



Developing a district-scale silver project with an immediate path to production



**CSE: KUYA | OTCQB: KUYAF | FRA: 6MR1**

**JULY 2022**

# IMPORTANT DISCLOSURES - PLEASE READ CAREFULLY

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The independent Qualified Person for the Mineral Resource Estimate, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Peru. The effective date of the Mineral Resource Estimate is December 10, 2021. Mineral Resources are not Mineral Reserves and have not demonstrated economic viability. The quantity and grade of reported Inferred and Indicated Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred and Indicated Resources as Measured, however it is reasonably expected that the majority of Inferred and Indicated Mineral Resources could be upgraded to Measured Mineral Resources with continued exploration. A cut-off grade of 100 g/t silver equivalent ("AgEq") was applied in the reporting of the resource model, which used a minimum block size of 0.60 metres to reflect the minimum mining width applied at this deposit. The cut-off was determined as an approximate break-even cost calculated from known historical mining and recovery costs. Geological and block models for the Mineral Resource Estimate used data from a total of 33 surface drill holes, completed by the Company, and historical underground sampling collected by previous operators. The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Kuya. Mineral resource estimates in Table 1, Table 2, and Table 3 have been rounded to two significant figures. The Mineral Resource Estimate was calculated on the basis of 18 modelled veins which were grouped into three vein systems based on the current understanding of the major structures controlling silver mineralization. The Mineral Resource Estimate statement excludes material that has been mined out and the material in the upper levels of the mine that may not be extracted based on expected requirements for mine safety. Silver equivalent (AgEq) was calculated using the following commodity prices: Au (USD/oz) \$1,849.78, Ag (USD/oz) \$25.44, Pb (USD/t) \$1,981.79, Zn (USD/t) \$2,658.62, and Cu (USD/t) \$7,971. The recovery factors (%) used in the calculation of the Mineral Resource Estimate were: Au at 0.4439; Ag at 0.9324; Pb at 0.9449; Zn at 0.9265; Cu at 0.8829. The Mineral Resource Estimate was prepared following the CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (November 29, 2019). The development of the Mineral Resources that are the subject of the Mineral Resource Estimate may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, and other relevant risks. For additional information on risks and uncertainties that could affect the Company and the development of its mineral projects, please refer to the "Risk Factors" section in the Company's Amended and Restated Annual Information Form dated October 15, 2021 for the year ended December 31, 2020 ("AIF"), which is available on SEDAR at [www.sedar.com](http://www.sedar.com). The risk factors identified in the AIF are not intended to represent a complete list of factors that could affect the Company or the development of its mineral projects

Dr. Scott Jobin-Bevans (P.Geo., APGO #1083), Principal Author, visited the Bethania Silver Project on 15 June 2019. The purpose of the site visit was to observe mine and general Property conditions, surficial geology, underground geology and mining procedures, proposed sites for the processing plant and related equipment, and sites for any exploration work including historical surface trenching and excavation (past mining), inclusive of associated quality assurance/quality control. During the 2019 site visit by Dr. Jobin-Bevans, a total of five rock samples were collected from five of the main veins, either from surface exposures or from underground workings. Mr. Simon Mortimer (MAusIMM, FAIG), consulting geologist (Atticus Consulting S.A.C.) visited the Bethania Silver Project from the 24 to 27 May 2021. The purpose of the site visit was to observe the processes and protocols in place for the collection of geological data – the geological logging, the capture of data in digital format, the selection, taking, and registering of samples, the associated quality assurance/quality control and the transport and storage of the samples; to visit the drill pads and observe the procedures in place for the extraction of the core and delivery to the logging shed; and to review the drill core, the surface geology and map some of the principal structures, contacts and outcropping veins. The QPs have reviewed the historical data and information regarding past exploration, development work, and historical mining on the Property as provided by Kuya. Kuya was entirely cooperative in supplying the QPs with all the information and data requested and there were no limitations or failures to conduct the verification and so it was concluded that information in the database is suitable for mineral resource estimation. Past mine production data as reported to the Ministry of Energy and Mines during the period 2013-2016 is evidence that the mine was worked to accepted standards, and although it should be recognised that geological data relating this last period of mine working lacks QA/QC support, mine mapping and sampling is noted to be of a high standard, and the QPs are confident that this data can be used for guidance in the planning of future work programs and for the purposes of geological modelling and inclusion in the current MRE. The sampling of, and assay data from, the drill core was monitored through the implementation of a quality assurance/quality control ("QA/QC") program designed to follow industry best practice. See the technical report titled, "Independent Technical Report on the Bethania Silver Project, Department of Huancavelica, Province of Huancavelica, District of Acobambilla, Peru", dated 29 September 2021, for additional information on the QA/QC program and results.

# WELL-RUN SILVER MINES COMMAND A MARKET PREMIUM

## Bethania is a great first asset

### Recent Past

- Producing silver mine until 2016 – now on care and maintenance.
- **Extensive database** of information with clear geologic model in place.
- Earn-in acquisition signed with Kuya late 2017
- Mine debt retirement completed in 2019
- Technical program for mine expansion initiated
- Completed initial 43-101 technical report

### RTO - Present (2020-2022)

- ✓ RTO Q3 2020 (**June-Sept, '20**)
- ✓ Raised C\$21.5M (**two tranches, '20-21**)
- ✓ EIA Approval (**Aug '20**)
- ✓ Closed acquisition of mine (**Dec, '20**)
- ✓ Acquire District-Scale Land Package (**Nov, '21**)
- ✓ Construction approval (**Jan, '22**)
- ✓ Drill/43-101 resource estimate (**Jan, '22**)
- ✓ PEA – Mine Expansion (**May, '22**)
- ✓ Finance Expansion
- ✓ Build management team (**In Progress**)

### Future Vision (2022+)

- Commission/Production Bethania
- Low cost silver production/cash flow
- Aggressive regional exploration near Bethania
- Next growth stage: Expanding Bethania, Develop Kerr Project, Ontario (Canada)
- Longer-term growth from regional exploration in Peru and Silver Kings project, Canada
- Re-rating potential based on comparable public **silver mining** companies

# FOLLOWING A SUCCESSFUL PROVEN STRATEGY

The **Bethania Mine** will Launch the Market's Next Silver Mining Company

1

Identify a high-grade silver mine (e.g. Peru or Mexico – the two most prolific silver mining countries in the world) – benefitting from strong mining culture, and infrastructure

**START with a great silver mining asset!**

2

Acquire small-scale mines from local owners – with institutional market access to capital we are able to drill (increase resources/reserves) and expand (increase production/reduce costs)

