5 Quality Assurance/Quality Control

Defiance's QA/QC program comprises the insertion of standards or certified reference materials (CRMs), blanks, and duplicates. QC samples are inserted into the sample sequence at a frequency of approximately 1 sample per 20 samples for CRM, blank and duplicate QC sample types.

Sample batches with suspected cross-sample contamination or certified reference materials returning assay values outside of the mean ± 3SD control limits are considered analytical failures by Defiance, and affected batches were generally re-analyzed to ensure data accuracy.

Actlabs and ALS have their own internal QA/QC program, which is reported in the assay certificates, but no account is taken of this in the determination of batch acceptance or failure.

### 11.2.6 Certified Reference Materials

A selection of nine CRMs have been used to date by Defiance in the course of the Zacatecas Project drill programs: multi-element standards from Ore Research & Exploration of Bayswater North, Australia (OREAS 600b, OREAS 602b, OREAS 604b, OREAS 605b, OREAS 606, OREAS 607 b, and OREAS 630b) and CDN Resource Laboratories Ltd, British Columbia, Canada (CDN-ME-1303 and CDN-ME-2003). The means, standard deviations (SD) (listed in Table 11-2), warning, and control limits for standards are utilized as per the QA/QC program described below.

CRM performance and analytical accuracy is evaluated using the assay concentration values relative to the certified mean concentration to define the Z-score relative to sample sequence with warning and failure limits. Warning limits are indicated by a Z-score of between ±2 SD and ±3 SD, and control limits/failures are indicated by a Z-score of greater than ±3 SD from the certified mean. Sample batches with certified reference materials returning assay values outside of the mean ± 3SD control limits, or with suspected cross sample contamination indicated by blank sample analysis, are considered as analytical failures and selected affected batches are re-analyzed to ensure data accuracy.

For geochemical exploration analysis methods, laboratory benchmark standards are to achieve a precision and accuracy of plus or minus 10% (of the concentration) ±1 Detection Limit (DL) for duplicate analyses, in-house standards and client submitted standards, when conducting routine geochemical analyses for gold and base metals. These limits apply at, or greater than, 20 times the limit of detection. For samples containing coarse gold, native silver or copper, precision limits on duplicate analyses can exceed plus or minus 10% (of the concentration).

For ore grade analysis methods, laboratory benchmark standards are to achieve a precision and accuracy of plus or minus 5% (of the concentration) ± 1 DL for duplicate analyses, in-house standards and client submitted standards. These limits apply at 20 times the limit of detection. As in the case of routine geochemical analyses, samples containing coarse gold, native silver or copper are less likely to meet the expected precision levels for ore grade analysis.

CRM analytical results for the Defiance drilling programs are summarized in Table 11-3 and Table 11-4 for Ag, Au, Pb, and Zn to evaluate warning rates, and failure rates. Silver CRM control charts for the Defiance drilling programs are presented in Figure 11-1 to Figure 11-7.

The QA/QC program from 2014 to 2023 included the insertion of 647 CRM samples. The combined CRM failure rates during this period were 2.8% for Ag and 2.8% for Au. The author considers this CRM performance acceptable and within industry standards. Review of the Company's CRM QC program indicates that there are no significant issues with the drill core assay data.

From 2014 to 2017, two CRMs were used CDN-ME-1303 and PB131. From 2021 to 2022, CRM 600b was inserted into the sample sequence. From 2021 to 2023, CRM's OREAS 602b, OREAS 604b, OREAS 605b, and OREAS 630b were inserted into the sample sequence. From 2022 to 2023, CRM OREAS 606 was inserted into the sample sequence. CDN-ME-2003 was used three times during 2023.

**Table 11-2 Standards Used at the Zacatecas Project 2014-2023**

| Source of Standards | Name | Ag Mean ± 2SD ( g/t) | Au Mean ± 2SD (g/t) | Cu Mean ± 2SD (%) | Pb Mean ± 2SD (%) | Zn Mean ± 2SD (%) |
|---|---|---|---|---|---|---|
| Ore Research & Exploration | OREAS 600b | 25.1 +/- 2 | 0.204 +/- 0.007 | 499 +/- 13 | 119 +/- 4 | 404 +/- 14 |
| | OREAS 630b | 19 +/- 0.106 | 0.358 +/- 0.026 | 521 +/- 22 | 0.411 +/- 0.822 | n/a |
| | OREAS 602b | 119 +/- 8 | 2.29 +/- 0.188 | 0.496 +/- 0.02 | 493 +/- 38 | 764 +/- 48 |
| | OREAS 604b | 493 +/- 18 | 1.69 +/- 0.094 | +/- 0.072 | 792 +/- 72 | 0.117 +/- 0.006 |
| | OREAS 605b | 975 +/- 88 | 1.72 +/- 0.132 | 5.03 +/- 0.218 | 1510 +/- 80 | 0.24 +/- 0.014 |
| | OREAS 606 | 1.02 +/- 0.12 | 0.34 +/- 0.02 | 268 +/- 22 | 107 +/- 12 | 179 +/- 10 |
| | OREAS 607b | 6.11 +/- 0.51 | 0.696 +/- 0.05 | 554 +/- 38 | 1733 +/- 138 | 694 +/- 48 |
| CDN Resource Laboratories Ltd. | CDN-ME-2003 | 90 +/- 10 | 1.277 +/- 0.196 | 0.298 | 1.44 +/- 0.12 | 3.13 +/- 0.34 |
| | CDN-ME-1303 | 152 +/- 20 | 0.924 +/- 0.2 | 0.344 +/- 0.032 | 1.22 +/- 0.12 | 0.931 +/- 0.096 |
| WCM Minerals | PB-131 | 262 +/- (n/a) | (n/a) | (n/a) | 1.04 +/- (n/a) | 1.89 +/- (n/a) |

**Table 11-3 CRM Sample Ag Performance for the 2014 – 2023 Drill Programs**

| Standard Quality Control for Ag_ppm | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Count | Value | SD | Pass | Warning | Failed | % Failed |
| **CDN-ME-1303** | 49 | 152.00 | 10.00 | 48 | 0 | 3 | 6.12 |
| **CDN-ME-2003** | 3 | 90.00 | 5.00 | 0 | 2 | 1 | 33.33 |
| **OREAS 600b** | 142 | 25.10 | 1.00 | 124 | 14 | 4 | 2.82 |
| **OREAS 602b** | 170 | 119.00 | 4.00 | 170 | 0 | 0 | 0.00 |
| **OREAS 604b** | 41 | 493.00 | 9.00 | 24 | 13 | 4 | 6.76 |
| **OREAS 605b** | 8 | 975.00 | 44.00 | 8 | 0 | 0 | 0.00 |
| **OREAS 606** | 108 | 1.02 | 0.06 | 104 | 4 | 0 | 0.00 |
| **OREAS 607b** | 23 | 6.11 | 0.26 | 21 | 2 | 0 | 0.00 |
| **OREAS 630b** | 28 | 19.00 | 0.53 | 24 | 1 | 3 | 10.71 |

**Table 11-4 CRM Sample Au Performance for the 2014 – 2023 Drill Programs**

| Standard Quality Control for Au_ppm | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Count | Value | SD | Pass | Warning | Failed | % Failed |
| **CDN-ME-1303** | 49 | 0.924 | 0.10 | 49 | 0 | 0 | 0.00 |
| **CDN-ME-2003** | 3 | 1.301 | 0.135 | 2 | 1 | 0 | 0.00 |
| **OREAS 600b** | 174 | 0.204 | 0.008 | 164 | 6 | 4 | 2.30 |
| **OREAS 602b** | 191 | 2.290 | 0.094 | 180 | 5 | 6 | 3.14 |
| **OREAS 604b** | 57 | 1.69 | 0.047 | 53 | 3 | 1 | 1.75 |
| **OREAS 605b** | 10 | 1.72 | 0.066 | 8 | 2 | 0 | 0.00 |
| **OREAS 606** | 108 | 0.34 | 0.010 | 96 | 8 | 4 | 3.70 |
| **OREAS 607b** | 23 | 0.70 | 0.025 | 20 | 2 | 1 | 4.35 |
| **OREAS 630b** | 30 | 0.36 | 0.013 | 28 | 0 | 2 | 6.67 |

