



## Building A Responsible High-Margin Silver Mining Company

**CSE: KUYA | OTCQB: KUYAF | FRA: 6MR1**



HIGH GRADE | GROWING | SILVER PRODUCTION | AMERICAS

**MAY 2021**

# IMPORTANT DISCLOSURES - PLEASE READ CAREFULLY

This presentation is being provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any securities of Kuya Silver Corp. (the "**Company**") in Canada, the United States or any other jurisdiction. Trading in the securities of the Company should be considered highly speculative. This presentation is not, and in no circumstances is it to be construed as, a prospectus, offering memorandum, an advertisement, or a public offering of securities. No securities regulatory authority or similar authority has reviewed or in any way passed upon the document or the merits of any securities of the Company and any representation to the contrary is an offence. The information contained in this presentation is a summary description of the Company prepared by the Company and there is no representation or warranty by the Company or any other party as to the accuracy or completeness of the information set forth herein and no recipient will be able to rely on any representations or warranties contained in this presentations. Except as otherwise stated, information included in this presentation is given as of the date hereof. The delivery of this presentation shall not imply that the information herein is correct as of any date after the date hereof. Readers should not construe anything in this presentation as investment, legal or tax advice. Each recipient should consult its own investment, legal, tax and other advisers regarding the financial, legal, tax, and other aspects of the Company, including whether it is legally permitted to purchase any securities from the Company under applicable laws. All dollar amounts referenced herein, unless otherwise indicated, are expressed in U.S. dollars.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

Statements contained in this presentation that are not current or historical factual statements may constitute "forward-looking information" within the meaning of applicable securities laws. The forward-looking information reflects current expectations regarding future results, performance or achievements and speaks only as of the date of this presentation. When used in this presentation, forward-looking information can be identified by such words as "may", "will", "expect", "believe", "plan", "project", "anticipate", "intend", "estimate" and other similar terminology. Such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such information.

Such risks, uncertainties and other factors include, but are not limited in any manner to: risks inherent in exploration activities; volatility and sensitivity to market prices for silver; volatility and sensitivity to capital market fluctuations; the impact of exploration competition; the ability to raise funds through financings; imprecision in historical estimates; environmental and safety risks including increased regulatory burdens; unexpected geological conditions; changes in government regulations and policies, including trade laws and policies; demand for silver; failure to obtain necessary permits and approvals from government authorities; weather and other natural phenomena; and other exploration, development, operating, financial market and regulatory risks. The foregoing list of factors is not exhaustive. Although management of the Company believes that the assumptions underlying and the expectations reflected in the forward-looking information are reasonable, significant risks and uncertainties are involved in such information. Management can give no assurances that its assumptions, estimates and expectations will prove to have been correct. Forward-looking information should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. Many factors that are beyond the Company's control could cause actual results to differ materially from the results discussed in the forward-looking statements. When considering forward-looking information in this presentation, prospective investors should ensure that the preceding information, the risk factors and the other contents of this presentation are all carefully considered. Except as expressly required by law, the Company does not assume any obligation to update or revise forward-looking information, or to publicly release the results of any revisions to forward-looking information to reflect new events, assumptions or circumstances.

# IMPORTANT DISCLOSURES - PLEASE READ CAREFULLY

## CAUTIONARY NOTE REGARDING TECHNICAL DISCLOSURE

The information in this presentation has been reviewed and approved by Dr. Scott Jobin-Bevans, P.Geo., who is a Qualified Person for the Company under the definitions established by National Instrument 43-101 ("NI 43-101"). A qualified person, as defined by NI 43-101, has not done sufficient enough work to verify the historical assay results and technical information reported herein. Historical mineral resources and reserves for the Bethania Property were estimated by Dionicio Milla Simon (Geological Engineer), as documented in a report entitled, "Mina Santa Elena Estimacion de Recursos y Reservas Minerales", dated March 2016. The historical mineral resources and reserves were calculated using simple block modelling for ore stopes and larger resource blocks, using the data collected through drifting and significant rock sampling from within the mine workings. The historical Bethania Mine has more than 6,000 metres of horizontal development among seven different veins. In addition, there is vertical development in the ore reserve areas between production stopes. Mineral reserve estimates considered mineralized material that was immediately accessible by existing mine workings and was calculated exclusive of mineral resources. The vein and ore development were methodically and consistently sampled for silver, lead and zinc, as well as the thickness of each vein sample and location recorded. Copper was assayed only intermittently and more sampling is required in order to include copper in any future mineral resource or mineral reserve estimates. No cut-off grade was provided but a specific gravity (density) of 3.0 and a dilution factor of 5% were applied. The historical estimates were completed using the categories set out in sections 1.2 and 1.3 of NI 43-101 and following the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014. There are no recent estimates or data available to the Company. Verification of the historical mineral resource and reserve estimates would require sampling of mineralization at surface and underground (drill holes and on-vein sampling in mine workings) to generate a statistically significant number of samples of the historical resource and reserve blocks. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves and the Company is not treating the historical estimates as current mineral resources or mineral reserves. Investors should not rely on the historical estimates as current mineral resources or mineral reserves until they have been verified and supported in a technical report in accordance with NI 43-101.



# WELL-RUN SILVER MINES COMMAND A MARKET PREMIUM

## Bethania is a great first asset

### Recent Past

- Producing silver mine until 2016 – now on care and maintenance.
- **Extensive database** of information with clear geologic model in place.
- Earn-in acquisition signed with Kuya late 2017
- Mine debt retirement completed in 2019
- Technical program for mine expansion initiated
- Completed initial 43-101 technical report

### Present (2020-2021)

- RTO Q3 2020 **(June-Sept)**
- Raised C\$12.3M **(June-July)**
- Received EIA approval **(August)**
- Closed acquisition of mine **(December)**
- Engaged Mining Plus for PEA **(December)**
- Drill/update historical estimate **(Current)**
- PEA – Mine Expansion
- Finance plant/expansion
- Build management team **(Ongoing)**

### Future Vision (2021+)

- Commission/Production
- Low cost silver production
- Aggressive regional exploration
- Next growth stage: expand Bethania, develop Kerr Project, Ontario (Canada)
- Longer-term growth from regional exploration in Peru and Silver Kings project, Canada
- Re-rating potential based on comparable public **silver mining** companies

# SHARE STRUCTURE

Shares Outstanding	34,302,432
Shares Issued in Bethania Acquisition	3,929,288
Shares Issued in Silver Kings Acquisition	1,437,470
<b>Total Shares (May-2021)</b>	<b>39,666,190</b>

