

ANDEAN PRECIOUS METALS REPORTS Q4/FY 2023 RESULTS; MEETS 2023 REVISED PRODUCTION GUIDANCE

Production is expected to double in 2024 with full year inclusion of Golden Queen

TORONTO, ON – March 27, 2024 – Andean Precious Metals Corp. (“Andean” or the “Company”) (TSX-V: APM) (OTCQX: ANPMF) reported its operating highlights and financial results for the three and twelve months ended December 31, 2023. All amounts are expressed in United States dollars, unless otherwise noted (C\$ refers to Canadian dollars).

This news release should be read together with Andean’s management discussion and analysis (“MD&A”) and audited consolidated financial statements for the three and twelve months ended December 31, 2023 (the “Financial Statements”), which are available under the Company’s profile on SEDAR+ (www.sedarplus.ca) and on Andean’s website www.andeanpm.com.

“In just twelve months, we have significantly advanced our growth strategy and taken meaningful steps to reposition the Company,” said Alberto Morales, Executive Chairman and Chief Executive Officer. “In 2023, San Bartolomé successfully transitioned to an oxide processor focused on increasing cash flow generation. Last year we acquired Golden Queen, providing geographical diversification and adding a producing gold and silver mine with expected upside opportunities. With the addition of a second producing asset, we are poised to substantially increase our gold and silver production, while increasing our operating cash flow.”

Mr. Morales continued, “While our team achieved significant milestones in 2023, we are just beginning to reap the rewards of our efforts. At Golden Queen, our focus is on optimizing mine operations, implementing a new mine plan, driving cost efficiencies, and delivering positive exploration results. Meanwhile, at San Bartolomé, our goal is to improve operating cash flow following the completion and commissioning of our FDF processing facility. As we think about 2024, our focus will be on streamlining and enhancing our operations in Bolivia and the United States while actively seeking additional acquisitions to sustain and accelerate our growth.”

Q4 2023 and Full Year 2023 Highlights

- **Met revised full year 2023 production guidance of between 4.6 and 4.8 Moz AgEq**
 - The Company produced 4.7 Moz of silver equivalent (“AgEq”)¹ in 2023, excluding Golden Queen’s production of 0.5 Moz AgEq, or 6,528 oz gold equivalent (“AuEq”)¹, from November 24, 2023 (the “Acquisition Date”) to December 31, 2023. Production for the full year 2022 was 5.0 Moz AgEq.

¹ Silver equivalent ounces include gold ounces and are converted to a silver equivalent based on a ratio of realized silver and gold prices during the periods discussed. Gold equivalent ounces include silver ounces and are converted to a gold equivalent based on a ratio of realized silver and gold prices during the periods discussed. Refer to the “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” section of the Company’s MD&A for the year ended December 31, 2023 for further detail.

- Q4 2023 production was 1.2 Moz AgEq from San Bartolomé, excluding Golden Queen’s production of 0.5 Moz AgEq, or 6,528 oz AuEq, from the Acquisition Date to December 31, 2023.
- **Increased revenue; achieved record quarterly revenue in Q4 2023**
 - In Q4 2023, the Company achieved record quarterly revenue of \$48.8 million from the sale of 2.0 Moz AgEq at an average realized silver price of \$24.42 per ounce, compared with Q4 2022 revenue of \$25.7 million from the sale of 1.2 Moz AgEq at an average realized silver price of \$21.19 per ounce.
 - For the year ended December 31, 2023, revenue was \$125.3 million, \$17.3 million higher than full year 2022. The increase of \$17.3 million was primarily attributable to \$13.3 million of incremental revenue from Golden Queen and \$4.0 million from higher average realized silver prices offset by lower sales at San Bartolomé.
- **Higher gross operating income:** The Company recorded gross operating income of \$5.1 million and \$14.2 million for Q4 2023 and full year 2023, respectively, compared to \$1.1 million and \$9.7 million for Q4 2022 and full year 2022, respectively. Gross operating income for both Q4 2023 and full year 2023 included \$0.3 million for Golden Queen from the Acquisition Date to December 31, 2023.
- **Higher net income primarily due to \$36.5 million gain recognized on bargain purchase (“Purchase Gain”) of Golden Queen**
 - For Q4 2023, the Company reported net income of \$38.1 million, or \$0.24 per basic share and \$0.21 per diluted share for Q4 2023, compared to a net loss of \$3.3 million, or \$0.02 per basic and diluted share for Q4 2022.
 - For 2023, net income was \$38.5 million, or \$0.24 per basic and \$0.22 per diluted share, compared with a net loss of \$10.1 million, or \$0.06 per basic and diluted share in 2022.
- **Increased net cash flow provided from operating activities:** Net cash flow provided from operating activities was \$5.1 million for Q4 2023 and \$4.2 million for full year 2023, compared with net cash flow used in operating activities of \$3.0 million and \$2.7 million for Q4 2022 and full year 2022, respectively.
- **Earnings before interest, taxes, depreciation and amortization (“EBITDA”)²:** EBITDA was \$40.7 million and \$50.2 million for Q4 2023 and full year 2023, respectively, compared to negative EBITDA of \$1.3 million and \$1.6 million for Q4 2022 and full year 2022, respectively. The increase was mainly due to the \$36.5 million Purchase Gain recognized on the acquisition

² EBITDA and Adjusted EBITDA are measures of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” section of this press release for further detail, including a reconciliation of these metrics to the Financial Statements.

of Golden Queen, an increase in sales volumes and a higher average realized silver price per ounce sold.