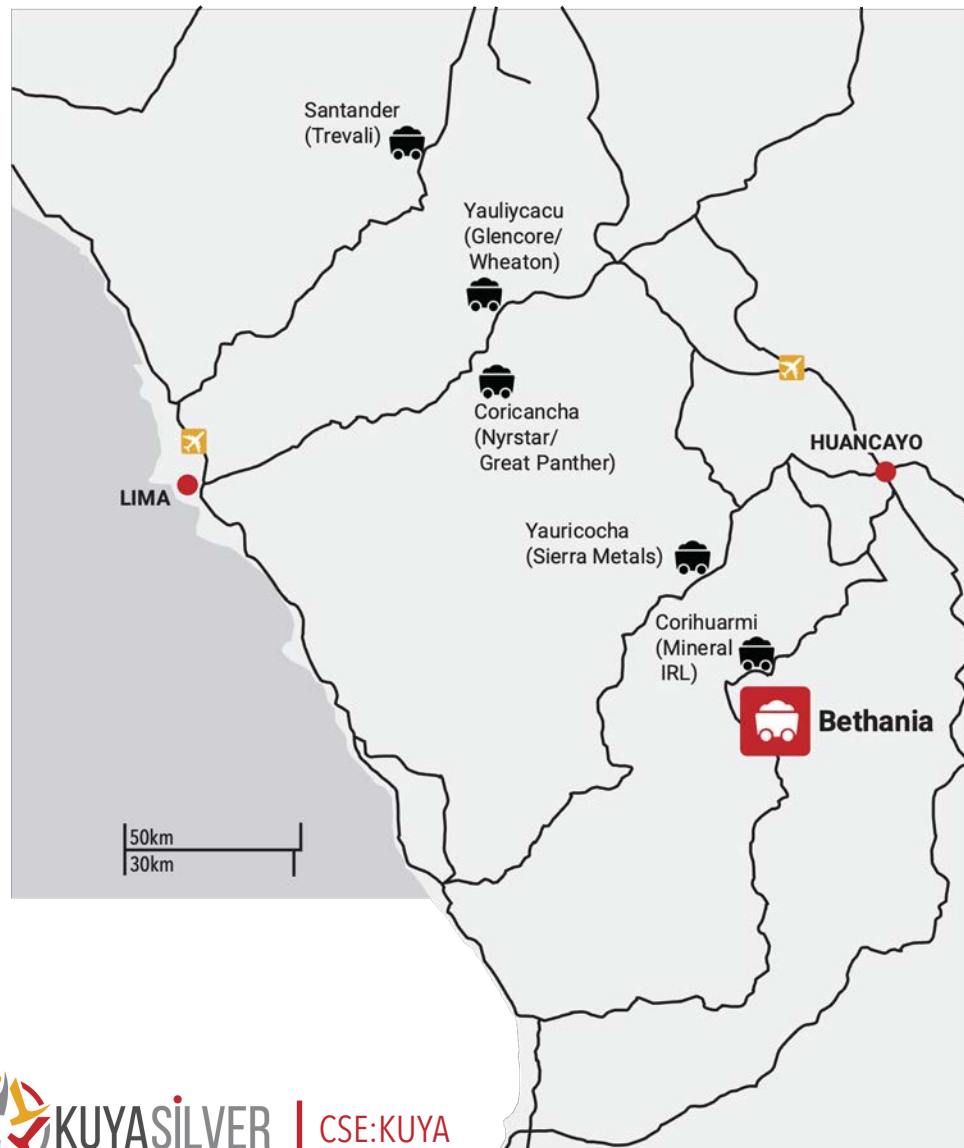
3

Benefit from by-product sales: base metals and gold (70%+ revenue from silver in our case)

4

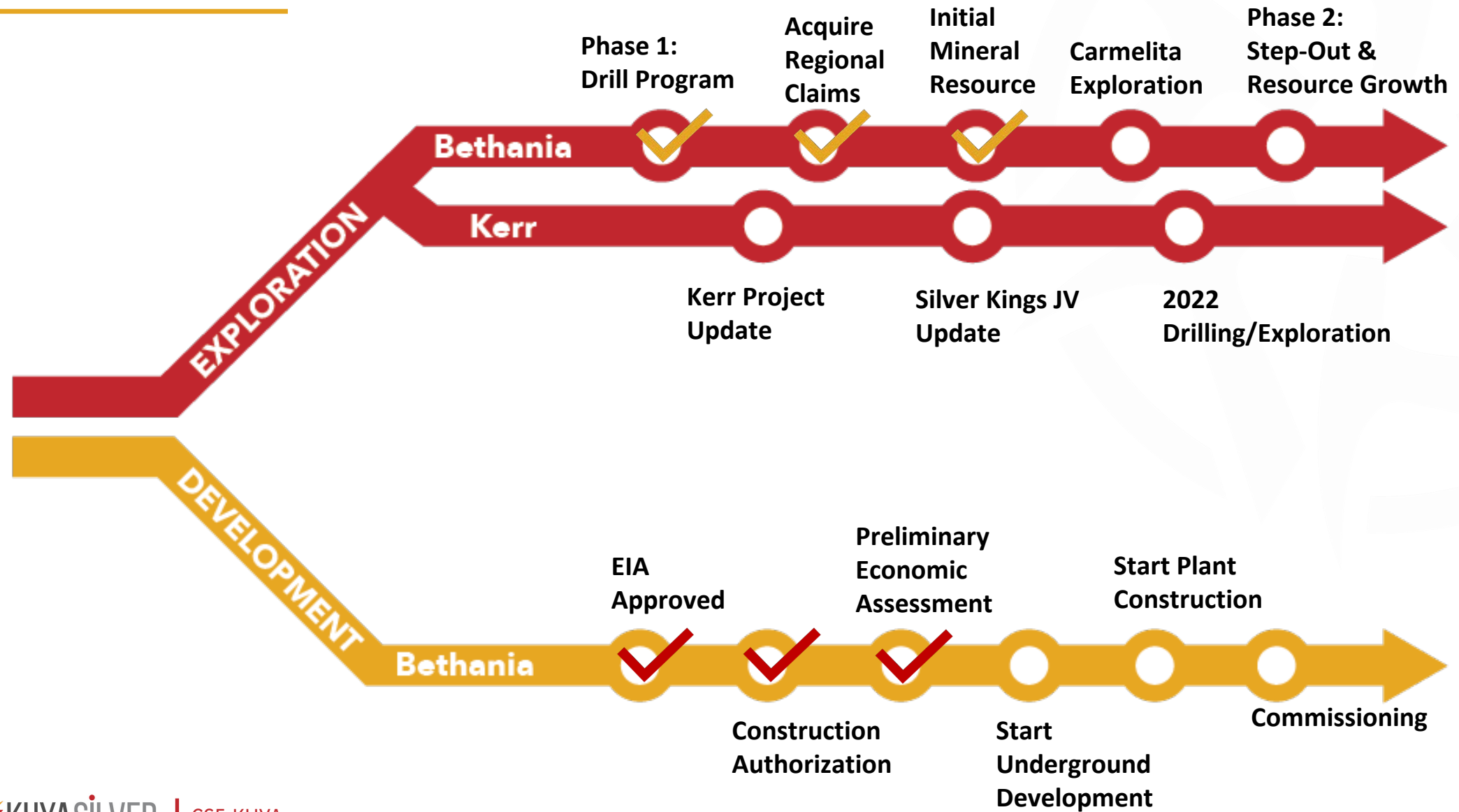
Lower risk: predictable geology, low capital intensity, well-established mining methods, off-the-shelf processing methods, established workforce, and permits in place