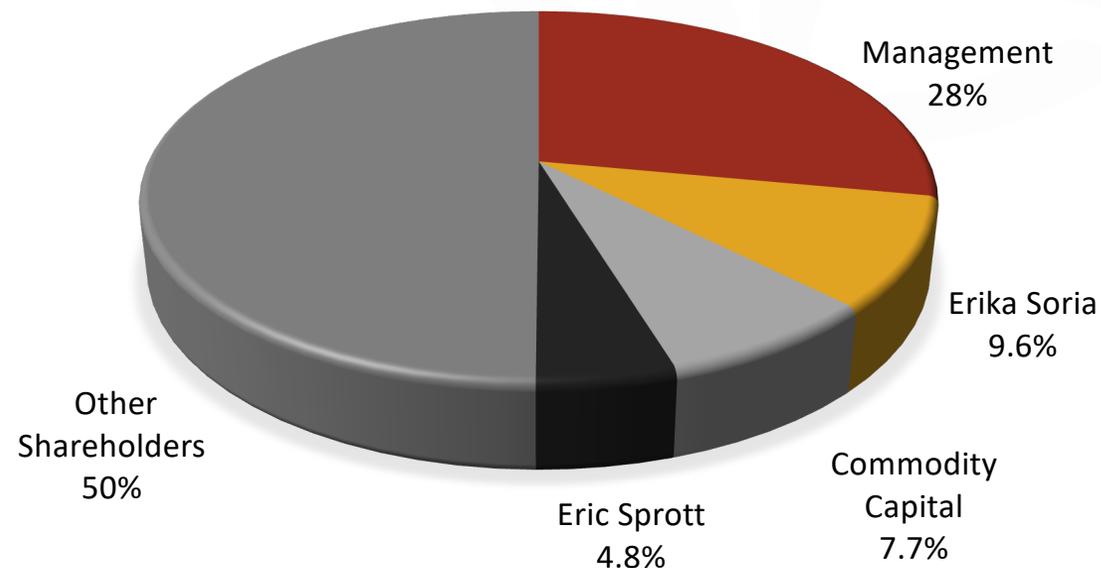
Options	1,172,500
<b>Fully Diluted</b>	<b>40,838,690</b>

## Significant Shareholders

Management	<b>28%</b>
Erika Soria (S&L Andes)	9.6%
Commodity Capital	7.7%
Eric Sprott	4.8%

## Other Large Shareholders

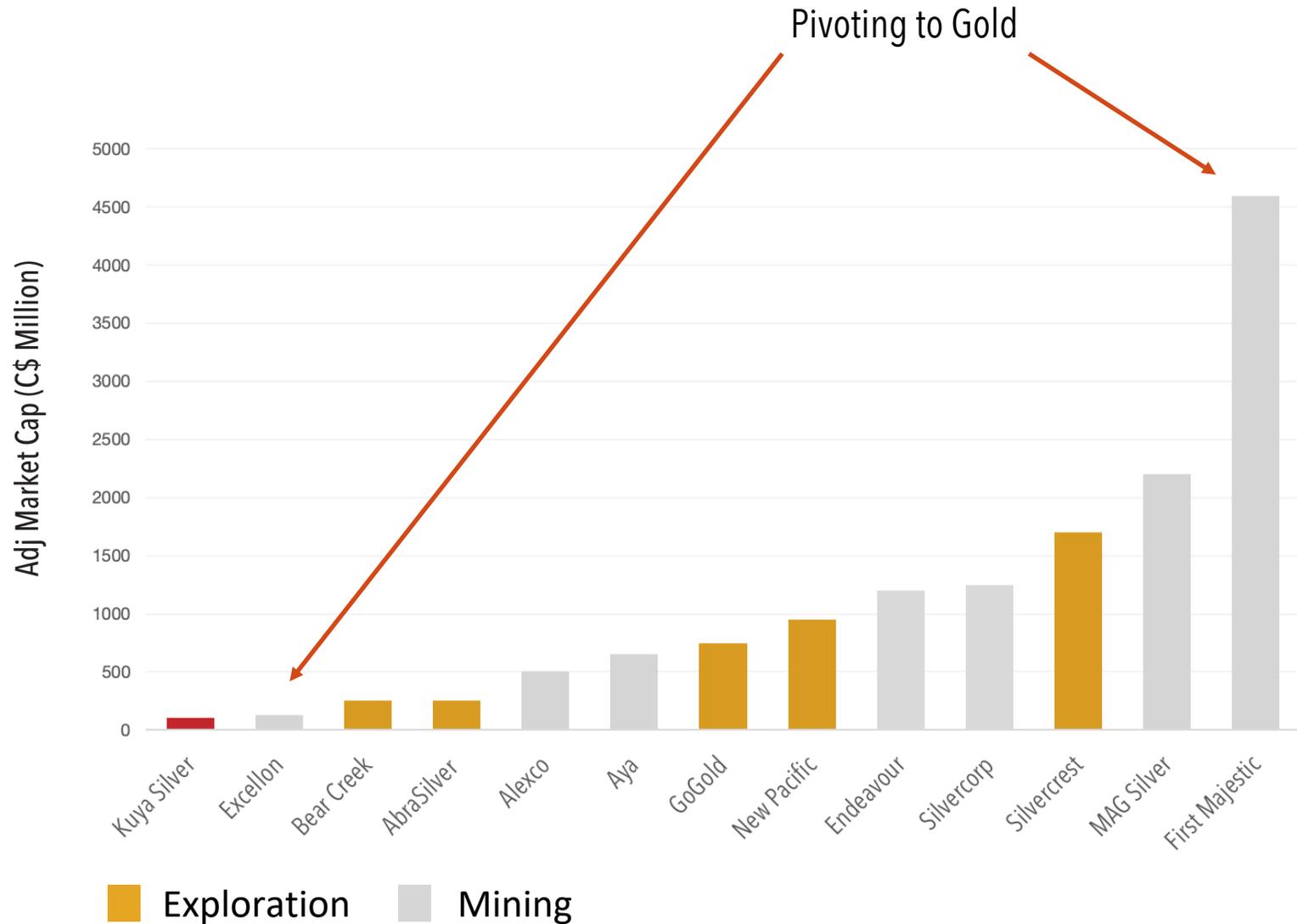
Sprott Asset Management	<5%
Crescat Capital	<5%
First Cobalt Corp.	<5%



