HIGHLANDER SILVER REPORTS RESULTS FROM DRILLING AT ALTA VICTORIA & PROVIDES EXPLORATION UPDATE

December 28, 2022 - Vancouver, British Columbia – Highlander Silver Corp. (CSE:HSLV) (the "**Company**" or "**Highlander Silver**") is pleased to provide drilling results from its Alta Victoria project in Central Peru and provide updates regarding on-going work at the Company´s Politunche project and generative program.

Highlights

- Significant intercepts at the Santa Teresita target include:
  AV 22-12: 4.0m of 153.2 g/t AgEq[1] (0.08 g/t Au, 42.54 g/t Ag,0.96% Pb, 1.81% Zn)
  AV 22-14: 7.9m of 231.63 g/t AgEq (0.79 g/t Au, 64.53 g/t Ag, 0.82% Pb, 1.82% Zn) including 3.8m of 316.22 g/t AgEq (1.02 g/t Au, 65.73 g/t Ag, 1.27% Pb, 2.75% Zn)
  AV 22-17: 4.7m of 178.15 g/t AgEq (1.13 g/t Au, 13.18 g/t Ag, 0.25% Pb, 1.50% Zn)
- The drilling results at Santa Teresita are interpreted to indicate that the top of a potentially significant mineral system has been recognised, analogous to the high grade Uchuccachua silver mine, located in the same mineral belt, some 90kms from Alta Victoria. Further drilling is required to test this model.

CEO statement

David Fincham (President & CEO) commented *"We are encouraged by the polymetallic mineralisation and associated alteration drilled at the Santa Teresita target, which has significantly improved our understanding of its geology and potential. The results confirm the presence of a fertile mineral system returning metre-length intercepts of silver – gold – lead – zinc mineralisation and associated manganese sulphide. Using Uchucchacua as an analogue, we believe that we could have drilled the top of a similar style system, so we are now integrating the new drill information into our geological model to focus the next stage of drilling on targeting the potential ore body at depth.*

Unfortunately, our drilling in the Pachas area did not return results that warrant follow up at this stage.

In addition, we are currently completing geochemical sampling and detailed mapping at our Poiltunche project, 15 kms to the southwest of Alta Victoria, with the objective of identifying new prospective targets and expanding extents of known targets. We will be reporting on those results in the coming weeks.

Finally, our generative program is now well underway comprising a systematic review of high potential mineral districts in the Central Andes which we are optimistic will yield attractive opportunities for acquisition over the coming months.

[1] *AgEq in this press release is calculated using the following parameters: Au=$1700/oz, Ag=$20/oz, Pb=$0.90/lb, Zn=$1.20/lb, Cu=$3.0/lb. Metallurgical recovery is assumed to be 100% on all metals, and true width of mineralisation is unknown.*

Alta Victoria 2022 drill program

The program comprised 1,800.5m of diamond core drilling in 10 holes, and was designed to achieve the following objectives:

- Complete follow up drilling from the 2020 programme at the Santa Teresita target, and test depth extents of previously undrilled outcropping mineralisation (View here: 2020 Scout Drill program Results);
- Complete first pass reconnaissance drilling in the Pachas area, testing the Adriana North and Buena Estrella targets (View here: 2022 drill targets defined).

