

AbraSilver Metallurgical Optimization Significantly Increases Silver and Gold Recovery Rates at Oculito Deposit

Toronto – October 10, 2023: AbraSilver Resource Corp. (TSX.V: ABRA; OTCQX: ABBRF) (“AbraSilver” or the “Company”) is pleased to report positive results from metallurgical optimization testing on the Oculito deposit at its wholly-owned Diablillos property in Salta Province, Argentina (“Diablillos” or the “Project”). The program was completed by independent metallurgical consultants, SGS Canada Inc., at its testing facilities in Lakefield, Ontario.

The metallurgical testing was conducted as part of the ongoing Pre-Feasibility Study (“PFS”) for Diablillos, and further complements the positive metallurgical results achieved for the JAC and Fantasma deposits, which were announced on [June 1, 2023](#).

Key takeaways from the PFS-level metallurgical test work include:

- Recovery rates at the Oculito deposit are expected to range between **82% - 86% for silver** and **84% - 89% for gold**. **These results represent a significant increase** over the average recovery rates of 73.5% for silver and 86% for gold used in the 2022 Preliminary Economic Assessment (“PEA”).
- A substantial percentage of the silver and gold at Oculito can be recovered by gravity separation which results in **higher recovery rates and lower processing costs**.
- Importantly, **fine grinding is not necessary** with the most efficient recoveries achieved at a grind size of 150 microns for both gravity and cyanidation and an optimal retention time of 36 hours.

John Miniotis, President and CEO, commented, “These metallurgical results are extremely positive, and further raise the potential for a significant improvement in the project economics at our world-class Diablillos project. The ability to recover a substantial amount of gold and silver through the use of simple gravity separation offers major advantages, by increasing recovery rates and also lowering the overall processing costs. We look forward to incorporating these results into our updated Mineral Resource estimate and PFS, both of which remain on track to be delivered in the near-future.”

Description of Metallurgical Test Work on Oculito Samples

The latest program involved metallurgical testing of four composites from the Oculito deposit, including gravity separation testing and cyanidation of the gravity tailings for the recovery of gold and silver. The composite samples were selected from prior samples used for metallurgical testing, which are representative of four distinct mineralogical regimes at the Oculito deposit. The campaign was designed to supplement and optimize the results from prior metallurgical test work programs, conducted between 1996 and 2021, which formed the basis of the 2022 PEA for the Diablillos project.

The latest test work demonstrated that gravity separation can be used before cyanide leaching to recover substantial amounts of silver and gold at Oculito. The overall gold and silver recoveries achieved by gravity separation followed by cyanidation of the gravity tailings are summarized in the table below, and will be incorporated in the upcoming Mineral Resource estimate (“MRE”) update and PFS for the Diablillos project.

Table 1 - Summary of Metallurgical Testwork Results at Oculito Deposit

| Mineralogical Regimes | Total Silver Recoveries | Silver Head Grades | Gravity Recovery | Total Gold Recoveries | Gold Head Grades | Gravity Recovery |
|------------------------|-------------------------|--------------------|------------------|-----------------------|------------------|------------------|
| | % | g/t Ag | Ag % | % | g/t Au | Au % |
| Shallow gold zone | NM ¹ | NM ¹ | NM ¹ | 88% | 1.10 | 12.3% |
| Silver enrichment zone | 86% | 151 | 16.4% | 86% | 1.45 | 16.2% |
| Tesoro zone | 83% | 124 | 3.3% | 84% | 2.60 | 8.6% |
| Northeast zone | 82% | 77 | 7.5% | 89% | 1.91 | 10.1% |