# SILVER COMPANIES - VERY SMALL SECTOR

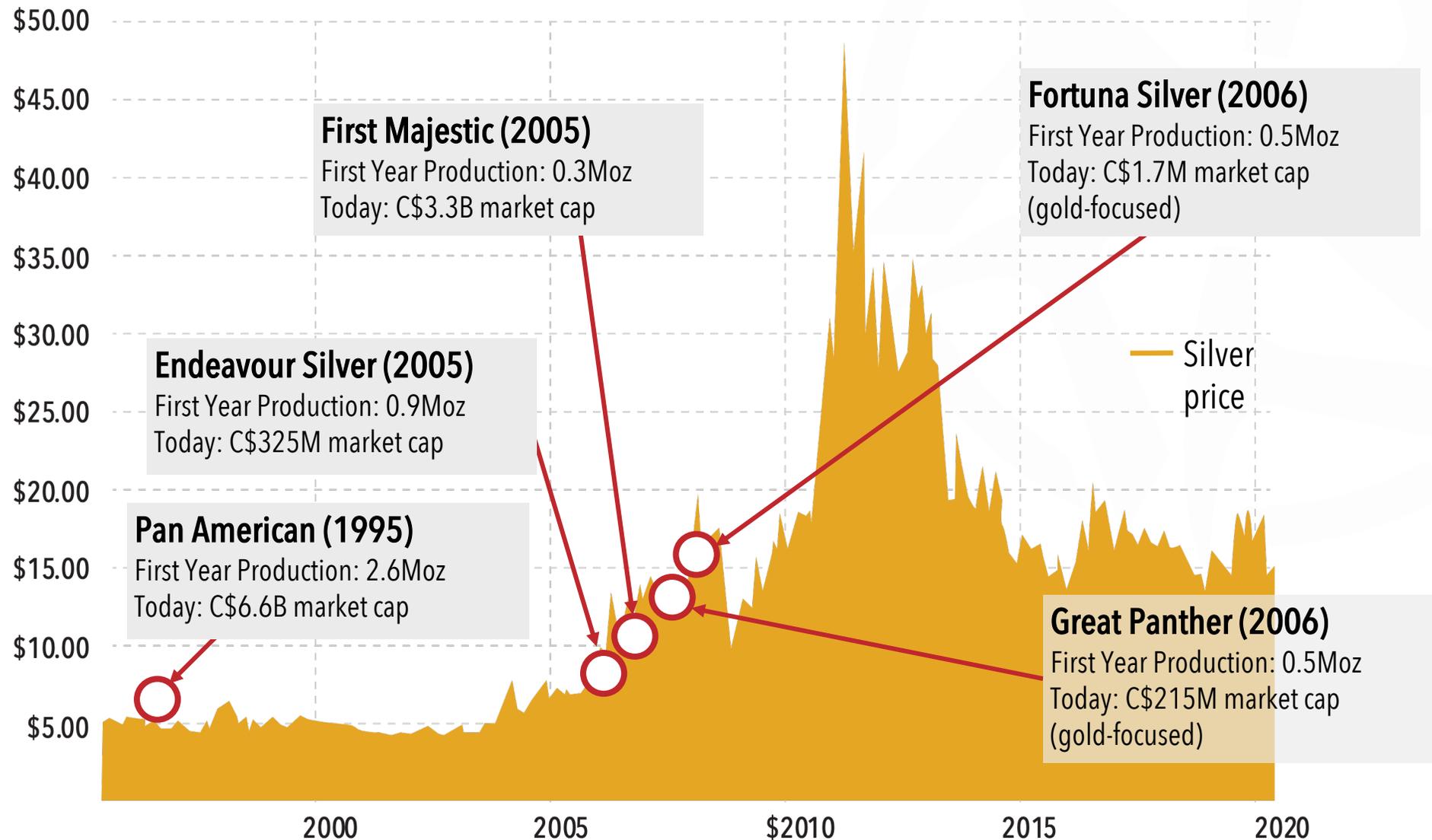
## Silver Equities Universe

- Lack of good investment choices drives valuations higher
- The investable silver universe is very small
- Significant value increase for production
- Production and/or significant exploration projects valued at C\$100M+



# WHAT DO THESE SUCCESSFUL SILVER COMPANIES HAVE IN COMMON?

Start **small**  
and grow  
through  
**production**  
and  
**acquisition**



# FOLLOWING A SUCCESSFUL PROVEN STRATEGY

The **Bethania Mine** will Launch the Market's Next Silver Mining Company

1

Identify a high-grade silver mine in either Peru or Mexico – the two most prolific silver mining countries in the world – benefitting from strong mining culture, and infrastructure

**START with a great silver mining asset!**

2

Acquire small-scale mines from local owners – with institutional market access to capital we are able to drill (increase resources/reserves) and expand (increase production/reduce costs)

