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8 December 2025

Cerro Bayo Silver-Gold Project, Chile

Successful $30m placement to unlock growth opportunities

Proceeds of the placement and $3m SPP will see Andean emerge with cash of ~$64m[1]

- **Andean has received firm commitments totalling A$30 million via a Placement to institutional and sophisticated investors**
- **The Placement was priced at A$1.85 per share, representing an 11.5% discount to the last sale price of A$2.09 and a 3.9% discount to the 10-day VWAP of A$1.93**
- **Andean will also undertake a non-underwritten Share Purchase Plan ('SPP') to raise an additional A$3 million (before costs), at the same offer price as the Placement**
- **The proceeds will enable Andean to:**
  - **Accelerate drilling, including resources growth, resources conversion and exploration;**
  - **Evaluate potential land right acquisitions in areas close to Cerro Bayo;**
  - **Complete permitting for new drilling areas and standard restart activities;**
  - **Advance project study/development work; and**
  - **Fund general working capital and costs of the Placement and SPP**
- **Canaccord Genuity and Euroz Hartleys acted as Joint Lead Managers to the Placement, with SCP Resource Finance acting as Co-Manager.**

Andean Chief Executive Tim Laneyrie said: *"We have an abundance of opportunities to drive growth and value creation. The proceeds from the Placement and SPP will help us unlock these opportunities through drilling programs, project studies and potential land acquisitions.*

"We are on track to deliver a resource upgrade in the new year while ramping up our drilling to grow and upgrade the resource.

"Andean is uniquely placed in the silver market with its significant existing infrastructure which will help deliver a capital-light restart in the quickest and most efficient manner. Being well supported and funded by shareholders will enable that groundwork to occur during 2026".

[1] Based on ~$31.5m cash on hand as at 31 October 2025 plus $30m Placement and $3m SPP, before costs of raising.

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Andean Silver Limited (ASX: ASL, OTCQC: ADSLF) is pleased to advise that it has received firm commitments from institutional and sophisticated investors to raise A$30 million (before costs) through the issue of 16,216,217 fully paid ordinary shares in the Company (**Shares**) at an issue price of A$1.85 per Share (**Placement**).

The Company will also undertake a Share Purchase Plan (**SPP**) to raise approximately $3 million via the issue of Shares at an issue price of A$1.85 per Share.

Use of Funds

Proceeds from the Placement and SPP will be utilised to accelerate drilling activities at the Cerro Bayo Silver-Gold Project, including resource growth, resource conversion, and regional exploration. Additionally, funds will support the advancement of project studies, the evaluation of land right acquisitions in areas proximal to Cerro Bayo, and general working capital requirements as well as costs associated with the Placement.

Placement

The Placement will be conducted using the Company's existing capacity under ASX Listing Rule 7.1 to raise a total of A$30 million, with settlement scheduled for Monday, 15 December 2025.

The issue price represents a discount of 11.5% to the last closing price of A$2.09 on Wednesday, 3 December 2025, a discount of 9.4% to the 5-day VWAP of A$2.04 and a 3.9% discount to the 10-day VWAP of A$1.93.

Share Purchase Plan

In addition to the Placement, the Company will also undertake a SPP of ~A$3 million (before costs) in recognition of the support of Andean shareholders. Up to 1,621,622 fully paid ordinary shares will be offered under the SPP at the Placement price of $1.85 each (**SPP Shares**).

The Company reserves the right (in its absolute discretion) to close the SPP early or scale back applications under the SPP if demand exceeds A$3 million, or to accept oversubscriptions (subject to the ASX Listing Rules and the Corporations Act and the allocation policy described in the SPP offer booklet). The SPP is not underwritten.

Eligible Shareholders who are residents in Australia and New Zealand that held Andean shares at 5:00pm (AWST) on 5 December 2025 (**Record Date**), will be invited to participate in the SPP at the same price as the Placement (being $1.85). The SPP will provide such shareholders with the opportunity to increase their holding by up to A$30,000 worth of SPP Shares at the same issue price as the Placement, without incurring brokerage or transaction costs.

The SPP offer period is anticipated to open on Monday, 15 December 2025 and close at 5:00pm AWST on Monday, 12 January 2026. Andean encourages eligible shareholders who wish to participate to act promptly in submitting their applications. The Company reserves the right to close the SPP early without prior notice in its sole and absolute discretion by making an announcement to ASX.

Further information regarding the SPP (including terms and conditions of the SPP) will be provided to eligible shareholders in an SPP offer booklet, which is expected to be lodged with ASX and dispatched to Eligible Shareholders on Monday, 15 December 2025.

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Indicative Timetable*

Event	Time/Date
Record date for the SPP (5:00pm AWST)	Friday, 5 December 2025
Announcement of Capital Raising and Trading Halted lifted	Monday, 8 December 2025
Settlement of Placement Shares	Friday, 12 December 2025
Issue of and application for quotation of Placement Shares Announcement and despatch of SPP offer booklet and SPP opening date	Monday, 15 December 2025
Commencement of trading of Placement Shares	Tuesday, 16 December 2025
SPP Closing date* (5:00pm AWST)	Monday, 12 January 2026
Announcement of SPP results, issue of SPP Shares and application for quotation of SPP Shares	Monday, 19 January 2026
Commencement of trading of SPP Shares	Tuesday, 20 January 2026

**The above timetable is indicative only and remains subject to change at Andean's discretion, subject to compliance with the Corporations Act, the ASX Listing Rules and other applicable laws. Andean reserves the right to change the timetable or cancel the SPP at any time before the SPP Shares are issued, subject to regulatory requirements.*

All amounts are in Australian dollars unless otherwise indicated.

