



## **Kuya Silver Provides Exploration Update for its Silver Kings Project, Ontario**

Toronto, ON, January 9, 2023 - Kuya Silver Corporation (CSE: KUYA) (OTCQB: KUYAF) (Frankfurt: 6MR1) (the “**Company**” or “**Kuya Silver**”) is pleased to provide an update on exploration activities at its Silver Kings Project, located in the historic Cobalt, Ontario mining camp, including drilling updates from its wholly owned Kerr Project (which forms part of the larger Silver Kings Project). Since launching the project in 2021, Kuya Silver has drilled a total of 5,084 m to scout various targets (3,344 m at the Kerr Project; Table 1, 2), re-assayed certain diamond drill intervals from the previous operator which had been capped at 1,500 g/t silver and completed extensive surface mapping and 3D geological modelling of the area to better refine targets that have the best potential for resource definition. This update includes a discussion of the implications of Kuya Silver’s drill holes (12 diamond drill holes plus one hole extension of oriented drill core into four major target areas near Kerr Lake: North Drummond, Crown Reserve, Fleming, and Hargrave). It also contains details on the 2021 and 2022 work programs, especially newly recognized details on the zonation of mineralized veins, and a discussion of plans for future exploration.

### **Exploration Update Highlights**

Kerr Lake area demonstrates the potential for new discoveries:

- Recent drilling has expanded the size potential of the North Drummond target through the identification of new mineralized structures that appear to be part of a vein cluster at depth. Drilling in the vicinity of the 2018 North Drummond discovery, Kuya Silver intercepted both extensions to and newly identified vein structures with multiple vein orientations (Figure 1). Highlights include hole 21-Kerr-011, which intercepted two significant vein structures at depth:
  - 22 g/t Ag, 0.68% Co / 0.30 m (471 g/t AgEq\* at 260.7 m) and 186 g/t Ag, 0.50% Co / 0.30 m (515 g/t AgEq\* at 282.0 m)
  - Re-assays of overlimit silver (>1,500 g/t) from the 2018 drill program included a composite of 1,042 g/t AgEq\* / 2.20 m including 2,420 g/t Ag, 0.05% Co / 0.30 m in FCC-18-0093 (173.6 m; North Drummond target)
  - North Drummond target to be a major focus of 2023 exploration program
- Other new drill intercepts include:
  - 251 g/t Ag, 0.77% Co / 0.30 m (759 g/t AgEq\* at 77.7 m) in 21-Kerr-008, Crown Reserve target
- Additional re-assays of overlimit silver (>1,500 g/t) from the 2018 drill program include:
  - 5,390 g/t Ag, 0.59% Co / 0.30 m in FCC-18-0094 (20.7 m; Drummond target)
    - Composite 1,097 g/t AgEq\* / 2.00 m
  - 1,910 g/t Ag, 0.51% Co / 0.30 m in FCC-18-0106 (31.3 m; Drummond target)
    - Composite 876 g/t AgEq\* / 0.90 m
  - 1,810 g/t Ag, 0.02% Co / 0.30 m (65.4 – 65.7 m) in FCC-18-0111 (65.4 m; Drummond target)

- Composite 1,083 g/t AgEq\* / 0.60 m

David Lewis, Kuya Silver Exploration Director commented: “In 2021, Kuya Silver was a newcomer to the 550-million-ounce Cobalt silver mining camp. Through completed acquisitions and the imminent exercise of an option, we are on the verge of having the largest property package in the camp. This property package is reported to have produced approximately one sixth of total historical silver production (96 of 550 million ounces) and remains highly prospective for new discoveries.”

“Our initial drill program at our Kerr Project was designed to test for additional mineralization near high-grade intersections from drilling by prior operators. We are pleased to report that, in our North Drummond target area, we intersected a mineralized vein cluster at depth, buried beneath cover, away from known workings and ranging from 30 to 90 m below our ideal target horizon (Figure 2). We are encouraged by our drill results, as they suggest the potential for an economic target nearer to surface, but the system also remains open to the northeast and at depth and warrants follow-up work.”