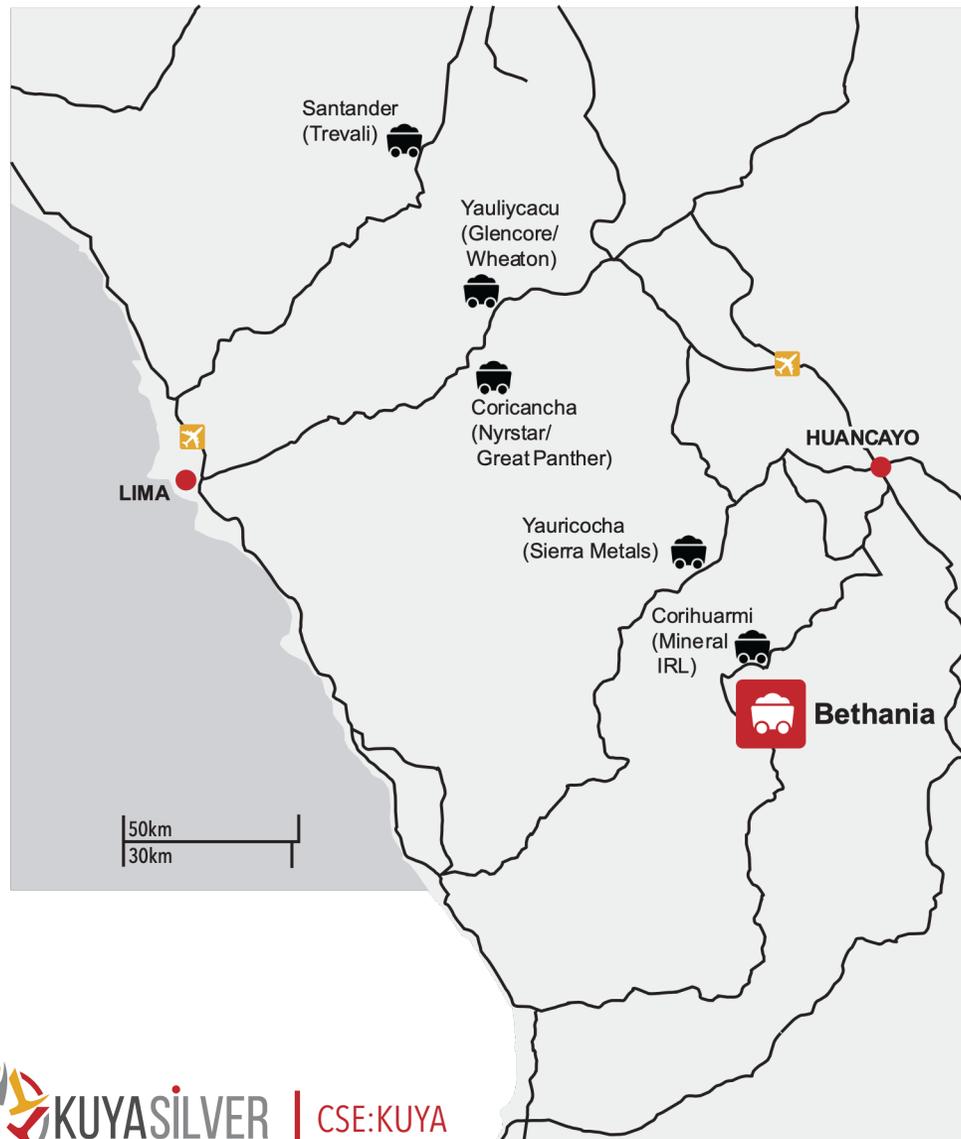
3

Benefit from by-product sales: base metals and gold (65%+ revenue from silver in our case)

4

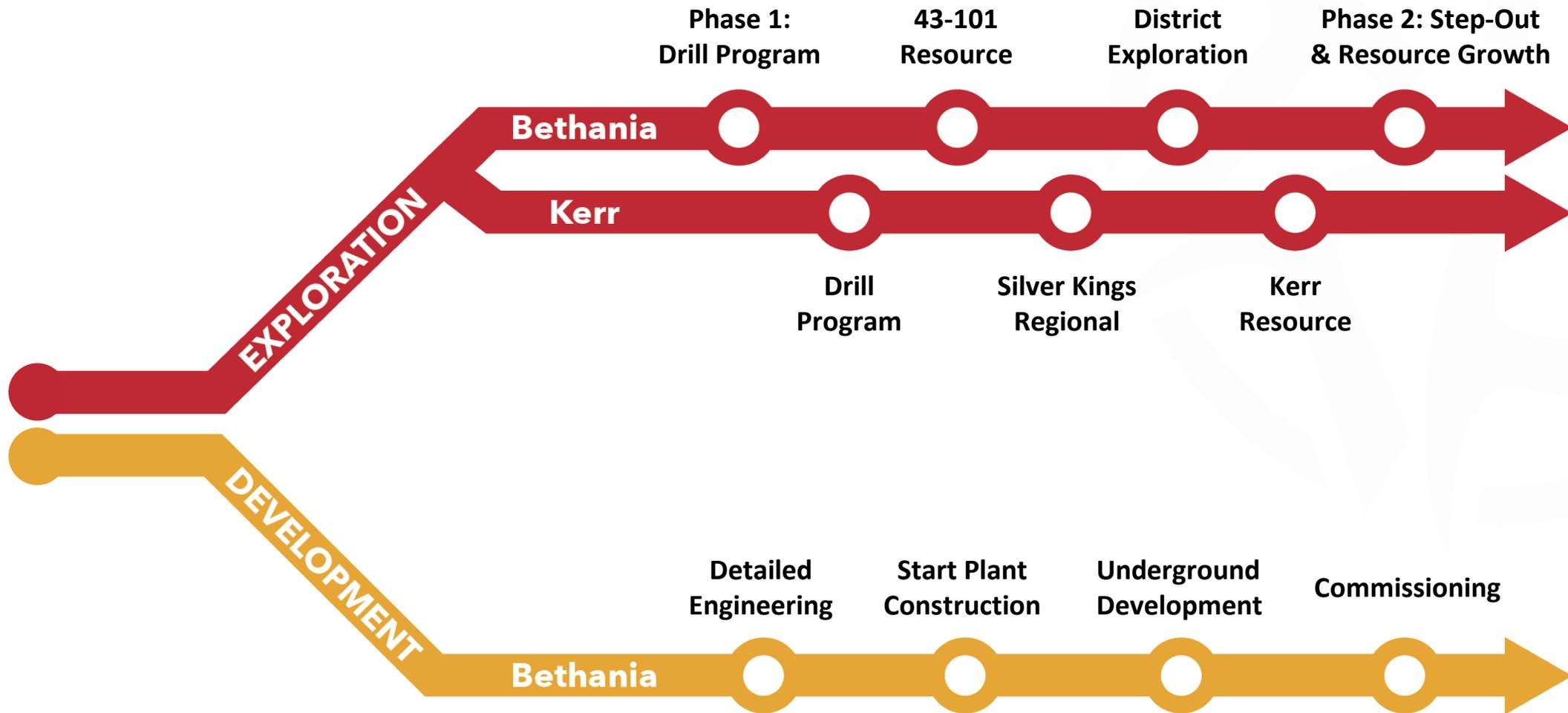
Lower risk: predictable geology, low capital intensity, well-established mining methods, off-the-shelf processing methods, established workforce, and permits in place

# GREAT ACCESS AND HISTORY



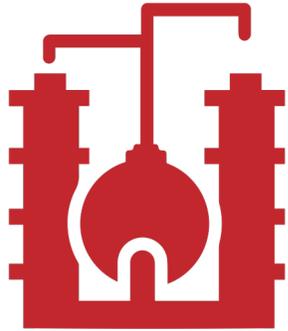
- Located in major silver-lead-zinc mining district in Central Peru
- Access mine by road from Huancayo (major city)
- Daily flights from Lima to Jauja (near Huancayo)
- Mine located near mining village of Bethania
- The Bethania Mine opened in 1977 after discovery of two veins (Española and 12 de Mayo) and has been operating at a small scale on and off for 40 years
- Peruvian family acquired Bethania mine, restarted ore production in 2009 and began toll processing in 2013
- Achieved production of 28,788 tonnes in 2014, producing 425,000 oz silver equivalent (only lead and zinc by-products)

