



# BUILDING A MULTI-ASSET MID-TIER PRECIOUS METALS PRODUCER

TSX-V: APM OTCQX: ANPMF

Investor Presentation

August 2023



# Legal Disclaimers

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## Use of Market and Industry Data

This presentation includes market and industry data that has been obtained from third party sources, including third-party consultants, industry publications, as well as industry data prepared by the Company’s management on the basis of its knowledge of and experience in the industry in which the Company operates (including management’s estimates and assumptions relating to the industry based on that knowledge). Management’s knowledge of the industry has been developed through its industry experience and participation. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although believed to be reliable, the Company’s management has not independently verified any of the data from third party sources referred to in this presentation or ascertained the underlying economic assumptions relied upon by such sources.

## Risk Factors

The Company’s activities expose it to a variety of financial market risks, credit risks and liquidity risks. The risk factors of the Company are further described in the Company’s Management Discussion and Analysis for the three and six months ended June 30, 2023, available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). These factors include, but are not limited to: (i) commodity prices; (ii) supply and quality of purchase ore; (iii) cost estimates; (iv) exploration, development and operating risks; (v) health, safety and environmental risks and hazards; (vi) COVID-19; (vii) nature and climatic conditions; (viii) uncertainty in the estimation of mineral reserves and mineral resources, (ix) uncertainty relating to mineral resources, (x) uncertainty relating to future production estimates, (xi) foreign operations and political risks, (xii) increases in production costs, (xiii) compliance costs, and (xiv) community relations.

# Forward-looking Statements

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Certain statements contained in this presentation constitute forward-looking information or forward-looking statements (collectively, “forward-looking statements”) within the meaning of applicable securities laws. These statements relate to future events or the Company’s future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as: “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Forward-looking statements in this presentation include, but are not limited to, statements and information regarding: the Company’s future mining activities; the Company’s near-to-mid-term opportunities to extend the mine life; the Company’s plan for growth through future M&A activities; growth expectations with respect to the San Bartolomé mine, including third-party ore purchases with respect thereto; the Company’s plan for growth in Bolivia and elsewhere; the Company’s acquisition strategy with respect to future M&A activity; and the Company’s FY 2023 guidance with respect to silver equivalent production.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date specified. These forward-looking statements involve risks and uncertainties relating to, among other things, results of exploration activities, the Company’s limited experience with development-stage mining operations, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timelines of government approvals, changes in commodity and, particularly, silver prices, gold prices, and tin prices, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

Readers are cautioned that any financial outlook and future-oriented financial information contained herein should not be used for purposes other than for which it is disclosed herein. Such financial outlook or future-oriented financial information includes the FY’23 guidance with respect to AISC and capital expenditures. The prospective financial information included in this presentation has been prepared by, and is the responsibility of, management and has been approved by management as of the date hereof. The Company and management believe that prospective financial information has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management’s knowledge and opinion, the Company’s expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Andean believes that its financial analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying such financial analyses. The preparation of any financial forecast is complex and is not necessarily susceptible to partial analysis or summary description and any attempt to do so could lead to undue emphasis on any particular factor or analysis. The financial outlook and future-oriented financial information is provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that such information contained in this document should not be used for purposes other than for which it is disclosed herein.

All forward-looking statements contained in this presentation are qualified by these cautionary statements. The reader of this presentation is cautioned not to place undue reliance on any forward-looking statements. Andean expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws. The scientific and technical information herein has been reviewed and approved by Donald J. Birak, independent consulting geologist for the Company, a Registered Member of Society for Mining, Metallurgy and Exploration and Fellow of the Australasian Institute of Mining and Metallurgy.

**All currency is in US dollars unless otherwise noted.**





## Corporate Overview

- Corporate office in Monterrey, Mexico
- Registered office in British Columbia, Canada
- Listed on TSXV (APM) in March 2021
- Listed on OTCQX (ANPMF) in July 2022
- Wholly own San Bartolomé plant in Bolivia
  - Tax rate: 32%
  - Mining royalty: 7%
- Global workforce of ~500 (Dec 31, 2022)
  - 89 non-union
  - 148 union
  - 27 civil contract
  - 230 contractors