- **Adjusted EBITDA²:** Adjusted EBITDA recognized for Q4 2023 and full year 2023 were \$7.9 million and \$20.1 million, respectively, compared to negative \$1.0 million and \$3.5 million for Q4 2022 and full year 2022, respectively. The increase was primarily due to growth in sales volumes and a higher average realized silver price per ounce sold and partially offset by an increase in non-recurring corporate development costs.
- **Executing on Growth Initiatives**
 - (i) Acquired a 100% interest in Golden Queen and its Soledad Mountain mine and heap leach operation from Auvergne Umbrella LLC.
 - The Company's consolidated financial statements include \$13.3 million in revenue and \$0.4 million in net income before income tax from Golden Queen from the Acquisition Date to December 31, 2023. Had the transaction been completed on January 1, 2023, Golden Queen would have contributed revenue of \$91.3 million for the period of January 1, 2023 to December 31, 2023, and the Company's full year 2023 consolidated revenue would have been \$216.7 million.
 - Commenced post-acquisition plans to optimize operations of Golden Queen that are expected to increase production, improve costs, and extend the mine life.
 - (ii) San Bartolomé has fully transitioned to a material processing operation with a focus on sourcing high-grade, high margin material. Additionally, the Company expects to commence processing tailings material from its fines disposal facility ("FDF") in the first half of 2024. During 2023, San Bartolomé signed several long-term contracts for oxidized material, including:
 - In June 2023, signed a 24-month agreement to purchase 170,000 tonnes of high-grade (average silver grade of 354 g/t) from the Alta Vista project owned by Empresa Minera Bedrock S.R.L.
 - In September 2023, signed an agreement with Silver Elephant Mining Corp. granting Manquiri an exclusive right to purchase up to 800,000 tonnes (average silver grade of 223 g/t) of oxide material from Silver Elephant's Paca Silver Project until January 31, 2029, or upon receiving the specified quantity.
 - (iii) A Preliminary Feasibility Study Technical Report for San Bartolomé Mine Bolivia, which was filed on SEDAR+ on February 16, 2024, included an updated mineral resource and mineral reserve estimate; San Bartolomé's life of operation is 4.6 years based on a recoverable proven and probable reserve of 11.95 Moz with an average grade of 93 g/t Ag.

- (iv) A Feasibility Study Update Technical Report on the Soledad Mountain Heap Leach Project was filed on SEDAR+ on January 31, 2024. Golden Queen's new life of mine average annual production is expected to include up to 65,000 oz of gold and 466,000 oz of silver for 5 years.

- **Balance sheet maintained for ongoing strategic growth**

- The Company had total liquid assets of \$72.8 million as at December 31, 2023, including cash of \$64.9 million, accounts receivable of \$0.9 million, VAT certificates of \$1.8 million and \$5.2 million of marketable securities. This compares with \$90.4 million of total liquid assets as at December 31, 2022, which included cash of \$80.7 million, accounts receivable of \$0.2 million, VAT certificates of \$4.1 million and \$5.3 million in marketable securities, translating into negative net debt. The reason for the decrease in liquid assets is primarily due to the acquisition of Golden Queen, including an upfront cash payment, debt repayment and capital expenditures.
- There were zero-cost collar contracts in place at December 31, 2023 for 300,000 ounces of silver associated with San Bartolomé's production. The zero-cost collar contracts were written at an average put strike price of \$23 per ounce of silver and an average call strike price of \$30 per ounce of silver, for 100,000 ounces per month for the period January-March 2024.
- As at December 31, there were zero-cost collar contracts in place for 12,000 ounces of gold relating to Golden Queen's production. The zero-cost collar contracts were written at an average put strike price of \$2,000 per ounce of gold and an average call strike price of \$2,212 per ounce of gold, for 2,000 ounces per month for the period January-June 2024.

- **Responsible operations:** The Company reported no lost-time incidents and no negative environmental issues during 2023.

