

# Andean Delivers Significant Increase in Mineral Resources at San Bartolome Mine in Bolivia

**Measured and Indicated Mineral Resources of 27.5 Million Ounces of Silver and 11.9 Thousand Tonnes of Tin;**

**Inferred Mineral Resources of 3.8 Million Ounces of Silver and 1.3 Thousand Tonnes of Tin**

Toronto, Ontario--(Newsfile Corp. - February 9, 2022) - Andean Precious Metals Corp. (TSXV: APM) (OTCQB: ANPMF) ("Andean" or the "Company"), a leading Latin American precious metals producer, is pleased to announce an updated Mineral Resource Estimate ("MRE") for the Company's San Bartolomé mine in Bolivia. This updated MRE includes stockpiles of previously crushed and sorted mineralized material at the Company's fines depositional facility ("FDF") and will serve as a primary input in the Company's upcoming life-of-mine expansion study.

"This updated and independently-prepared mineral resource estimate represents a significant step forward in realizing our plans to extend the life of San Bartolomé," said Simon Griffiths, President and CEO. "We continue to advance our understanding of expansion potential by evaluating options to co-process FDF material with oxide material from our contracts with COMIBOL and other mineral purchasing suppliers."

Mr. Griffiths went on to say, "While silver production remains our primary focus, the incorporation of tin as a co-product has the potential to further strengthen our cashflow profile and drive our all-in sustaining costs significantly lower."

The FDF mineral resource was prepared by SRK Consulting (U.S.) Inc. ("SRK") and recorded measured and indicated resources of 16.2 million ounces of silver and of 11,930 tonnes of tin contained in 10.15 million tonnes grading 50 g/t silver and 0.12% tin. This represents 87% of the total material in the FDF, the balance of which remains inferred due to delays in receiving assays. This exceeds previous market guidance by Andean which was based on production records from the start of operations in 2008 through December 31, 2021, the effective date of the new mineral resource estimate.

## San Bartolomé Expansion Study

Detailed metallurgical test work is advancing at SGS Lakefield in Canada. This test work is focused on mineral liberation and the development of flowsheets to produce both silver doré and tin concentrates from the FDF. Preliminary tests by Andean metallurgists on FDF samples indicated that it could be amenable to significant upgrading through the removal of clay and other very fine materials.

Additionally, a mining study is advancing with Golder Associates in Australia. This study is focused on the evaluation of low-cost hydraulic mining methods to recover the FDF material. Andean has the environmental data and permits in place to modify the plant to recover tin.

Despite ongoing laboratory delays caused by the COVID-19 pandemic, Andean is expecting to release results of the scoping level San Bartolomé Expansion Study early in Q2 2022.

**Table 1: Updated Mineral Resources<sup>(1)</sup> - San Bartolomé Mine**

Location	Tonnes <sup>(2)</sup> ('000's)	Silver (g/t)	Silver oz. (million)	Tin (%)	Tin ('000t)
<b>Pallacos Oxides<sup>(3,4,5)</sup></b>					
Antuco (M+I)	934	83.8	2.52		
Measured	159	88.7	0.45		
Indicated	775	82.8	2.07		
Huacajchi (M+I)	171	81.3	0.45		
Measured	150	80.7	0.39		
Indicated	21	85.9	0.06		
Santa Rita (M+I)	1,958	89.8	5.65		
Measured	769	93.8	2.32		
Indicated	1,189	87.2	3.33		
Inferred	463	91.4	1.36		
<b>Combined Pallacos (M+I)</b>	<b>3,063</b>	<b>87.5</b>	<b>8.62</b>		
Measured	1,078	91.2	3.16		
Indicated	1,985	85.5	5.46		
Inferred	463	91.4	1.36		
<b>Tatasi-Portugalete (M+I)<sup>(6)</sup></b>	<b>262</b>	<b>323</b>	<b>2.72</b>		
Measured	183	323	1.90		
Indicated	79	323	0.82		
Inferred	16	272	0.14		
<b>FDF Oxides:<sup>(7)</sup></b>					
Indicated	10,148	49.5	16.20	0.12	11.93
Inferred	1,505	48.4	2.30	0.09	1.33

Notes:

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves estimate.

