

AbraSilver Announces C\$20 Million in Strategic Investments by Kinross Gold and Central Puerto and Formation of a Regional Partnership in Argentina

Toronto - April 22, 2024: AbraSilver Resource Corp. (TSX.V:ABRA; OTCQX: ABBRF) ("AbraSilver" or the "Company") is pleased to announce that it has entered into subscription agreements in respect of a strategic C\$20 million non-brokered private placement of AbraSilver common shares ("Common Shares") with Kinross Gold Corporation ("Kinross") (NYSE: KGC, TSX: K) and an affiliate of Central Puerto SA ("Central Puerto") (NYSE: CEPU) at a subscription price of C\$0.40 per Common Share (the "Private Placement").

Highlights

- Each of Kinross and Central Puerto have entered into a subscription agreement with AbraSilver pursuant to which they will each invest C\$10 million, resulting in aggregate gross proceeds of C\$20 million to the Company.
- The Company will issue an aggregate of 50,000,000 Common Shares at a subscription price of C\$0.40 per Common Share, representing approximately a 3% premium to the closing price of the Common Shares on April 19, 2024.
- Upon closing of the Private Placement, Kinross and Central Puerto will each own approximately 4.0% of the outstanding Common Shares on an undiluted basis.
- Following completion of the Private Placement, the Company plans to consolidate its Common Shares, on the basis of one (1) post-consolidation Common Share for every five (5) pre-consolidation Common Shares.
- Upon closing of the Private Placement, AbraSilver will enter into an Investor Rights Agreement with each of Kinross and Central Puerto that includes, among other things, standard anti-dilution and equity participation rights and the formation of a Technical Advisory Committee and a Strategic & Operational Committee.
- Pursuant to the terms of the Investor Rights Agreement with Kinross, AbraSilver and Kinross will form a regional partnership to jointly explore for and acquire new projects in Argentina focused on silver, gold, and copper.

Mr. John Miniotis, President and CEO of AbraSilver commented: "We are very excited to welcome both Kinross and Central Puerto as important strategic shareholders and partners. Through this transaction, AbraSilver is well funded for a dual strategy to aggressively advance the Diablillos project towards a production decision and to accelerate our exploration efforts. The Company also gains access to the deep technical expertise in mineral exploration, mine development, and power generation. We look forward to working closely with our new partners as we embark upon the next stages of successfully advancing the development of our high-quality Diablillos silver-gold project."

Mr. Rob Bruggeman, Chairman of AbraSilver commented: "The strategic investments by Kinross and Central Puerto represent a strong endorsement of the Diablillos project and our technical team. The exploration team has successfully grown Mineral Resources and Reserves at the Diablillos project and we look forward to unlocking additional value at Diablillos and, potentially, other projects in Argentina. We look ahead to leveraging the relationships with Kinross and Central Puerto as we continue to grow the Company."

All Common Shares issued in the Private Placement will be subject to a statutory hold period of four months and a day from the date of issuance in accordance with applicable securities laws. Closing of the

Private Placement is expected to occur on or about April 26, 2024 and is subject to certain conditions including, but not limited to, approval by the TSX Venture Exchange (the “TSX-V”).

The Company will use the proceeds of the Private Placement for exploration and development of the Company’s flagship Diablillos project in Salta Province, Argentina (“Diablillos” or the “Project”) and for working capital and general corporate purposes.

Central Puerto is the largest private sector power generation company in Argentina, with a track record of more than 100 years in the energy industry.

Investor Rights Agreement

Upon closing of the Private Placement, AbraSilver will enter into separate investor rights agreements (each, an “Investor Rights Agreement”) with each of Kinross and Central Puerto, which provide, among other things, the grant of standard anti-dilution and equity participation rights.

The Investor Rights Agreement will also provide for the formation of a five-person Technical Advisory Committee comprised of two members from AbraSilver, two members from Kinross and one member from Central Puerto. The Technical Advisory Committee will provide advice and guidance on the upcoming Phase IV exploration campaign and the future development plans for Diablillos. Separately a Strategic & Operational Committee will be formed, comprised of two members from AbraSilver and two members from Central Puerto. The Strategic & Operational Committee will provide advice and guidance on strategic, operational, financial, tax, infrastructure, government and regulatory affairs, among others matters.

Formation of Regional Partnership with Kinross in Argentina

AbraSilver and Kinross aim to form a regional partnership to jointly explore for and acquire new projects in Argentina focused on silver, gold, and copper. Upon closing of the Private Placement, AbraSilver will grant Kinross a Right of First Offer (the “ROFO”) to acquire at least 50% of newly staked or acquired projects in Argentina beyond Diablillos. For any projects which Kinross elects to exercise its ROFO, Kinross and AbraSilver will establish an exploration program and budget, and enter into a joint venture agreement with standard funding and dilution mechanisms.

Share Consolidation

Following completion of the Private Placement, the Company is expected to complete a consolidation of its common shares, subject to TSX-V approval, on the basis of one (1) post-consolidation common share for every five (5) pre-consolidation common shares (the “Consolidation”). The Company’s common shares will commence trading on a post-consolidated basis on a date to be determined in consultation with the TSX-V, which date will be announced in a subsequent news release once confirmed. The Company’s name and trading symbols will remain unchanged.

About Kinross

Kinross is a Canadian-based global senior gold mining company with operations and projects in the United States, Brazil, Mauritania, Chile and Canada. Their focus is on delivering value based on the core principles of responsible mining, operational excellence, disciplined growth, and balance sheet strength. Kinross maintains listings on the Toronto Stock Exchange (symbol:K) and the New York Stock Exchange (symbol:KGC).

About Central Puerto

Central Puerto is a leading company in the production of electrical energy in Argentina that has 13 generation plants of various technologies, +800 employees and reaches a 18% market share thanks to its operational excellence and profitability. Its mission is to produce electricity efficiently, sustainably and in harmony with the environment. In turn, it seeks to contribute to supplying demand, managing businesses in such a way that they create value not only for the company, but also for society. Currently, it has an installed generation capacity of 7,200 MW. Central Puerto maintains a listing on the New York Stock Exchange (symbol:CEPU).

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 Proven and Probable Mineral Reserve estimate for Diablillos consists of 42.3 Mt grading 91 g/t Ag and 0.81 g/t Au, containing approximately 124 Moz silver and 1.1 Moz 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. on the OTCQX 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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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. Forward-looking statements in this news release include but are not limited to, statements with respect to the closing of the Private Placement, the entering into of the Investor Rights Agreements, the completion by the Company of a share consolidation and any exercise of the ROFO in respect of newly staked or acquired projects in Argentina. 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.

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.