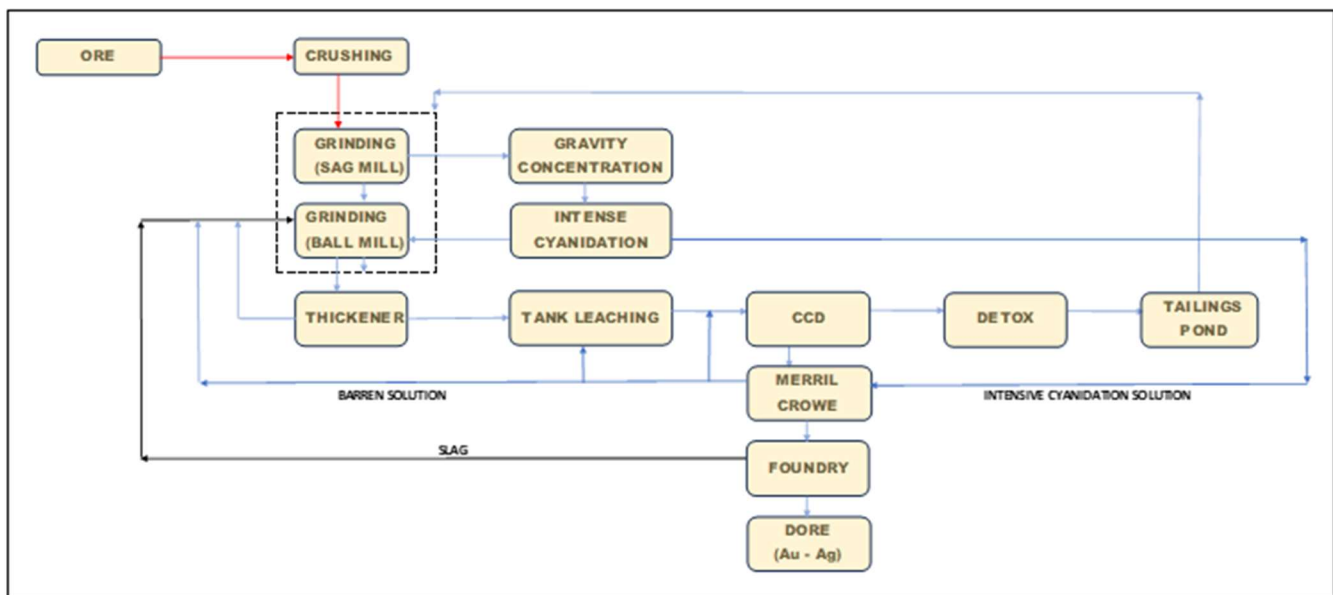
Note: ¹ There was very little silver present in the 'shallow gold zone' sample, and as a result no meaningful ('NM') results are available.

Process Design

The process design for the PFS will consist of a conventional silver/gold processing plant flowsheet incorporating crushing, grinding, gravity concentration and intense cyanidation circuit, cyanide leaching with oxygen addition, counter current decantation ("CCD") washing thickeners and Merrill-Crowe precious metal recovery from solution followed by on-site smelting to doré bars.

A summary of the processing flow sheet for the Diablillos project is shown below.

Figure 1 - Process Flowsheet for the Diablillos Project



Upcoming Milestones and Catalysts

Bottle roll and column testing is currently being conducted to evaluate the viability of heap leaching lower-grade mineralized material from the Oculito deposit, with results expected by the end of the year. It is anticipated that heap leaching some lower-grade material that is not otherwise expected to be incorporated in the mine plan, could result in increased mineral resources and a further reduction in the overall strip ratio at Diablillos.

The Company anticipates announcing several significant milestones over the next few months, including:

- Announcing assay and geophysical survey results from regional exploration targets at JAC North, Alpaca and Fantasma (October 2023)
- Updated Mineral Resource estimate for the Diablillos project (late Oct. / early Nov. 2023)
- Bottle roll and column testing results for heap leach processing (Q4 2023)
- Pre-Feasibility Study results for the Diablillos project (January 2024)

About Diablillos

The 80 km² Diablillos property is located in the Argentine Puna region - the southern extension of the Altiplano of southern Peru, Bolivia, and northern Chile - and was acquired from SSR Mining Inc. by the Company in 2016. There are several known mineral zones on the Diablillos property, with the Oculito zone being the most advanced with over 120,000 metres drilled to date. Oculito is a high-sulphidation epithermal silver-gold deposit derived from remnant hot springs activity following Tertiary-age local magmatic and volcanic activity. Comparatively nearby examples of high sulphidation epithermal deposits include: Yanacocha (Peru); El Indio (Chile); Lagunas Nortes/Alto Chicama (Peru) Veladero (Argentina); and Filo del Sol (Argentina).