**Figure 11-1 Silver CRM Control Chart CDN-ME-1303 Assay Results 2014-2017**

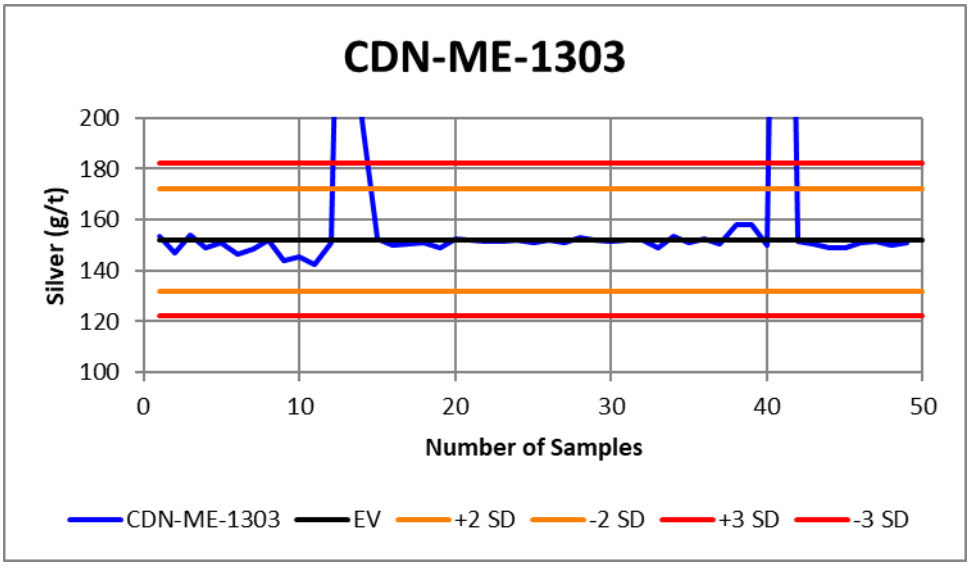



**Figure 11-2 Silver CRM Control Chart OREAS 600b Assay Results 2021-2023**

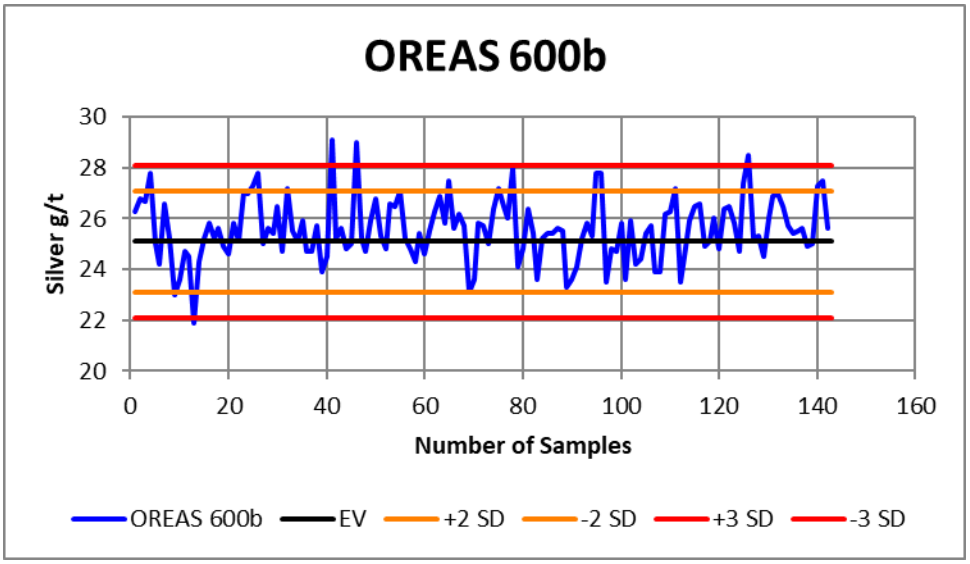


**Figure 11-3 Silver CRM Control Chart OREAS 602b Assay Results 2021-2023**

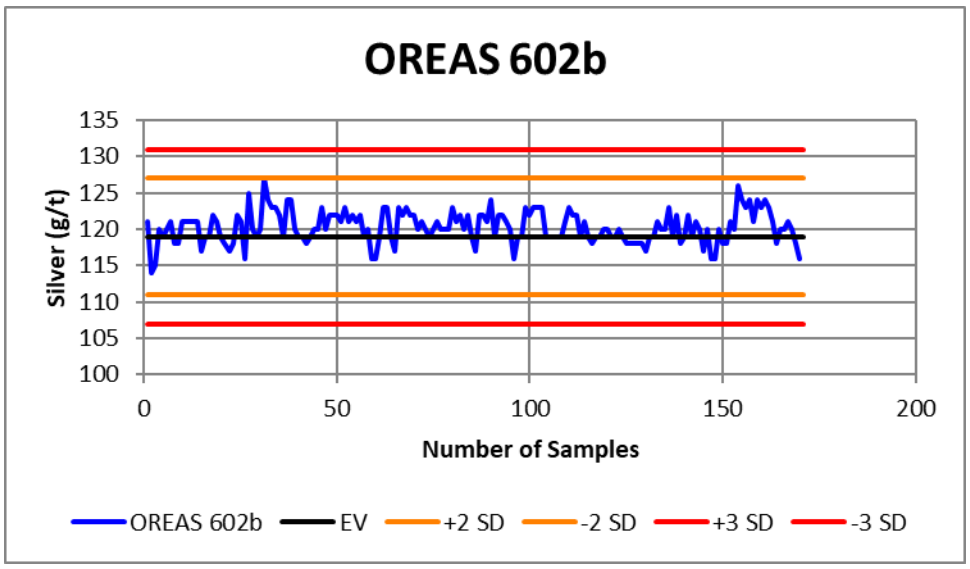



**Figure 11-4 Silver CRM Control Chart OREAS 604b Assay Results 2021-2023**

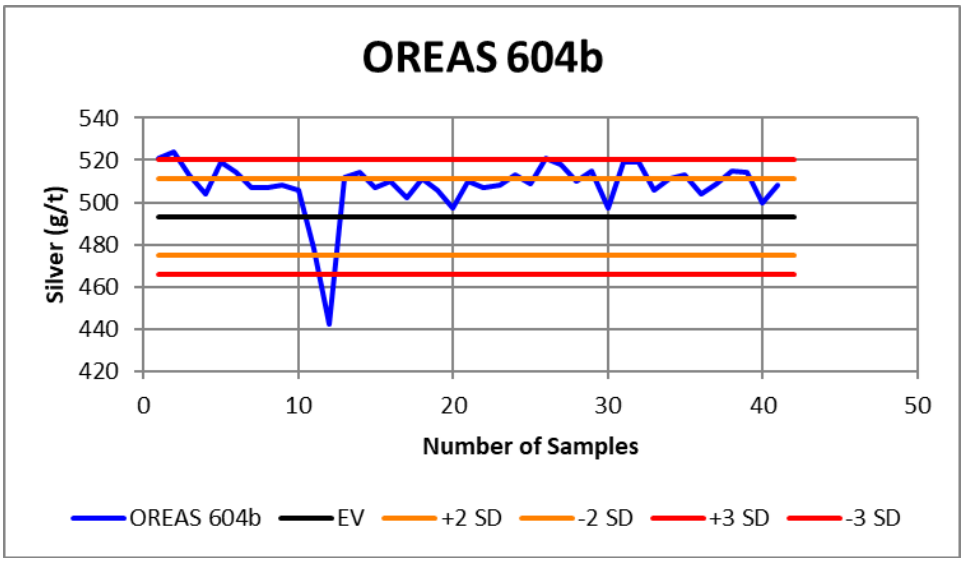


**Figure 11-5 Silver CRM Control Chart OREAS 606 Assay Results 2022-2023**

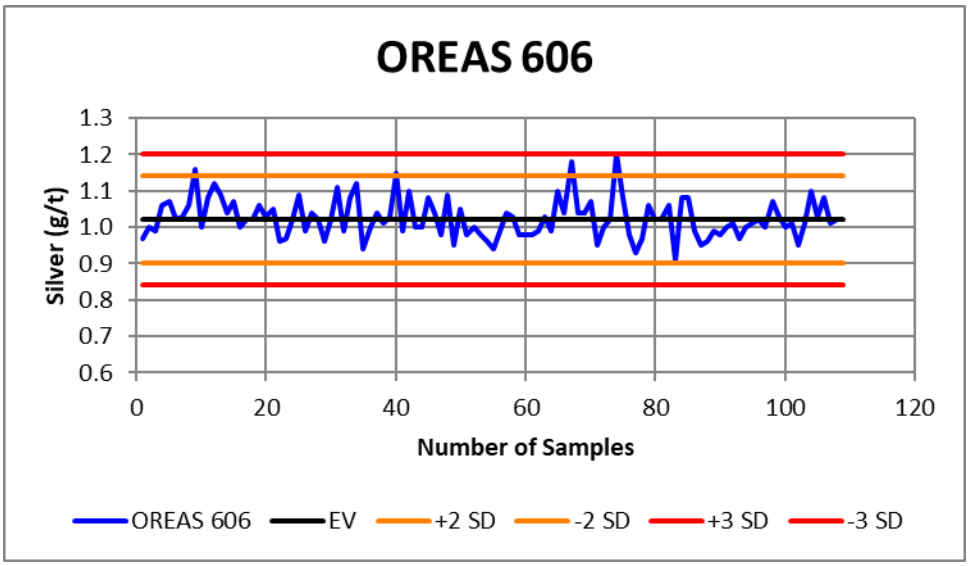



**Figure 11-6 Silver CRM Control Chart OREAS 607b Assay Results 2023**

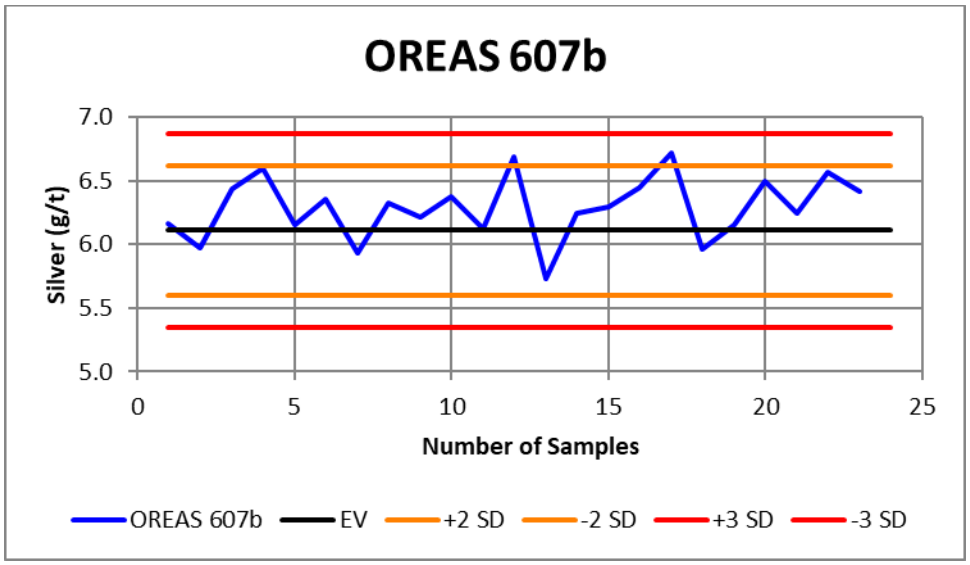
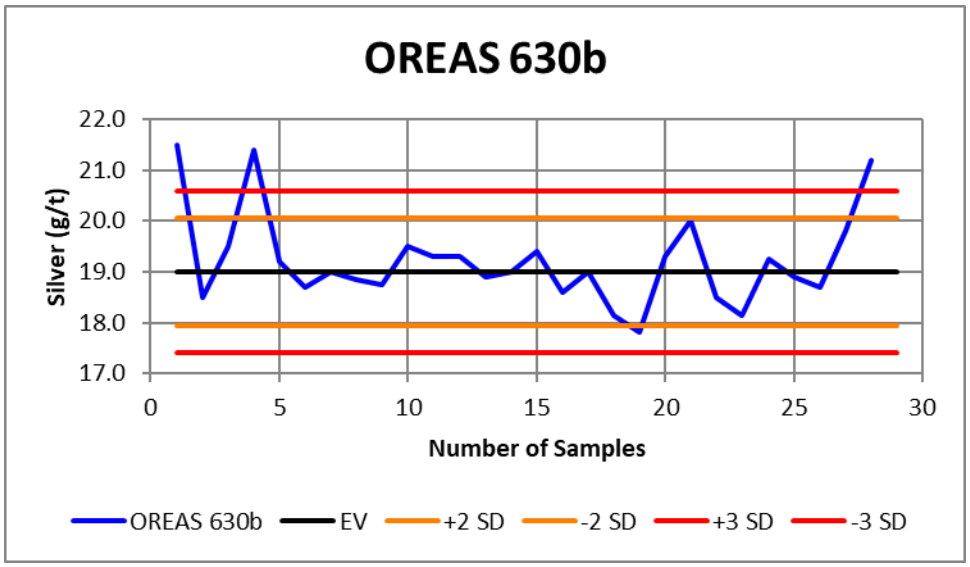