-ENDS-

This announcement has been approved for release by the Board of Directors.

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About Andean Silver

Andean Silver Limited (ASX:ASL) is an Australian mineral exploration and development company focused on advancing its 100% owned Cerro Bayo Silver-Gold Project in the Aysen region of Southern Chile. The Cerro Bayo Silver-Gold Project currently hosts an Indicated and Inferred Mineral Resource Estimate of 9.8Mt at a grade of 353g/t for 111Moz of contained AgEq (refer Appendix A of this release). Andean intends to rapidly advance the project and grow the existing silver-gold Resources to demonstrate a globally significant silver-gold asset. For further information regarding Andean Silver Limited, please visit the ASX platform (ASX:ASL) or the Company's website at www.andeansilver.com

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Forward Looking Statements

Various statements in this announcement constitute statements relating to intentions, future acts and events. Such statements are generally classified as "forward looking statements" and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to it and based upon what management believes to be reasonable assumptions, such forward looking statements are estimates for discussion purposes only and should not be relied upon. Andean's performance may be influenced by a number of factors which are outside the control of the Company, its directors, staff or contractors. The Company does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward-looking statements based on new information, future events or otherwise, except to the extent required by applicable laws.

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Compliance Statements

The Mineral Resource Estimate for the Cerro Bayo Project referred to in this announcement was first reported in accordance with the JORC Code in the Company's ASX release dated 1 April 2025, titled "Cerro Bayo Resource increases by 22 per cent to 111Moz". Andean Silver confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Metal equivalents have been calculated at a silver price of US$23/oz and gold price of US$1,900/oz. Silver equivalent was calculated based on the formula AgEq(g/t) = Ag(g/t) + (83 x Au(g/t). Gold equivalent was calculated based on the formula AuEq(g/t) = Au(g/t) + (Ag(g/t) / 83). Metallurgical recoveries for gold and silver are closely linked and are typically 90-93% for gold and silver. The actual assumed metallurgical recovery rate used to calculate the metal equivalents is 90% for each of gold and silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.

APPENDIX A – Cerro Bayo Project Mineral Resource Estimate

Mineral Resource Estimate as at 1 April 2025

	Indicated								
Area	Tonnes (Mt)	Ag Grade (g/t)	Au Grade (g/t)	Silver (Moz)	Gold (Moz)	AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (Moz)
LVMC - UG	1.0	331	3.1	10	0.1	588	18	7.1	0.2
	1.0	**331**	**3.1**	**10**	**0.1**	**588**	**18**		

	Inferred								
Area	Tonnes (Mt)	Ag Grade (g/t)	Au Grade (g/t)	Silver (Moz)	Gold (Moz)	AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (Moz)
LVMC - UG	3.3	174	3.0	19	0.3	421	46	5.1	0.5
LVMC - OP	3.0	38	1.6	4	0.2	171	16	2.1	0.2
CBMC - UG	2.5	197	2.4	16	0.2	393	31	4.7	0.4
	8.8	**136**	**2.3**	**38**	**0.7**	**330**	**93**	**4.0**	**1.1**

Total Indicated and Inferred	Tonnes (Mt)	Ag Grade (g/t)	Au Grade (g/t)	Silver (Moz)	Gold (Moz)	AgEq (g/t)	AgEq (Moz)	AuEq (g/t)	AuEq (Moz)
	9.8	**151**	**2.4**	**47**	**0.8**	**353**	**111**	**4.3**	**1.3**

1. *Mineral Resource Estimates are classified and reported in accordance with the JORC Code.*
2. *Open pit resources are reported to a cut-off grade of 65g/t AgEq.*
3. *Pit optimisation shells were used to constrain the resource using a gold price of US$1,850/oz and Silver price of US$24/oz.*
4. *Taitao Underground ("UG") Mineral Resource Estimates are reported at a cut-off of 165g/t AgEq beneath the open pit ("OP"). Laguna Verde Mining Complex ("LVMC") and Cerro Bayo Mining Complex ("CBMC") Resources external to Taitao are reported at a cut-off of 200g/t AgEq.*
5. *Individual grades for all metals included in the metal equivalents calculation are set out in the table above. Silver equivalents are calculated using the equation AgEq = Ag(g/t) + (83 x Au(g/t) and gold equivalents are calculated based on the equation AuEq = Au(g/t) + (Ag(g/t) / 83) based on a gold price of US$1,900/oz and Silver price of US$23/oz. Metallurgical recoveries for gold and silver are closely linked and are typically 92-93% for gold and silver. The actual assumed metallurgical recovery rate used to calculate the metal equivalents is 90% for each of gold silver. The Company considers the estimation of metallurgical recoveries in respect of exploration work to be reasonable based on the past processing records from the nearby Cerro Bayo plant between 1995 and 2016, and work undertaken in preparing the Mineral Resource Estimate. It is the Company's view that all elements in the silver and gold equivalents calculations have a reasonable potential to be recovered and sold.*
6. *Bulk Density of 2.63g/cm^3 has been applied to veins and 2.57g/cm^3 has been applied to stockwork and waste domains.*
7. *No internal selectivity or dilution has been applied and the stockwork domains have been modelled using a selective mining unit (SMU) of 2.5m x 5m x 2.5m (X,Y,Z) with dilution incorporated into the SMU.*
8. *Numbers may not add due to rounding.*

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