

AbraSilver Executes Definitive Option & Joint Venture Agreement on La Coipita Project

Toronto - January 22, 2024: AbraSilver Resource Corp. (TSX.V:ABRA; OTCQX: ABBRF) ("AbraSilver" or the "Company") is pleased to announce it has executed a definitive option and joint venture agreement (the "Agreement") with a subsidiary of Teck Resources Limited ("Teck"), to explore and develop the La Coipita copper-gold project ("La Coipita" or the "Project") in San Juan, Argentina (the "Transaction"). This announcement follows on from the Company's news release dated [January 2, 2024](#), which contemplated the Transaction.

The Agreement grants Teck an option to acquire an 80% interest in La Coipita by funding cumulative exploration expenditures of US\$20,000,000 over a five-year period, making staged cash payments to, and an equity placement in AbraSilver totaling US\$3,000,000 (including an initial mandatory payment of US\$500,000), and making up to US\$6,300,000 in optional cash payments in respect of amounts payable to the underlying Project vendors. Following an initial transition period during which AbraSilver will support field operations, Teck is expected to act as operator for the duration of the Option (as defined below).

John Miniotis, President and CEO, commented, "We are extremely pleased to be partnering with Teck in order to advance the highly prospective La Coipita project. As the drilling field season is now opening-up at site, we expect an active drill campaign to commence shortly, and look forward to keeping all stakeholders updated on the exploration progress."

Key Terms of the Transaction

Pursuant to the Agreement, Teck has an option (the "Option") to acquire an 80% interest in the Project. Teck may exercise the Option by:

- Making the following payments to or equity placement in AbraSilver:
 - I. Initial mandatory cash payment of US\$500,000;
 - II. On or before January 31, 2025, a cash payment of US\$1,000,000 or at Teck's election, subscription for US\$1,000,000 of common shares of AbraSilver ("ABRA Shares") to be priced at the greater of (a) a 25% premium to the preceding 20-day volume weighted average price of the ABRA Shares, or (b) C\$0.35 per ABRA Share; and
 - III. On or before January 31, 2028, a cash payment of US\$1,500,000.
- Incurring an aggregate of US\$20,000,000 in exploration expenditures on the Project over a five-year period; and
- Making up to US\$6,300,000 in optional cash payments in respect of amounts payable to the underlying Project vendors.

Upon exercise of the Option, the parties will incorporate a company in Argentina ("Newco") to become the titleholder of the Project. Teck will hold 80% of Newco's outstanding shares, with AbraSilver holding the remaining 20%. Each party will fund its pro-rata share of future expenditures on the Project through equity contributions to Newco or incur dilution in Newco. If a party's shareholding interest in Newco is diluted below 10% or pursuant to certain other conditions of the Agreement, its shareholding interest will be converted to a 1.1% net smelter returns royalty on the Project, of which 0.6% can be bought back by the payor for a cash payment of US\$3,000,000 at any time.

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 53.3 Mt grading 87 g/t Ag and 0.79 g/t Au, containing approximately 148Moz silver and 1.4Moz gold, with significant further exploration upside potential. In addition, the Company has entered into an earn-in option and joint venture agreement with Teck on the La Coipita project, whereby Teck can fund up to US\$20 million in exploration expenditures and make certain other payments to earn up to an 80% interest. 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.](http://AbraSilverResourceCorp.), and follow us on Twitter at www.twitter.com/abrasilver

Alternatively please contact:

John Miniotis, President and CEO

info@abrasilver.com

Tel: +1 416-306-8334

Cautionary Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information. 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. When considering this forward-looking information, readers should keep in mind the risk factors and other cautionary statements in the Company's disclosure documents filed with the applicable Canadian securities regulatory authorities on SEDAR+ at www.sedarplus.ca. The risk factors and other factors noted in the disclosure documents could cause actual events or results to differ materially from those described in any forward-looking information. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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