

## Los Mangos Discovery Sweetens the Pot

### ACTION: Reiterating SPECULATIVE BUY and \$0.50/share Target Price

On April 1, Outcrop Silver released more high-grade results from a regional target located some 8km from the known resource at its Santa Ana gold-silver project in Colombia. The Los Mangos discovery and nearby historic Frias mine mark the southwestern end of the 17km of drill-permitted trend, reaffirming our expectations for the project's potential to host 50Moz Ag and 250koz Au with more successful drilling. Accordingly, we maintain our **SPECULATIVE BUY** and \$0.50/share target price, based on our benchmark in situ valuation metrics of US\$3/oz Ag and US\$75/oz Au, adjusted for our future equity assumptions, priced in the context of the current market.

### DETAILS: Aguilar Shows Good Promise; La Ye Extended to Nearly 500m in Length

**Summary:** In April 2023, Outcrop announced a maiden resource estimate for seven vein systems at the district's northeastern end, reporting a combined 2.2Mt grading 387gpt Ag and 1.98gpt Au, for 27Moz of contained silver and 140koz of contained gold ([See Link](#)). Subsequently, the company confirmed their potential for high recoveries and concentrate grades ([See Link](#)), while obtaining the necessary permits to drill along another 17km of prospective trend and begun to systematically move towards the southwest, most recently in the Los Mangos area (see Fig. 1).

**Los Mangos:** Hole DH444 intersected 3.4m grading 94gpt Ag and 7.68gpt Au, starting at ~218m down-hole. The intercept is enclosed by a lower-grade halo of mineralization that averaged 12.32gpt Ag and 0.86gpt Au over 3.72m. It also lies down dip of two previously released intercepts that averaged 874gpt Ag and 0.03gpt Au over 0.42m, and 357gpt Ag and 0.53gpt Au over 2.36m.

To date, Los Mangos has been tested by 14 holes to outline mineralization along a strike length of 350m and down to a depth of 200m below surface (and shallow historic workings that returned up to 4,545gpt Ag and 5.27gpt Au in channel samples varying from 0.25 to 2.85m in length). Five of those holes returned at least one intercept exceeding the company's cut-off grade of 200gpt AgEq across an average drill width of 1.69m. Mineralization is hosted by green schist and intrusive dykes in association with quartz veins, breccias and fault-related structures, similar to other areas tested along the multi-kilometer long system.

Drilling continues.

**Cashed up:** Today's update follows the successful closing over an up-sized equity financing that generated nearly \$7.5M in gross proceeds for continued exploration at Santa Ana. The unit offering saw 33.98M shares and half as many warrants issued at \$0.22/unit. The warrants are exercisable for two years at \$0.30/share, providing for a potential \$5M in additional proceeds, if exercised in full. We have updated our model for the financing, as well as, our expectations for a similar-sized one in the future, but conservatively priced in the context of the current market.

#### RATING & TARGET PRICE

Rating	SPECULATIVE BUY
Price	C\$0.19
Price Target	C\$0.50
Market Cap (\$M)	C\$71.36
Projected Return	163.2%

#### MARKET DATA

OCG-TSXV	C\$0.19
Average Daily Volume	519,243.00
Book Value	C\$0.05
52 Week Range	C\$0.35 - C\$0.17
Enterprise Value (\$M)	C\$67.2
Cash (\$M)	C\$7.46
Shares Out. (MM)	375.6

Cash and debt current as of Nov. 30, 2024, thus excludes proceeds from an equity financing completed on March 27, 2025.