- **Normal Course Issuer Bid ("NCIB")**

- Pursuant to an NCIB commencing October 4, 2022 and expiring on October 3, 2023, the Company repurchased and cancelled a total of 3,160,100 shares at an average purchase price of C\$0.79 per share for a total of \$1.9 million (C\$2.5 million).
- On December 21, 2023, the Company renewed its NCIB. As of March 25, 2024, the Company has repurchased 5,333,291 common shares at an average purchase price of C\$0.70 per share for a total of \$2.8 million (C\$3.7 million).
- Since the inception of its NCIB in the fall of 2022, the Company has repurchased 8,493,391 common shares at an average purchase price of C\$0.73 per share for a total of \$4.6 million (C\$6.2 million).

Summary of Financial and Operating Results

(In thousands except per share and per oz)	Q4 2023 ³	Q4 2022	Change	FY 2023 ³	FY 2022	Change
Financial performance						
Revenue	\$ 48,821	\$ 25,666	90%	\$ 125,324	\$ 108,049	16%
Cost of sales	42,012	22,902	83%	105,892	91,133	16%
Depreciation and depletion	1,703	1,666	2%	5,231	7,212	(27%)
Gross operating income	5,106	1,098	365%	14,201	9,704	46%
Purchase Gain - Golden Queen	36,512	-	100%	36,512	-	100%
Net income (loss) after tax	38,076	(3,341)	1,240%	38,540	(10,091)	482%
Net income (loss) per share						
– Basic	0.24	(0.02)	1,237%	0.24	(0.06)	482%
– Diluted	0.21	(0.02)	1,095%	0.22	(0.06)	439%
Net cash provided from (used in) operating activities	5,121	(2,985)	272%	4,166	(2,740)	252%
Free cash flow ⁴	1,719	(3,381)	151%	(1,851)	(5,094)	64%
EBITDA ⁴	40,718	(1,348)	3,121%	50,171	(1,583)	3,269%
Adjusted EBITDA ⁴	7,863	(956)	922%	20,063	3,539	467%
Capital expenditures	3,402	246	1,283%	6,017	2,204	173%
Ending cash and cash equivalents	64,907	80,729	(20%)	64,907	80,729	(20%)
(In thousands except metal price per oz)	Q4 2023³	Q4 2022	Change	FY 2023³	FY 2022	Change
Operating highlights						
Gold ounces produced						
Golden Queen (oz)	5,108	-	100%	5,108	-	100%
San Bartolomé (oz)	710	184	286%	1,980	2,560	(23%)
Consolidated gold ounces produced (oz)	5,818	184	3,062%	7,088	2,560	177%
Gold ounces sold						
Golden Queen (oz)	5,849	-	100%	5,849	-	100%
San Bartolomé (oz)	1,441	120	1,100%	1,856	2,341	(21%)
Consolidated gold ounces sold (oz)	7,290	120	5,975%	7,705	2,341	229%
Average realized gold price (\$/oz)	\$ 2,028	\$ 1,750	16%	\$ 2,023	\$ 1,814	12%
Average market gold price (\$/oz)	\$ 1,974	\$ 1,727	14%	\$ 1,942	\$ 1,801	8%
Silver ounces produced						
Golden Queen (koz)	51	-	100%	51	-	100%
San Bartolomé (koz)	1,194	1,233	(3%)	4,511	4,788	(5%)
Consolidated silver ounces produced (koz)	1,245	1,233	1%	4,602	4,788	(4%)
Silver ounces sold						
Golden Queen (koz)	57	-	100%	57	-	100%
San Bartolomé (koz)	1,336	1,201	11%	4,490	4,769	(6%)
Consolidated silver ounces sold (koz)	1,393	1,201	16%	4,547	4,769	5%
Average realized silver price (\$/oz)	\$ 24.42	\$ 21.19	15%	\$ 24.13	\$ 21.76	11%
Average market silver price (\$/oz)	\$ 23.20	\$ 21.17	10%	\$ 23.35	\$ 21.73	7%
Silver equivalent ounces produced						
Golden Queen (koz)	479	-	100%	479	-	100%
San Bartolomé (koz)	1,255	1,250	1%	4,715	5,001	(6%)
Consolidated silver equivalent ounces produced (koz)	1,730	1,250	38%	5,194	5,001	4%
Silver equivalent ounces sold						
Golden Queen (koz)	549	-	100%	549	-	100%
San Bartolomé (koz)	1,454	1,213	20%	4,643	4,965	(6%)
Consolidated silver equivalent ounces sold (koz)	1,999	1,213	65%	5,192	4,965	5%

³ Financial and operating results include Golden Queen from the Acquisition Date through to December 31, 2023. As Golden Queen was acquired on November 24, 2023, there are no comparative 2022 figures.

⁴ Free cash flow, EBITDA and Adjusted EBITDA are measures of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail, including a reconciliation of these metrics to the Financial Statements.