# Investment Rationale: Pursuing Transformational Growth

## Two-pronged growth strategy

### Positive cash generation

from established processing plant in Bolivia

### Organic growth opportunities in Bolivia

including near- to mid-term opportunities to extend mine life

### Active M&A mandate in wider Americas

to grow responsibly beyond a single asset

### Clean debt-free balance sheet\*

with \$90M in liquid assets, including cash, bullion, marketable securities & VAT certificates





# Bolivia: Nearly 500 Years of Mining Activity and Still Going Strong

## ▶ ONE OF THE WORLD'S RICHEST MINERAL REGIONS WITH AN EXPERIENCED MINING WORKFORCE

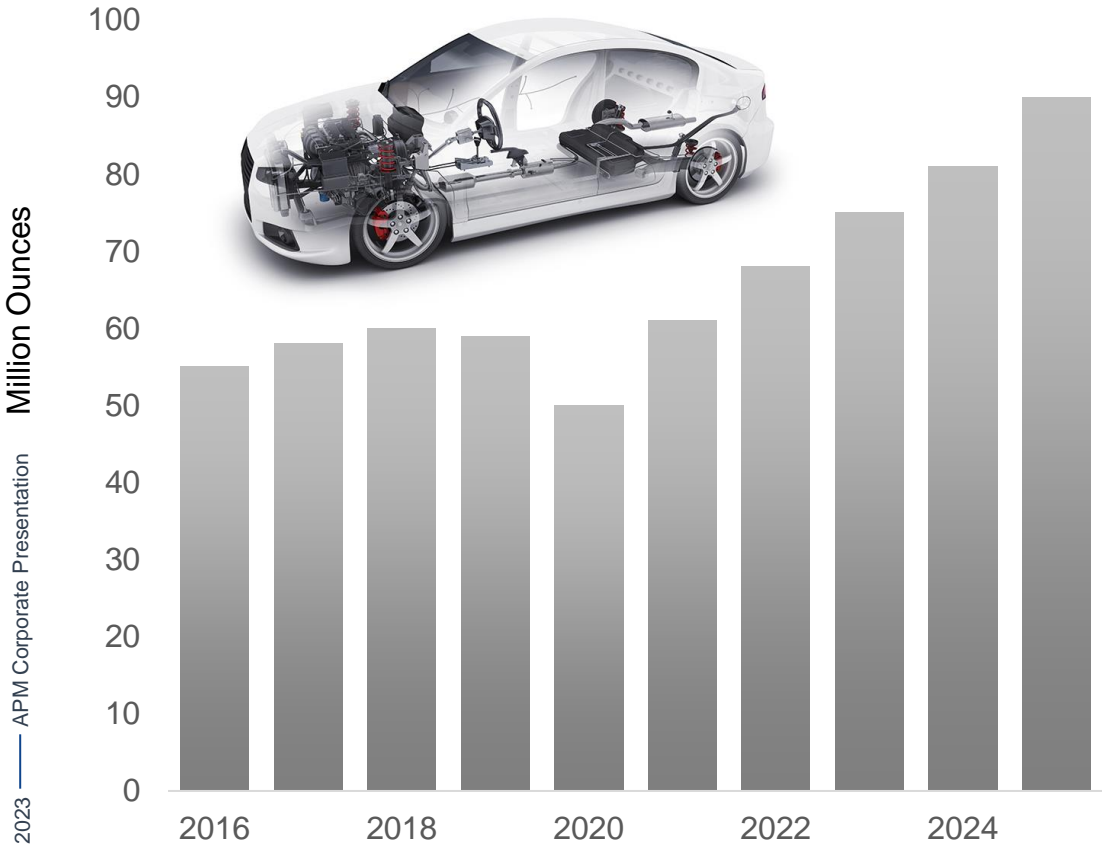
- In 2022, Bolivia ranked globally as:
  - 6<sup>th</sup> largest silver producer\* (tied with Poland)
  - 6<sup>th</sup> largest tin producer\* (tied with Brazil)

