



ANDEAN PRECIOUS METALS PROVIDES UPDATE FOLLOWING FIRE AT GOLDEN QUEEN'S SECONDARY CRUSHER CIRCUIT

*Repair schedule is well defined to re-establish normal course production;
mitigation solutions implemented to minimize production losses*

(All amounts are in U.S. dollars unless otherwise stated)

TORONTO, Ontario, January 8, 2024 – Andean Precious Metals Corp. (TSX-V: APM, OTCQX: ANPMF) (“Andean” or the “Company”) today provided an update on the previously reported fire at its Golden Queen operation in California.

The fire, which was reported on December 13, 2023, at approximately 9:00 p.m. (Pacific Time), occurred within the secondary crusher circuit perimeter and more specifically in the screen deck area. The fire was mostly contained and under control within the following hour. Crisis management procedures were activated. Everyone was evacuated from the fire area to a safe location and first responders promptly contacted.

“The Company extends its thanks to the first responders who contained the fire and helped to protect our employees and contractors,” said Alberto Morales, Executive Chairman and Chief Executive Officer of Andean.

Mr. Morales continued, “There were no injuries thanks to well-executed emergency protocols. We commend our team for their quick response the night of the fire as well as their ongoing efforts to ensure business continuity. While we expect lower production in the first quarter, Golden Queen’s full-year production is not anticipated to be materially affected by the fire. Our 2024 guidance will be outlined at the end of March when we announce our 2023 financial and operating results.”

Golden Queen’s Operations Continue

The secondary crusher circuit will be out of service for approximately two months, while mining operations continue. The ore stockpiled will be subsequently processed to fully utilize the crushing circuit’s capacity thereby mitigating anticipated lower production during the first quarter of 2024. In the interim, the leaching pad and Merrill Crowe plant are operating at reduced processing recovery levels due to ore placement on the leach pad that is temporarily halted. To mitigate production losses, the Company has installed a portable crusher that should support 60% of normal operating set point.

Cost Estimate

The Company has received approval from the insurance broker to proceed with the repairs. The preliminary cost estimate in the range of \$3.0-\$3.4 million includes costs to repair the crusher circuit as well as expenses associated with rental equipment required until normal operations are resumed.



About Andean Precious Metals Corp.

Andean is a growing precious metals producer focused on expanding into top-tier jurisdictions in the Americas. The Company owns and operates the San Bartolomé processing facility in Potosí, Bolivia and the Soledad Mountain mine in Kern County, California, and is well-funded to act on future growth opportunities. Andean's leadership team is committed to creating value; fostering safe, sustainable and responsible operations; and achieving our ambition to be a multi-asset, mid-tier precious metals producer.

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Caution Regarding Forward-Looking Statements

Certain statements and information in this release constitute "forward-looking statements" within the meaning of applicable U.S. securities laws and "forward-looking information" within the meaning of applicable Canadian securities laws, which we refer to collectively as "forward-looking statements". Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. All statements and information other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook.

Forward-looking statements in this release include, but are not limited to, statements and information regarding: the impact of the fire, the downtime of the secondary crusher and the timing of operation of the portable crusher, the ability of the Company to continue mining and leach operations at Golden Queen and the Company's expectation that production for 2024 will not be materially affected. Forward-looking statements are necessarily based on estimates and assumptions, while considered reasonable by the Company as at the date of this press release in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and risks. Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited to: the Company's ability to carry on mining and leach operations while the fire investigation proceeds; the Company's ability to recover

under applicable insurance policies; that there is no material adverse change affecting the Company or its properties; that contracted parties provide goods or services in a timely manner; that no unusual geological or technical problems occur; that plant and equipment function as anticipated and that there is no material adverse change in either the price of silver or costs associated with production or recovery. Known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to differ materially from those anticipated in such forward-looking statements set out herein. The Company believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct, and you are cautioned not to place undue reliance on forward-looking statements contained herein.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking statements contained in this release include, but are not limited to: risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks relating to possible variations in reserves, resources, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development, including risks relating to permitting; the potential for delays in exploration or development activities or the completion of feasibility studies; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity prices and foreign exchange rate fluctuations; the uncertainty of profitability based upon the cyclical nature of the industry in which the Company operates; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental or local community approvals or in the completion of development or construction activities; risks related to environmental regulation and liability; political, legal and regulatory risks associated with mining and exploration; risks related to the uncertain global economic environment; and other factors contained in the section entitled "Risk Factors" in the Company's Management Discussion and Analysis for the period ended September 30, 2023 dated November 29, 2023.

Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All forward-looking statements made in this press release are qualified by these cautionary statements. Specific reference is made to the Risk Factors section in the Company's most recent MD&A on file with Canadian provincial securities regulatory authorities for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this press release. 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 applicable law.