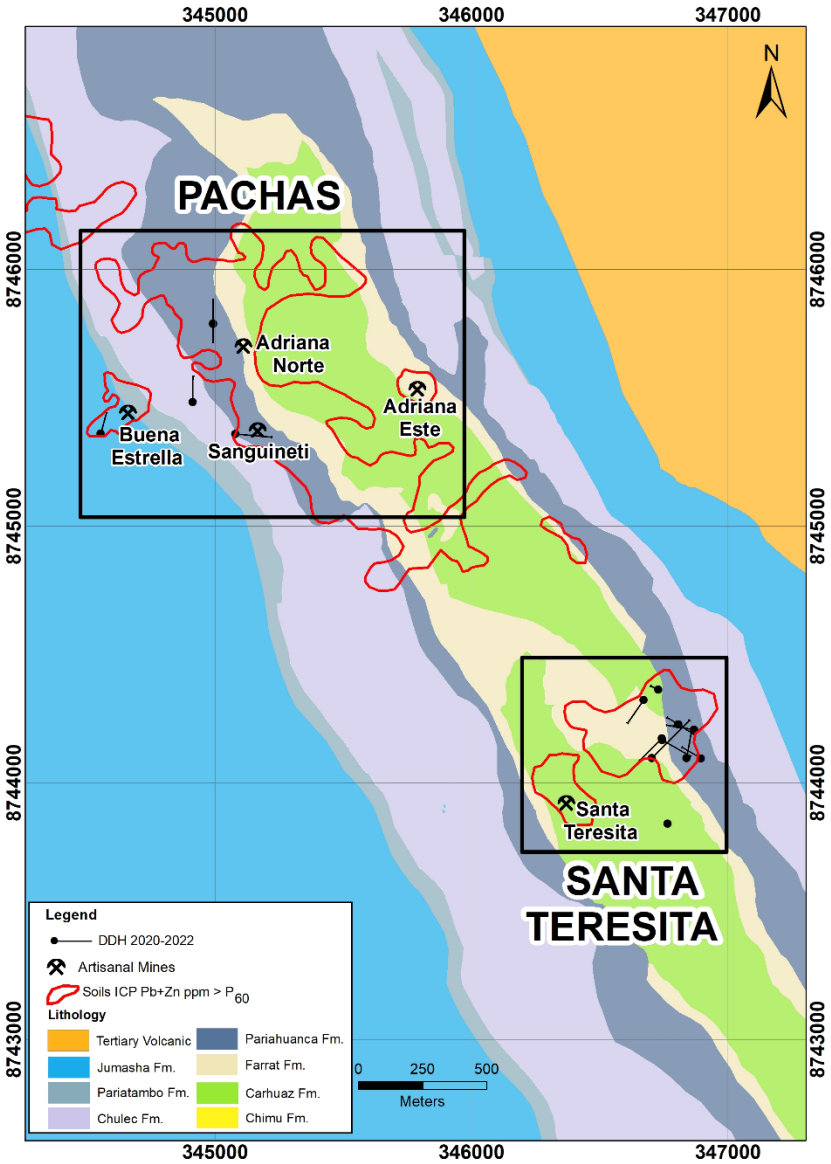

Fig 1. Alta Victoria Geology and Pb – Zn soil anomalies (>60th percentile) highlighting the Santa Teresita target and Pachas area (Buena Estrella & Adriana Norte targets). 2020 and 2021 drill traces shown.

Santa Teresita Drilling: Total drilling of 1,092.5m in six holes.

Drilling successfully tested depth extents of outcropping breccias and replacement style mineralisation, returning significant intercepts in holes drilled in sections approximately 100 metres apart.