## ▶ A MODERN MINING CODE ADOPTED IN 2014 AND A SIMPLE TAX AND ROYALTY STRUCTURE

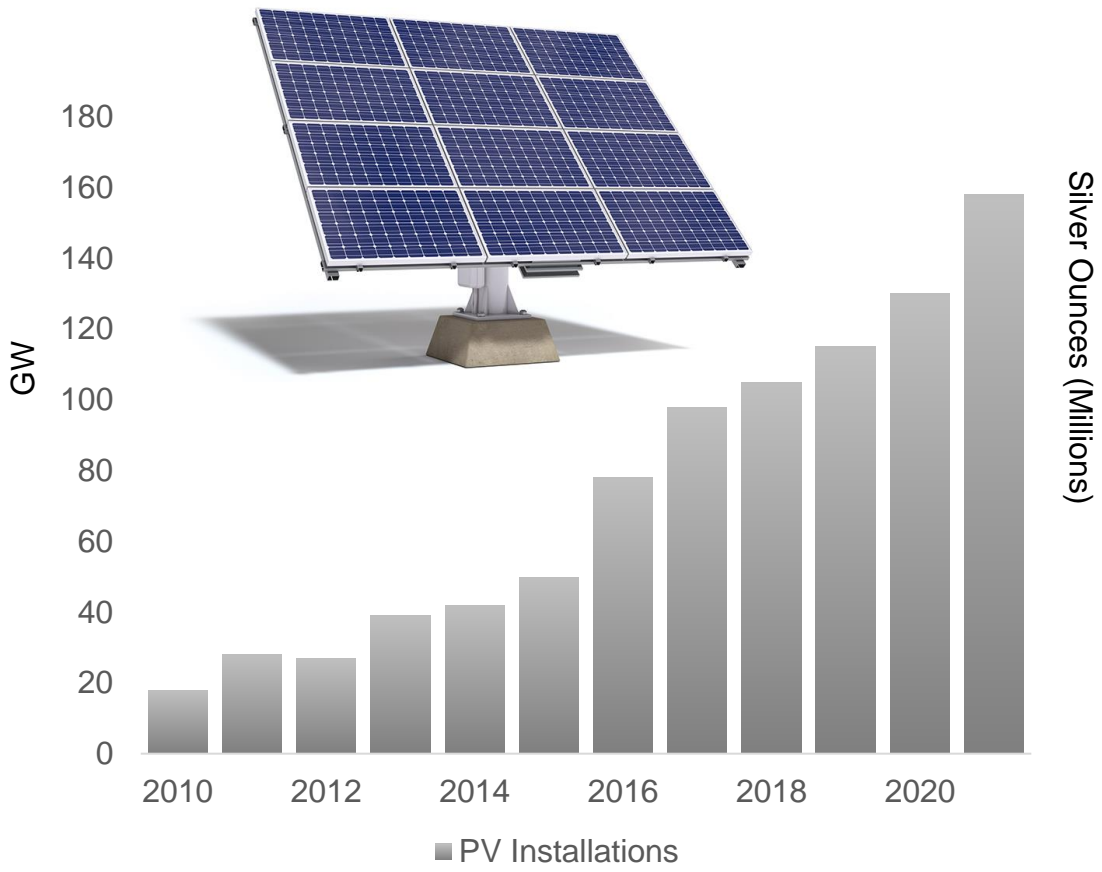
- Government mandate to attract foreign investment
- Mining accounts for ~5% of GDP