# GREAT ACCESS AND HISTORY

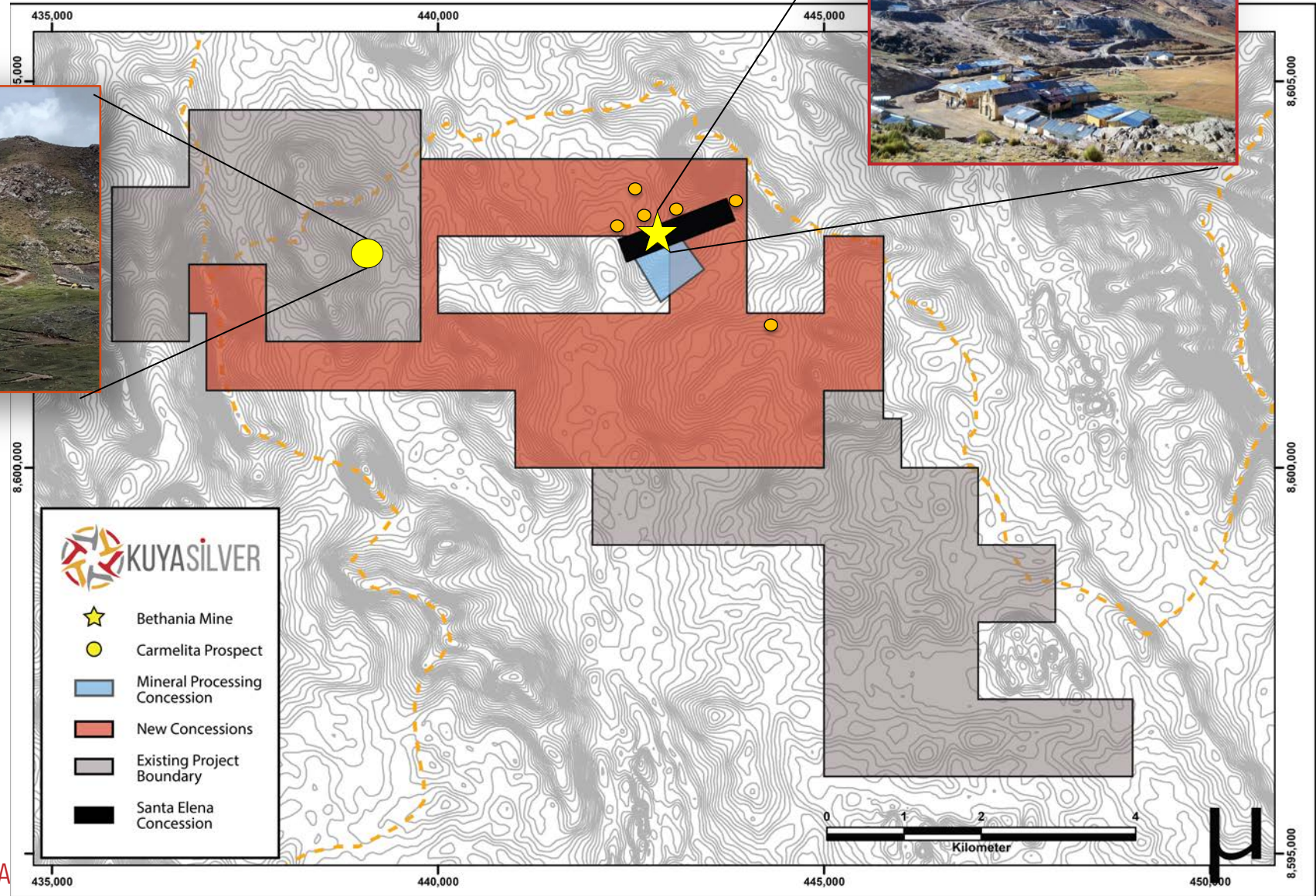
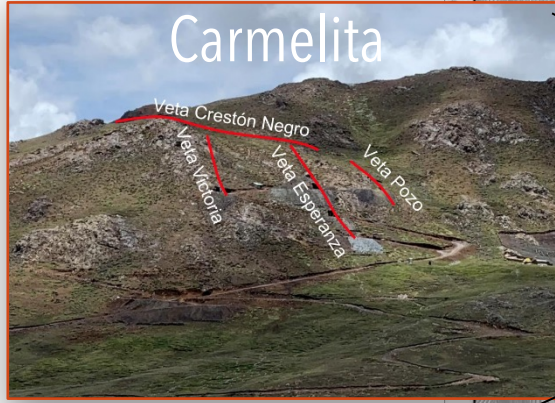


- Located in major silver-lead-zinc mining district in Central Peru
- Access mine by road from Huancayo (major city)
- Daily flights from Lima to Jauja (near Huancayo)
- Mine located near mining village of Bethania
- The Bethania Mine formally opened in 1977 after discovery of two veins (Española and 12 de Mayo) and has been operating at a small scale on and off for 40 years
- Peruvian family acquired Bethania mine, restarted ore production in 2009 and began toll processing in 2013
- Achieved production of 28,788 tonnes in 2014, producing 425,000 oz silver equivalent (only lead and zinc by-products)

# DUAL TRACK VALUE CREATION



# BETHANIA – DISCTRICT-SCALE POTENTIAL

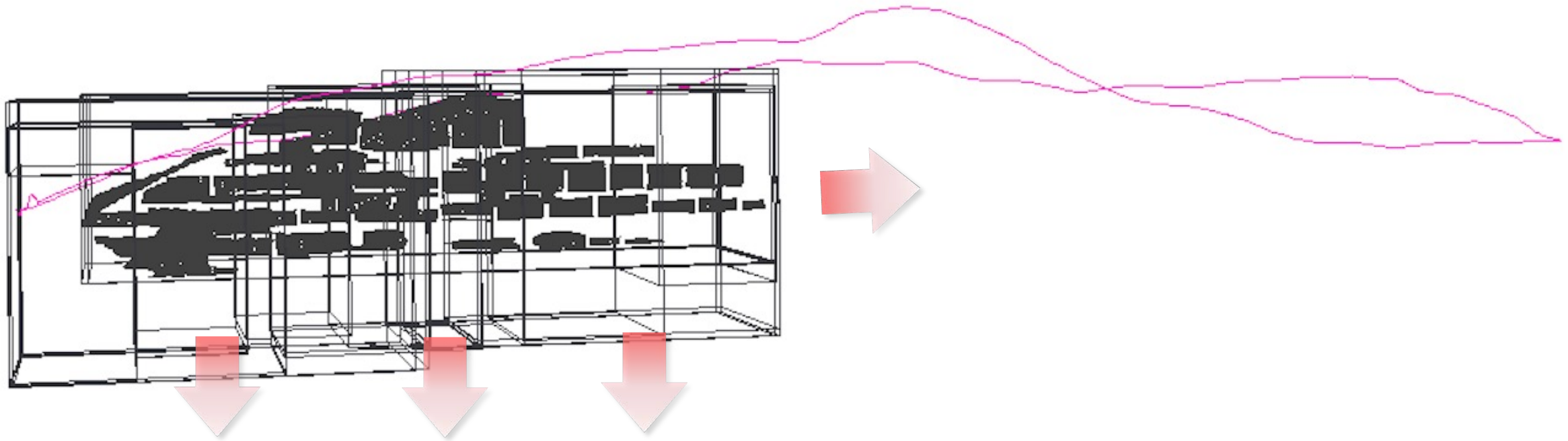


**5300 Hectare  
Land Package**

# RESOURCE BLOCK MODEL

Bethania **Significant Growth Potential**

**Resource Estimate**  
A combination of:  
- 2021 (phase 1) 5,000-metre diamond drilling  
- underground rock chip samples