Reviewing historical mining in the camp, the Proterozoic (Huronian) sedimentary rock contact has been important, as it hosts most of the mined veins at Kerr Lake (Figure 2). Silver/cobalt (Ag/Co) vein metal ratios, which range from Co > Ag to Ag >> Co, can increase dramatically to high silver content, particularly in these Proterozoic rocks. The positioning is crucial: the Carson Vein, 0.5 km away at Kuya Silver’s nearby Crown Reserve Mine, produced 9.2 million ounces of silver from dimensions estimated at 87 m by 61 m (286 ft by 200 ft; Knight 1922) at and above this contact.

2022 exploration work was focused on refining the chemical and structural characteristics of the silver/cobalt mineralized veins. For the first time in the camp, detailed systematic exploration efforts are demonstrating how the target veins are zoned, with high-grade silver in the core, surrounded by cobalt and nickel, and with base metals in the vein extremities; high-grade silver is localized at vein intersections and bends. This is relevant to ongoing exploration, both for drilling and drill targeting, and may be crucial to defining a mineral resource in the future.

**Figure 1** – Regional map showing the Kerr Lake area relative to the Cobalt townsite and silver mining camp (left), as well as a detailed map of the Kerr Lake area including the location of historic properties, mines, and veins as well as the current Kuya Silver mining patents, leases, and claims (right). Major (>1,000 g/t silver) drill intercepts from the 2018 drill program carried out by First Cobalt Corp., now Electra Battery Materials Corporation (“**Electra**”), are shown, as well as overlimit (>1,500 g/t silver) re-assays commissioned in 2021 by Kuya Silver.

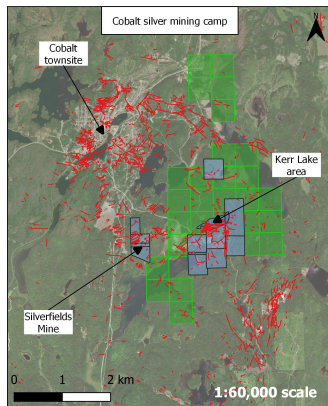


Figure 1 - Area and detailed maps of the Kerr Lake area, NE Ontario, located in the Cobalt, Ontario silver mining camp.

Approximately 550 Moz silver was mined in the Cobalt mining camp. More than 10% was produced from the Kerr Lake area and the Silverfields Mine, both of which are 100% owned by Kuya Silver.

The detailed map shows the distribution of mined veins, as well as high-grade (>1,000 g/t) silver drill intercepts from the 2018 First Cobalt program. Overlimit (>1,500 g/t) silver was re-assayed by Kuya Silver in 2021.

Selected 2018 and all 2021 Kerr Project drillholes are shown.