# Green Industry Accelerates Demand for Silver

▶ **AUTOMOTIVE DEMAND FOR SILVER EXPECTED TO REACH 90M OUNCES/YEAR BY 2025**



▶ **PHOTOVOLTAIC SOLAR PANELS ACCOUNT FOR 10% OF TOTAL SILVER DEMAND**



Source: GTM, Metals Focus, Resource World, Silver Institute



# San Bartolomé: Bolivia's Largest Oxide Plant

▶ 1.8MTPA DESIGNED CAPACITY PLANT BUILT BY COEUR MINING IN 2008 FOR \$190M

## FAST FACTS (FY2022)

Ore milled: 1.6 Mt

Head grade: 120 g/t

Silver produced: 5.0 Moz

Recovery: 77%

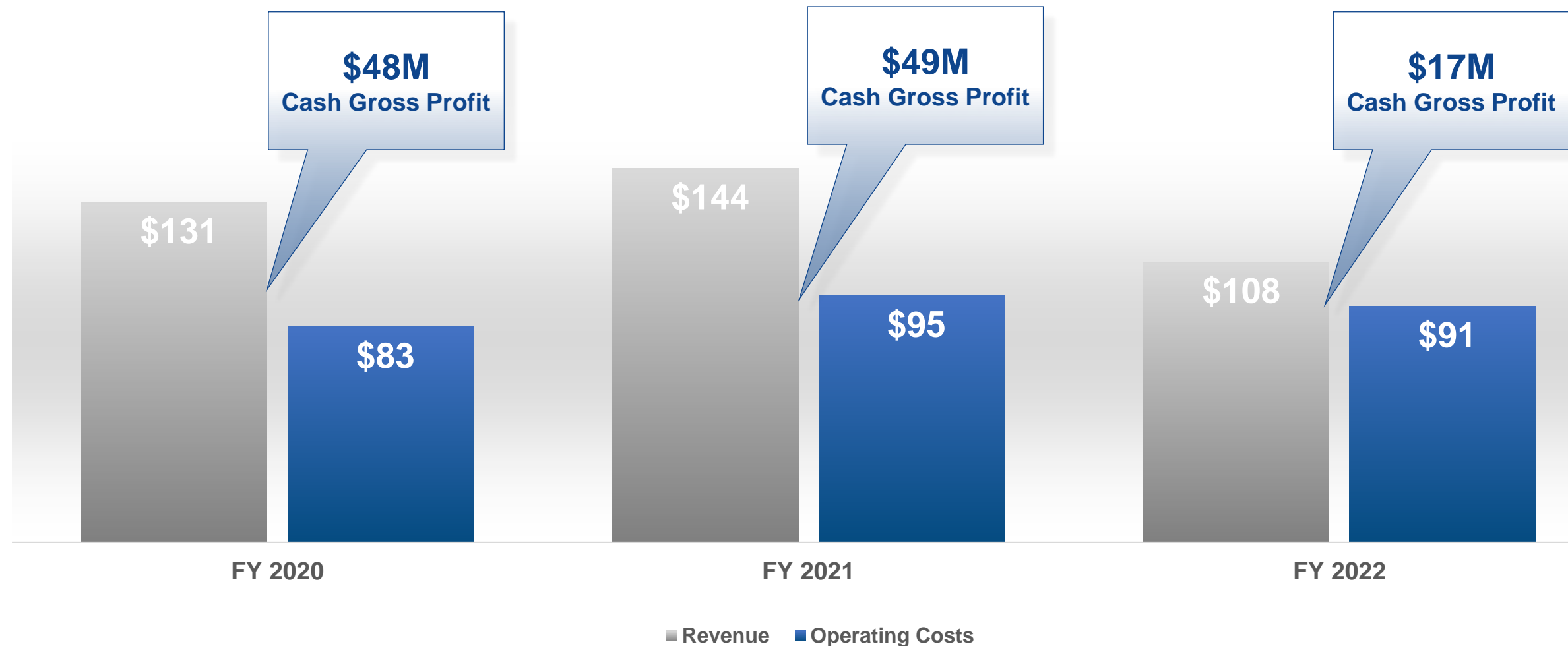




# Andean's Ownership of San Bartolomé: A Brief History



# Track Record of Positive Cash Gross Profit\*



\*Cash gross profit is calculated by adding back depreciation to income from mine operations



# Strong Growth Potential in Bolivia

## ► ANDEAN'S TARGETED AND MULTI-FACETED DOMESTIC GROWTH STRATEGY

1

Secure additional oxides from Bolivian government

2

Increase high-grade oxides from independent miners

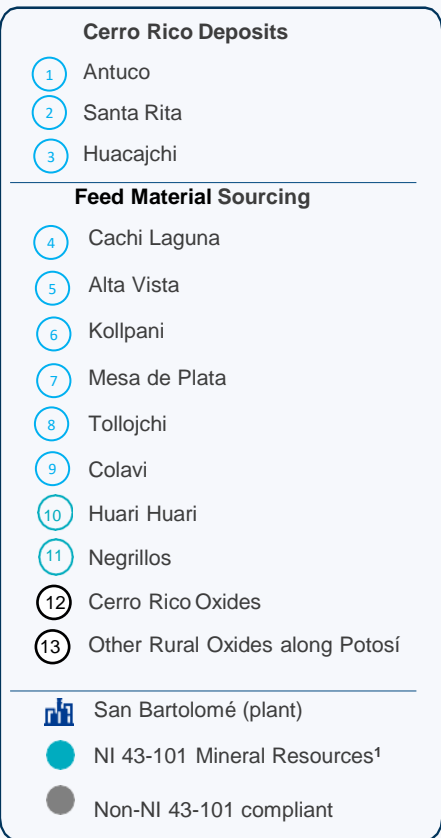
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Acquisitions in Bolivia