2. Mineral Resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, any apparent errors are insignificant.
3. Pallacos mineral resources are reported using the following Ag Cut off Grades: Antuco: 62.9 g/t Ag, Huacajchi: 58.1 g/t Ag and Santa Rita: 61.5 g/t Ag.
4. Pallacos mineral Resources are reported within a constraining pit shell. Assumed silver price of \$US22/oz; b) Assumed metallurgical silver recovery: 88%; d) variable mining cost by deposit: Antuco \$7.53/t, Huacajchi \$6.25/t and Santa Rita \$7.06/t; e) process costs: Antuco \$19.78/t Huacajchi \$19.03/t and Santa Rita \$19.11/t; f) Washing (+8) costs: \$1.2/t; g) G&A costs: Antuco \$5.37/t Huacajchi \$6.29/t and Santa Rita \$5.34/t. other costs considered included Smelting, COMIBOL (Corporación Minera de Bolivia) royalty and the Silver Bolivian Royalty.
5. Pallacos mineral resources are effective as of December 31, 2021, are inclusive of reserves. Assumptions include 100% mining recovery.
6. Tatasi-Portugalete resources are based on the Technical Report on the Bolivian Operations of Ag-Mining Investments AB and Buckhaven Capital Corp., effective March 17, 2020 and dated September 1, 2020, prepared by Birak Consulting LLC and NCL Ingeniería y Construcción SpA.
7. A nominal cut-off of \$US25 has been used for reporting the mineral resources at the FDF. This cut-off considers, on a per tonne basis, \$US 1.50 mining cost, \$US 19.00 processing costs, \$US 4.50 general & administrative costs. All cost assumptions are provided by Andean and based on internal studies for mining and existing operations.
8. FDF Mineral resources are effective as of December 31, 2021, are inclusive of reserves. Assumptions include 100% mining recovery.
9. SRK notes that these results have not been formally issued in a technical report consistent with Canadian securities law and will be supported by a Technical Report to be filed within 45 days of this release.

## **FDF Overview**

Since its commissioning in 2008, the San Bartolomé mine has screened out fine material of less than 2.5mm in size (-8 mesh), effectively upgrading the silver content of material that is sent through the San Bartolomé processing plant. This untreated material contains silver and tin and has been stockpiled in the FDF.

Material was sampled for silver content before being stockpiled and based on that historical sampling data, the Company previously estimated the silver grade to be between 35 and 40 grams per tonne. In addition to the silver, the deposits from which this material was sourced were known to carry significant tin grades.

With the assistance of industry leading consultants, Andean has initiated metallurgical studies to develop a flowsheet for recovery of both the silver and tin in the target resource.

The completion of the FDF scoping study is now expected in Q2 2022 - delayed by slow turnaround of assays at laboratories both in Bolivia and around the world. Andean has a significant amount of proprietary data on hand from existing operations to support technical and economic study assumptions.

## **Mineral Resource Estimate Methodology - FDF**

SRK Consulting (U.S.) Inc. has prepared the FDF Mineral Resource Estimate. The purpose of this estimate to provide updated disclosure, incorporating new drilling, sampling and modelling techniques. SRK conducted the majority of this work over the course of Q4 2021 and Q1 2022. All data collection was completed by Andean's subsidiary Empresa Minera Manquiri S.A. ("Manquiri") personnel and was reviewed by SRK.

The FDF has been drilled extensively utilizing sonic core drilling methods from a barge-mounted platform. Manquiri personnel logged and sampled the drill core and submitted these to the commercial laboratory ALS Minerals. Internal QA/QC submissions and chain of custody were implemented to monitor the security, accuracy and precision of the samples generated. The results of the QA/QC demonstrated that the sampling data is adequate for reliance on the results for mineral resource estimation. At this time, only silver and tin are reported as potentially economically recoverable.

Mineral resources have been categorized in a manner consistent with CIM Guidelines and consider spacing of drilling, numbers of composites, and geostatistical indicators of estimation quality as well as other factors. Mineral resources are reported above a nominal cut off based on aggregated unit values (USD\$) for silver and tin.

## **Mineral Resource Estimate Methodology - Pallacos**

The oxide materials at San Bartolomé, termed "pallacos," were formed from erosion of the world-class Cerro Rico hydrothermal deposit (high sulphidation-type). The pallacos were deposited in three sectors flanking Cerro Rico: Antuco (north sector), Huacajchi (west-southwest sector) and Santa Rita (east-southeast sector).

