

Aftermath Silver Ltd.
Suite 1500-409 Granville St.
Vancouver, BC V6C 1T2
TSX:AAG.V OTCQX:AAGFF



NEWS RELEASE

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.

FOR IMMEDIATE RELEASE

May 15, 2023
(AAG2023 – NR #10)

AFTERMATH SILVER LTD. ANNOUNCES CLOSING OF SECOND AND FINAL TRANCHE OF PRIVATE PLACEMENT

Vancouver, British Columbia, (Newsfile Corp. – May 15, 2023) Aftermath Silver Ltd. (the “Company”) (TSXV: AAG) (OTCQX: AAGFF) (FRA: FLM1) is pleased to announce that it has closed the second and final tranche (the “**Second Tranche**”) of its previously announced non-brokered private placement (the “**Private Placement**”), whereby the Company has completed the issuance of 7,045,200 units (each, a “**Unit**”) at a price of \$0.25 per Unit for gross proceeds of \$1,761,300.00. Pursuant to both tranches of the Private Placement, the Company issued an aggregate of 33,005,467 Units for gross proceeds of \$8,251,367.

Each Unit consists of one common share in the capital of the Company (a “**Common Share**”) and one-half of one non-transferable common share purchase warrant of the Company (each whole warrant, a “**Warrant**”). Each Warrant is exercisable by the holder to acquire one Common Share for a period of 24 months from the date of closing of the Second Tranche of the Private Placement at a price of C\$0.35 per share.

In connection with the Private Placement, the Company paid fees to eligible finders consisting of an aggregate of: (i) \$328,782.50; (ii) 57,400 Common Shares (the “**Finder’s Shares**”); and (iii) 200,410 Warrants (the “**Broker Warrants**”). Each Broker Warrant is exercisable by the holder to acquire one Common Share for a period of 24 months from the date of closing of the Second Tranche of the Private Placement at a price of C\$0.35 per share.

All securities issued pursuant to the Second Tranche of the Private Placement, including the Finder’s Shares, are subject to hold period expiring on September 16, 2023, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

The Company intends to use the net proceeds from the Second Tranche for metallurgical and engineering studies on the Berenguela Silver-Copper-Manganese project in southern Peru (“**Berenguela**”), project payments related to the purchase of Berenguela and for general working capital purposes.

Certain directors, officers and other insiders of the Company ("**Interested Parties**") purchased or acquired direction or control over a total of 80,000 Units as part of the Second Tranche of the Private Placement. The placement to those persons constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Notwithstanding the foregoing, the directors of the Company have determined that the Interested Parties' participation in the Second Tranche of the Private Placement will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 in reliance on the exemptions set forth in sections 5.5(a) and 5.7(1)(b) of MI 61-101. The Company did not file a material change report 21 days prior to the closing of the Second Tranche of the Private Placement as the details of the participation of Interested Parties had not been confirmed at that time.

Exercise of Warrants

The Company also wishes to announce the exercise of 3,068,400 previously issued Common Share purchase warrants of the Company exercisable at \$0.25 per Common Share by certain shareholders of the Company, issued in connection with its private placement offering on May 7, 2020, for gross proceeds of \$767,100.

About Aftermath Silver Ltd.

Aftermath Silver Ltd. is a leading Canadian junior exploration company focused on silver, and aims to deliver shareholder value through the discovery, acquisition and development of quality silver projects in stable jurisdictions. Aftermath has developed a pipeline of projects at various stages of advancement. The Company's projects have been selected based on growth and development potential.

- **Berenguela Silver-Copper project.** The Company has an option to acquire a 100% interest through a binding agreement with SSR Mining. The project is located in the Department of Puno, in southern central Peru. A NI 43-101 Technical Report on the property was filed in February 2021 (available on SEDAR and the Company's web page). The Company is currently drilling at Berenguela and planning to advance the project through a pre-feasibility study.
- **Challacollo Silver-Gold project.** The Company recently completed the acquisition of a 100% interest in the Challacollo silver-gold project from Mandalay Resources; see Company news release dated August 11, 2022. A NI 43-101 mineral resource was released on December 15, 2020 (available on SEDAR and the Company's web page). The Company is currently permitting road access in anticipation of an upcoming drill program.
- **Cachinal Silver-Gold project.** The Company owns a 100% interest in the Cachinal Ag-Au project, located 2.5 hours south of Antofagasta. On June 10, 2022, Aftermath announced it had reached an agreement to sell Cachinal to Honey Badger Silver Inc. On September 16, 2020, the Company released a CIM-compliant mineral resource estimate and accompanying NI 43-101 Technical Report (available on SEDAR and on the Company's web page).

ON BEHALF OF THE BOARD OF DIRECTORS

"Ralph Rushton"

Ralph Rushton
CEO and Director
604-484-7855

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 Note Regarding Forward-Looking Information

This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this news release and include without limitation, statements regarding discussions of future plans, estimates and forecasts and statements as to management's expectations and intentions with respect to, among other things, the Company's use of proceeds raised under the Second Tranche of the Private Placement including completing metallurgical and engineering studies at Berenguela.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things, market uncertainty, that the Company will not utilize the proceeds raised under the Second Tranche of the Private Placement as currently anticipated including for the purpose of completing metallurgical and engineering studies at Berenguela.

In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, that the Company will use the proceeds of the Second Tranche of the Private Placement as currently anticipated.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.