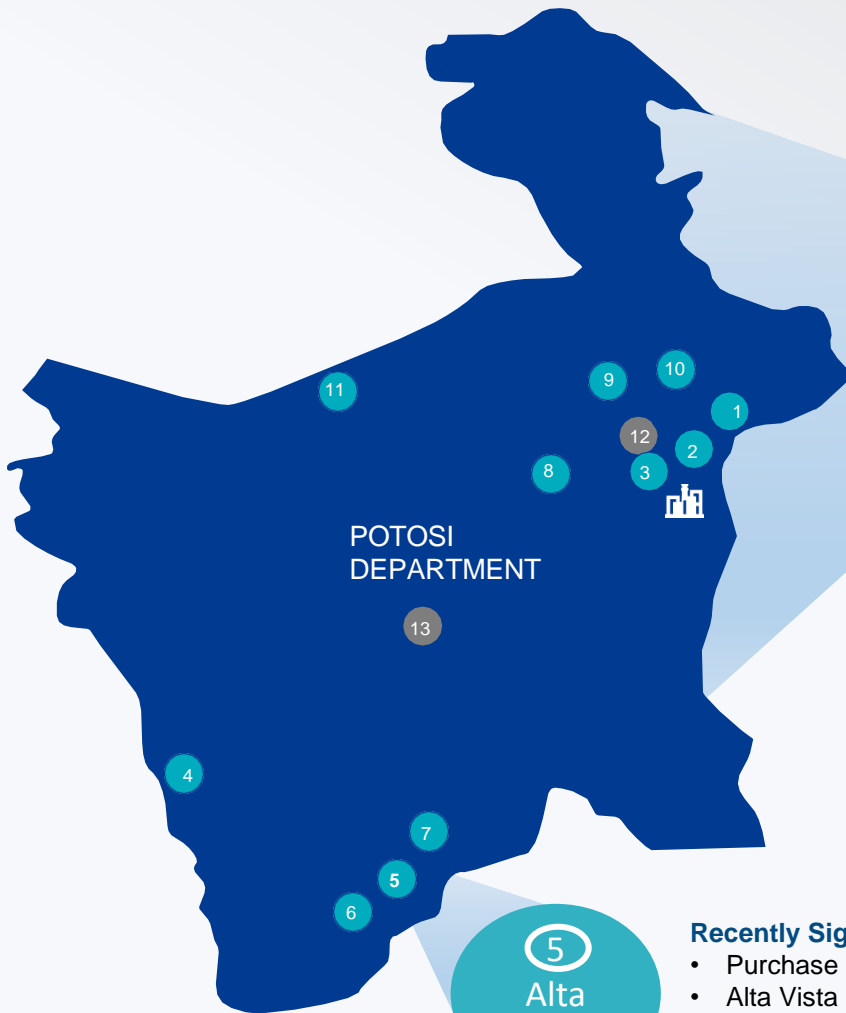
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Tailings reprocessing

# Expanding Our Feed Sources



<sup>1</sup>. Please see March 2022 NI 43-101 Technical Report on [www.andeanpm.com](http://www.andeanpm.com) and [www.sedarplus.com](http://www.sedarplus.com) and updated resource