**Figure 11-7 Silver CRM Control Chart OREAS 630b Assay Results 2021-2023**




### 11.2.7 Blank Material

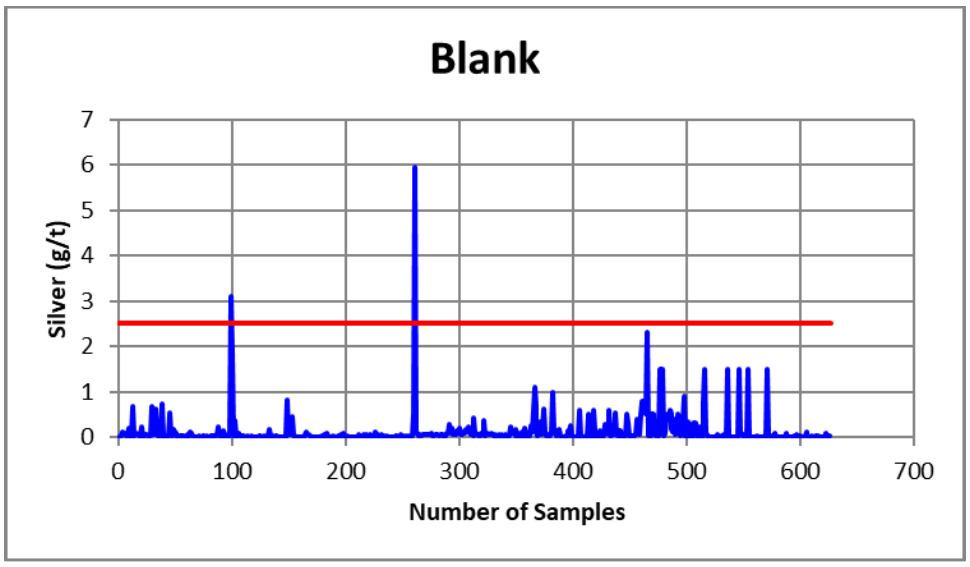
From 2014 to 2017, blank sample material consisted of local caliche sourced from a deposit near the town of Casa de Cerros. For the 2019 to 2022 programs blank samples comprising crushed building limestone acquired from a reputable hardware store were used. In July 2022 the blank material changed to a barren rhyolite sourced about 10 km from the current core shack. Blank samples are inserted into the sample stream in the field to determine the degree of sample carryover contamination after sample collection, particularly during the sample preparation process. This material does not have certified values established by a third party through round robin lab testing.