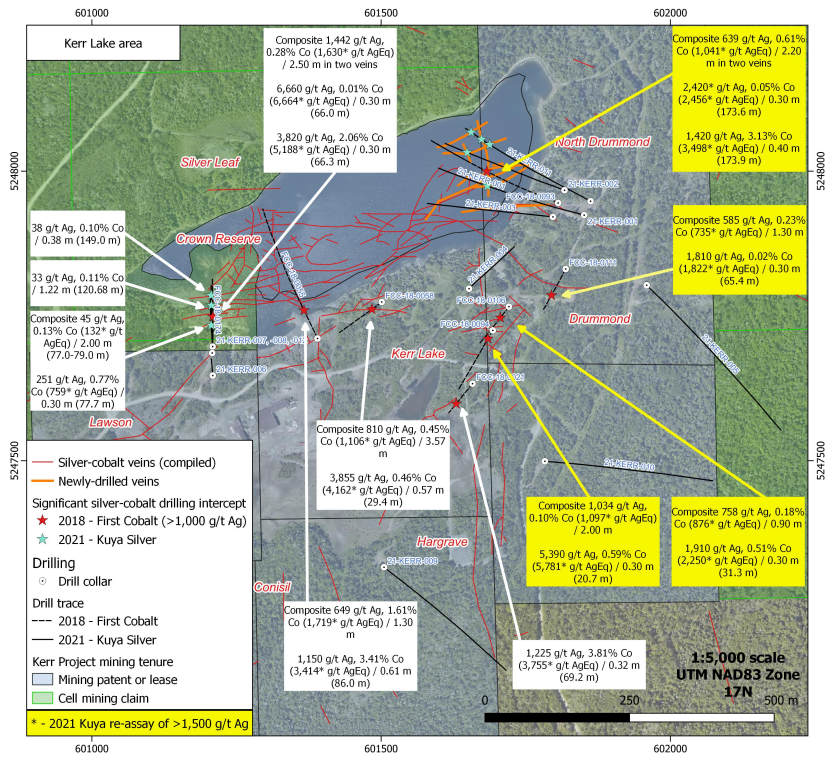


Figure 2 – Newly-drilled vein cluster intersected in the 2021 Kuya Silver drilling program at the North Drummond area. A conceptual vein model, developed on the Electra drill program, indicates that drilling intersects are near the lower limit of veining with significant shallower potential and at vein intersections.

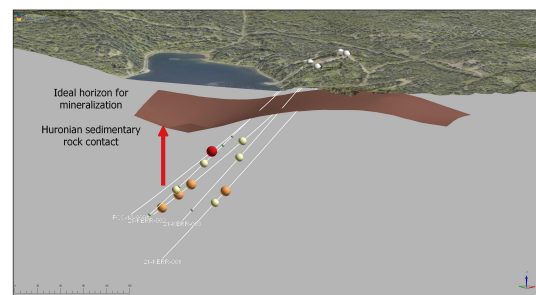
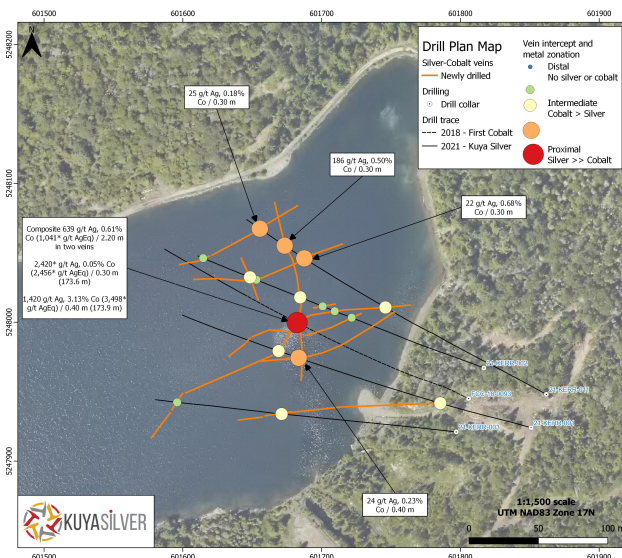


Figure 2 - Drilling intercepts from the North Drummond target, Kerr Lake area, and vein metallogeny model.

A newly-discovered cluster of mineralized veins were intersected at depth in the North Drummond target area, which is relatively under-explored compared to the larger Kerr Lake area. Orientations and veins interpretations are based on drillhole orientation measurements.

Mineralization is relatively deep and needs to be followed up closer to surface where grades and size of zones may increase.

The 2,420 g/t and 1,430 g/t silver intercepts in hole FCC-18-0093 were drilled into a conjugate vein intersection. Other vein intersections may also host high-grade silver mineralization.

The conceptual mineralized vein zonation map shows the interpreted spatial distribution of vein mineralogy ranging from high-grade silver and cobalt to weakly mineralized to unmineralized. The model is based on evenly-spaced vein measurements taken from other areas.