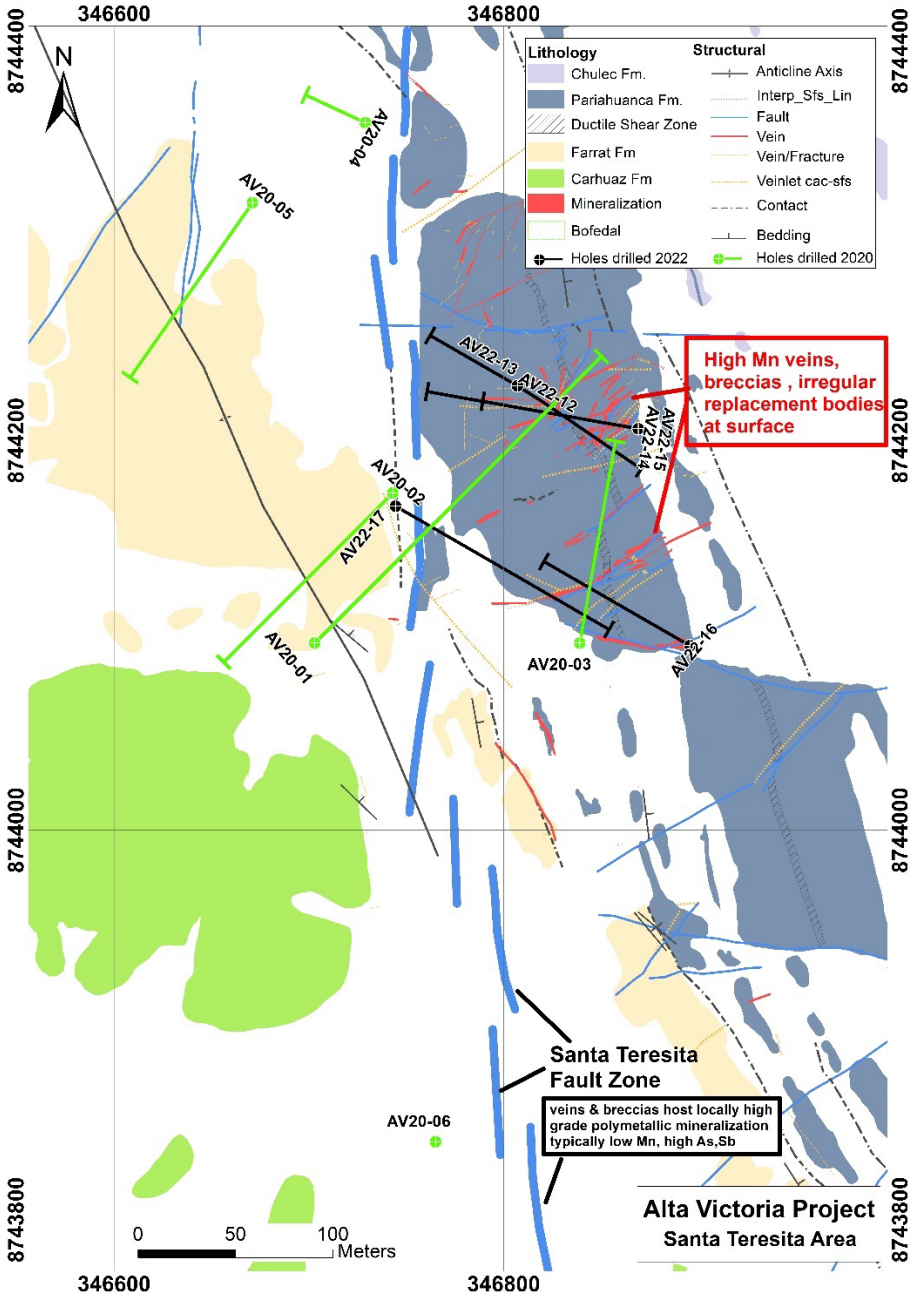

Fig 2. Santa Teresita geology and drilling to date.

Drill hole AV22-12 returned 4.0m of 0.08 g/t Au, 42.54 g/t Ag, 0.96% Pb and 1.81% Zn for 153.2 g/t AgEq from 71.90m.

AV22-14, drilled in the same section, returned 7.9m of 0.79 g/t Au, 64.53 g/t Ag, 0.82 % Pb and 1.82% Zn for 231.63 g/t AgEq from 68.60m.

AV22-17 drilled approximately 100m to the South targeting the same mineralised trend returned 4.70m of 1.13 g/t Au, 13.18 g/t Ag, 0.25% Pb and 1.50% Zn for 178.15 g/t AgEq from 100.50m. AV22-17 also intersected a number of other mineralised intervals (see table 1) supporting the concept of potentially continuous mineralisation from that reported 100m to the North.

Drill Hole	Azimuth	Dip	Length (m)				Interval (m)	Au g/t	Ag g/t	Pb %	Zn %	AgEq g/t
			Total		From	To						
AV22-12	120°	-60°	160.5		39.00	39.75	0.75	0.52	38.60	0.80	1.82	181.90
				And	71.90	75.90	4.00	0.08	42.54	0.96	1.81	153.20
				And	111.90	114.75	2.85	0.02	93.52	0.11	0.14	102.66
AV22-13	300°	-45°	156.5		100.35	105.80	5.45	0.35	1.33	0.00	0.01	31.08
AV22-14	280°	-75°	223.5		58.15	61.34	3.19	0.19	76.69	0.31	0.41	119.16
				And	68.60	76.50	7.90	0.79	64.53	0.82	1.82	231.63
				Incl	69.7	73.50	3.80	1.02	65.73	1.27	2.75	316.22
AV22-15	280°	-50°	103.5		43.10	45.80	2.70	0.05	98.79	0.31	0.79	140.76
				And	53.20	54.90	1.70	0.03	65.84	0.26	0.46	92.72
				And	58.30	60.60	2.30	0.06	35.90	0.27	0.42	61.45
				And	65.30	66.20	0.90	0.09	39.60	0.40	0.50	80.09
AV22-16	300°	-60°	148.5		**No Significant Intercepts**							
AV22-17	120°	-75°	300		59.45	60.25	0.80	0.04	41.60	0.04	0.03	41.60
				And	100.50	105.20	4.70	1.13	13.18	0.25	1.50	178.15
				And	116.73	120.35	3.62	0.34	125.42	0.28	0.12	167.86
				And	124.57	127.30	2.73	1.74	4.39	0.01	0.01	152.29
				And	207.60	209.00	1.40	0.02	24.80	0.11	2.80	143.13

Table 1. Drill Intercepts – Santa Teresita Target.