The QA/QC program from 2014 to 2023 included the insertion of 659 blank samples. For blank sample values, failure is more subjective. Some carryover within sample batches is to be expected in routine sample preparation. To minimize sample carryover within a batch, equipment is cleaned thoroughly with compressed air to remove any remaining loose material. For routine protocols, with samples of similar weights, sample carryover is usually considered acceptable if it is less than 1.0%. To ensure no batch to batch carryover occurs, standard quality control procedures include passing barren wash material through crushing and pulverising equipment at the start of each new batch of samples.

Evaluation of blank samples using a failure ceiling for Ag of 2.5 ppm (5x detection limit) indicates that the combined blank failure rate from 2014 – 2023 was 0.4%. The highest result from a blank sample was 5.96 g/t Ag and the second highest result was 3.1 g/t (Figure 11-8).

The blank failure rate is considered acceptable by industry standards. Based on the low risk of cross-sample carryover contamination and the low amounts of Ag sample carryover that may have contaminated blank material, it is considered unlikely that there is a carryover contamination problem with the Project drilling data.

**Figure 11-8 Blank Sample Chart for Ag for the 2014 – 2023 Drill Programs**



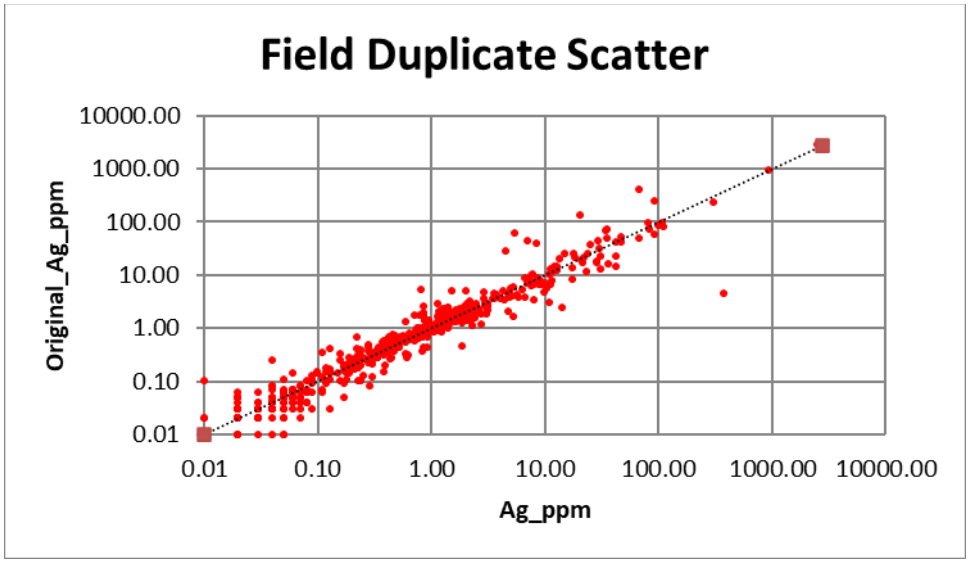

### 11.2.8 Duplicate Material

Defiance's QA/QC program from 2014 – 2023, Defiance included the insertion of 523 field duplicate samples. Duplicate samples were analyzed at ALS to evaluate analytical precision and sampling error.

Figure 11-9 illustrates the comparative assay results and precision of duplicate sample analyses for silver.

The precision of duplicates should continue to be monitored as the drill program progresses and the size of the duplicate data set, particularly for pulp duplicates, becomes more representative.

**Figure 11-9 Scatter Plot of All Silver Duplicates from 2014 - 2023**



## 11.3 2020 – 2021 Soil Sampling

Soul sample locations were photographed prior to digging a hole and again with a meter stick after the sample has been collected. Samples are collected using an auger and/or shovel below the levels with the presence of organic matter, preferably from the same level or horizon (horizon B or C), collecting 1 to 2 kg of soil.

Soil samples were analyzed by ALS Limited. Sample preparation was performed at their Zacatecas, Mexico, preparation facility, and analyses were performed at the Vancouver, Canada, geochemistry analytical facility. All elements except Au and Hg were analyzed with a multi-element geochemistry method utilizing a four-acid digestion by ICP-MS (Method ME-MS61m). Mercury was analyzed on a separate aqua regia digest by ICP-MS (Hg-MS42). Overlimit assays for Ag, Pb, and Zn were conducted using a multi-acid digest by ICP-AES/AAS (Method OG62). Gold was analyzed by 25 g aqua regia extraction with ICP-MS finish (Method Au-TL43). Blanks, field duplicates, and standards were inserted at a rate of 6 percent of total samples analyzed.

## 11.4 2021 – 2023 Zacatecas Rock Sampling

Rock samples consists of broken outcrop fragments. Samples are collected using a rock hammer and breaking the outcrop to collect the chips from the outcrop. If a mineralized structure exists, at least one sample should be collected on either side of the structure.

Rock grab samples were analyzed by ALS Limited. Sample preparation was performed at their Zacatecas, Mexico, preparation facility, and analyses were performed at the Vancouver, Canada, geochemistry analytical facility All elements except Au and Hg were analyzed with a multi-element geochemistry method utilizing a four-acid digestion by ICP-MS (Method ME-MS61m). Mercury was analyzed on a separate aqua regia digest by ICP-MS (Hg-MS42). Overlimit assays for Ag, Pb, and Zn were conducted using a multi-acid digest by ICP-AES/AAS (Method OG62) and for Ag greater than 1500ppm, an additional overlimit method (Ag-GRA21) was conducted utilizing fire assay with gravimetric finish (30 g sample). Gold was analyzed by 50g fire-assay with an ICP-AES finish (Method Au-ICP22). Blanks and standards were inserted at a rate of 8% of total samples analyzed.

## 11.5 1995 – 2010 Drilling Programs (Historical)

### 11.5.1 Historical Drill Core Sampling and Security

Table 11-5 provides a summary of analytical labs and analysis methods used during the 1995 – 2010 drilling campaigns.

**Table 11-5 Summary of Analytical Labs and Analysis Methods 1995 - 2010**

| Company | Years | Hole_ID | Assay Method | Assay Lab | Method Code |
|---|---|---|---|---|---|
| Silver Standard | 1995 | SAD95-10 to SAD95-39 | Aqua regia digestion and ICP analysis with an AES finish for Ag, As, Bi, Cu, Hg, Mo, Pb, Sb, and Zn, Au by fire assay with a gravimetric finish, Over limits for Ag were completed by fire assay with gravimetric finish, Overlimit analysis for Cu, Pb, and Zn using a two-acid digestion and atomic absorption spectrometry | ALS Chemex | ICP-9g 996/997, 383/384, 301/312/316 |
| Pan American | 1996 | BP Series | Unknown | - | - |
| MAG Silver | 2008,2009 | PR09-01 to PR09-08, LM08-01, LM09-02 to LM09-19 | Ag 30 g or 50 g fire assay with gravimetric finish, Au 50 g fire assay with AA finish, 34 element four acid ICP-AES Overlimit Cu, Pb, and Zn samples re-run with an ore grade four acid digestion by ICP | ALS Chemex | GRA21, GRA22, AA24, ICP61, OG62 |
| Source Exploration | 2009, 2010 | SADD-09-04A to SADD-09-06, SADD-10-07 to SADD-10-11, SAUG-01 – 03 | Ag two acid digest with AAS finish, Overlimit Ag analyzed by fire assay methods with a gravimetric finish, Au analyzed by fire assay with an atomic absorption finish, Aqua regia digest with by ICP-AES, Sodium peroxide fusion by ICP-AES | SGS | AAS12E, FAG313, FAA313, ICP14B, ICP90Q No assays exist for SAUG-03 |
| Pan American | 2011, 2012 | LU11-01 to LU12-20 | Au -analyzed by fire assay with an AAS finish 31-element suite using a two acid digest and ICP-AES finish Overlimit Au and Ag by fire assay with a gravimetric finish. Base metal overlimits by sodium peroxide fusion ICP-AES | SGS | AAS12E, ICP14B, FAA313, ICP90Q |

