

Drill Contract Awarded for Cerro Leon

Unico Silver to commence drilling at Cerro Leon Silver Project, Argentina

Unico Silver Limited ("**USL**" or the "**Company**") is pleased to announce the award of a drill contract for the Cerro Leon silver project, Santa Cruz province of Argentina.

Drill planning and site preparations are well advanced, with operations expected to commence during the second week of October. The initial phase will comprise 5,000m of Reverse Circulation (RC) drilling testing shallow oxide silver targets outside of the current resource, moving into a phase of diamond drilling.

Managing Director Todd Williams states:

"We are pleased to award the drill contract for the inaugural drill program at Cerro Leon. This marks a pivotal step in advancing the current 91Moz silver equivalent resource by testing key prospects identified in our May 2024 Exploration Target. With the successful \$8m placement and proposed 100% acquisition of the advanced Joaquin project, Unico Silver is fully funded and is now focused on growing resources through exploration."

About Cerro Leon

Cerro Leon comprises three separate projects that were consolidated through three separate transactions completed since March 2023.

The Project hosts to a JORC compliant Mineral Resource Estimate (MRE) of 91 million silver equivalent (AgEq¹) ounces for 16.5Mt at 172g/t AgEq (Table 1).

Cerro Leon is host to the second largest vein field in Santa Cruz, second only to AngloGold Ashanti's Cerro Vanguardia mine, with measured dimensions of 12 km by 9 km. Mineralised veins are up to 13m wide in outcrop and cover a combined strike of 115 km. In May 2024, the Company published an Exploration Target Range for the project (Table 2) outlining targets for near term resource growth.

Update on Joaquin transaction

The Company refers to the binding Letter of Intent (LOI) signed with Pan American Silver Corp. (NYSE: PAAS) on 22 August 2024 for the acquisition of the mining properties that make up the Joaquin and Cerro Puntudo projects (collectively Joaquin). USL representatives have recently returned from Argentina after meeting with stakeholders to finalise definitive legal agreements, approvals, and consents for closing the Joaquin transaction, with the closing date scheduled for early October.