Discussion

The silver, gold, lead, zinc and manganese sulphide (alabandite) mineralisation drilled at Santa Teresita is analogous to the upper levels of several significant deposits in the Miocene Polymetallic Mineral Belt of central Perú. Many of these deposits sit on or near the regionally significant Alpamarca fault (see fig. 3). Particularly of note is the Uchucchacua Mine where historic high grade silver production totals over 310 Moz since production began in 1975 (Buenaventura, 2022 Investor Presentation). The presence of alabandite is diagnostic of the upper levels of Uchucchacua which carries moderate grades of silver and base metals. In addition, manganiferous calcite veins associated with zones of hydrothermal alteration and mineralisation present at Alta Victoria are also noted at Uchucchacua, further suggesting that similar ore-forming processes were in play at the time of deposit formation.

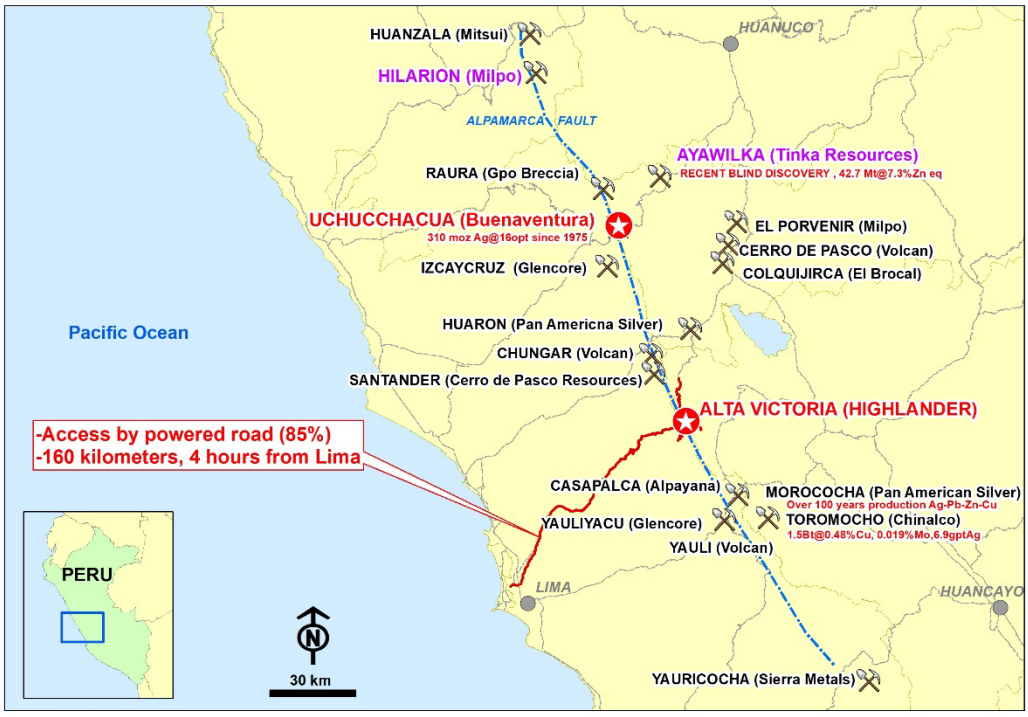

Fig. 3 Location map of the Central Peru Polymetallic Mineral Belt, highlighting the relative positions of Alta Victoria and Uchucchacua, approx. 90kms along strike from one another.

A comparison of the relative depths of emplacement of alabandite and base metal emplacement at these two mineral systems, and review of the mining levels at Uchucchacua indicates that significant potential remains at Alta Victoria some 100m to 300m below the current depth of drilling (see fig. 4).