## 11.5.2 Historical Sample Preparation, Analysis and Quality Assurance/Quality Control

### 11.5.2.1 1995 Silver Standard

In 1995 Silver Standard split HQ, NQ and BQ core from 32 drill holes using a manual splitter and sent half the core to ALS Chemex in Vancouver, BC. Individual underground chip samples (approx 6 kgs) were collected and split into two bags, one bag sent to ALS Chemex and the other bag kept for internal reference. Analysis on drill core and chips samples consisted of aqua regia digestion and ICP analysis with an AES finish for Ag, As, Bi, Cu, Hg, Mo, Pb, Sb, and Zn (Method ICP-9g). Samples were analyzed for Au by fire assay with a gravimetric finish (Method 996/997) and overlimit for Ag were completed by fire assay with gravimetric finish (Method 383/384). Overlimit analysis was completed for Cu, Pb, and

Zn using a 2-acid digestion and atomic absorption spectrometry (Methods 301, 312, 316 respectively). Selected sample repeats on pulps were completed on high grade samples by SGS/XRAL Labs of Hermosillo, Mexico and BSI Inspectorate Labs of Reno, Nevada.

11.5.2.2 2009-2010 Source Exploration

In 2009 and 2010 Source Exploration collected core from 9 surface diamond drill holes (SADD-09-4, 4A, 5, 6 and SADD-10-7 to 11) and 3 underground diamond drill holes (SAUG-01, 02, 03) during their 2009 and 2010 drill program. Core recoveries were collected first, then geologists logged and sampled the core before cutting it in half with a rock saw (Desautels, 2012). The samples of cut core were sent to SGS Labs in Durango, Mexico. The samples were crushed to -200 mesh (75 micron) and for Ag a 2 g sample was dissolved by 2 acid digest with AAS finish (AAS12E). Over limits >100 ppm Ag had a 30 g sample taken and analyzed by fire assay methods with a gravimetric finish (Method FAG313). Au was analyzed using a 30 g fire assay with an atomic absorption finish (Method FAA313). Base metals were analyzed using an aqua regia digest with by ICP-AES (Method ICP14B) and overlimits were completed using a sodium peroxide fusion by ICP-AES (Method ICP90Q).

All samples collected by Source were picked up directly by SGS laboratory personnel from Zacatecas. The SGS laboratory is located in the city Durango, State of Durango, Mexico. As part of the sampling procedure in 2009 and 2010, Source used one of three standard reference materials, namely CDN-HZ-3, CDN-ME-6, and blank CDN-BL-4, obtained from CDN Resource Laboratories Ltd. of Delta BC, Canada. Out of the 522 samples generated from the ten diamond drill holes, 52% or 9.96% were standard or blank samples (AGP Resource, 2012). CRM's inserted by Source, are presented in Table 11-6. Source inserted a total of 47 blanks including 2 CDN-BL-4 CRM's and fresh unaltered, un-mineralized basalt rock was inserted as field blanks. Only one blank failed returning a value of 2.6 ppm. Source submitted 22 pulp samples assayed by SGS to a secondary laboratory, ALS Chemex in Vancouver, in order to evaluate the accuracy of the analysis performed by the primary laboratory. Based on the results presented in PEG (2010) the analytical precision is excellent.

**Table 11-6 Silver CRM Sample Au Performance for the 2009 – 2010 Drill Programs**

| Standard Quality Control for Ag_ppm | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Count** | **Value** | **SD** | **Pass** | **Warning** | **Failed** | **% Failed** |
| **CDN-HZ-3** | 11 | 27.3 | 3.2 | 10.0 | 1 | 0 | 0.0 |
| **CDN-ME-6** | 11 | 101.0 | 7.1 | 10.0 | 0 | 1 | 9.1 |

Approximately 10% of samples assayed were QC samples (standards and blanks) (Desautels, 2012). The QA/QC program appears to follow industry standards used at the time.

11.5.2.3 1996 and 2011-2012 Pan American

Pan American sampling protocols for the 1996 drilling program are unknown. The 2011-2012 sampling protocol is documented in Morfin, 2012. Drill core samples (HQ core) for analysis were cut longitudinally using an electric saw, with half of the sample left in the corebox and the other half packed in a plastic bag, with the respective numbering labels on both the box and the sampling bag. Samples were taken in mineralized zones with a minimum length of 0.30 m and normally 1 m. In unmineralized zones samples were 1 to 2 m. In low recovery zones representative samples were collected. Standards and blanks were included in every 10 samples.

Preparation and analysis were performed at the SGS laboratory in Durango. For Ag a 2 g sample was dissolved in 2 acid digest with AAS finish (Method AAS12E). For Au a 30 g sub-samples were analyzed

by fire assay with an AAS finish (Method FAA313). For base metals and other elements, samples were analyzed with a 31-element suite using a two acid digest and ICP-AES finish (Method ICP14B). Samples that exceeded the detection limit for Au and Ag were re-analyzed by fire assay with a gravimetric finish, and those that exceeded the detection limits for base metals were analysed by method ICP90Q (sodium peroxide fusion ICP-AES. Every 50 samples a duplicate pulp was sent to the Inspectorate laboratory for analysis and validation of results by the SGS laboratory.

A total of 687 analysis results were processed from SGS laboratory corresponding to 20 drill holes (LU11-01 to LU12-20) during the 2011 and 2012 drilling on the Lucita project. Only GEOSTAT certified standards (GBM908-13) were inserted into the sample sequence sent to the laboratory, and sterile basalt core from the La Preciosa project in Durango was used as blanks. 29 CRM samples with certified Ag values were submitted for analysis as part of the QC program. 86.2% of CRM samples were within one standard deviation above and below the mean. 13.8% CRM samples were within one and two standard deviations above and below the mean. There were no CRM samples outside of two standard deviations above and below the mean. 27 blanks were analyzed for Ag. 96.3% of blanks returned values below the detection limit (0.3 g/ton Ag), 3.7% of blank samples presented minimum values above the detection limit and not anomalous. No outliers were found. The QAQC performed by Pan American follows industry standards.

#### 11.5.2.4 2008-2009 MAG Silver

Sampling details for the MAG Silver drilling are unknown at this time. Samples were analyzed by ALS Laboratories (same same preparation in Zacatecas and analysis in Vancouver). Ag was analyzed by either 30 g or 50 g fire assay with gravimetric finish (Methods Ag-GRAV21 and Ag-GRAV22 – in the certs this says Ag-GRA22 or 21). Au was analyzed by 50 g fire assay with AA finish (Method Au-AA24). A 34 element four acid ICP-AES (Method ME-ICP61) was used for base metal analysis with overlimit Cu, Pb, and Zn samples re-run with an ore grade four acid digestion by ICP (Method OG62). Blanks and standards were inserted into the sampling stream. Blank material from MAG Silver's Gui Gui project was used (composition unknown at this time), and three GEOSTAT reference materials (GBM398-1, GBM995-8, and GBM999-3) were used.

## 11.6 QP's Comments

It is the Author's opinion, based on a review of all possible information, that the sample preparation, analyses, and security used on the Project by the Company and previous explorers meet acceptable industry standards (past and current). Review of the QA/QC programs indicates that there are no significant issues with the drill core assay data. The data verification programs undertaken on the data collected from the Project support the geological interpretations, and the analytical and database quality, and therefore data supports future exploration.

# 12 DATA VERIFICATION

## 12.1 Introduction

The following section summarises the data verification procedures that were carried out and completed and documented by the Authors for this technical report, including verification of all drill data collected by Defiance during their 2014 to 2023 drill programs, as of the effective date of this report.

## 12.2 Drill Sample Database

Dean conducted an independent verification of the assay data in the drill sample database. Approximately 20% of the digital assay records were randomly selected and checked against the available laboratory assay certificate reports. Assay certificates were available for all diamond drilling completed by Defiance. Selected assay certificates were provided for historical drilling; however, these have not been validated by the Author at this time. Dean reviewed the assay database for errors, including overlaps and gapping in intervals and typographical errors in assay values. In general, the database was in good shape and no adjustments were required to be made to the assay values contained in the assay database.