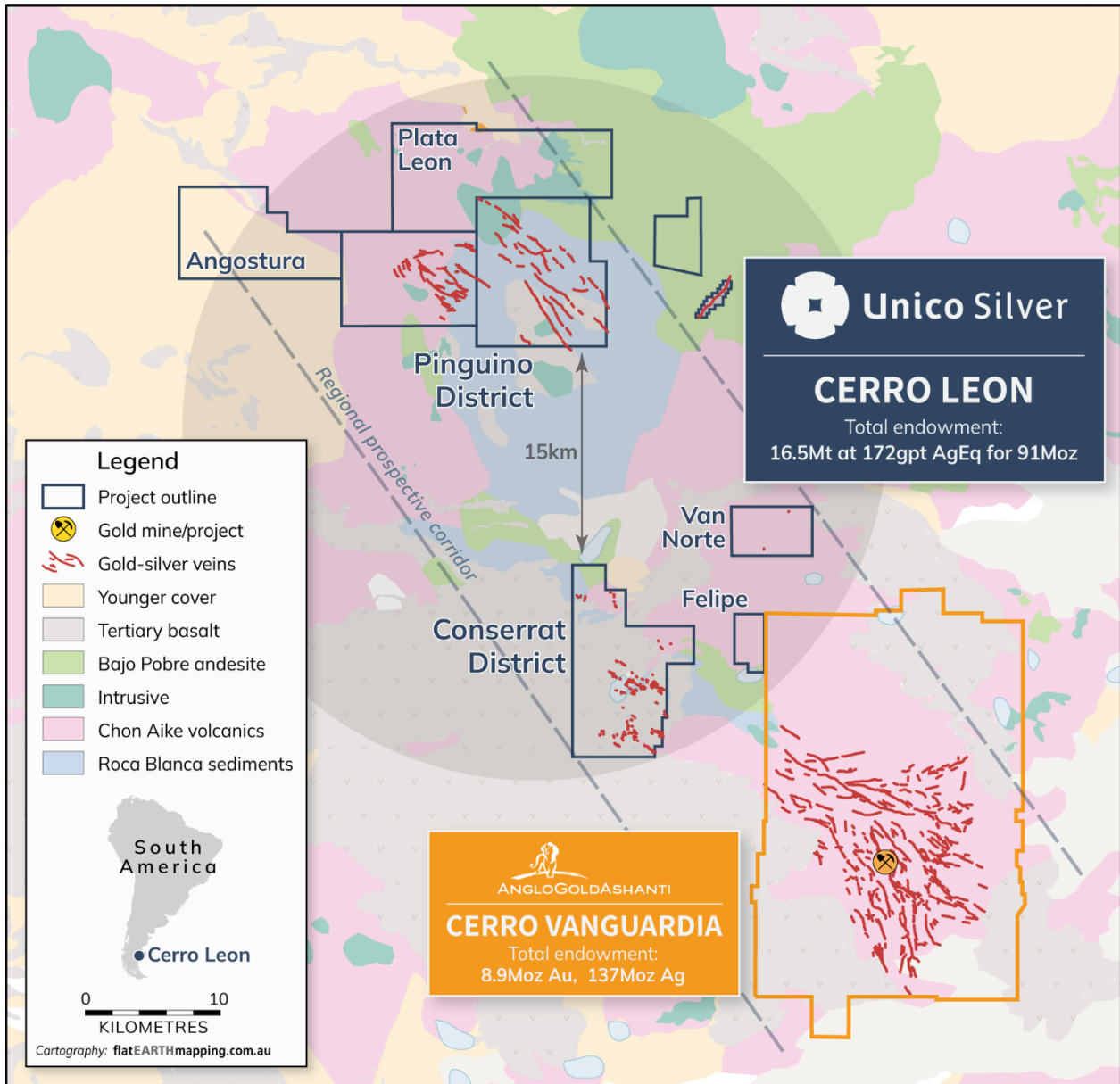


Figure 1. Cerro Leon Project location



Cerro Leon Mineral Resource Estimate

Table 1: Cerro Leon Mineral Resource Estimate²

Category	Tonnes	AgEq	AgEq (Moz)	Ag (gpt)	Au (gpt)	Pb (%)	Zn (%)	Ag Moz	Au (Koz)	Pb (Mlb)	Zn (Mlb)
Indicated	6.82	172	37.8	86	0.49	0.28	0.93	18.8	107	61	151
Inferred	9.65	172	53.5	71	0.77	0.77	0.77	22.1	237	68	181
Total	16.47	172	91.3	77	0.65	0.57	0.84	40.9	344	129	332

The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. Due to rounding to appropriate significant figures minor discrepancies may occur.

Exploration Target

Table 2: Cerro Leon Mineral Resource Estimate³

Exploration Target	Tonnes (Mt)	AgEq (gpt)	AgEq (Moz)
	Range	Range	Range
Total	10 – 15	175 – 266	56 - 128

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature and as such there has been insufficient exploration drilling conducted to estimate a mineral resource. At this stage it is uncertain if further exploration drilling will result in the estimation of a mineral resource. The Exploration Target has been prepared and reported in accordance with the JORC Code (2012).

Source

¹ AgEq = Ag (g/t) + 79.18 x Au (g/t) where: silver price is \$23.5/oz and recovery is 95%, gold price is \$1964/oz

² ASX Announcement, Unico Silver, 18 May 2023, Cerro Leon Silver Resource Grows 84% to 92 Million Silver Equivalent Ounces.

³ ASX Announcement, Unico Silver, 13 May 2024, Cerro Leon Project Exploration Target