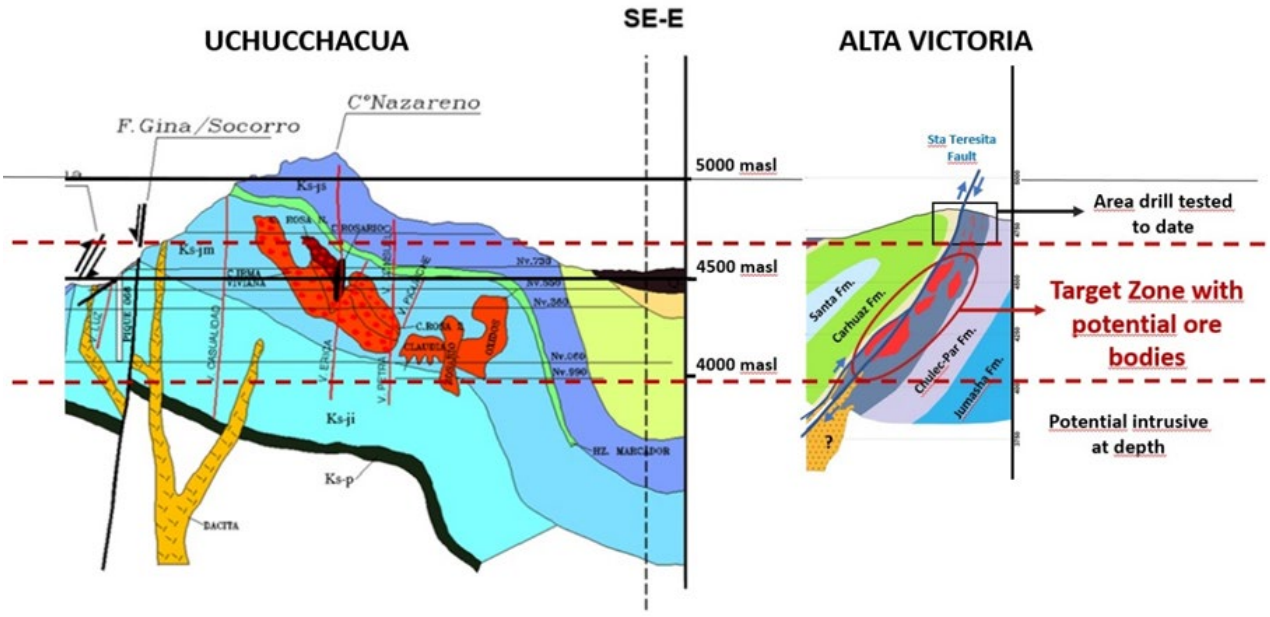

Fig. 4 Comparative models of the Uchucchacua mine (section adapted from Petersen et al, 2004) and the Santa Teresita target (Alta Victoria project), highlighting the untested target zone at Santa Teresita.

Pachas Area – Adriana North and Buena Estrella targets

Four drill holes totaling 708m tested silver, lead, zinc and gold manto-style mineralisation mapped and sampled at the Adriana North artisanal mine, and a northeast trending mineralised structural corridor (see News Release of May 13, 2022).