#### UPCOMING EVENTS/CATALYSTS

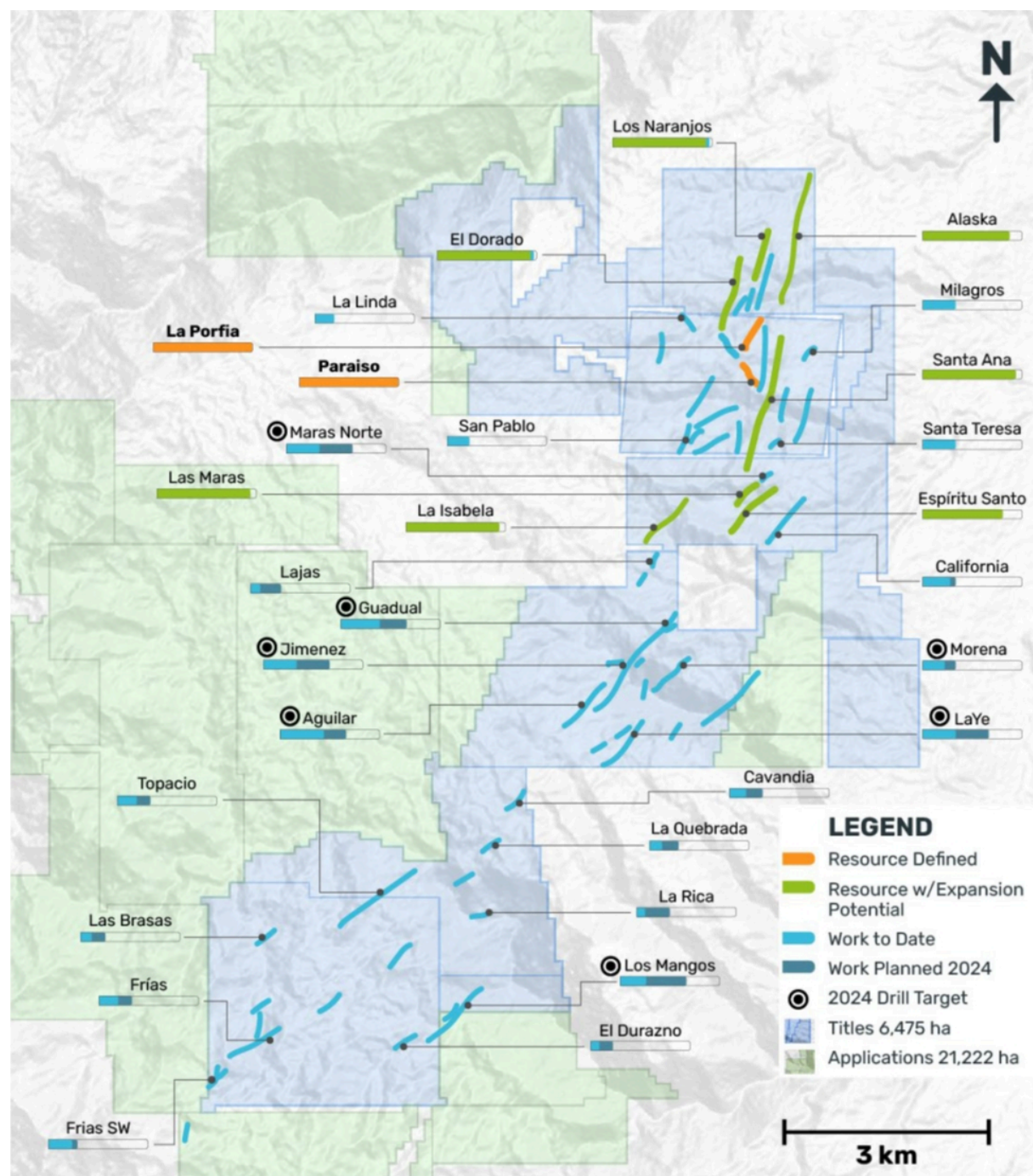
2025 -- ongoing project updates

H1/26 -- targeted resource update