THIS ANNOUNCEMENT IS AUTHORISED FOR RELEASE TO THE MARKET BY THE BOARD OF DIRECTORS OF UNICO SILVER LIMITED

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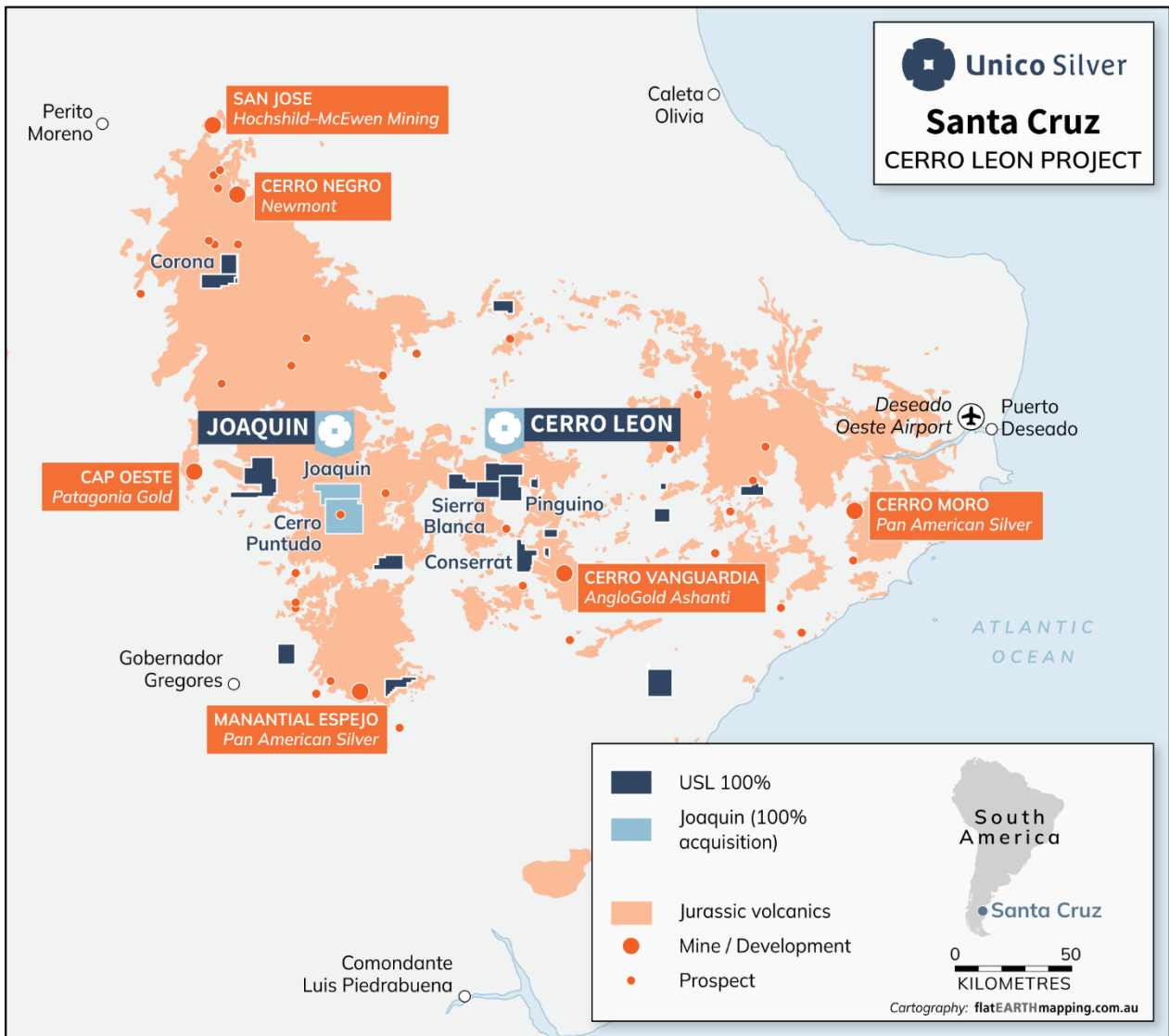


Figure 2. Location of proposed Joaquin acquisition



Streamline Competent Persons Statement

This report contains information extracted from previous ASX releases which are referenced in the report. The Company is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ASX Announcements

- 20 August 2024, Acquisition of Joaquin Silver District
- 18 May 2023, Cerro Leon Silver Resource Grows 84% to 92 million Silver Equivalent Ounces.
- 13 May 2024, Cerro Leon Project Exploration Target.

Forward Looking Statement

Certain statements in this announcement constitute "forward-looking statements" or "forward looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this announcement.

All such forward-looking information and statements are based on certain assumptions and analyses made by USL's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances.