2024 Outlook and Guidance

This outlook includes forward-looking information about the Company's operations and financial expectations based on management's expectations and outlook as of March 26, 2024. This outlook, including expected results and targets, is subject to various risks, uncertainties, and assumptions predicated on global economic conditions. Actual results may vary materially from management's expectations. See the "Forward-Looking Statements" and "Risks Factors" sections in the Company's MD&A for the year ended December 31, 2023 for further information.

The Company's guidance for its annual production, operating costs and capital expenditures is discussed in detail below.

Production guidance

	2024 Guidance +/- 5%	Actual 2023	Revised guidance 2023
Golden Queen			
Gold equivalent (koz) ⁵	60		-
San Bartolomé			
Silver equivalent (koz) ⁵	5,000	4,715	4.6 million to 4.8 million
Consolidated			
Silver equivalent (koz) ⁶	10,429		-

Golden Queen

At Golden Queen, 2024 production is expected to be 60,000 AuEq (+/- 5%) based on current mining plans and in line with the technical report issued in January 2024. As announced, the fire incident at Golden Queen in December 2023 will impact its Q1 2024 production. However, production will ramp up to between 15,000 oz AuEq and 18,000 oz AuEq on average per quarter from Q2 2024 to Q4 2024. Total mine tonnage production is estimated at 26.8 million tonnes (+/-5%) including 3.9 million tonnes (+/-5%) of ore estimated to be stacked to the leach pad resulting in a strip ratio of 5.9:1. Mine ore grades are estimated to average 0.805 g/t AuEq in 2024, a decrease from 0.869 g/t AuEq in 2023. Heap leach crushing and stacking activities will add 3.9 million tonnes in 2024 to the pad resulting in production of 60,000 oz AuEq (+/-5%). Apparent recovery for 2024 is estimated at 63.2%.

San Bartolomé

Mining activities at San Bartolomé were suspended in Q3 2023. Production of 5.0 Moz AgEq is expected to be derived mostly from third-party purchased material sourced primarily from Cachi Laguna, Cerro Rico, Paca and other rural cooperatives. Material purchases are negotiated for larger volumes and longer-term contracts at prices and payment terms conditional on the nature and geology of each

⁵ Silver equivalent production and silver equivalent sales both include gold production and sales. Equivalent ounces are calculated using the Company's average realized gold and silver prices during the referenced period. For 2024 guidance commodity price assumptions supporting this estimate are \$21 per ounce of silver and \$1,900 per ounce of gold. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail.

⁶ Assuming gold equivalent ounces were calculated on a consolidated basis for the Company, the expected guidance of 10.4 Moz AgEq would equate to approximately 115,000 oz AuEq. Gold equivalent production and gold equivalent sales both include silver production and sales. Equivalent ounces are calculated using the Company's average realized gold and silver prices during the referenced period. For 2024 guidance commodity price assumptions supporting this estimate are \$21 per ounce of silver and \$1,900 per ounce of gold. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail.

deposit. When silver prices change significantly, new negotiations may occur in some instances, which could impact the grade/price curve. Following the completion of the FDF project in the first half of 2024, management is anticipating production of 0.8 Moz AgEq (+/- 5%) from the FDF in 2024. Total tonnes milled in 2024 are expected to be 1.4 million tonnes (+/- 5%), recovering 5.0 Moz AgEq (+/- 5%) at a 144 g/t head grade and a calculated recovery of 78% compared to the same recovery rate in 2023. The increase in average grade is due to high-grade material from Cerro Rico, Paca and Cachi Laguna.

Consolidated

In 2024, on a consolidated basis, silver equivalent ounces production is expected to increase by 121% to 10.4 Moz AgEq (+/- 5%) (115,000 gold equivalent ounces +/-5%). The increase is largely due to full year production of 60,000 oz AuEq (+/- 5%), or 5.4 Moz AgEq (+/- 5%), expected from Golden Queen.

Cost guidance

With the acquisition of Golden Queen, the revenue split in 2024 is estimated to be 54% gold and 46% silver. In addition, San Bartolomé's operations no longer include mining activities, as it transitioned exclusively to ore purchasing and processing during Q3 2023. Therefore, providing consolidated cost guidance may not provide meaningful information for measuring key indicators of performance.

Below is the cost guidance for each of the Company's operations, based on their respective primary metal contribution:

	2024 Guidance +/- 5%	Actual 2023
Golden Queen		
Operating cash cost ("OCC") per Au Eq oz produced, on a by-product credit basis ⁷	\$ 1,500	-
All-in sustaining costs ("AISC") per Au Eq oz sold, on a by-product credit basis	\$ 1,750	-
San Bartolomé		
Cash gross operating margin per Ag Eq oz produced ⁸	\$ 3.88	\$ 2.71
Gross margin ratio ⁹	19.5%	12.4%

⁷ Golden Queen's OCC per gold equivalent ounce produced and AISC per gold equivalent ounce sold on a by-product credit basis were for the period from the Acquisition Date to December 31, 2023. OCC and AISC are measures of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail, including a reconciliation of these metrics to the Financial Statements.