**1500m+ of prospective targets within 20 sub parallel mineralized veins**



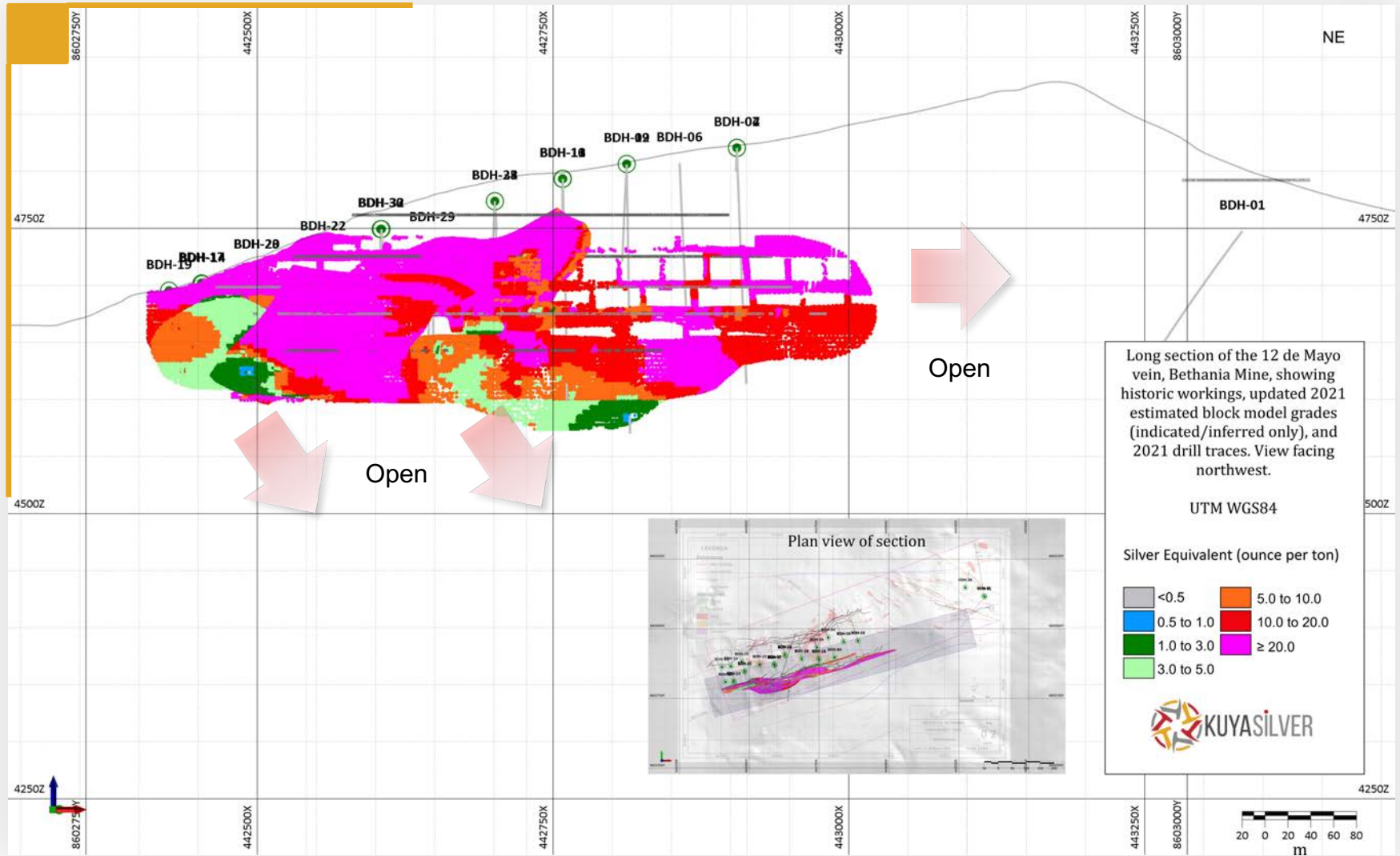
# RESOURCE OVERVIEW

## Bethania **Near Surface Maiden Resource**

- Resource Drilling Focused On Shallow Mineralization Proximal to Bethania Mine Workings
- **63%** of Indicated Silver Equivalent Resource Estimate **Located Above** Historical Production Adit (4670 Level)
- The resource estimate consisted of data collected from the 2021 (phase 1) 5,000-metre diamond drilling program as well as previously collected underground rock chip samples.
- Average diamond drill hole length in the 2021 drilling program was ~140 metres.

Category	Tonnage	GRADE						CONTAINED METAL	
		Ag	Pb	Zn	Au	Cu	AgEq	Ag	AgEq
		(g/t)	(%)	(%)	(g/t)	(%)	(g/t)	(oz)	(oz)
Indicated	404,000	332	2.63	1.95	0.26	0.16	451	4,317,540	5,858,521
Inferred	700,000	249	2.51	1.58	0.24	0.12	356	5,600,256	8,006,431

# INITIAL MINERAL RESOURCE: 12 DE MAYO VEIN



Resource model extends to a maximum depth from surface of:

- **230m** in the 12 de Mayo vein (shown here)
- **200m** in the Española vein
- **180m** in the Victoria vein

All 3 vein systems remain open at strike and along depth

The resource estimate is solely focused on the main Bethania Mine area

# BETHANIA PEA: HIGHLIGHTS



## Value

Base case (\$25.40/oz silver price) Pre-Tax NPV (5%) of \$77.8 Million and **IRR of 227%**

Base case (\$25.40/oz silver price) After-Tax NPV (5%) of \$54.7 Million and **IRR of 188%**

Pre-production toll milling option would generate gross margin of \$9.5 Million during construction at base case, would accelerate **after-tax payback period to 0.50 years**

After-tax cash flow of **\$18.04 Million in first full year of production** (base case)

Life of Mine (“LOM”) **after-tax free cash flow of \$65.3 Million** (base case)



## Cost

Initial Capital Cost Estimated at **\$14.2 Million** plus 25% contingency of \$3.6 Million

All-In Sustaining Costs of **\$10.48/oz silver eq.** in first year, **\$12.15/oz silver eq. over LOM**



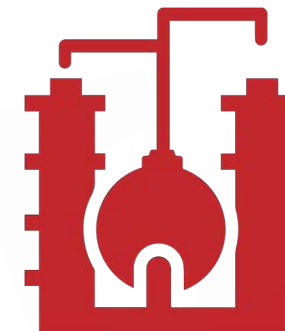
## Production

**Silver production of 1.37 Million oz eq. in first year**, 8.68 Million oz eq. over LOM

Production (head) grade of **13.8 oz/t (or 429 g/t) silver eq.** in pre-production year, 10.1 oz/t (or 315 g/t) silver eq. over LOM

# BETHANIA - LOW CAPEX

Description	US\$		
	Initial	Sustaining	Total
<b>CAPEX</b>			
Mine	\$2.4M	\$2.7M	\$5.2M
Process Plant	\$6.6M	\$0.0M	\$6.6M
Tailings and Waste Rock Disposal	\$3.2M	\$0.8M	\$4.0M
Surface Components	\$1.3M	\$0.0M	\$1.3M
Owner's Costs	\$0.7M	\$0.0M	\$0.7M
Mine Closure	\$0.0M	\$1.9M	\$1.9M
Total Capital Cost Pre - Contingency	\$14.2M	\$5.4M	\$19.6M
Contingency Costs (25%)	\$3.6M	\$1.4M	\$4.9M
<b>Total Capital Cost</b>	<b>\$17.8M</b>	<b>\$6.8M</b>	<b>\$24.5M</b>



**Initial Capital Cost  
Estimated at \$14.2 Million  
plus 25% contingency of  
\$3.6 Million**

# BETHANIA - PRODUCTION SCHEDULE

- Silver production of **1.37 Million oz eq. in first year**, 8.68 Million oz eq. over LOM
- Production (head) grade of **13.8 oz/t (or 429 g/t) silver eq. in pre-production year**, 10.1 oz/t (or 315 g/t) silver eq. over LOM
- Average production over the mine life from the three vein systems: 12 de Mayo at 100 tpd, Española at 153 tpd, and Victoria at 97 tpd.