Dean has reviewed the sample preparation, analyses, and security (see Section 11) completed by Defiance and previous explorers for the Property. Based on a review of all possible information, the sample preparation, analyses, and security used on the Project by Defiance and previous explorers, including QA/QC procedures, are consistent with standard industry practices.

## 12.3 Site Visit

Eggers conducted a site visit to the Project on April 16 and 17th, 2024, accompanied by Jen Roskowski – Principal Geologist, Armando Vazquez – Senior Consultant, Claudia Marin – Senior Geologist, and additional geological staff of Defiance Silver. The site visit consisted of a field tour of the Property and inspection of the core logging and sampling facilities and core storage areas in the City of Zacatecas.

The field tour of the Property area included visits to several outcrops and surface excavations to review the local geology, and recent and historical drill sites. All areas were easily accessible by road. Validation checks of drillhole collar locations were completed for of a selection of 18 holes spanning historical and Defiance drilling programs completed at San Acacio and Lucita. Collars were appropriately marked and labeled with concrete markers placed at drillholes. No collar markings remain for the 1995 Silver Standard San Acacio drill holes. Individual hole monuments were observed, and collar locations were validated with the use of a handheld GPS. Drillhole collar positions reported in the Company database were validated as surveyed, with minor discrepancies noted being well within the handheld GPS instrumental error.

The site visit to the Zacatecas core logging, sampling, and storage facilities included the inspection of the areas used for the geologists to log and photograph core, the area used to measure density (by drying, waxing, and measurement of water displacement), the areas for cutting and sampling core, the area to update geological sections on paper, the secure sample storage area, the core storage areas, and the office area.

During the site visit selected mineralized core intervals were examined from 18 diamond drillholes spanning Defiance and historical drilling programs from the Property. The accompanying drill logs, cross sections, and assay certificates and assays were examined against the drill core mineralized zones. Current core sampling, QA/QC and core security procedures were reviewed. Core boxes for drillholes reviewed are properly stored in the warehouse, easily accessible and well labelled. Sample tags are present in the boxes, and it was possible to validate sample numbers and confirm the presence of mineralization in witness half-core samples from the mineralized zones.

A core re-logging program was in progress during the time of the site visit. The entire path of the drill core, from the drill rig to the logging and sampling facility and finally to the laboratory was reviewed and discussed. The QP is of the opinion that current protocols in place, as have been described and documented by Defiance, are adequate.

As a result of the site visit, the QP was able to become familiar with conditions on the Property, was able to observe and gain an understanding of the geology and various styles mineralization, was able to verify the work done and, on that basis, can review and recommend to the Company an appropriate exploration program.

The site visit completed in April 2024 is considered as current, per Section 6.2 of NI 43-101CP. To the Authors knowledge there is no new material scientific or technical information about the Property since that personal inspection. The technical report contains all material information about the Property.

## 12.4 **Conclusion**

All geological data has been reviewed and verified as being accurate to the extent possible, and to the extent possible, all geologic information was reviewed and confirmed. There were no significant or material errors or issues identified with the drill database. Based on a review of all possible information, the Authors are of the opinion that the database is of sufficient quality to be used to support future exploration.

# 13 MINERAL PROCESSING AND METALLURGICAL TESTING

Initial metallurgical testing by Defiance was completed on the Project between 2012-2013. Inspectorate Exploration and Mining Services Ltd., Metallurgical Division was commissioned to complete scoping level metallurgical test work, primarily using flotation, on samples from San Acacio (Composite 1) and the neighbouring property (Composite 2). The metallurgical test work and a detailed summary of the results is documented in a report by Yee (2013) for Defiance.

## 13.1 2012-2013 Inspectorate Scoping Level Metallurgical Test Work – San Acacio

### 13.1.1 Test Work

The objective of this program was to investigate silver recovery using primarily flotation at a scoping study level for San Acacio. Sample material consisted of a single shipment totaling 61.0 kg of rock sample, with a top size of ¼", consisting of two composites.

Testing included the following:

- Head sample analysis
- Test grinds to determine grind time versus size curve
- Rougher flotation to study the kinetics of the bulk sulphide flotation process at different grind sizes
- Rougher flotation kinetics at the optimum grind looking to optimize pH and reagents
- Using the best condition from flotation testing of Composite 1, conduct a flotation kinetics test on Composite 2
- Conduct a two pass gravity separation test with upgrading on each composite to study the benefits of coarse free silver recovery by gravity
- A 72 hour cyanidation test on the tailings from one of the flotation tests

### 13.1.2 Sample Descriptions and Source

Samples were described as:

- Composite 1 Sample: Muestra 1 de 3 San Acacio, Muestra 2 de 3 San Acacio, Almaden 2 (from San Acacio historic mine area)
- Composite 2 Sample: Muestra unica Nueva Granada (from neighbouring property)

A representative sample was split from each composite and submitted for head assay, consisting of Ag, S, WRA and ICP-AES30 analysis. Head assay values for Ag and S are presented in Figure 13-1.

**Figure 13-1 Head Assay Values for 2012 San Acacio Metallurgical Sample Composites**

| Element | | Unit | Composite | |
|---|---|---|---|---|
| | | | 1 | 2 |
| Silver | Ag | g/t | 176.9 | 99.2 |
| Repeat Assay | Ag | g/t | | 125.2 |
| Average | Ag | g/t | | 112.2 |
| Sulphur | S | % | 0.90 | 1.33 |

### 13.1.1 Conclusions and Recommendations

The best flotation results achieved a 71% Ag recovery at grade of 500 – 523 g/t Ag. This resulted at a primary grind of P80=75µm, using sulphidization and 5 stages of roughers with a total flotation time of 25 minutes.

Studying rougher flotation kinetics versus grind size, indicated that grind did not have a significant effect on recovery in the range of 64 to 95 microns. It is recommended that a size by assay analysis be conducted on test F5 tailings to look at the distribution of losses and confirm the losses are not grind related.

Varying the pH and using different modifiers (soda ash, $Na_2S$ and NaCN) appeared to have little or no impact on the kinetics.

Test F9, in which NaCN was tested, produced an Ag recovery of 64.1%. However, the sulphur recovery into the concentrate decreased from the 72-79% range down to 31% in this one test. Cyanide, being a pyrite depressant, would tend to indicate the majority of the silver is not associated with pyrite. It is recommended a diagnostic leach test be conducted to assist in identifying the silver and its mineral association.

A single flotation test on the lower grade Composite 2 (Muestra unica Nueva Granada), using the same parameters as test F5 from Composite 1, resulted in a recovery of 75.9% Ag at a slightly lower concentrate grade of 267 g/t Ag.

A gravity separation test run at the same grind of 75 microns indicates little silver is to be recovered using this method. The up-graded Knelson concentrates graded 2966 and 2125 g/t Ag at recoveries of 2.0 and 0.7% respectively. It is recommended no further testing be conducted using gravity.

Cyanidation of the flotation tailings achieved a 77.6% Ag extraction after 48 hours. With cyanidation results being fairly good on this product, it is recommended standard 48 hour or 72 hour cyanidation tests be run on the whole ore samples at several different grinds to study that processing option.

# 14 MINERAL RESOURCE ESTIMATES

There are no current Mineral Resource Estimates for the Property.

# 15 MINERAL RESERVE ESTIMATE

There are no current Mineral Reserve Estimates for the Property.

# 16 MINING METHODS

This section does not apply to the Technical Report.

# 17 RECOVERY METHODS

This section does not apply to the Technical Report.

# 18 PROJECT INFRASTRUCTURE

This section does not apply to the Technical Report.

# 19 MARKET STUDIES AND CONTRACTS

This section does not apply to the Technical Report.

# 20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section does not apply to the Technical Report.

# 21 CAPITAL AND OPERATING COSTS

This section does not apply to the Technical Report.