⁸ Cash gross operating margin per equivalent ounce sold is calculated by subtracting the average cash cost of sale (cost of sales, excluding depreciation, depletion and amortization), and business unit general and administration cost per equivalent ounces from the average selling price per equivalent ounces. It is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail, including a reconciliation of these metrics to the Financial Statements.

⁹ Gross margin ratio is calculated by subtracting the cost of sale, excluding depreciation, depletion and amortization, as reported in the income statements from the revenue of equivalent ounces divided by revenue from sales of equivalent ounces. GMR is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of this press release for further detail, including a reconciliation of these metrics to the Financial Statements.

Golden Queen

OCC per gold equivalent ounce produced at Golden Queen is expected to be \$1,500 (+/- 5%) in 2024. The Company expects its AISC at Golden Queen to be \$1,750 per gold equivalent ounce sold (+/- 5%) for 2024.

San Bartolomé

As a result of the transition to exclusively processing activities during Q4 2023, silver equivalent ounces produced from third-party material sources represent more than 98% and 78% for Q4 2023 and full year 2023, respectively, compared to 68% and 67% for Q4 2022 and full year 2022. The purchase price paid to third-party material suppliers is impacted by several factors including precious metal spot prices, head grade per tonne and material volume.

In evaluating the performance and profitability of San Bartolomé, management is adopting two new metrics: cash gross operating margin (“CGOM”) per equivalent ounces and gross margin ratio (“GMR”). These new indicators provide information on the gross amount of cash that could be generated from the production or sale of one unit (oz) of silver equivalent. The Company believes CGOM and GMR metrics are useful to investors because they provide insight into operational profitability relative to performance on a period-by-period basis derived from purchase ore that is subject to unpredictable variable inputs. These metrics are conceptually understood and reported in the tolling or processing industry.

In 2024, CGOM per silver equivalent ounce is expected to be \$3.88 compared to \$2.71 in 2023. GMR is anticipated to be 19.5% in 2024 compared to 12.4% in 2023. The increase in CGOM and GMR is largely attributable to the suspension of mining activities at the high-cost low margin Pallacos deposits. During 2024, 76% of the silver equivalent ounces expected to be sold are from high-grade and high margin material ore sources, including Paca and Alta Vista.

Capital expenditure guidance

In \$'000s	2024 Guidance +/- 5%	Actual 2023
Sustaining capital		
Golden Queen	\$ 10,300	\$ -
San Bartolomé	3,400	1,316
Total sustaining capital	\$ 13,700	\$ 1,316
Growth capital		
Golden Queen	\$ 9,500	\$ -
San Bartolomé	840	4,211
Total growth capital	\$ 10,340	\$ 4,211
Total capital		
Golden Queen	\$ 19,800	\$ -
San Bartolomé	4,240	5,527
Total capital expenditures	\$ 24,040	\$ 5,527

Total capital expenditures are expected to be in the range of \$24.0 million (+/-5%), largely due to the \$9.5 million included in the growth capital for the procurement of six new 785-8 haul trucks, as part of the Company’s strategic mobile fleet replacement and mine optimization. Included in the sustaining

capital at Golden Queen is the capitalization of the major overhaul maintenance/rebuild of equipment costs of \$8.3 million.

Capitalized exploration at Golden Queen is expected to be \$1.0 million and included as part of sustaining capital.

Approximately \$2.7 million included in San Bartolomé's 2024 sustaining capital relates to the continued expansion of the tailing storage facilities. The project, which started in 2022, will expand the dam at the south and north sides to accommodate future storage.

Capital expenditures are expected to be financed from cash on hand, cash flow from operations and third-party financing.

Conference Call / Webcast

Management will host a webcast tomorrow morning to discuss the Company's fourth quarter and full year 2023 financial and operating results. A question-and-answer session will follow management's prepared remarks. Details of the webcast are as follows:

Date and time: Wednesday, March 27, 2024 at 9:00 a.m. ET

Conference call: Canada/USA Toll Free: 1-800-319-4610
Toronto Toll: +1-416-915-3239
International Toll: +1-604-638-5340

Webcast: A live audio webcast of the earnings call will be available at
<https://www.gowebcasting.com/13196>.

Notes: To access the live webcast, please connect at least 5-10 minutes prior to the start time to ensure adequate time for any software download that may be required to join the webcast.

Replay: An archived replay of the webcast will be available for 90 days at:
<https://www.gowebcasting.com/13196> and on Andean's website:
www.andeanpm.com.