Table 1 – Assay results (including composite and silver equivalent [AgEq\*] values) from 2021 Kuya Silver drill program and 2018 overlimit (>1,500 g/t) silver and >1,000 g/t silver analyses. AgEq\* was calculated

from silver (Ag) and cobalt (Co) only, with values captured on December 14, 2022. Silver price of \$23.89/oz (\$USD) and cobalt price of \$51,000.00/tonne (\$USD) were used.

Hole ID	Area	From	To	Width	Ag	Co	AgEq* (Ag, Co only)		Cu	Ni	Pb	Zn
		(m)	(m)	(m)	g/t	%	g/t		%	%	%	%
<b>Silver-Cobalt vein mineralization</b>												
21-Kerr-001	North Drummond	242.30	242.70	0.40	24	0.23	174		0.13	0.09	0.14	0.11
21-Kerr-007	Crown Reserve	120.68	121.90	1.22	33	0.11	106		0.53	0.01	0.25	0.41
21-Kerr-007	Crown Reserve	149.00	149.38	0.38	38	0.10	105		0.57	0.01	0.09	0.03
21-Kerr-008	Crown Reserve	77.00	79.00	2.00	45	0.13	132		0.47	0.07	0.25	0.35
21-Kerr-008 Including	Crown Reserve	77.70	78.00	0.30	251	0.77	759		2.64	0.35	1.00	1.06
21-Kerr-011	North Drummond	260.70	261.00	0.30	22	0.68	471		0.01	0.04	0.21	0.14
21-Kerr-011	North Drummond	282.00	282.30	0.30	186	0.50	515		0.03	0.03	0.34	0.04
21-Kerr-011	North Drummond	309.43	309.73	0.30	25	0.18	144		0.47	0.03	0.40	0.40
<b>Base metal mineralization</b>												
21-Kerr-003	North Drummond	22.00	42.00	20.00	11	0.02			0.29	0.01	0.42	0.34
21-Kerr-003	North Drummond	66.00	67.00	1.00	3	0.00			2.09	0.03	0.28	0.23
21-Kerr-003	North Drummond	198.00	222.00	24.00	3	0.00			0.04	0.00	0.23	0.38
21-Kerr-004	Fleming	21.00	31.00	10.00	16	0.03			0.15	0.01	0.61	0.87
21-Kerr-007	Crown Reserve	101.00	103.00	2.00	2	0.02			0.08	2.27	0.10	0.23
21-Kerr-008	Crown Reserve	161.00	168.00	7.00	5	0.02			0.04	0.01	0.50	0.29
<b>&gt;1,500 g/t Silver re-assay results</b>												
FCC-18-0093	North Drummond	172.1	174.3	2.2	639	0.61	1,041		0.13	0.05	0.88	0.62
Including	North Drummond	173.6	173.9	0.3	2,420	0.05	2,456		0.00	0.00	0.01	0.01
Including	North Drummond	173.9	174.3	0.4	1,420	3.13	3,498		0.12	0.26	0.01	0.01
FCC-18-0094	Drummond	20	22	2	1,034	0.10	1,097		0.05	0.01	0.01	0.01
Including	Drummond	20.7	21	0.3	5,390	0.59	5,781		0.02	0.07	0.01	0.01
FCC-18-0106	Drummond	31	31.9	0.9	758	0.18	876		0.38	0.03	0.19	0.04
Including	Drummond	31.3	31.6	0.3	1,910	0.51	2,250		0.38	0.09	0.06	0.01
FCC-18-0111	Drummond	64.7	66	1.3	585	0.23	735		0.12	0.06	0.03	0.05
Including	Drummond	65.4	65.7	0.3	1,810	0.02	1,822		0.18	0.01	0.05	0.01

