

March 12, 2021: Letter from the Chairman – Mr. Rob Bruggeman

These are exciting times for AbraSilver and its shareholders. I thought I'd take this opportunity to highlight some key developments for our Company in the past month.

Silver prices have been strong and we expect that strength to continue due to massive stimulus programs being implemented around the world. According to the Silver Institute (www.silverinstitute.org), global silver demand is expected to grow 11% this year and reach an eight-year high of 1.025 billion ounces. That demand is being driven by physical silver investment and industrial demand for important technologies like 5G and solar power.

On the supply side, we see a shortage of silver development projects in the pipeline. Not only that but the focus on ESG means that it will be a lot more challenging and expensive to develop and build silver mines in many jurisdictions. Significant primary silver projects are hard to find and they attract a premium valuation in the market for good reason.

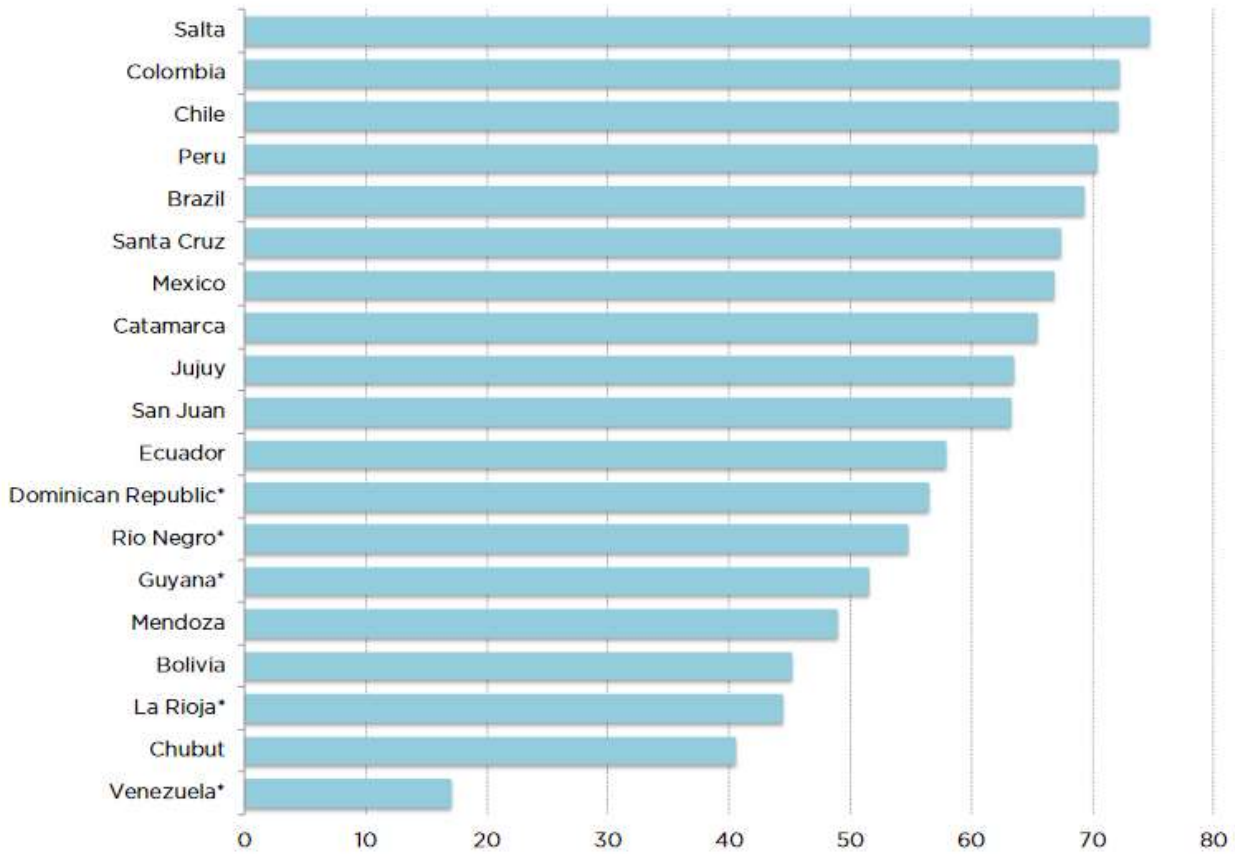
Our Diablillos silver-gold project continues to generate impressive drill results. In fact, diamond drill hole DDH-20-027 could be the best drill hole on the property. Ever. We recently [announced](#) partial drill results for DDH-20-027 of 81 metres grading 381.9 g/t silver and 2.12 g/t gold (combined: 541 g/t silver-equivalent or 7.21 g/t gold-equivalent), starting from 163 metres downhole. That interval in itself is remarkable, but assay results for the first 163 metres of this hole are still pending and native silver was identified at a depth of 145 metres. So, this impressive drill interval is likely to become even more impressive. Stay tuned!

We were also very pleased to see Salta Province, where the Diablillos Project is located, ranked as the top mining jurisdiction in Argentina, Latin America, and the Caribbean Basin in the [Fraser Institute Annual Survey of Mining Companies](#). That's right, Salta Province was ranked higher than Chile, Peru, and Mexico. Yet, many investors paint all the Argentinean provinces with the same brush and, incorrectly, assume we are in a bad mining jurisdiction.

In our experience, Salta is an excellent mining jurisdiction and a big positive for Diablillos. A new video by Real Vision featured Salta Province and AbraSilver. I recommend that investors watch the video to get a better understanding of Salta Province ([video link](#)). Not only is Diablillos in a jurisdiction that is actively promoting mine development, but we are in a region that presents few ESG challenges. There are no nearby communities and few plant species or animals in this high plains desert location. Yet infrastructure is good because of government support and the plethora of lithium mining projects in the region. If you're going to build a mine anywhere, Diablillos and Salta are ideal.

2020 was a great year for AbraSilver and its shareholders. 2021 is off to a great start and the team at AbraSilver is excited about plans for the rest of the year. The current drill program will wind down in the next month so that we can prepare a resource update and a new Preliminary Economic Assessment ("PEA") for later in the year. With approximately \$18M of cash in the bank, we are fully funded for this work and all the work required to make a production decision. Diablillos is a primary silver asset with substantial size and some of the highest grades you'll find for an open pit mining project. Owning such an asset in an excellent mining jurisdiction has tremendous scarcity value. We feel that the market is only just starting to recognize this value and we are excited about 2021 and the future!

Figure 10: Investment Attractiveness Index—Argentina, Latin America, and the Caribbean Basin



* Between 5 and 9 responses