# DUAL - TRACK VALUE CREATION



# BETHANIA EXPANSION – OPTIMIZING FUTURE PRODUCTION

## Potential Cost Savings



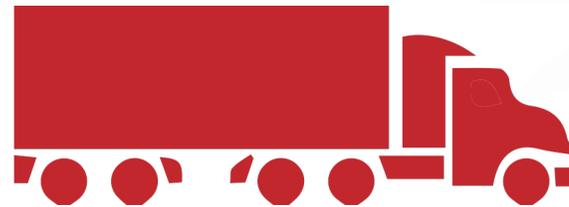
### TREATMENT/ REFINING

- Onsite 350 tpd facility
- Better TC/RC market
- addition of copper/gold circuit



### PROCESSING

- no toll milling fees
- greater recoveries



### TRANSPORT

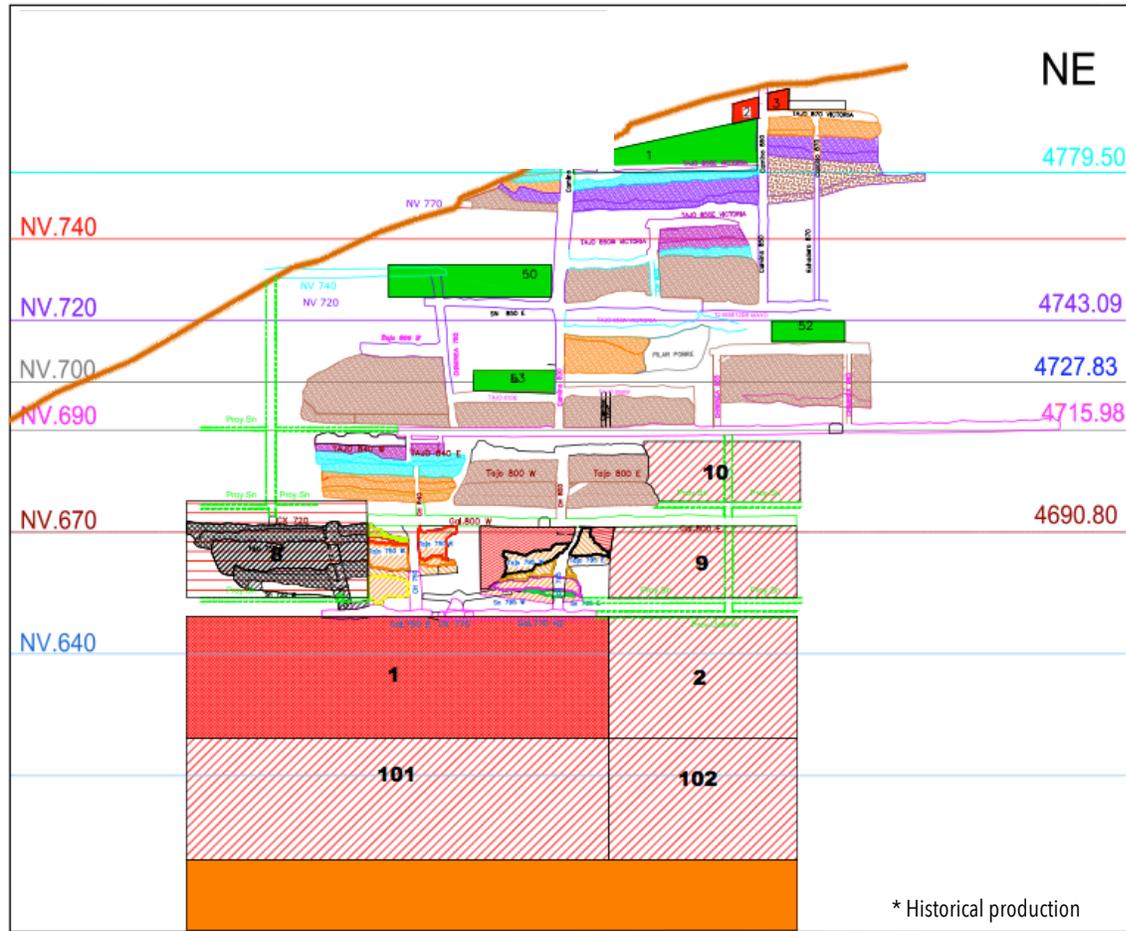
- eliminate long haul ore trucking

## Onsite Production

- High grades, higher recoveries
- No royalties or streams
- Mining near surface (lower haulage, mining costs vs. deep mines)
- Low non-discretionary sustaining capital, can increase with higher profits
- Lower G&A (no legacy costs)