	Pre-production	Year 1	Total LOM
Mineralized material (t)	40,142	125,452	857,078
NSR (US\$/t)	306	238	218
Ag (oz/t)	12.31	9.23	8.21
Au (g/t)	0.15	0.16	0.2
Cu (%)	0.14	0.11	0.12
Pb (%)	2.11	2.57	2.32
Zn (%)	1.93	1.27	1.54

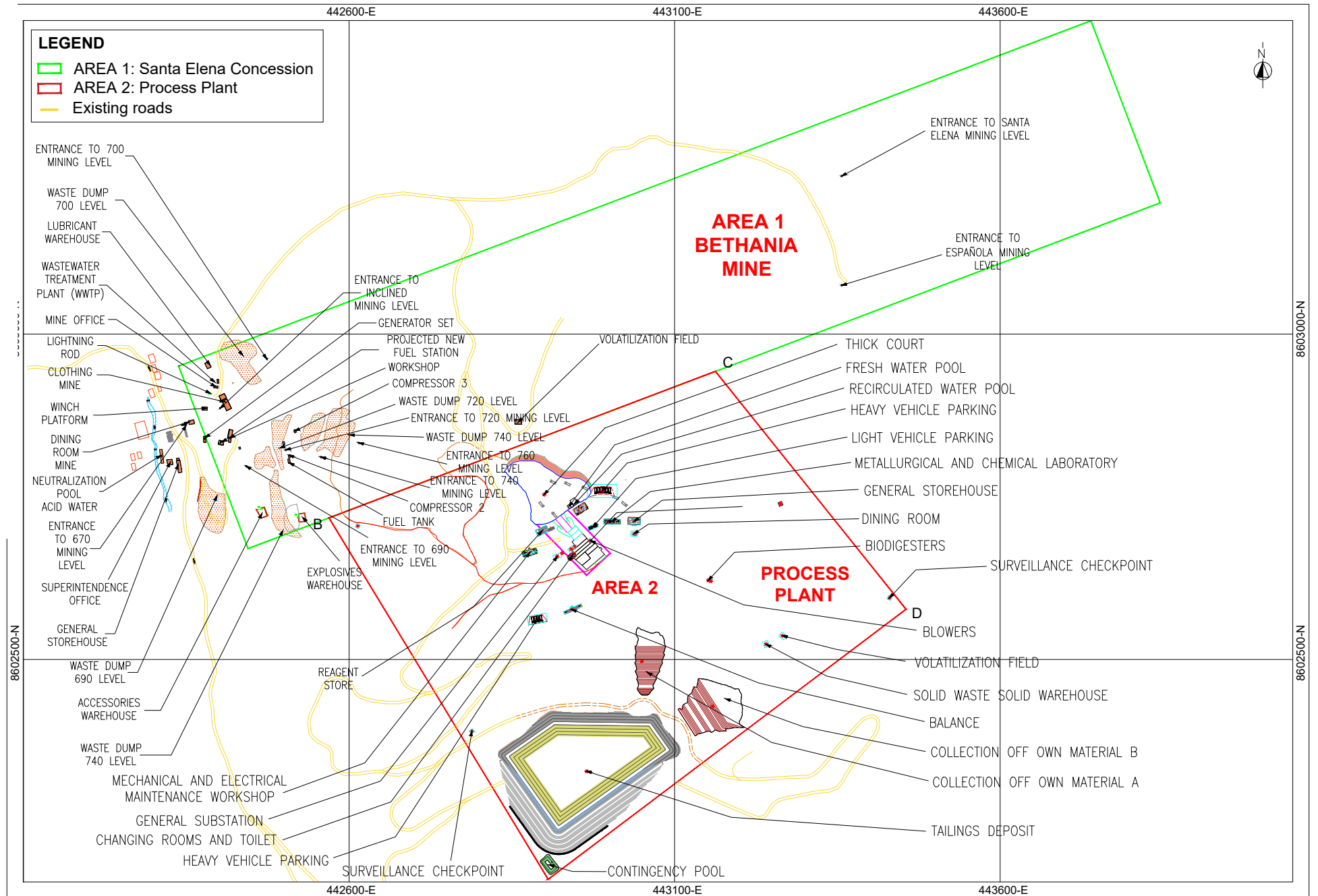
# BETHANIA - PRODUCTION AND COST ANALYSIS

Production and Cost Profile	Pre-Production (toll-milling)	Year 1	Total LOM
Production (mt)	40	125	857
Silver, recovered (moz)	453	1,061	6,448
Silver, payable (moz)	428	1,004	6,101
Silver equivalent, payable (moz)	554	1,373	8,682
Silver revenue by %	77%	73%	70%
Silver grade	12.3 oz/t (383 g/t)	9.23 oz/t (287 g/t)	8.21 oz/t (255 g/t)
Silver equivalent grade	13.8 oz/t (429 g/t)	10.9 oz/t (340 g/t)	11.7 oz/t (315 g/t)
All-in Sustaining Cost ("AISC") (\$/oz equivalent)	8.27	10.48	12.15

# BETHANIA - IRR & PRICE SENSITIVITY

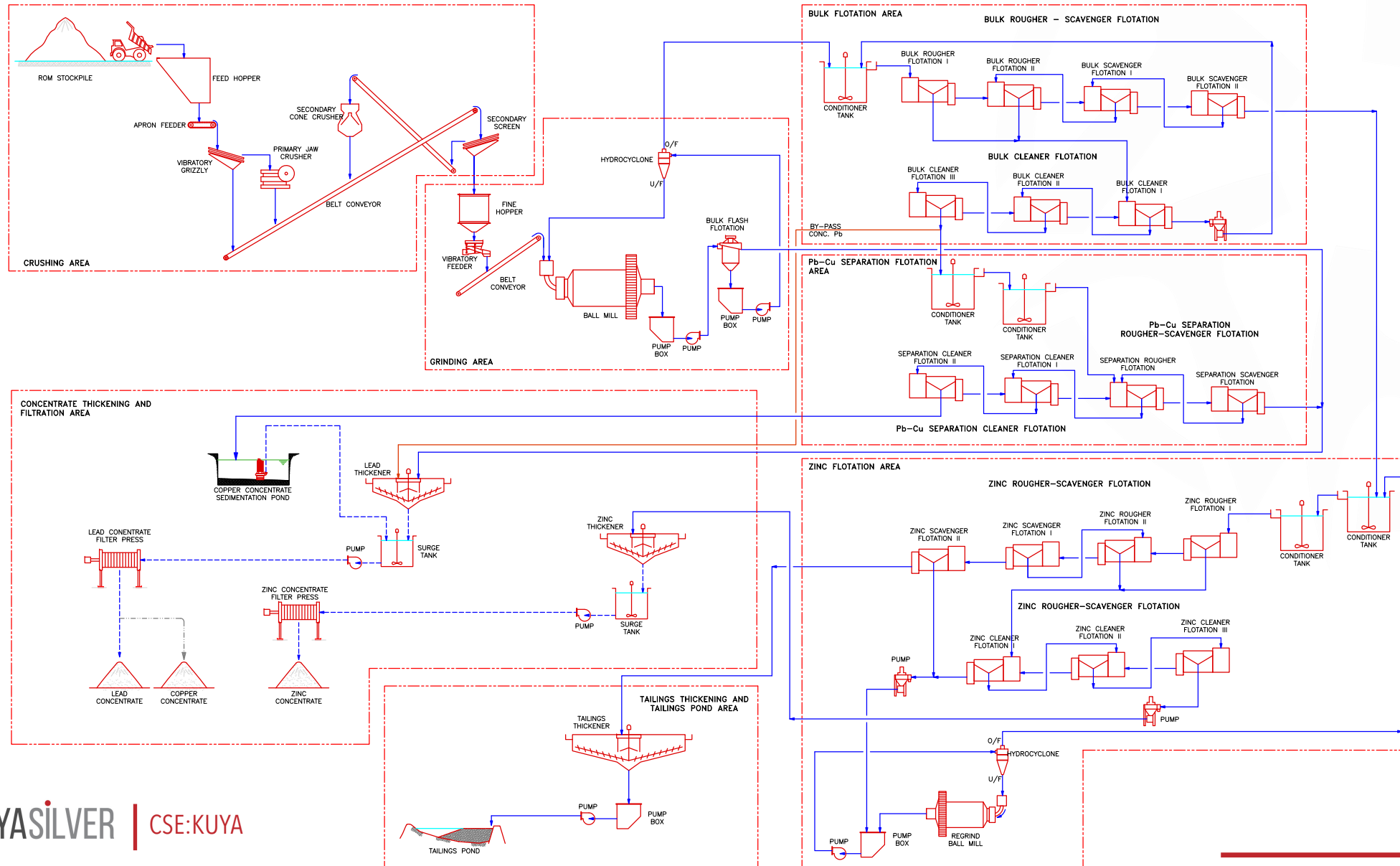
	ECONOMIC SUMMARY	80% Price Ag	90% Price Ag	Price Ag	110% Price Ag	120% Price Ag
		20.32 \$/oz	22.86 \$/oz	25.4 \$/oz	27.94 \$/oz	30.48\$/oz
Pre-Tax	NPV (5%)	\$51.9M	\$64.9M	\$77.8M	\$90.8M	\$103.7M
	IRR	130%	173%	227%	298%	392%
	Payback	0.68	0.53	0.41	0.32	0.24
After-Tax	NPV (5%)	\$37.7M	\$46.2M	\$54.7M	\$63.2M	\$71.7M
	IRR	116%	148%	188%	237%	304%
	Payback	0.70	0.60	0.50	0.40	0.3