Qualified Person Statement

The scientific and technical content disclosed in this press release was reviewed and approved by Donald J. Birak, Independent Consulting Geologist to the Company, a Qualified Person as defined by National Instrument 43-101 – *Standards for Disclosure for Mineral Projects*, Registered Member, Society for Mining, Metallurgy and Exploration (SME), Fellow, Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Birak has visited Manquiri's various sites frequently, most recently in September 2023.

About Andean Precious Metals

Andean is a growing precious metals producer focused on top-tier jurisdictions in the Americas. The Company owns and operates the San Bartolomé project 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 mid-tier precious metals producer.

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Neither the TSX Venture Exchange, Inc. nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 timing of the mine optimization and updated mine plan and cost efficiencies, the Company's production and cost outlook and capital expenditure expectations for 2024, the Company's plans for growth through exploration activities, acquisitions or otherwise, completion of mine optimization and mine plan, cost efficiencies and exploration results at Golden Queen, and improving cash flow and the timing of the commissioning of the FDF processing facility at San Bartolomé. 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 exploration and development activities; the Company's ability to secure and to meet obligations under property and option agreements and other material agreements; the timely receipt of required approvals and permits; 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 the price of silver, costs associated with production or recovery. Forward-looking statements involve 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. 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; 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 price 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 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 MD&A dated December 31, 2023.

Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in the forward-looking statements, you are cautioned that this list is not exhaustive and there may be other factors that the Company has not identified. Furthermore, the Company undertakes no obligation to update or revise any forward-looking statements included in this release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures

This press release contains "specified financial measures" within the meaning of National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure ("NI-52-112"), specifically the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures described below. Management believes that the use of these measures assists analysts, investors and other stakeholders of the Company in understanding the costs associated with producing silver and gold, understanding the economics of silver and gold mining, assessing operating performance, the Company's ability to generate free cash flow from current operations and on an overall Company basis, and for planning and forecasting of future periods.

The specified financial measures used in this press release do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers, even as compared to other issuers who may be applying the World Gold Council (“WGC”) guidelines. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following is a description of the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures used in this press release:

- (i) OCC includes total production cash costs incurred at the Company’s mining operations, which form the basis of the Company’s cash costs, less by-product revenue.
- (ii) AISC on a by-product basis per ounce is a non-GAAP ratio calculated as AISC on a by-product basis divided by ounces of silver equivalent ounces sold for San Bartolomé operations. For Golden Queen operations, AISC on a by-product basis per ounce is calculated as AISC on a by-product basis divided by ounces of gold equivalent ounces sold. AISC on a by-product basis is a non-GAAP financial measure calculated as the aggregate of production costs as recorded in the statements of income (loss), refining and transport costs, cash component of sustaining capital expenditures, lease payments related to sustaining assets, corporate general and administrative expenses and accretion expenses. When calculating AISC on a by-product basis, all revenue received from the sale of gold at San Bartolomé or silver at Golden Queen is treated as a reduction of costs incurred. The Company believes that AISC represents the total costs of producing silver and gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company’s operational performance and ability to generate cash flow.
- (iii) AIC represents AISC plus growth capital and non-sustaining exploration and evaluation costs. Non-sustaining exploration and evaluation costs represent costs associated with the Company’s exploration portfolio, primarily relating to activities at San Bartolomé’s tailings facilities. Certain other cash expenditures including tax payments, debt payments, dividends and financing costs are not included in the calculation of AIC. The Company reports these measures on a per ounce sold basis.
- (iv) CGOM per equivalent ounce sold is calculated by subtracting the average cash cost of sales (cost of sales less depreciation, depletion and amortization), and business unit general and administrative cost per equivalent ounce from the average selling price per equivalent ounce. It is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.
- (v) GMR is calculated by subtracting the cost of sales as reported in the income statement from the revenue of equivalent ounces divided by revenue from sales of equivalent ounces. GMR is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

- (vi) EBITDA is defined as earnings before interest, tax, depreciation and amortization. Adjusted EBITDA is a non-GAAP financial measure calculated by adjusting net income (loss) as recorded in the condensed interim consolidated statements of income (loss) for items not associated with ongoing operations. The Company believes that this generally accepted industry measure allows the evaluation of the results of income-generating capabilities and is useful in making comparisons between periods. This measure adjusts for the impact of items not associated with ongoing operations. A reconciliation of adjusted net income (loss) to the nearest IFRS measures is set out below. Management uses this measure to monitor and plan for the operating performance of the Company in conjunction with other data prepared in accordance with IFRS.
- (vii) Free cash flow is a non-GAAP financial measure calculated as cash provided by operating activities from continuing operations less property, plant and equipment additions. A reconciliation of free cash flow to the nearest IFRS measures is set out below. Management uses this measure to monitor the amount of cash available to reinvest in the Company and allocate for shareholder returns.
- (viii) Average realized price is a supplementary financial measure calculated by dividing the different components of precious metal sales by the number of ounces sold. Management uses this measure to monitor its sales of precious metal ounces against the average market price per ounce.