5  
Alta  
Vista

## Recently Signed Third-Party Contract

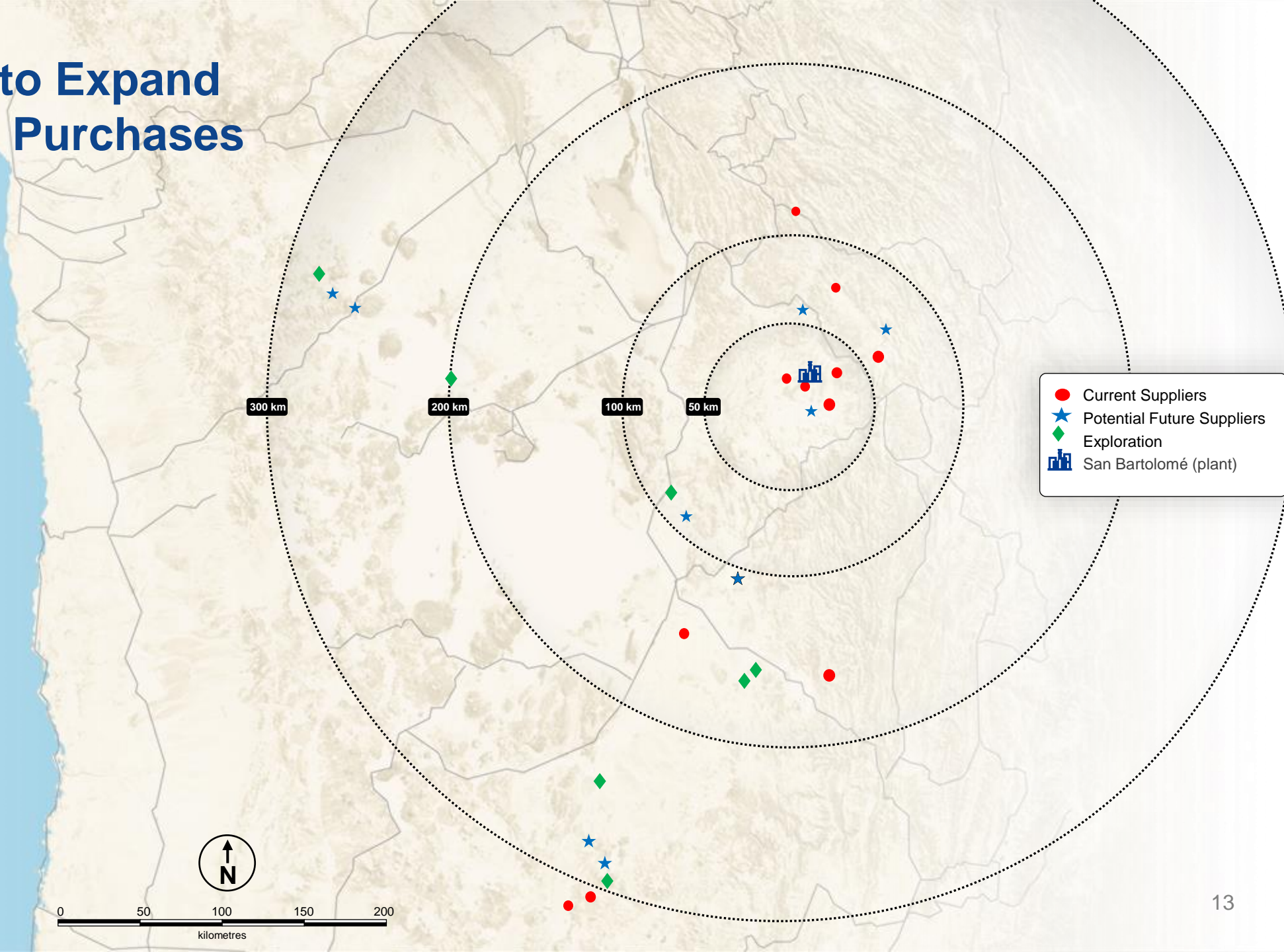
- Purchase agreement for 170,000 Mt over the next 24 months
- Alta Vista is located 420 km from San Bartolomé
- Expected head grade of approximately 350 g/t
- The first material delivery is expected in late Q3 2023





