

Silverco Announces Agreement to Acquire Nuevo Silver and the La Negra Mine in Querétaro Mexico

Vancouver, British Columbia – (January 20, 2026) – Silverco Mining Ltd. (TSXV: SICO) (“**Silverco**” or the “**Company**”) announces that it has entered into a binding letter (the “**Binding Letter**”) dated January 19, 2026, providing for the acquisition by the Company of an arm’s length party, Nuevo Silver Inc. (“**Nuevo Silver**”).

The Binding Letter contemplates that the acquisition will be affected by way of a three-cornered amalgamation, pursuant to which Nuevo Silver will amalgamate with a wholly-owned subsidiary of Silverco, and the existing shareholders of Nuevo Silver will be issued common shares of Silverco (each, a “**Silverco Share**”) in consideration for common shares of Nuevo Silver (each, a “**Nuevo Silver Share**”) presently held (the “**Acquisition**”).

Transformational Transaction for Silverco

Silverco is acquiring Nuevo Silver, which recently entered into a Share Purchase Agreement with a party arm’s length to Silverco and Nuevo Silver, to acquire 100% of the producing La Negra Silver Mine in Querétaro Mexico (the “**La Negra Mine**”).

The Acquisition provides several benefits to Silverco, including:

- Immediate production and cash flow
- ~US\$8M in cash
- Diversifying Silverco’s asset base
- Adding an established operating team in Mexico

Mark Ayranto, CEO of Silverco, commented: “The acquisition of Nuevo Silver and the La Negra Mine is a transformative milestone that immediately shifts Silverco from a developer into a cash-flowing producer. La Negra is currently operating at approximately 55% capacity, providing a robust foundation of existing cash flow that we see a clear pathway to build upon by significantly increasing throughput during the remainder of 2026. This accretive acquisition delivers immediate shareholder value and, when combined with our wholly-owned Cusi Property, which we expect to return to operation in the second half of 2026, accelerates our vision to become a 10M oz AgEq producer within 3 years.”

Acquisition Deal Terms

Holders of Nuevo Silver Shares will be issued an aggregate of 16,802,316 Silverco Shares pursuant to the Acquisition. Upon completion of the Acquisition, based on the total number of currently issued and outstanding Silverco Shares, former holders of Nuevo Silver Shares will hold approximately 34% of the outstanding Silverco Shares, and the existing holders of Silverco Shares will hold approximately 66% of the outstanding Silverco Shares. Silverco will also assume approximately US\$11M in debt associated with the La Negra Mine, US\$12.5M in milestone payments due in Q1 2027 and US\$5M in contingent payments potentially due between Q1 2027 and Q1 2028.

Silverco and Nuevo Silver have agreed to diligently and in good faith negotiate a definitive agreement (the “**Definitive Agreement**”) regarding the Acquisition; however, the terms of the Binding Letter will govern the transaction in the event that a Definitive Agreement is not executed.

Closing of the Acquisition is subject to a number of customary conditions, including all necessary consents, approvals, and other authorizations of any regulatory authorities or third parties being obtained, including, without limitation the conditional approval of the TSX Venture Exchange (the “**Exchange**”); completion by Nuevo Silver of the acquisition of the La Negra Mine; receipt by Silverco of a technical report, if required, in respect of the La Negra Mine; receipt by the Silverco board of a favourable fairness opinion; and Silverco board approval.

The closing of the Acquisition will occur as soon as reasonably possible after the satisfaction or waiver of all conditions precedent.

As insiders of the Company will acquire Nuevo Silver Shares as a result of the acquisition by Nuevo Silver of the La Negra Mine, the Acquisition is considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with such insiders’ participation in the Acquisition in reliance on Sections 5.5(b) and 5.7(1)(a) of MI 61-101.

Advisors and Counsel

Canaccord Genuity Corp. is acting as financial advisors to Silverco. DLA Piper is acting as legal counsel to Silverco. Cassels Brock & Blackwell LLP is acting as legal counsel to Nuevo Silver.

Qualified Person

All scientific and technical information in this news release has been reviewed and approved by Nico Harvey. Mr. Harvey is VP Project Development of the Company and is a qualified person for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

About Silverco Mining Ltd.

The Company owns a 100% interest in the 11,665-hectare Cusi Project located in Chihuahua State, Mexico (the “**Cusi Property**”). It lies within the prolific Sierra Madre Occidental gold-silver belt. There is an existing 1,200 ton per day mill with tailings capacity at the Cusi Property.

The Cusi Property is a past-producing underground silver-lead-zinc-gold project approximately 135 kilometres west of Chihuahua City. The Cusi Property boasts excellent infrastructure, including paved highway access and connection to the national power grid.

The Cusi Property hosts multiple historical Ag-Au-Pb-Zn producing mines each developed along multiple vein structures. The Cusi Property hosts several significant exploration targets, including the extension of a newly identified downthrown mineralized geological block and additional potential through claim consolidation.

On Behalf of the Board of Directors

“Mark Ayranto”

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

Cautionary Statement and Forward-Looking Information

This news release contains "forward-looking statements" and "forward-looking information" (together, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or the Company's future performance and are generally identified by words such as "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "goal", "intend", "may", "objective", "outlook", "plan", "potential", "priority", "schedule", "seek", "should", "target", "will", and similar expressions (including negative and grammatical variations).

These forward-looking statements are based on a number of assumptions that, while considered reasonable by the Company as of the date of this release, are inherently subject to significant business, technical, economic and competitive uncertainties and contingencies. Key assumptions include but are not limited to: the ability of the parties to complete the acquisition of the La Negra Mine and the Acquisition; the receipt of all required approvals including, but not limited to, board, shareholder and Exchange approval in a timely manner; the potential of the La Negra Mine; future production; achieving the Company's goals; the potential benefits of the Acquisition; no material adverse changes to general business, economic, market and political conditions; commodity price and foreign exchange assumptions; inflation and input costs remaining within expectations; and the Company's ability to secure additional financing on acceptable terms when required.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied. Such risks are set out in the Company's public disclosure filings available on SEDAR+ at www.sedarplus.ca.

Readers are cautioned not to place undue reliance on forward-looking statements. The purpose of forward-looking statements is to provide readers with information about management's current expectations and plans and may not be appropriate for other purposes. No assurance can be given that such statements will prove to be accurate; actual results and future events could differ materially. The Company undertakes no obligation to update or revise any forward-looking statements contained herein, except as required by applicable securities laws.