OCC

The following table provides a reconciliation of the OCC per ounce sold on a by-product basis to the Financial Statements:

San Bartolomé	Q4 2023	Q4 2022	FY 2023	FY 2022
Cost of sales, as reported	\$ 30,051	\$ 22,902	\$ 93,931	\$ 91,133
Total OCC before by-product credits	30,051	22,902	93,931	91,133
Less: by-product gold credits	(2,904)	(210)	(3,711)	(4,245)
Total OCC	\$ 27,147	\$ 22,692	\$ 90,220	\$ 86,888
Divided by Ag Eq oz sold (koz)	1,456	1,213	4,643	4,965
OCC per Ag Eq oz sold, on a by-product basis	\$ 18.65	\$ 18.71	\$ 19.43	\$ 17.50

Golden Queen	Q4 2023	Q4 2022	FY 2023	FY 2022
Cost of sales, as reported	\$ 11,961	\$ -	\$ 11,961	\$ -
Total OCC before by-product credits	11,961	-	11,961	-
Less: by-product silver credits	(1,410)	-	(1,410)	-
Total OCC	\$ 10,551	\$ -	\$ 10,551	\$ -
Divided by Au Eq oz sold	6,528	-	6,528	-
OCC per Au Eq oz sold, on a by-product basis	\$ 1,616	\$ -	\$ 1,616	\$ -

AISC

The following table provides a reconciliation of AISC per ounce on a by-product basis to the Financial Statements:

San Bartolomé	Q4 2023	Q4 2022	FY 2023	FY 2022
OCC, net of by-product credits	\$ 27,147	\$ 22,692	\$ 90,220	\$ 86,888
General and administrative expenses ⁽¹⁾	1,392	1,270	5,581	5,063
Sustaining capital expenditures ⁽²⁾	745	381	1,316	2,204
Lease payments	-	14	-	150
Accretion for decommissioning liability	332	252	1,330	1,094
AISC	\$ 29,616	\$ 24,609	\$ 98,447	\$ 95,399
Divided by Ag Eq oz sold (koz)	1,456	1,213	4,643	4,965
AISC per Ag Eq oz sold, on a by-product basis	\$ 20.35	\$ 20.29	\$ 21.20	\$ 19.21

(1) For the fourth quarter and full year ended December 31, 2023, general and administrative expenses reflect the operating segment information only.

(2) Sustaining capital expenditures and exploration and evaluation reflect costs necessary to maintain current production.

Golden Queen	Q4 2023	Q4 2022	FY 2023	FY 2022
OCC, net of by-product credits	\$ 10,551	\$ -	\$ 10,551	\$ -
General and administrative expenses ⁽¹⁾	(769)	-	(769)	-
Sustaining capital expenditures ⁽²⁾	337	-	337	-
Accretion for decommissioning liability	47	-	47	-
AISC	\$ 10,166	\$ -	\$ 10,166	\$ -
Divided by Au Eq oz sold	6,528	-	6,528	-
AISC per Au Eq oz sold, on a by-product basis	\$ 1,557	\$ -	\$ 1,557	\$ -

(1) For the fourth quarter and year ended December 31, 2023, general and administrative expenses reflect the operating segment information only.

(2) Sustaining capital expenditures and exploration and evaluation reflect costs necessary to maintain current production.

AIC

The following table provides a reconciliation of AIC per ounce on a by-product basis to the Financial Statements:

San Bartolomé	Q4 2023	Q4 2022	FY 2023	FY 2022
AISC	\$ 29,616	\$ 24,609	\$ 98,447	\$ 95,399
Non-sustaining capital	2,167	-	4,211	-
Non-sustaining exploration and evaluation ⁽¹⁾	1,273	458	1,588	3,615
AIC	\$ 33,056	\$ 25,067	\$ 104,246	\$ 99,014
Divided by Ag Eq oz sold (koz)	1,456	1,213	4,643	4,965
AIC per Ag Eq oz sold, on a by-product basis	\$ 22.71	\$ 20.66	\$ 22.45	\$ 19.94

(1) Non-sustaining exploration and evaluation costs are related to growth projects outside current production profile.