# BETHANIA MINE PLAN





# BETHANIA PEA: FLOWSHEET



# LOW-RISK EXPLORATION

## Bethania Mine Long Section

20 sub-parallel veins  
Bethania Main Zone

Hilltop Zone

**Drill sample**  
24.2 oz/t Ag over 2.60 m  
(31.0 oz/t Ag eq.)

**Vein sample**  
43.9 oz/t Ag over  
1.10 m (67.0 oz/t Ag  
eq.)

**Drill sample**  
24.6 oz/t Ag over  
1.60 m (36.2 oz/t Ag  
eq.)

**New Discovery  
(Drill)**  
8.1 oz/t Ag over 2.33  
m (13.2 oz/t Ag eq.)

**Vein sample**  
180 oz/t Ag over  
0.95 m (207 oz/t Ag  
eq.)

**Vein sample**  
52.3 oz/t Ag over  
0.50m (76.9 oz/t Ag  
eq.)

Samantha Vein  
Española 2: Historic  
Workings (no  
resource)

Daniela Vein  
Mercedes Vein

**Santa Elena: Vein Sample**  
91.1 oz/t Ag, 5.20 g/t Au  
(110.7 oz/t Ag eq.)

**Vein Sample**  
8.3 oz/t Ag, 2.84% Pb  
(10.5 oz/t Ag eq.)

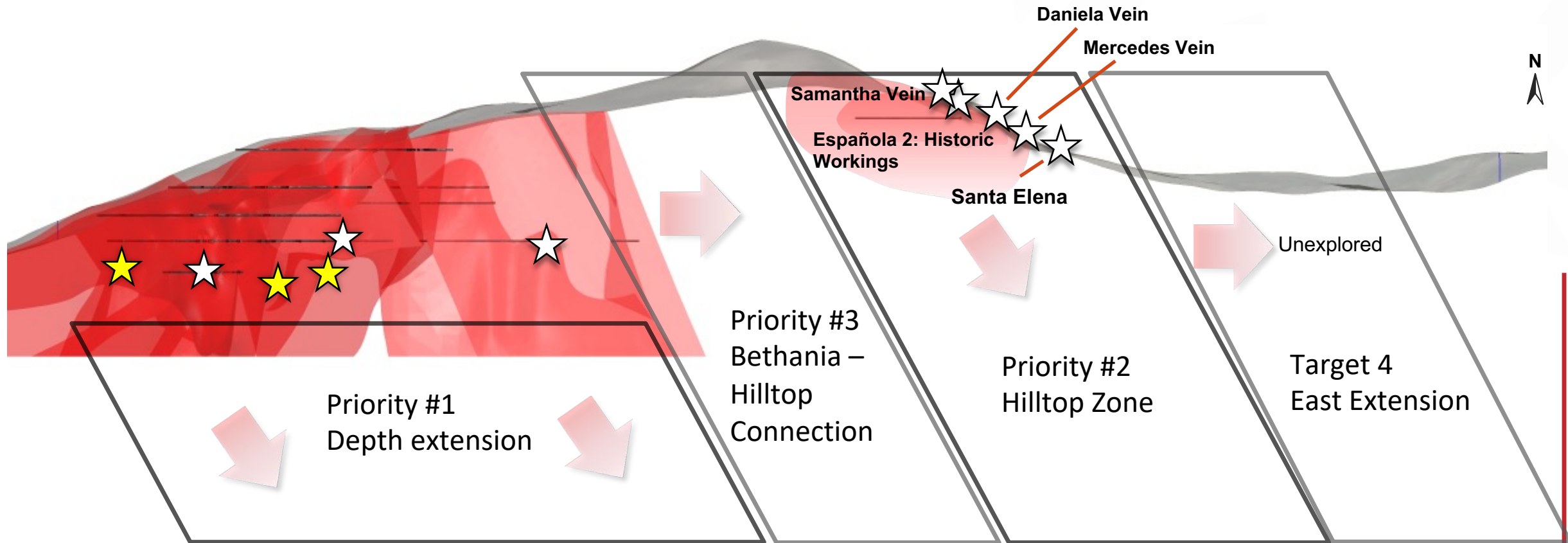
Open

Unexplored



# LOW-RISK EXPLORATION – GROWTH POTENTIAL

## Bethania Mine Target Sections



# GROWTH POTENTIAL - CARMELITA



## Carmelita Property Bethania District

800 Hectare property strategically located  
~3km from the Bethania Mine.

- Potential strike extension to high - grade silver-polymetallic vein system at Bethania
- Kuya geologists observed 5 veins outcropping on surface and took several samples (see image) of near - surface vein system.
  - System can be traced over 1 km in strike length
  - A potential satellite deposit