# SIMPLE MINING – WELL UNDERSTOOD MINERALIZATION

## Bethania Target Block (Victoria Vein)

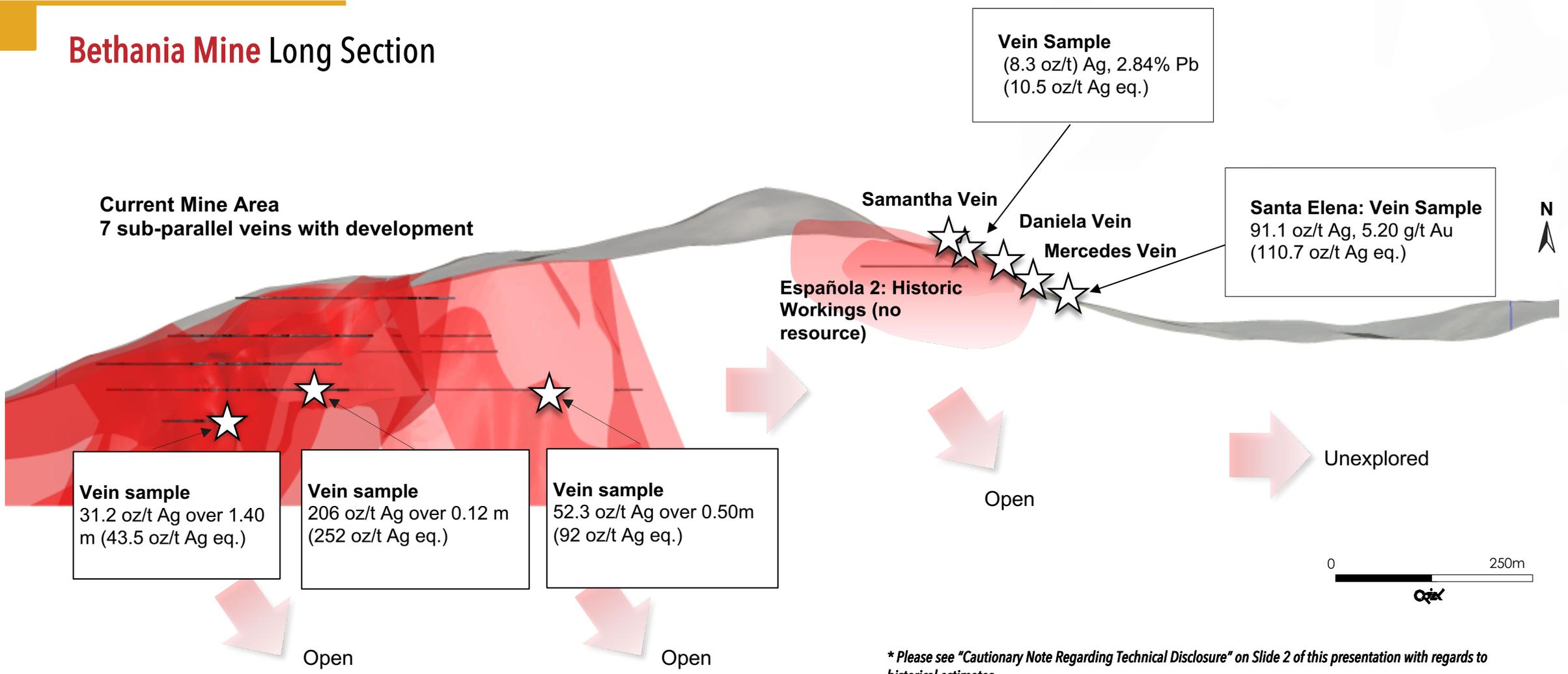


- Drifting exploration/production adits from several adits on east and west side
- Swarm of high-grade veins trending NE-SW
- Mined by underhand cut and fill
- 6 veins – source of historical production
- 1 vein – no production to date
- 4 veins – mineralization intersected by recent workings (no resources)

***Bethania historically produced >400,000 oz/yr silver equivalent as a toll-treatment mining operation prior to 2016***

# LOW-RISK EXPLORATION

## Bethania Mine Long Section



\* Please see "Cautionary Note Regarding Technical Disclosure" on Slide 2 of this presentation with regards to historical estimates.

# LOW-RISK EXPLORATION

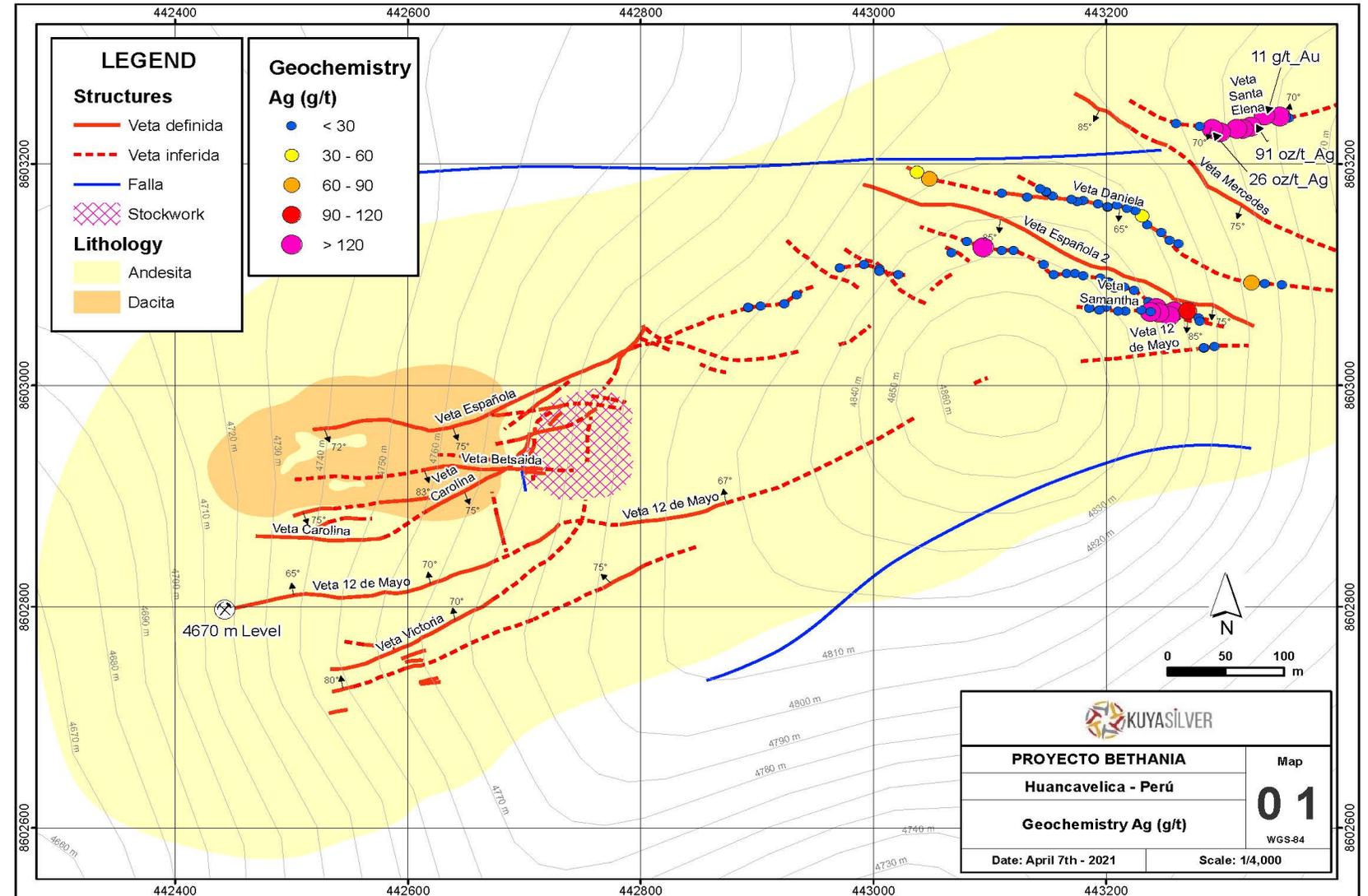
## Phase 1 Drilling Underway:

- 4000m: Testing western third of project ( 7 resource veins)
- 1000m: Target Espanola 2 area along strike of resource block.