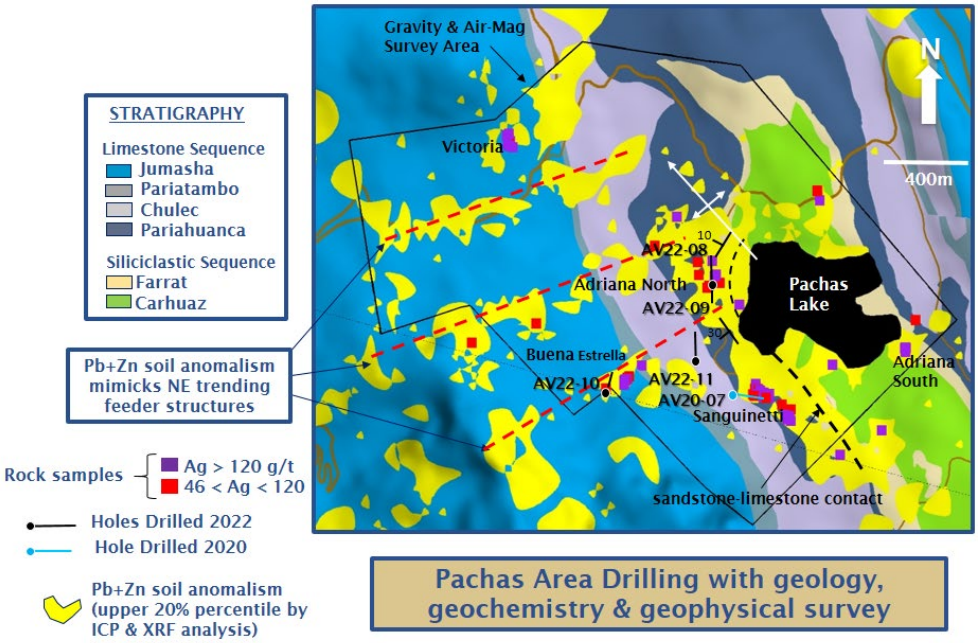

Figure 4: Pachas area drilling with geology, geochemistry and area of geophysics coverage.

Two holes, AV22-08 and AV22-11 returned short (<2m) mineralised intercepts of note (see table 2), however the Company does believe that these results warrant follow up at this time, allowing for full focus on the Santa Teresita target.

Drill Hole	Azimuth	Dip	Length (m)				Interval (m)	Au g/t	Ag g/t	Cu%	Pb %	Zn %	AgEq
			Total		From	To							
AV22-08	000°	-50°	150		19.10	21.00	1.90	0.71	15.7	0.02	0.03	0.05	76.05
				And	77.55	78.6	1.05	0.02	15.0	0.04	0.90	1.54	78.20
AV22-09	180°	-60°	150		No Significant Intercepts								
AV22-10	015°	-70°	249		No Significant Intercepts								
AV22-11	000°	-50°	159		130.80	131.95	1.15	0.12	52.0	0.43	0.11	0.10	113.82

Table 2. Drill Intercepts – Pachas area.

Other areas of focus:

Politunche high grade silver – gold project

Following the purchase of Solitario Zinc´s Politunche data set (see Press Release of August 9th, 2022), the Company has integrated all available data resulting in the definition of new target areas around subvolcanic dome margins. These areas require detailed mapping and sampling as the next step to developing drill targets. This work, plus refining existing gold targets at the North of the property, will be completed before year end.

Central Andes generative program

The Company recognises that current challenging market conditions are an opportunity to identify and acquire compelling projects that have the potential to yield economic discoveries in the near to medium term. As such, a systematic review of opportunities in the Central Andes region has begun and further news on this program is expected over the coming months.

Sampling Quality Control

All Highlander Silver sample assay results have been independently monitored through a quality control / quality assurance ("QA/QC") protocol which includes the insertion of blind Certified Reference Material (CRM or standards), coarse blanks as well as drill core duplicate samples. Logging and sampling are completed at Highlander Silver's core handling facility located at the Obrajillo site. Drill core is diamond sawn on site and half drill-core samples are securely transported to CERTIMIN laboratories ("CERTIMIN") sample preparation facility in Lima, Peru.

Silver and other elements are also determined by ICP methods. Samples of more than 10 g/t gold and 100 g/t silver exceeding the limits are re-analysed by fire assay with gravimetric finish by CERTIMIN. Samples with more than 10000 ppm of Cu, Pb, Zn and Mn are re-analysed by CERTIMIN by Atomic Absorption (AA). Highlander Silver is not aware of any drilling, sampling, recovery or other factors that could materially affect the accuracy or reliability of the data referred to herein. CERTIMIN Laboratories is independent of Highlander Silver.

Qualified Person

All scientific and technical information contained in this news release was prepared and approved by Walter La Torre, (Qualified Person), MAusIMM (CP). Mr. La Torre has verified the scientific and technical information disclosed in this news release by reviewing the sampling, analytical and drilling data from the Property.

About Highlander Silver

Highlander Silver Corp. is a mineral exploration company focused on the exploration of silver-polymetallic projects in central Peru, as well as targeting the acquisition of additional mineral projects by leveraging the team's significant experience in Peru and South America more widely. Additional information about Highlander Silver and its mineral projects can be viewed on the Company's SEDAR (www.sedar.com) profile at www.sedar.com and its website at www.highlandersilver.com

Neither the Canadian Securities Exchange (CSE) nor the Investment Industry Regulatory Organization of Canada (IIROC) accepts responsibility for the adequacy or accuracy of this news release.

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