## **Kerr Lake Overview**

The Kerr Lake area is part of the Cobalt, Ontario silver mining camp and it is located 3 km southeast of Cobalt townsite (Figure 1). Of the approximately 550 million oz (Moz) of silver production in the Cobalt mining camp, approximately 10% or 58 Moz was recorded to have been produced in seven mines in a 4.5 square kilometer area surrounding Kerr Lake between 1905 - 1965, not including the nearby Silverfields Mine, also owned by Kuya Silver, which produced a further 19 Moz of silver. At Kerr Lake, mines include Kerr Lake (28.5 Moz), Crown Reserve (20.3 Moz), Lawson (4.2 Moz), Drummond (3.9 Moz), Hargrave (0.5 Moz), Silver Leaf (0.5 Moz) and Conisil (0.1 Moz; Sergiades 1968). In addition to silver, these mines also jointly produced >930,000 lbs cobalt and lesser nickel and copper, critical metals now required for battery production. Historically, very little effort has been made to understand the spatial relationship of these by-product metals with the silver mineralization.

Silver production at Kerr Lake came from narrow, high-grade (>1,000 g/t) silver-cobalt-arsenide veins and vein clusters, primarily hosted in the flat-lying Huronian sedimentary rocks near the lower contact of an arched Nipissing Diabase sill. Mineralized veins extend into the underlying (older) Archean volcano-sedimentary rocks but were only sporadically mined.

Current field work suggests that the Kerr Lake area formed as a dextral pull-apart structure with a WSW-ENE trending axis. The new mineralized vein cluster at the North Drummond target lies directly on this axis, and other nearby areas on Kuya Silver's properties host comparable structures with excellent potential for similar discoveries.

## **New Discovery in North Drummond Target Area**

The North Drummond target area is located immediately north of the historic Drummond Mine and workings and relative to the nearby Kerr Lake mined area, is generally under-explored (Figure 2). The main Drummond Vein, which strikes east-west and dips subvertically, is the northern limit of known underground workings in the Drummond and North Drummond areas, aside from minor workings.

Newly-discovered, high-grade mineralization was drilled by Electra in 2018 in the North Drummond area that assayed >1,500 g/t over 0.30 m in hole FCC-18-0093, with capped composite assays of 515 g/t silver and 0.61% cobalt over 2.20 m. Kuya Silver had the original, sealed pulp re-assayed, yielding 2,420 g/t silver over 0.30 m (updated weighted average of 639 g/t silver and 0.61% cobalt over 2.20 m), and followed up in 2021 by drilling four nearby holes and extending hole FCC-18-0093. Drillholes 21-Kerr-001, -002, -003 and -011 (oriented NQ core) were designed to test mineralization on 25 m centers laterally and at depth. Shallower drilling was not attempted during this program due to technical constraints on the equipment used.

This drill program intersected a vein cluster at depth, with steeply dipping veins trending either north-northwest or northeast, that likely project towards surface (Figure 2). Hole FCC-18-0093 intersected two perpendicular veins in 2018 with corresponding high grades and widths; hole 21-Kerr-011 pierced a vein with higher-grade silver almost 60 m away laterally and 60 m deeper than the intersection in hole FCC-18-0093. Analysis of in-place veins (described below) shows that veins are zoned; mineralization intensifies predictably near vein intersections with the potential to host higher-grade mineralization, and several of these vein intersections are interpreted in this North Drummond target area (Figure 2). Follow-up drill targeting will be shallower and closer to the major rock contacts (where mining was concentrated in the Kerr Lake area) with mineralization being open towards surface, to the northeast, and at depth.

Where narrow, isolated, mineralized veins are intercepted, these will be tested at the nearest known vein intersection(s), where Kuya Silver believes rock conditions are favourable to generate the best economic potential.