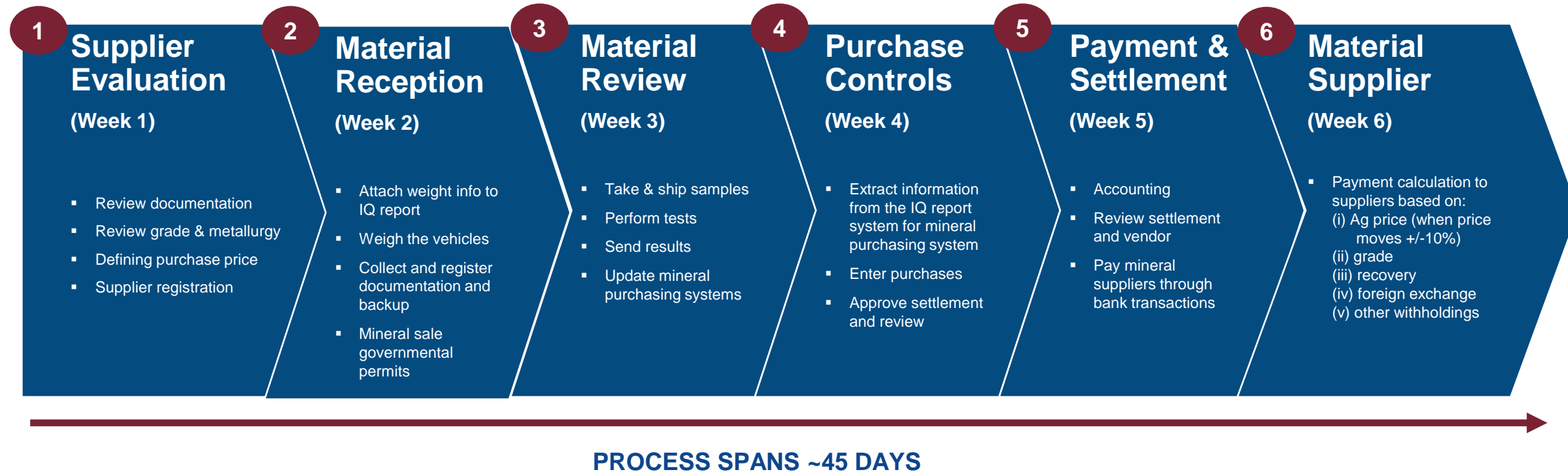
# Opportunities to Expand Oxide Material Purchases

- Key priority is to secure long-term oxide agreements with private owners
- Focused on mining districts with significant geological potential



# Third-Party Material Purchasing

- ▶ THIRD-PARTY MATERIAL PURCHASES REPRESENT ~45% OF ANDEAN'S 2022 PRODUCTION, AND EXTEND THE LIFE OF ANDEAN'S NI 43-101 MATERIAL, POTENTIALLY IMPROVING GRADE PROCESSED



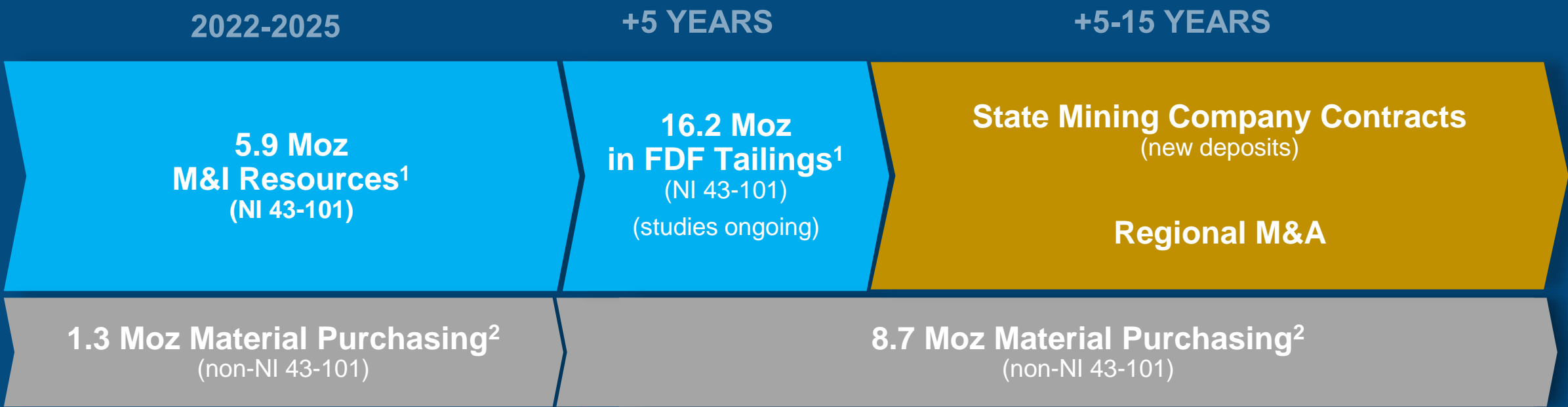


# Tailings Silver Recovery Project

- Work is progressing as planned
- We are assessing engineering and construction options
- A mineral resource estimate incorporating the silver ounces contained in the tailings stockpiles is expected to be announced shortly, and will be followed by the filing of an NI 43-101 technical report
- Expect to bring the tailings into production in H1 2024



# Extending the Mine Life at San Bartolomé



<sup>1</sup> NI 43-101 technical report San Bartolomé Mine Bolivia dated March 25, 2022, available under Andean's SEDAR profile at [www.sedar.com](http://www.sedar.com). Measured and Indicated only (excludes 1.5 Moz inferred).