# 22 ECONOMIC ANALYSIS

This section does not apply to the Technical Report.

# 23 ADJACENT PROPERTIES

There is no information on properties adjacent to the Property necessary to make the technical report understandable and not misleading.

# 24 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information available that is necessary to make the technical report understandable and not misleading. To the Authors' knowledge, there are no significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information.

# 25 INTERPRETATION AND CONCLUSIONS

SGS Geological Services Inc. (“SGS”) was contracted by Defiance Silver Corp., (“Defiance” or the "Company") to complete a National Instrument 43-101 (“NI 43-101”) Technical Report for the Zacatecas Silver Property (“Property”) in Zacatecas State, central Mexico.

The Company is a publicly listed company on the TSX Venture Exchange (“TSX-V”) trading under the symbol “DEF”, “DNCVF” on the OTCQX, and “D4E” on the Frankfurt Exchange. The Company is a Mexico-based silver, gold, copper, and polymetallic exploration & development company.

The head office and principal address of the Company is located at Suite 2900-550 Burrard Street, Vancouver, BC, V6C 0A3.

The current report is authored by Ben Eggers, B.Sc. (Hons), MAIG, P.Geo. (“Eggers”), and Sarah Dean, B.Sc., P.Geo. (“Dean”) of SGS (the “Authors”). The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report.

The current Technical Report will be used by Defiance in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

## 25.1 Exploration and Diamond Drilling

From 2011 to 2024, Defiance has conducted surface exploration in the form of soil and rock chip sampling, detailed geological mapping, and geophysical surveys (ground magnetics and induced polarization surveys). Safe access to the extensive historic workings at San Acacio is limited; however, various generations of historic underground maps of the workings, geology, and mineralization exist in the Defiance data set. The Company conducted validation work on the location of the historic underground workings using both the series of maps as well as surveyed surface locations of shafts and tunnels. The results of this validation work were used create a 3D model to serve as a guide for drill planning and resource estimation purposes.

Defiance has completed 86 holes for a total of 30,379.83 m of diamond drilling on the Zacatecas Project. Drilling campaigns were conducted by Defiance in 2014, 2015, 2017, 2019, 2020, 2021, 2022, and 2023.

Since optioning the San Acacio concessions on October 24, 2011, Defiance has completed 73 drill holes for a total of 26,578.03 m primarily targeting the Veta Grande structure. The 2014 drill holes were the first drilled at San Acacio since 2010. Drilling has confirmed that the Veta Grande vein system has a dominant northwest-southeast trend and dips towards the southwest, on average 65 degrees. The continuity of the mineralized structures of the Veta Grande vein system have been validated through drilling over at least 2,000 m along strike and to depths of at least 400 m below surface on the Project.

Since optioning the Lucita concessions on December 2, 2020, the company completed a surface mapping and sampling program on the Lucita South land package in early 2021, and subsequently completed a first pass regional drilling program on the previously undrilled Palenque vein system. Defiance completed 13 drillholes for a total of 3,801.80 m on the Palenque vein system confirming the presence of significant mineralization. Drilling tested the footprint on the Palenque vein system along approximately 3.5 km of strike.

At San Acacio, drilling by previous operators as well as Defiance Silver from 1995 to early 2017 confirmed the presence of significant mineralizing events that provide evidence for a long-lived mineralizing system. Drilling in late 2017 and early 2019 outlined complexities in the structural geology of the area and identified significant “down dropped” and rotated structural blocks as the company tested the Veta Grande at similar elevations where it was encountered by earlier mining and drilling.

A limited two-hole drill program in 2020 targeted the previously untested area of the Veta Grande system between the Esperanza and Guadalupe zones and the Morada vein-fault at depth but returned no significant results. Drilling in 2021 and 2022 targeted the Veta Grande vein system and continued to expand and delineate mineralized zones within the San Acacio deposit. Holes were designed to improve the main Veta Grande structural model and to infill poorly drilled areas, as well as to test both hanging wall and footwall splays to the Veta Grande system.

Drilling in 2023 encountered the highest-grade and widest-width mineralization ever drilled at San Acacio. Drill hole DDSA-23-66 returned the widest width drilled to date: 41.83 m of 157.30 g/t Ag (from 225.60 m to 267.43 m) including 15.96 metres of 379.90 g/t Ag (from 251.47 m to 267.43 m). Within this interval is a sub-interval grading 5,510 g/t Ag from 265.54 m to 265.80 m.

During 2023, Defiance re-logged and sampled previous historical and pre-2020 Defiance drill holes to create a geological compilation using the Company's current lithology, alteration and mineralization logging scheme. Re-logging and sampling of historic drill holes was designed to identify and sample mineralization that was not previously analyzed during previous drill campaigns. Drill holes from 2009, 2010, 2011, 2012, 2014, 2015, and 2017 were sampled. Holes from all previous campaigns were relogged. A total of 56 drill holes were relogged for a total of 15,730.53m.

## 25.2 **Metallurgy**

Initial metallurgical testing by Defiance was completed on the Project between 2012-2013. Inspectorate Exploration and Mining Services Ltd., Metallurgical Division was commissioned to complete scoping level metallurgical test work, primarily using flotation, on samples from San Acacio and the neighbouring property.

The best flotation results achieved a 71% Ag recovery at grade of 500 – 523 g/t Ag. This resulted at a primary grind of P80=75µm, using sulphidization and 5 stages of roughers with a total flotation time of 25 minutes.

Studying rougher flotation kinetics versus grind size, indicated that grind did not have a significant effect on recovery in the range of 64 to 95 microns. It is recommended that a size by assay analysis be conducted on test F5 tailings to look at the distribution of losses and confirm the losses are not grind related.

Varying the pH and using different modifiers (soda ash, $Na_2S$ and NaCN) appeared to have little or no impact on the kinetics.

Test F9, in which NaCN was tested, produced an Ag recovery of 64.1%. However, the sulphur recovery into the concentrate decreased from the 72-79% range down to 31% in this one test. Cyanide, being a pyrite depressant, would tend to indicate the majority of the silver is not associated with pyrite. It is recommended a diagnostic leach test be conducted to assist in identifying the silver and its mineral association.

A gravity separation test run at the same grind of 75 microns indicates little silver is to be recovered using this method. The up-graded Knelson concentrates graded 2966 and 2125 g/t Ag at recoveries of 2.0 and 0.7% respectively. It is recommended no further testing be conducted using gravity.

Cyanidation of the flotation tailings achieved a 77.6% Ag extraction after 48 hours. With cyanidation results being fairly good on this product, it is recommended standard 48 hour or 72 hour cyanidation tests be run on the whole ore samples at several different grinds to study that processing option.

## 25.3 **Risk and Opportunities**

The following risks and opportunities were identified that could affect the future economic outcome of the project. The following does not include external risks that apply to all exploration and development projects

(e.g., changes in metal prices, exchange rates, availability of investment capital, change in government regulations, etc.).

There is no other relevant data or information available that is necessary to make the technical report understandable and not misleading. To the Authors knowledge, there are no additional risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information.

### 25.3.1 Risks

#### 25.3.1.1 Exploration Potential

The mineralized structures (mineralized domains) in all zones are well understood. Due to the limited drilling in some areas, all mineralization zones might be of slightly variable shapes from that of preliminary models. A different interpretation from the current mineralization models may adversely affect the additional exploration potential. Continued drilling may help define with more precision the shapes of the zones and confirm the geological and grade continuities of the mineralized zones.

### 25.3.2 Opportunities

#### 25.3.2.1 Exploration Potential

There is an opportunity in all deposit areas to extend known mineralization at depth, on strike and elsewhere on the Property. Defiance's intentions are to direct their exploration efforts towards extending the limits of known mineralization and testing other targets on the greater Zacatecas Property.