#### ANALYST INFORMATION

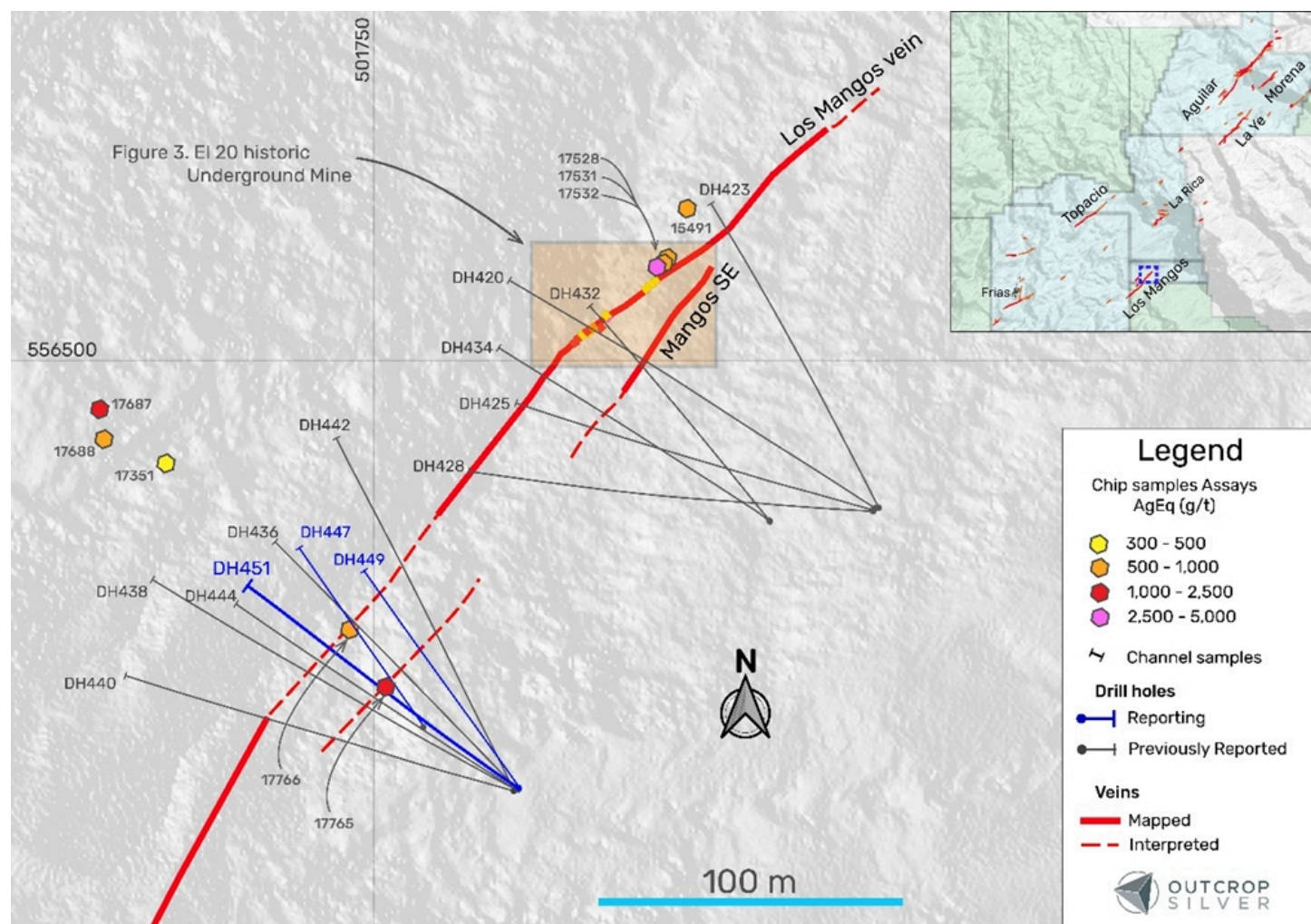
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**Figure 1 - Plan View of Santa Ana Project**