The most recent Mineral Resource estimate for the Oculito Deposit is shown in Table 2:

Table 2 - Oculito Mineral Resource Estimate – As of October 31, 2022

| Category | Tonnage (000 t) | Ag (g/t) | Au (g/t) | Contained Ag (000 oz Ag) | Contained Au (000 oz Au) |
|-------------------------------------|--------------------|-------------|-------------|-----------------------------|-----------------------------|
| Measured | 19,336 | 98 | 0.88 | 60,634 | 544 |
| Indicated | 31,978 | 47 | 0.73 | 48,737 | 752 |
| Measured & Indicated | 51,314 | 66 | 0.79 | 109,370 | 1,297 |
| Inferred | 2,216 | 30 | 0.51 | 2,114 | 37 |

Notes: Effective October 31, 2022. Mineral Resources are not Mineral Reserves and have not demonstrated economic viability. The Mineral Resource estimate is N.I. 43-101 compliant and was prepared by Luis Rodrigo Peralta, B.Sc., FAusIMM CP(Geo), Independent Consultant. The mineralization estimated in the Mineral Resource is sub-horizontal with sub-vertical feeders and a reasonable prospect for eventual economic extraction by open pit methods. For additional information please see Technical Report on the Diablillos Project, Salta Province, Argentina, dated November 28, 2022, completed by Mining Plus, and available on www.sedarplus.ca.

QA/QC and Core Sampling Protocols

AbraSilver applies industry standard exploration methodologies and techniques, and all drill core samples are collected under the supervision of the Company's geologists in accordance with industry practices. Drill core is transported from the drill platform to the logging facility where drill data is compared and

verified with the core in the trays. Thereafter, it is logged, photographed, and split by diamond saw prior to being sampled. Samples are then bagged, and quality control materials are inserted at regular intervals; these include blanks and certified reference materials as well as duplicate core samples which are collected in order to measure sample representivity. Groups of samples are then placed in large bags which are sealed with numbered tags in order to maintain a chain-of-custody during the transport of the samples from the project site to the laboratory.

All samples are received by the SGS offices in Salta who then dispatch the samples to the SGS preparation facility in San Juan. From there, the prepared samples are sent to the SGS laboratory in Lima, Peru where they are analyzed. All samples are analyzed using a multi-element technique consisting of a four acid digestion followed by ICP/AES detection, and gold is analyzed by 50g Fire Assay with an AAS finish. Silver results greater than 100 g/t are reanalyzed using four acid digestion with an ore grade AAS finish.

Qualified Persons

David O'Connor P.Geo., Chief Geologist for AbraSilver, is the Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects, and he has reviewed and approved the scientific and technical information in this news release.

About AbraSilver

AbraSilver is an advanced-stage exploration company focused on rapidly advancing its 100%-owned Diablillos silver-gold project in the mining-friendly Salta province of Argentina. The current Measured and Indicated Mineral Resource estimate for Diablillos consists of 51.3 Mt grading 66g/t Ag and 0.79g/t Au, containing approximately 109Moz silver and 1.3Moz gold, with significant further upside potential based on recent exploration drilling. The Company is led by an experienced management team and has long-term supportive shareholders including Mr. Eric Sprott. In addition, AbraSilver owns a portfolio of earlier-stage copper-gold projects including the La Coipita copper-gold project in the San Juan province of Argentina. AbraSilver is listed on the TSX-V under the symbol "ABRA" and in the U.S. under the symbol "ABBRF".

For further information please visit the AbraSilver Resource website at www.abrasilver.com, our LinkedIn page at AbraSilver Resource Corp., and follow us on Twitter at www.twitter.com/abrasilver

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