## 2021 Surface Sampling:

- Santa Elena Vein discovery: **500m** along strike of eastern limit of underground workings

\* Please see "Cautionary Note Regarding Technical Disclosure" on Slide 2 of this presentation with regards to historical estimates.



# SOCIAL RESPONSIBILITY

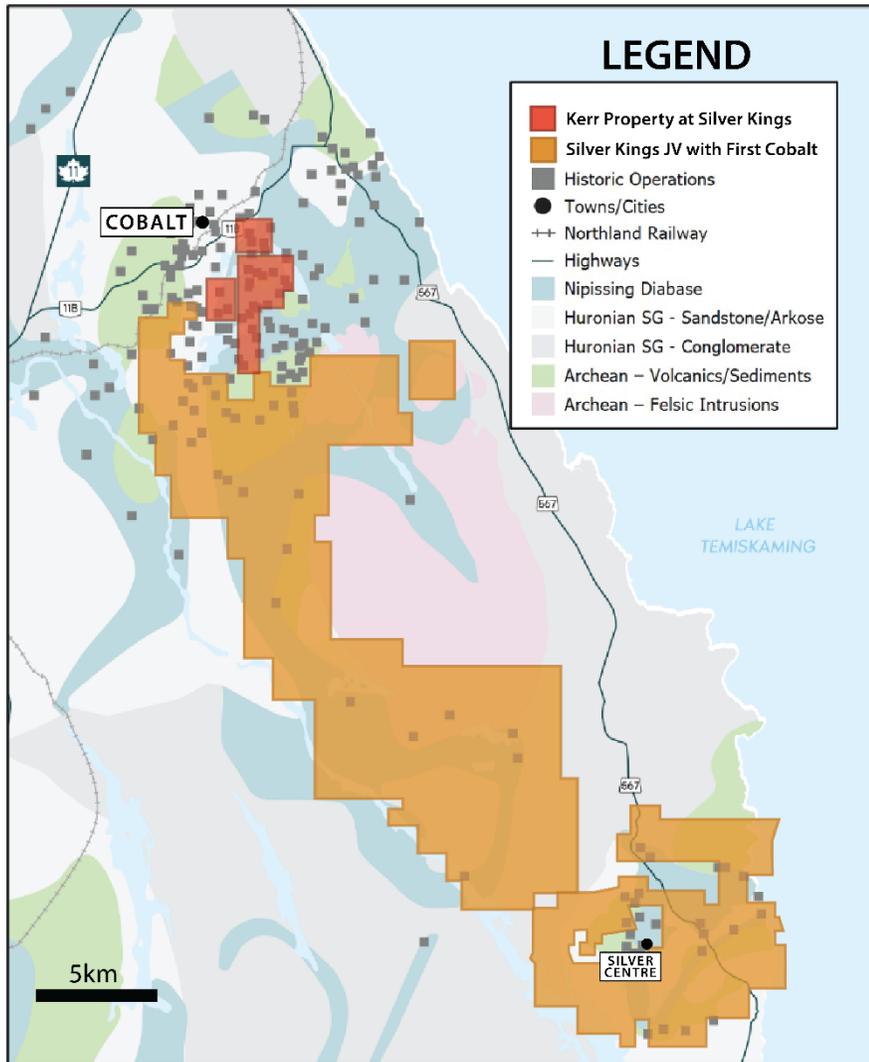
**Kuya Silver is actively engaged in building on a strong legacy of working cooperatively with the local Poroche community to develop a mutually beneficial, safe and sustainable mining business in the region**

The Company is committed to:

1. Providing a safe and sustainable work environment by implementing **new COVID-19 protocols**
2. Providing jobs to people from local communities
3. Meeting all environmental and governmental regulations
4. Operating under the highest ethical standards



# INTRODUCING THE SILVER KINGS PROPERTY



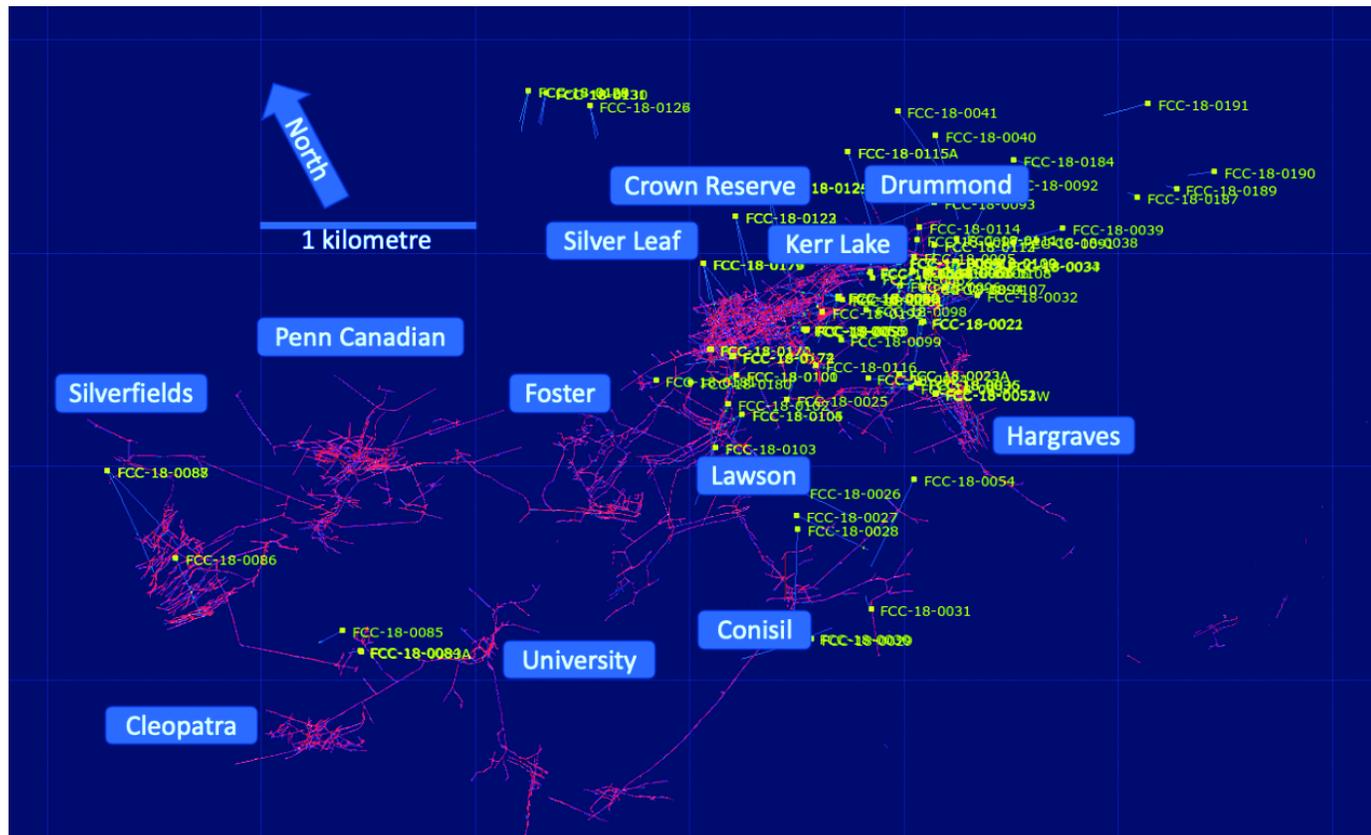
In March 2021, Kuya completed a transaction with First Cobalt Corp. to acquire 100% of the Kerr Project and an option to enter a joint venture to earn up to 70% of its remaining Cobalt area claims. The combined property area is now known as the Silver Kings Project.