# SOCIAL RESPONSIBILITY

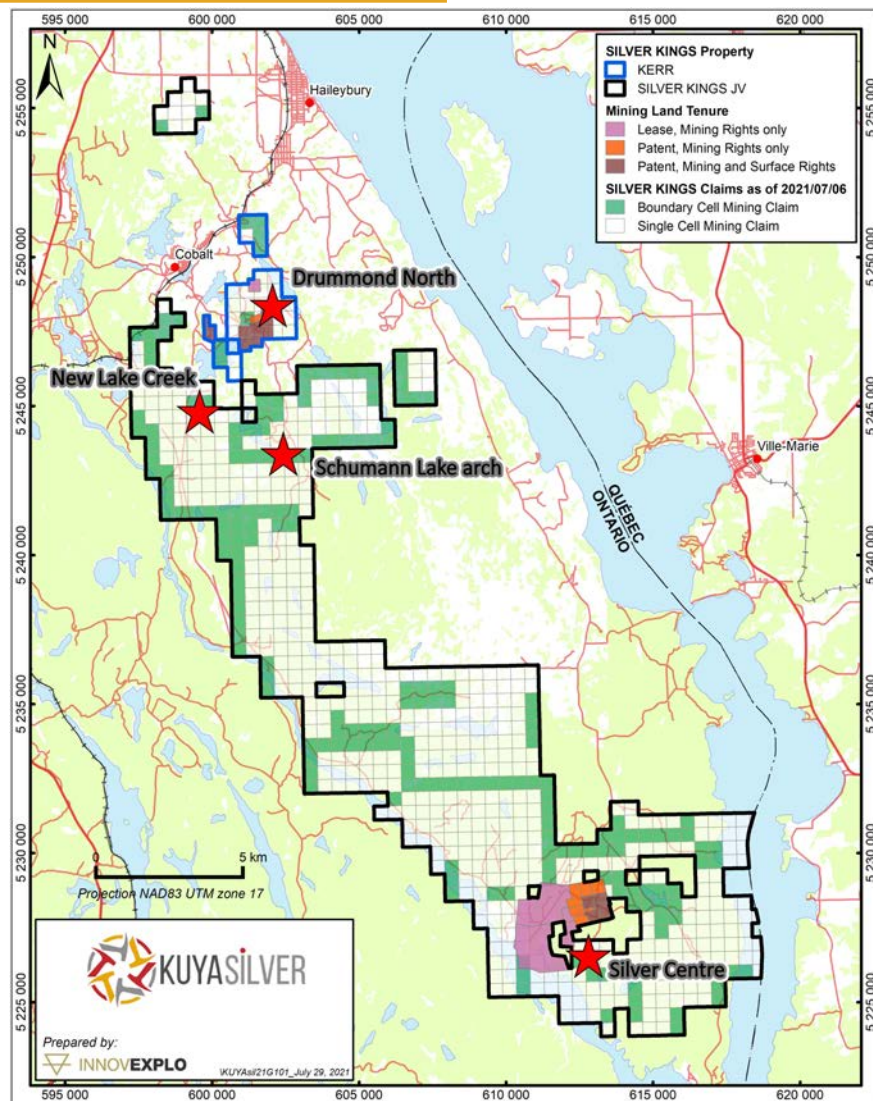
**Kuya Silver is actively engaged in building on a strong legacy of working cooperatively with the local Poroche community to develop a mutually beneficial, safe and sustainable mining business in the region**

The Company is committed to:

1. Providing a safe and sustainable work environment by implementing **new COVID-19 protocols**
2. Providing jobs to people from local communities
3. Meeting all environmental and governmental regulations
4. Operating under the highest ethical standards



# INTRODUCING THE SILVER KINGS PROPERTY



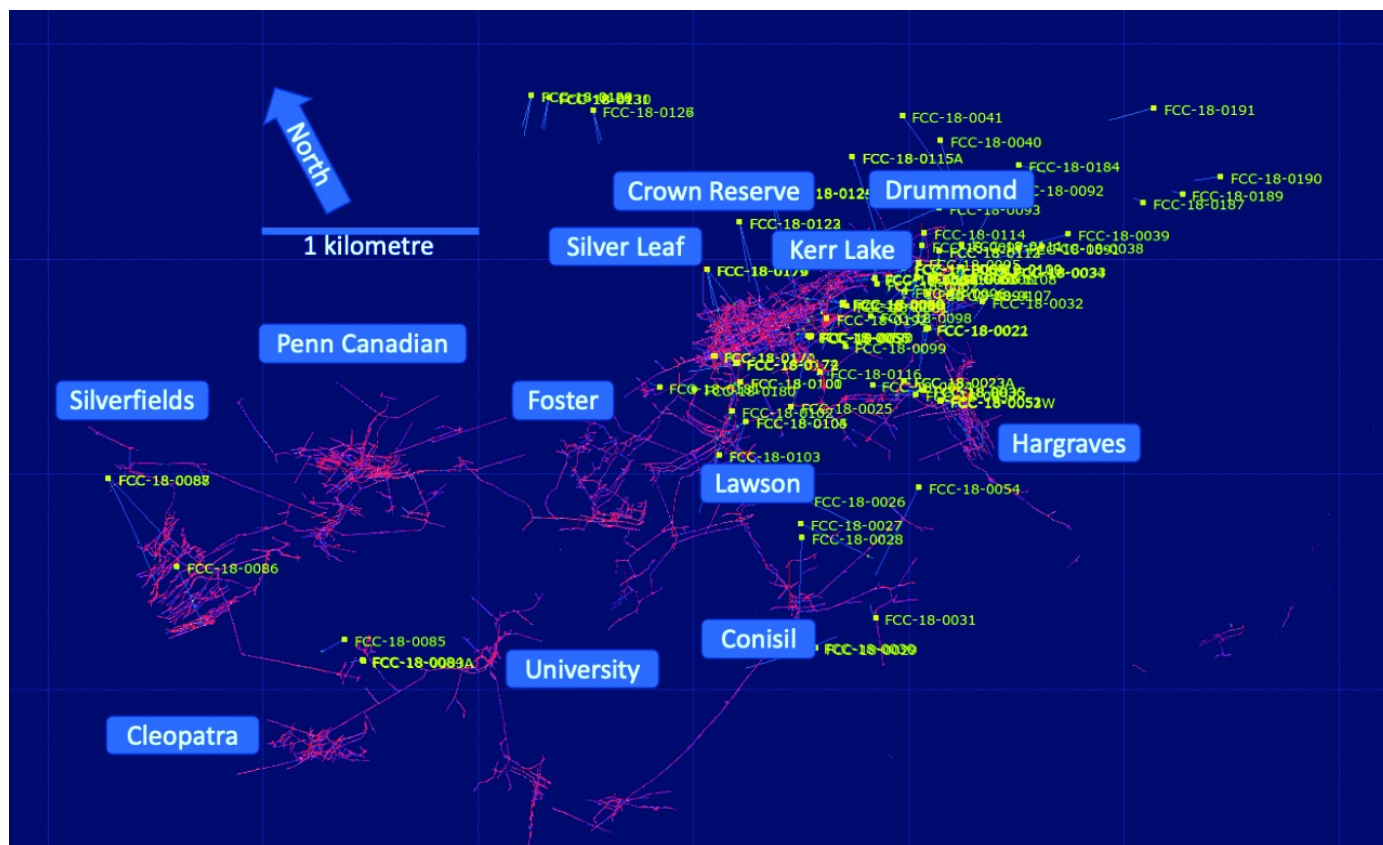
In March 2021, Kuya completed a transaction with First Cobalt Corp. to acquire 100% of the Kerr Project and an option to enter a joint venture to earn up to 70% of its remaining Cobalt area claims. The combined property area is now known as the Silver Kings Project.

## Silver Kings Project

- The 10,000-hectare land package in NE Ontario is located within the historic Cobalt, Ontario silver mining district
- Previous operator identified several bonanza-style silver intercepts while exploring for cobalt at Kerr.  
*2,500m drilling program completed at Kerr (results pending)*
- Project offers both near-term production potential at Kerr and district-scale opportunity at the underexplored Silver Kings JV.
- Kuya exercised the Silver Kings joint venture to earn up to 70% in September, 2021  
*2,000m+ drilling program at Silver Kings JV commenced in Nov, 2021*

# THE KERR PROPERTY AT SILVER KINGS

## A World - Class Silver District



## The Kerr Property at Silver Kings

Property Includes eight historic silver mines (Crown Reserve, Silver Leaf, Kerr Lake, Drummond, Hargrave, Silverfields and others.) on a contiguous 900-hectare area.