Golden Queen	Q4 2023	Q4 2022	FY 2023	FY 2022
AISC	\$ 10,166	\$ -	\$ 10,166	\$ -
Non-sustaining capital	3,177	-	3,177	-
AIC	\$ 13,343	\$ -	\$ 13,343	\$ -
Divided by Au Eq oz sold	6,528	-	6,528	-
AIC per Au Eq oz sold, on a by-product basis	\$ 2,044	\$ -	\$ 2,044	\$ -

CGOM

The following table provides a reconciliation of the CGOM per ounce to the Financial Statements:

San Bartolomé	Q4 2023		Q4 2022		FY 2023		FY 2022
Cost of sales, as reported	\$	30,051	\$	22,902	\$	93,931	\$ 91,133
Total OCC before by-product credits		30,051		22,902		93,931	91,133
General and administrative - site		1,392		1,270		5,581	5,063
Total gross operating costs	\$	31,443	\$	24,172	\$	98,235	\$ 98,345
Divided by Ag Eq oz sold (koz)		1,456		1,213		4,643	4,965
Gross operating cost per Ag Eq oz sold	\$	21.60	\$	19.93	\$	21.43	\$ 19.37
Average realized silver price per oz*	\$	24.43	\$	21.19	\$	24.14	\$ 21.76
CGOM per Ag Eq oz sold	\$	2.83	\$	1.27	\$	2.70	\$ 2.40

*Average realized silver price is specific to San Bartolomé revenue from sale of silver equivalent ounces.

GMR

The following table provides a reconciliation of the GMR per ounce to the Financial Statements:

San Bartolomé	Q4 2023		Q4 2022		FY 2023		FY 2022
Gross operating cost per Ag Eq oz sold	\$	21.60	\$	19.93	\$	21.43	\$ 19.37
Average realized silver price per oz*	\$	24.43	\$	21.19	\$	24.14	\$ 21.76
CGOM per Ag Eq oz sold	\$	2.83	\$	1.27	\$	2.70	\$ 2.40
GMR per Ag Eq oz sold		13.3%		4.4%		12.3%	9.0%

*Average realized silver price is specific to San Bartolomé revenue from sale of silver equivalent ounces.

EBITDA and Adjusted EBITDA

The Company has included EBITDA and Adjusted EBITDA as a non-GAAP financial measure in this press release. The Company excludes certain items from net income (loss) to provide a measure which allows the Company and investors to evaluate the results of the underlying core operations of the Company and its ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of Adjusted EBITDA to the Financial Statements:

	Q4 2023	Q4 2022	FY 2023	FY 2022
Net income (loss)	\$ 38,076	\$ (3,341)	\$ 38,540	\$ (10,091)
Add:				
Income taxes	79	36	4,386	17
Finance costs	860	291	2,014	1,279
Depreciation and depletion	1,703	1,666	5,231	7,212
EBITDA	\$ 40,718	\$ (1,348)	\$ 50,171	\$ (1,583)
Add: Purchase Gain	(36,512)	-	(36,512)	-
Add: Non-sustaining exploration and evaluation costs	373	459	688	3,615
Add: Severance costs ⁽¹⁾	-	785	-	785
Add: Corporate development costs	3,497	105	4,598	1,883
Add: Change in fair value of derivative contracts	658	-	(139)	-
Add: Change in fair value of marketable securities ⁽²⁾	(871)	(957)	1,257	(1,161)
Adjusted EBITDA	\$ 7,863	\$ (956)	\$ 20,063	\$ 3,539

(1) Severance costs relate to amounts payable to former officers of the Company.

(2) These amounts refer to mark-to-market adjustments on Santacruz securities held by the Company.

Free Cash Flow

The Company has included free cash flow as a non-GAAP financial measure in this press release. The Company considers net cash provided from (used in) operating cash flow less capital expenditures to be a measure that allows the Company and investors to evaluate the ability of the Company to generate cash flow. Accordingly, free cash flow is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of free cash flow to the Financial Statements:

	Q4 2023	Q4 2022	FY 2023	FY 2022
Net cash provided from (used in) operating activities	\$ 5,121	\$ (2,985)	\$ 4,166	\$ (2,740)
Less:				
Expenditures on property, plant and equipment	(3,402)	(381)	(6,017)	(2,204)
Lease payments	-	(15)	-	(150)
Free cash flow	\$ 1,719	\$ (3,381)	\$ (1,851)	\$ (5,094)

Average Realized Gold and Silver Prices Per Ounce

The Company has included average realized prices as a supplementary non-GAAP financial measure in this press release. The Company quantifies average realized price per ounce as revenue per the statement of income (loss) divided by gold or silver ounces sold. Management uses this measure to monitor sales of silver and gold ounces against the average market silver and gold prices.

The following table provides a reconciliation of average realized prices to the most directly comparable IFRS measure:

	Q4 2023		Q4 2022		FY 2023		FY 2022
Silver revenue	\$	34,010	\$	25,456	\$	109,761	\$ 103,804
Silver sold (koz)		1,392		1,201		4,547	4,769
Average realized silver price per oz	\$	24.42	\$	21.19	\$	24.13	\$ 21.76

	Q4 2023		Q4 2022		FY 2023		FY 2022
Gold revenue	\$	14,781	\$	210	\$	15,587	\$ 4,245
Gold sold (oz)		7,290		120		7,705	2,341
Average realized gold price per oz	\$	2,028	\$	1,750	\$	2,023	\$ 1,814