## Silver Kings Project

- The 10,000-hectare land package in NE Ontario is located within the historic Cobalt, Ontario silver mining district
- Previous operator identified several bonanza-style silver intercepts while exploring for cobalt at Kerr.  
*2,500m drilling program is planned to follow up and extend high-grade zones.*
- Project offers both near-term production potential at Kerr and district-scale opportunity at the underexplored Silver Kings JV.

# THE KERR PROPERTY AT SILVER KINGS

## A World - Class Silver District



## The Kerr Property at Silver Kings

Property Includes eight historic silver mines (Crown Reserve, Silver Leaf, Kerr Lake, Drummond, Hargrave, Silverfields and others.) on a contiguous 900-hectare area.

- Mines produced over 50 million ounces of silver between 1905 to 1950.
- The deepest shaft was less than 200 metres deep.
- System remains untested at depth

Intercepts from 2017 – 2018 First Cobalt drill campaign include:

FCC-18-0058: From 29.4 m, **intersected 3.57 m of 821 g/t Ag**

FCC-18-0093: From 172.1 m, **intersected 2.2 m of 515\* g/t Ag**

FC-18-0094: From 20.0 m, **intersected 2.0 m of 450\* g/t Ag**

FCC-18-0174: From 66.0 m, **intersected 2.5 m of 1441 g/t Ag**

\*Individual silver assays capped at 1500 g/t included in reported intersection

# MANAGEMENT & TEAM

## **David Stein, MSc (Geo), CFA – President and CEO, Director**

Mr. Stein founded Kuya Silver in 2017 to acquire the Bethania Silver Mine and develop the next silver mining company. Mr. Stein has spent most of his 20-year career in mining investments, first as a sell-side analyst and more recently as an investment manager.

## **Lesia Burianyk – Chief Financial Officer**

Ms. Burianyk has over 15 years of industry experience serving as CFO for various TSX-V and CSE listed companies. Ms. Burianyk is a CPA, CA and holds a Bachelor of Business Administration degree from Simon Fraser University. Ms. Burianyk was previously employed as an audit manager at a Canadian accounting firm where she specialized in the mining industry.

## **Tyson King – VP Corporate Development**

Mr. King has over 10 years experience in the management of publicly trading and privately held companies within the commodities and natural resources sector. He has been actively engaged in overseeing the day-to-day operations of several companies where he's held various senior officer positions throughout his career. Mr. King holds a BA in Economics from the University of Calgary.

## **Christian Aramayo, MSc (Eng), CEng – VP Operations**

Mr. Aramayo is a UK-educated Peruvian engineer, previously worked on global projects for Kinross before starting his own mining consultancy. He founded SIGC Consultants in Lima, and Kuya has access to Mr. Aramayo and his team for engineering and planning as well as access to a deep network in South America.

## **Erika Soria – Logistics/Business Development**

Ms. Soria manages the commercial and administrative affairs of the Bethania mine and is the liaison with the local community. She is also well-connected in the Peruvian mining community and sources new opportunities for Kuya.

## **Dr. Quinton Hennigh – Chairman**

Dr. Hennigh is an economic geologist with more than 25 years of exploration experience with major gold mining firms, including Homestake Mining, Newcrest Mining and Newmont Mining. Currently, Dr. Hennigh is President and Chairman of Novo Resources Corp and serves as a director for Irving Resources Inc., TriStar Gold Inc., Precipitate Gold Corp and NV Gold Corp.

## **Andres Recalde – Director**

Mr. Recalde is the Director of Mining for Common Good. His expertise is with social performance and building stakeholder confidence for the extractive industries. Mr. Recalde is Peruvian/Canadian and has worked extensively all over Latin America as a consultant, advisor and corporate director to mining companies such as Barrick Gold, Pan American Silver and Torex Gold.

## **Dale Peniuk – Director**

Mr. Peniuk is a Chartered Professional Accountant (CPA, CA) and corporate director. Mr. Peniuk has a B.Comm from the University of British Columbia (1982) and received his Chartered Accountant designation from the Institute of Chartered Accountants of British Columbia. Mr. Peniuk also serves as a director and Audit Committee Chair of Lundin Mining Corporation, Capstone Mining Corp. and Argonaut Gold Inc

## **Maura Lendon – Director**

Ms. Lendon, is a seasoned, internationally-experienced general counsel with over 20 years' experience in the mining and telecom industries gained after initially practicing with top Bay Street law firms. Ms. Lendon is the founder and Chief General Counsel of Scalable General Counsel, providing general counsel services to growing companies since 2019, and is currently a director of Eastmain Resources Inc. Previously, she was Chief General Counsel and Corporate Secretary of Primero Mining from 2012 to 2018.



217 Queen Street, Suite 401  
Toronto, Ontario, Canada  
M5V 0R2



[www.kuyasilver.com](http://www.kuyasilver.com)



@KuyaSilver



KuyaSilverCorp



Follow Kuya Silver



Kuya-Silver