### **Other Drill Targets**

Holes were also drilled into the Crown Reserve (21-Kerr -006, -007, -008 and -012), Hargrave (21-Kerr-009, -010), and Drummond/Fleming (21-Kerr-004, -005) target areas (Figure 1). Follow-up drilling beneath the Carson Vein at Crown Reserve, which was the best silver intersection of the 2018 drill program (FCC-18-0174 – 6,660 g/t silver over 0.30 m), shows that mineralization continues below the known mine workings. Significantly mineralized veins were intersected, including 251 g/t silver, 0.77% cobalt over 0.30 m (77.7 – 78.0 m) in hole 21-Kerr-008. Further work in this area is warranted.

An additional 1,740 m in a second program were drilled near Oxbow Lake (Silver Centre area; Table 2) with no significant results.

### **Vein Geochemistry**

An ongoing vein geochemical study was initiated in 2022 to examine and characterize the mineralization and orientation of silver-cobalt veins (Figure 2). Crucially, although there is an abundance of studies examining vein geochemistry at specific locations or points (Petruk 1971), no known studies have systematically examined the veins laterally or along trend at this level of detail. Two in-situ vein systems have now been examined with regularly (1 – 2 m) spaced data captured on vein style, orientation, and chemistry using a portable XRF. The vein material is clearly zoned in five progressive stages, with distal, intermediate, and proximal (*ie.* hosting high-grade silver) intervals identified based on silver-arsenic-bismuth-cobalt-copper-lead-zinc concentrations and ratios. High grade zones occur at vein intersections and areas where veins jog, bend or otherwise change orientation. This vein zonation model has major implications for ongoing work, including an analysis of current drill geochemistry, drill targeting, exploration, and future potential mineral resource estimates.

Note: X-ray fluorescence (XRF) is a rapid and non-destructive analytical method used to precisely measure the point source (or spot) elemental composition of materials. Portable XRF measurements on mineralized veins were captured using a handheld Thermo-Scientific Niton XL3t instrument, which was professionally calibrated in 2021 by Elemental Controls in Mississauga, Ontario. Regularly spaced measurements were taken in the plane of veins and prioritizing areas of visually identified mineralization, with reference standard RCRAp measured every 25 scans.

Additionally, a geochemical analysis of the 2017-2018 Electra drilling was commissioned by Kuya Silver in 2021 to investigate the base metal rock alteration surrounding the silver-cobalt mineralized veins. The silver-cobalt veins are commonly surrounded by haloed copper, lead and zinc-bearing sulphide-carbonate “shoulder” veins, across and beneath the silver-cobalt veins. This was observed in the 2021 drill program, where base metal sulphide mineralization was intersected at the depth projection of veins, suggesting that some of the silver-cobalt veins may be pinching out at depth. In other cases, such as in hole 21-Kerr-005, base metal sulphide minerals were intersected at depth, suggesting the potential for silver-cobalt mineralization nearer to surface.

The newly recognized vein mineral zonation and sulphide haloes are now being applied to the 2017 – 2021 drill geochemistry on the project, specifically from 104 Electra and Kuya Silver drill holes (totaling almost 18,000 m) at Kerr Lake.

### **Other Work**

Field work is ongoing in the Silver Kings Project. A conceptual structural model of vein emplacement was produced in early 2022 and the model is being refined primarily through field mapping, geophysical data, and historic compilation. Faults, which commonly host mineralized veins in the camp, have been identified and extended on the Kerr Lake property, including several 100 to 300 m along trend from unmined, 1980s-era, high-grade silver drill intercepts (Benner 1982) of up to 1,300 oz/t silver.

### **Quality Assurance and Quality Control**

All 2021 Kuya Silver Kerr Lake Phase 1 drill core samples were assayed by AGAT Laboratories in Mississauga, Ontario. Drill core was halved by splitter (unmineralized core) or rock saw (mineralized intervals, cut perpendicular to mineralization) and catalogued, in accordance with industry-standard Quality Assurance/Quality Control (QA/QC) procedures, with standard, duplicate and blank samples added in a pre-established order. Samples were then sealed in nylon bags and shipped to the AGAT facility in Mississauga, Ontario. Samples were processed by sodium peroxide fusion and analyzed by ICP-AES or ICP-MS. Overlimit silver was processed with multi-acid digest and an ICP finish. Verification of specific samples was redone with 50 g fire assay and gravimetric finish with no significant variation in results. Re-assay of 2018 Electra samples was performed as outlined from original, sealed sample pulps.