# 26 RECOMMENDATIONS

The Zacatecas Project contains silver, gold and base metal mineralization concentrated along both the Veta Grande vein system on well-defined mineralized trends at San Acacio, and on numerous mineralized vein systems at Lucita. These targets are supported by an extensive geological data set, including vein and structure models. The San Acacio deposit within the Veta Grande vein system is open along strike and at depth. There is potential to discover new mineralized zones outside of the historic mine area in San Acacio and along the underexplored veins in Lucita; these zones could be defined as “brownfields” exploration targets.

Eggers considers that the Veta Grande vein system warrants an estimate of Mineral Resources and that it has potential for the delineation of additional mineralization, and further exploration is warranted. Drill results at Lucita South and surface geochemical sampling from a number of mineralized veins in Lucita North indicate that further exploration at Lucita, including drilling, is warranted. Given the prospective nature of the Zacatecas Property, it is the opinion of the QP that the Property merits further exploration and that a proposed plan for further work by Defiance is justified.

It is recommended that Defiance Silver conduct further exploration, subject to funding and any other matters which may cause the proposed exploration program to be altered in the normal course of its business activities or alterations which may affect the program as a result of exploration activities themselves.

Defiance is planning a 2-phase work program leading to a MRE for San Acacio. The proposed Phase One work program (Table 26-1) consists of surface mapping and sampling, a Project wide Lidar survey, surface and downhole geophysical surveys, and a 12,500 m drill program with both infill and step-out drilling at San Acacio and exploratory drilling at Lucita. This phase of drilling will be focused on targets in and around the Veta Grande vein system to support a MRE, as well as additional drilling at Lucita South and initial drilling at Lucita North.

The Phase Two program (Table 26-2) is informed by Phase One results and consists of metallurgical test work, a MRE, additional geophysics and a proposed 12,500 m exploration drill program.

The total cost of the planned work programs by Defiance is estimated at $9.2 Million (USD) (Table 26-3), with Phase 1 estimated at $4.686 Million (USD) and Phase 2 estimated at $4.514 million (USD).

**Table 26-1 Zacatecas Phase One Work Program Budget**

| Item | Cost (USD) |
|---|---:|
| Surface mapping & sampling | $200,000 |
| Lidar | $100,000 |
| AMT Geophysical survey | $200,000 |
| Downhole EM | $50,000 |
| Drilling (12,500m) | $3,125,000 |
| Permitting, Community Relations | $150,000 |
| Support (food, accommodation, trucks) | $250,000 |
| Contingencies (15%) | $611,250 |
| **Total Phase I** | **$4,686,250** |

**Table 26-2 Zacatecas Phase Two Work Program Budget**

| Item | Cost (USD) |
|---|---|
| Metallurgical Test work | $100,000 |
| Resource Estimate | $150,000 |
| Geophysics | $150,000 |
| Drilling (12,500m) | $3,125,000 |
| Permitting, Community Relations | $150,000 |
| Support (food, accommodation, trucks) | $250,000 |
| Contingencies (15%) | $588,750 |
| **Total Phase II** | **$4,513,750** |

**Table 26-3 Zacatecas Phase One and Phase Two Budget Totals**

| Item | Cost (USD) |
|---|---|
| Total Phase One | $4,686,250 |
| Total Phase Two | $4,513,750 |
| **Grand Total** | **$9,200,000** |

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# 28 DATE AND SIGNATURE PAGE

This report titled “Technical Report for the San Acacio Project, Zacatecas, Mexico” dated December 17, 2024 (the “Technical Report”) for Defiance Silver Corp. was prepared by the following authors:

The effective date of the report is October 1, 2024
The date of the report is December 17, 2024

Signed by:

| Qualified Persons | Company |
|---|---|
| Ben Eggers, B.Sc.(Hons), MAIG, P. Geo. | SGS Geological Services (“SGS”) |
| Sarah Dean, P.Geo. | SGS Geological Services (“SGS”) |

December 17, 2024

# 29 CERTIFICATES OF QUALIFIED PERSONS

## QP CERTIFICATE – BEN EGGERS

To accompany the report titled “Technical Report for the Zacatecas Project, Zacatecas, Mexico” with an effective date of October 1, 2024 (the “Technical Report”) prepared for Defiance Silver Corp. (the “Company”).

I, Benjamin K. Eggers, B.Sc. (Hons), MAIG, P.Geo. of Tofino, British Columbia, hereby certify that:

1. I am a Senior Geologist with SGS Canada Inc., 10 Boulevard de la Seigneurie E., Suite 203, Blainville, QC, J7C 3V5, Canada.

2. I am a graduate of the University of Otago, New Zealand having obtained the degree of Bachelor of Science (Honours) in Geology in 2004.

3. I have been continuously employed as a geologist since February of 2005.

4. I have been involved in mineral exploration and resource modeling at the greenfield to advanced exploration stages, including at producing mines, in Canada, Australia, and internationally since 2005, and in mineral resource estimation since 2022 in Canada and internationally. I have experience in orogenic gold deposits, porphyry copper-gold-silver deposits, low and high sulphidation epithermal gold and silver deposits, volcanic and sediment hosted base metal massive sulphide deposits, and albitite-hosted uranium deposits.

5. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia and use the designation (P.Geo.) (EGBC Licence No. 40384; 2014) and I am a member of the Australian Institute of Geoscientists and use the designation (MAIG) (AIG Licence No. 3824; 2013).

6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 - Standards of Disclosure for Mineral Projects – (“NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.

7. I am an author of the Technical Report and responsible for sections 1 - 6, 8, 12.3, 12.4, and 13 - 26. I have reviewed these sections and accept professional responsibility for these sections of the Technical Report.

8. I conducted a site visit to the Property on April 16 to 17, 2024.

9. I have had no prior involvement with the Property, and I am independent of the Company as described in Section 1.5 of NI 43-101.

10. As of the effective date of the Technical Report, 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.

11. I have read NI 43-101 and Form 43-101F1 (the “Form”), and the Technical Report has been prepared in compliance with NI 43-101 and the Form.

Signed and dated December 17, 2024 at Tofino, British Columbia.

***“Original Signed and Sealed”***

*Ben Eggers, B.Sc.(Hons), MAIG, P. Geo., SGS Canada Inc.*

# QP CERTIFICATE – SARAH DEAN

To accompany the report titled “Technical Report for the Zacatecas Project, Zacatecas, Mexico” with an effective date of October 1, 2024 (the “Technical Report”) prepared for Defiance Silver Corp. (the “Company”).

I, Sarah Dean, P.Geo., Ontario, hereby certify that:

1. I am a geologist with SGS Canada Inc, Geostat, with an office at 10 Boul. de la Seigneurie Est, Suite 203, Blainville Quebec Canada, J7C 3V5 (www.geostat.com).
2. I am a graduate from Laurentian University, Sudbury, Ontario in 2006 with a Bachelor of Science in Geology and from the Australian Institute of Business, Adelaide, South Australia, in 2016 with a Master of Business Administration.
3. I have practiced my profession as a geologist since 2006.
4. I have been involved in mineral exploration for different exploration projects including gold, iron and base metals at different stages of exploration. I am aware of the different methods of estimation and the geostatistics applied to metallic, non-metallic and industrial mineral projects.
5. I am a member in good standing of the Ordre des Géologues du Québec and use the title of Professional Geologist (géo. or P.Geo.) (Licence No. #2150, 2018) and Professional Geologists of Ontario (Licence No. #2951, 2018)
6. I have read the definition of “qualified person” set out in the National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfil the requirements to be an independent qualified person for the purposes of NI 43-101.
7. I am an author of the Technical Report and responsible for sections 7, 9, 10, 11, 12.1, and 12.2. I have reviewed these sections and accept professional responsibility for these sections of the Technical Report.
8. I am independent of the Company as defined in Section 1.5 of National Instrument 43-101.
9. I have had no prior involvement with the subject property.
10. As at the effective date of the technical report, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
11. I have read National Instrument 43-101, Form 43-101F1 and confirm that this technical report has been prepared in accordance therewith.

Signed and dated December 17, 2024 at Belle River, Ontario.

***“Original Signed and Sealed”***

*Sarah Dean, P. Geo., SGS Canada Inc.*