- Mines produced over 50 million ounces of silver between 1905 to 1950.
- The deepest shaft was less than 200 metres deep.
- System remains untested at depth

Intercepts from 2017 – 2018 First Cobalt drill campaign include:  
FCC-18-0058: From 29.4 m, **intersected 3.57 m of 821 g/t Ag**  
FCC-18-0093: From 172.1 m, **intersected 2.2 m of 515\* g/t Ag**  
FC-18-0094: From 20.0 m, **intersected 2.0 m of 450\* g/t Ag**  
FCC-18-0174: From 66.0 m, **intersected 2.5 m of 1441 g/t Ag**

\*Individual silver assays capped at 1500 g/t included in reported intersection

# SHARE STRUCTURE

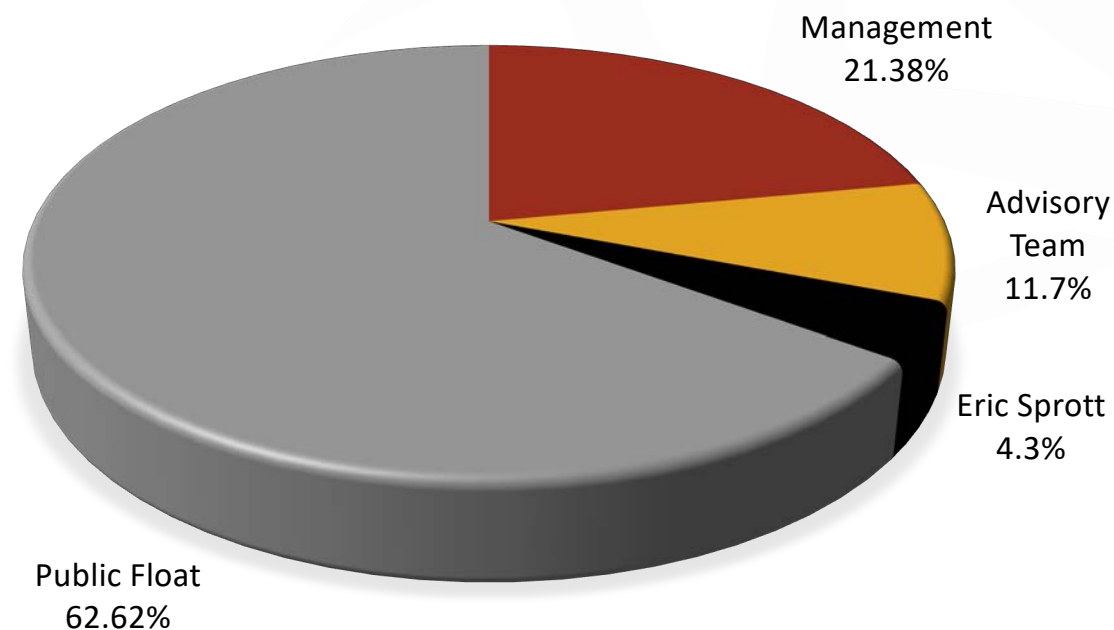
<b>Shares Outstanding</b>	<b>46,110,351</b>
Market Cap. (July 1 <sup>st</sup> )	C\$26.74M
Warrants (C\$1.40 - 2.60 strike)	2,836,491
Options (C\$0.90 - \$4.15 strike)	1,902,500
<b>Fully Diluted</b>	<b>50,849,342</b>

## Significant Shareholders

Management	<b>21.38%</b>
Kuya Advisory Team (see slide 26)	11.7%
Eric Sprott	4.3%

## Other Large Shareholders

Sprott Asset Management
Crescat Capital
Electra Battery Metals
Earth Resource Investment Group





# MANAGEMENT & DIRECTORS

## **David Stein, MSc (Geo), CFA – President and CEO, Director**

Mr. Stein founded Kuya Silver in 2017 to acquire the Bethania Silver Mine and develop the next silver mining company. Mr. Stein has spent most of his 20-year career in mining investments, first as a sell-side analyst and more recently as an investment manager.

## **Christian Aramayo, MSc (Eng), CEng – Chief Operating Officer**

Mr. Aramayo is a UK-educated Peruvian engineer, previously worked on global projects for Kinross before starting his own mining consultancy. He founded SIGC Consultants in Lima, and Kuya has access to Mr. Aramayo and his team for engineering and planning as well as access to a deep network in South America.

## **Annie Sismanian – Chief Financial Officer**

Ms. Sismanian is a chartered professional accountant (CPA, CA) with over 18 years of broad progressive experience in finance, strategy and corporate development. Prior to joining Kuya, she was vice-president of corporate finance and investor relations at Guyana Gold and has held senior financial roles at Hydro One, Kinross, Barrick, Fairmont and PWC.

## **Tyson King – VP Corporate Development**

Mr. King has over 10 years experience in the management of publicly trading and privately held companies within the commodities and natural resources sector. He has been actively engaged in overseeing the day-to-day operations of several companies where he's held various senior officer positions throughout his career. Mr. King holds a BA in Economics from the University of Calgary.

## **Maura Lendon – Interim Chair & Director**

Ms. Lendon, is a seasoned, internationally-experienced general counsel with over 20 years' experience in the mining and telecom industries gained after initially practicing with top Bay Street law firms. Ms. Lendon is the founder and Chief General Counsel of Scalable General Counsel, providing general counsel services to growing companies since 2019, and is currently a director of Eastmain Resources Inc. Previously, she was Chief General Counsel and Corporate Secretary of Primero Mining from 2012 to 2018.

## **Javier Del Rio - Director**

Mr. Del Rio is a Peruvian mining executive with over 30 years of experience in the mining industry in both corporate and business unit roles and in open-pit, underground and expansion initiatives. Currently, as VP South America and USA for Hudbay Minerals Inc., he is responsible for the strategic and operational performance of the business units located in Peru, Arizona and Nevada, which also includes executive oversight of human and capital resources, environmental management, health and safety performance and community relations.

## **Andres Recalde – Director**

Mr. Recalde is the Director of Mining for Common Good. His expertise is with social performance and building stakeholder confidence for the extractive industries. Mr. Recalde is Peruvian/Canadian and has worked extensively all over Latin America as a consultant, advisor and corporate director to mining companies such as Barrick Gold, Pan American Silver and Torex Gold.

## **Dale Peniuk – Director**

Mr. Peniuk is a Chartered Professional Accountant (CPA, CA) and corporate director. Mr. Peniuk has a B.Comm from the University of British Columbia (1982) and received his Chartered Accountant designation from the Institute of Chartered Accountants of British Columbia. Mr. Peniuk also serves as a director and Audit Committee Chair of Lundin Mining Corporation, Capstone Mining Corp. and Argonaut Gold Inc

## ADVISORY TEAM

### **Dr. Quinton Hennigh – Geologic Advisor**

Dr. Hennigh is an economic geologist with more than 25 years of exploration experience with major gold mining firms, including Homestake Mining, Newcrest Mining and Newmont Mining. Currently, Dr. Hennigh is Geologic and Technical Director for Crescat Capital LLC and serves as Non-executive Chairman of Novo Resources, and is a Director of New Found Gold and Irving Resources Inc.

### **Erika Soria – Logistics/Business Development**

Ms. Soria is the former owner of the Bethania Mine and now the Founder and Principal of Cima Nevada S.A.C., a Peru-based mining services company. She assists Kuya with commercial and administrative affairs of the Bethania mine and is a liaison with the local community. She is also well-connected in the Peruvian mining community and sources new opportunities for Kuya.

### **Hector Aramayo – Strategic Advisor**

Mr. Aramayo, based in Lima, Peru, is an experienced civil engineer, consultant and project manager with experience in retail and industrial construction in Latin America. He is the Founder of SICG SAC, a construction contractor and management company that over the past 20+ years has built blue chip client base in Latin America.



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