All 2021 Kuya Silver Phase 2 drill core samples were assayed by ALS Laboratories in Vancouver, British Columbia. Drill core was halved by splitter (unmineralized core) or rock saw (mineralized intervals, cut perpendicular to mineralization) and catalogued, with industry-standard Quality Assurance/Quality Control (QA/QC) standard, duplicate and blank samples added in a pre-established order. Samples were then sealed in nylon bags and shipped for processing at ALS Laboratories in Sudbury, Ontario and assayed in Vancouver, British Columbia. Samples were processed by 4 acid digest and analyzed by ICP-AES or ICP-MS. Overlimit silver was processed by 30 g fire assay and gravimetric finish.

The 2018 Electra samples from the relevant drill core was analyzed at AGAT Laboratories or ALS Laboratories. Samples processed through AGAT Laboratories were processed by sodium peroxide fusion and analyzed by ICP-OES or ICP-MS. High-grade silver was verified and reprocessed by 3 acid digest and ICP-OES finish. Samples processed through ALS Laboratories was digested with aqua regia and analyzed by AA and ICP-AES and capped to 1,500 g/t silver. Overlimit samples were reprocessed by fire assay with gravimetric finish on 30 g samples.

### **References**

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### **National Instrument 43-101 Disclosure**

The technical content of this news release has been reviewed and approved by Mr. David Lewis, P.Geo., Exploration Director of Kuya Silver and a Qualified Person as defined by National Instrument 43-101.

### **About Kuya Silver Corporation**

Kuya Silver is a Canadian-based mineral exploration and development company with a focus on acquiring, exploring, and advancing precious metals assets in Peru and Canada.

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**Table 2** – Drill hole coordinates and orientations. All units are in meters and coordinates are presented in UTM NAD83 Zone 17N.

Hole ID	Easting	Northing	Elevation (mASL)	Depth (m)	Azimuth	Dip
21-KERR-001	601851	5247924	327	364.16	286	-44
21-KERR-002	601817	5247967	312	291	290	-41
21-KERR-003	601797	5247921	317	282	276	-40
21-KERR-004	601652	5247797	306	159	44	-48
21-KERR-005	601959	5247803	324	459	134	-43
21-KERR-006	601209	5247647	307	37.2	355	-40
21-KERR-007	601209	5247697	313	177	355	-55
21-KERR-008	601209	5247697	313	177	356	-62
21-KERR-009	601505	5247316	312	375	128	-43
21-KERR-010	601783	5247499	319	414	94	-46
21-KERR-011	601862	5247948	324	324	299	-41
21-KERR-012	601208	5247686	313	204	0	-66
FCC-18-0093 ext				81		
21-SK-01	614139	5225031	303	320	300	-45
21-SK-02	614014	5225106	295	280	300	-45
21-SK-03	613898	5225173	301	298	120	-70
21-SK-04	614451	5224964	324	26	315	-60
21-SK-05	614452	5224964	324	56	315	-60
21-SK-06	612948	5227737	340	425	285	-55
21-SK-07	612770	5228178	311	335	295	-50
FCC-18-0021	601658	5247633	309	101	219	-50
FCC-18-0055	601390	5247711	311	377	335	-51
FCC-18-0058	601501	5247774	311	125	234	-45
FCC-18-0093	601806	5247945	318	308.5	295	-40
FCC-18-0094	601693	5247725	311	152	210	-41
FCC-18-0106	601721	5247766	308	110	218	-40
FCC-18-0111	601819	5247831	311	101	208	-40
FCC-18-0174	601209	5247697	313	152	0	-40