The pallacos have been explored using a combination of sampling methodologies, including drilling, hand-dug vertical shafts and hydraulic excavator/backhoe pits. The procedures and QA/QC results indicate that the sampling data is adequate for the mineral resource estimation.

The density of sampling and mapping helped delineate the extension of the deposits and establish the underlying bedrock topographic surface. A 3-D geological model was constructed using implicit modeling and include the construction of solids of the limit of the bedrock and the resulting solids of the deposits of Antuco, Huacajchi and Santa Rita. In each area, a number of domains were defined based on lithology and alteration, provenance and pallacos size fractions.

SRK completed an analysis of the raw exploration data, performed the analysis of outliers, defined the capping levels and composited the samples to a 2m consistent vertical length. Variogram analysis was completed, and kriging and nearest neighbour methods were performed to define the block size and search strategy used in the estimation. Estimates were made from the composited data into a block model, with a parent cell dimension of 7x7x5m using ordinary kriging, inverse distance and nearest neighbour methods as appropriate. The bulk density was assigned according to the geological domains. The density values vary between 1.61 and 1.98 in Antuco, between 2.04 to 2.23 in Huacajchi and between 1.87 to 2.02 in Santa Rita.

Mineral resources have been categorized in a manner consistent with CIM Guidelines and consider spacing of drilling and sampling, numbers of composites, and geostatistical indicators of estimation quality as well as other factors. Resources are reported above a nominal cut off based on aggregated unit values (USD\$) for Ag based on metal price and recoverability assumptions provided by Andean.

## **Mineral Reserve Estimate**

The Company expects to release an updated global Mineral Reserve Estimate in Q4 2022. The updated mineral reserve estimate will include the Pallacos and the FDF and will be supported by industry standard technical and economic studies. SRK has been engaged for this purpose along with other industry leading consultants. Andean is being advised by Tin specialists Ron Goodman and Jerry Perkins (QP) who are being supported by professionals at SGS Lakefield, EPCM Consultores and DRA Global.

## **Qualified Persons**

The scientific and technical content disclosed in this press release was reviewed and approved by:

Matthew Hastings, MAusIMM (CP) and Principal Resource Geologist of SRK Consulting (U.S.) Inc. Mr. Hastings has sufficient experience which is relevant to the type of material under consideration and to the activities being undertaken to qualify as a Qualified Person as defined by Canadian National Instrument 43-101 and;

Donald J. Birak, Senior Consulting Geologist to the Company, a Qualified Person as defined by Canadian National Instrument 43-101, Registered Member, Society for Mining, Metallurgy and Exploration (SME), Fellow, Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Birak's experience in Bolivia and at San Bartolomé commenced in 2004 with Coeur Mining Inc.

## **About Andean Precious Metals Corp.**

Andean Precious Metals is a Canadian, growth-focused silver producer that owns and operates the San Bartolomé project located in the department of Potosí, Bolivia. San Bartolomé has been operating consistently since 2008, producing an average of over five million ounces of silver per year. The Company is also exploring its wholly-owned San Pablo and Rio Blanco gold projects and seeking other accretive opportunities in Bolivia and Latin America. Andean Precious Metals is committed to fostering safe, sustainable and responsible operations. For more information, please visit [www.andeanpm.com](http://www.andeanpm.com).

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## **Caution Regarding Forward-Looking Statements**

This press release contains statements which constitute "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws (collectively, "forward-looking statements"), including statements regarding the plans, intentions, beliefs and current expectations of Andean with respect to future business activities and operating performance. Forward-looking statements are often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions. Forward-looking statements in this news release include statements that Andean is expecting to release its scoping level expansion study findings by early Q2 2022, the updated mineral resources of the San Bartolomé mine will be supported by a technical report to be filed within 45 days hereof, the expected completion of the FDF scoping study in Q2 2022 and the expected release of an updated global mineral reserve estimate in Q4 2022.

Investors are cautioned that forward-looking statements are not based on historical facts but instead reflect Andean's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of

management considered reasonable at the date the statements are made. Although Andean believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed thereon, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of Andean. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws and regulations both locally and in foreign jurisdictions; compliance with extensive government regulation; the risks and uncertainties associated with foreign markets. These forward-looking statements may be affected by risks and uncertainties in the business of Andean and general market conditions, including COVID-19.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Andean has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. Andean does not intend, and does not assume any obligation, to update the forward-looking statements except as otherwise required by applicable law.



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