Sierra Madre Gold and Silver Ltd. Provides Positive Update to Test Mining and Processing

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Vancouver, September 5, 2024 - Sierra Madre Gold and Silver Ltd. (TSXV: SM) (OTCQX: SMDRF) ("Sierra Madre" or the "Company") is pleased to give an update on the progress of test mining and processing at the Guitarra mine complex.

The testing of the flotation plant began on the 25th of June, 2024 and has been in continuous daily operation. A total of 20,401 tonnes of material containing economically interesting silver and gold mineralization has been processed as of August 31st for an average production rate of 300 tonnes per day since inception of test mining. Five (5) shipments totalling 335 dry metric tonnes of silver gold concentrate have been delivered to MRI Trading AG under the Company's 24-month contract. Provisional payment gold and silver concentrate grades ranged from 2,752 g/t to 3,442 g/t silver and 28.6 to 36 g/t gold. Final assay grades will be determined upon shipment to the smelters.

Test mining began with development mineralization from the Guitarra mine, transitioning to economically attractive in situ mined material from both long hole and shrinkage stopes in August. Production of back fill material ("retaques") from stopes mined in the 1990's and early 2000's was increased as planned. These retaques were derived from material below the 8 to 10 gram per-tonne gold equivalent cutoff used at the time, which had to be blasted in order to mine the above cut-off ore. Once emptied, these stopes are scheduled to receive tailings paste fill, for which the mine is fully permitted.

Chief Operating Officer, Greg Liller commented, "I am very pleased with the operating results to date. The Guitarra team is doing an excellent job of moving operations towards a sustained production rate of 350 tonnes per day, our next test production goal. Upon achieving 350 tonnes per day the team has an orderly plan in place to move towards 410 tonnes per day, then to the commercial mining and processing rate of 500 tonnes per day before year end".

About Sierra Madre

Sierra Madre Gold and Silver Ltd. (TSXV: SM),(OTCQX: SMDRF) is a precious metals development and exploration company focused on evaluating the potential of restarting the Guitarra mine in the Temascaltepec mining district, Mexico, and the exploration and development of its Tepic property in Nayarit, Mexico. The Guitarra mine is a permitted, past-producing underground mine, which includes a 500 t/d processing facility that operated until mid-2018.

The +2,600 ha Tepic Project hosts low-sulphidation epithermal gold and silver mineralization with an existing historic resource.

Sierra Madre's management team has played key roles in managing the exploration and development of more than 22Moz gold and 600Moz silver in combined mineral reserves and mineral resources. Sierra Madre's team of professionals has collectively raised over $1 billion for mining companies.

On behalf of the board of directors of Sierra Madre Gold and Silver Ltd.,

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Cautionary Note Regarding Production Decisions

The Company's decision to potentially place the mine into commercial production, expand a mine, make other production related decisions or otherwise carry out mining and processing operations, is largely based on internal non-public Company data and reports from previous operations. The Company is not basing any production decisions on NI 43-101 compliant reserve estimates, preliminary economic assessments or feasibility studies and, as a result, there is greater risk and uncertainty as to future economic results from the Guitarra Mine Complex, including increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit, and a higher technical risk of failure than would be the case if a feasibility study were completed and relied upon to make a production decision.

Cautionary Note Regarding Forward Looking Information

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. The forward-looking statements herein are made as of the date of this press release only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements include, without limitation, statements regarding discussions of future plans, including the expected timing of concentrate shipments; the Company increasing production; the Company receiving revenues on a weekly basis and such revenues allowing the Company to comfortably expand to commercial production without further capital needs; and the Company's plan to return the Guitarra mine to full commercial production and the expected timing and production levels thereof.

The forward-looking statements involve numerous risks and uncertainties, and actual results might differ materially from results suggested in any forward looking statements. These risks and uncertainties include, among other things, that predicted production levels will be achieved and that existing production levels will be maintained.

In making the forward-looking statements in this news release, the Company has applied certain material assumptions, including without limitation, that the Company will be able to execute its future plans as intended, that predicted production levels will be achieved and that existing production levels will be maintained.

Although management of the Company has attempted identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

SOURCE: Sierra Madre Gold and Silver Ltd.