Source: Company reports

Figure 2 - Plan View of Los Mangos Area

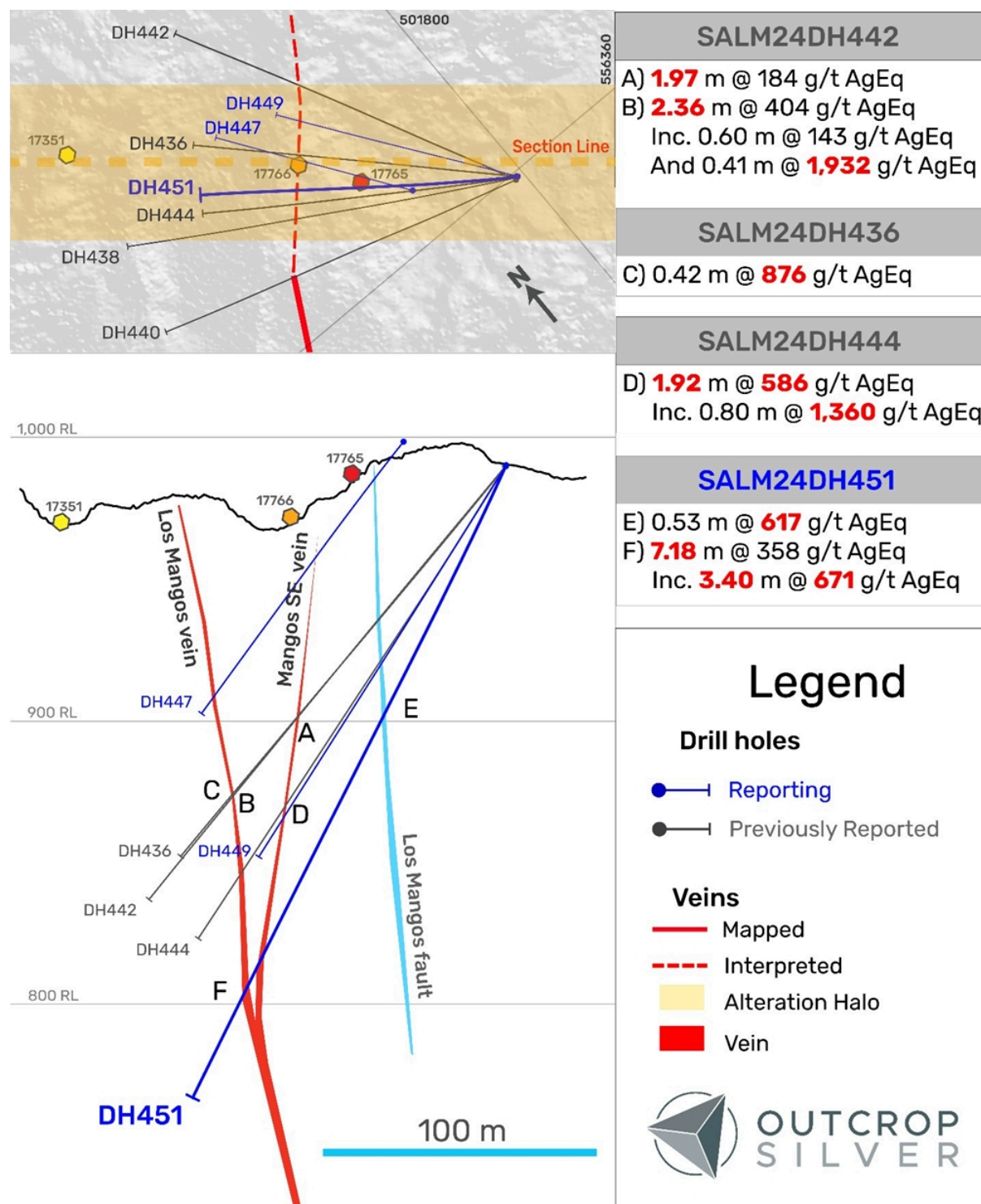


Source: company reports

Hole DH447 intersected a vein, but grades were less than the company's 200gpt AgEq cut-off, whereas Hole DH449 encountered a void.



**Figure 3 - Cross-Section of Los Mangos Vein System**



Source: Company report

Section width is 75m

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## Company Description:

**Outcrop Silver & Gold Corp.** is a junior exploration company focused on precious metals in Colombia. The Company's flagship Santa Ana property contains among what are considered the country's richest historic silver mines, if not in all of Latin America.

## Risks:

Outcrop Silver & Gold's projects are exposed to a variety of business risks, including, but not limited to: development or operating issues, including and more specially, negative exploration results; changes in permitting, environmental or tax regulations; and fluctuations in commodity prices or currency rates. External financing requirements are also key risks, owing to the company's status as an early-stage explorer and hence, lack of operating cash flows. There is no guarantee that the Company can successfully raise sufficient funds or attract a potential suitor to help finance future programs or support independent resource estimates, assuming available results would support such undertakings, let alone more advanced studies, such as a Preliminary Economic Assessment or Feasibility Study.

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