<sup>2</sup> See Company press release dated November 13, 2022 "Andean Precious Metals Announces Mineral Resource Estimate for its Dry-stack Tailings Facilities".

<sup>3</sup> Internal forecast, non-compliant NI 43-101.



# Active M&A Mandate

▶ RESPONSIBLE GROWTH SUPPORTED BY SPECIFIC ACQUISITION CRITERIA

## ACQUISITION CRITERIA

Gold, silver and/or base metals

Located in Bolivia or wider Americas

5+ years mine life

Annual production target: 5Moz Ag / 100koz Au

Low cost producer



# Capital Structure & Shareholders

## CLEAN CAPITAL STRUCTURE

Debt  
(as at June 30, 2023)

**NIL**

Cash, VAT Receivable &  
Marketable Securities  
(as at June 30, 2023)

**US\$89.9M**

Shares Outstanding  
(as at June 30, 2023)

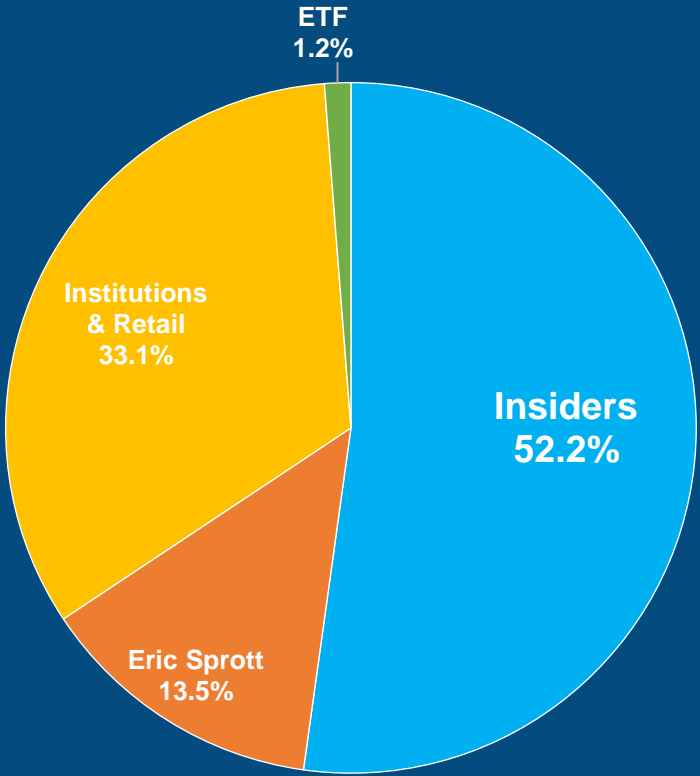
**157.4M**

Market Capitalization  
(based on August 22, 2023 closing price)

**US\$90.3M**



## SHARE OWNERSHIP (as of July 31, 2023)





# ESG: Working Towards International Standards

## LOCAL SOURCING

66%

of annual spending is made to Bolivian entities



## ► IMPORTANT TO LOCAL AND NATIONAL ECONOMIES

- San Bartolomé has a significant impact on the economy of Bolivia
- An economic impact study was conducted by Oxford Economics and University of Potosi

## EMPLOYMENT

96%

of employees are Bolivian

## JOBS

264 + 230

Employees

Contractors



# A Solid Foundation . . .

## ► STRONG BALANCE SHEET & GROWTH POTENTIAL

### Debt-free balance sheet\*

- \$90M in cash, bullion, marketable securities and VAT certificates (as at June 30, 2023)
- No debt, warrants, NSRs, convertible shares
- Repurchased 2,379,600 shares at an average price of C\$0.80 from November 22, 2022 to June 30, 2023 (inclusive)

### Strategic advantage in Bolivia

- Largest commercial oxide plant in Bolivia
- Established social license

### Multiple avenues of growth

- Growth in Bolivia
- Active M&A mandate in Bolivia and the wider Americas

\* For more information, please see Andean's Interim Condensed Financial Statements for the three months ended June 30, 2023, available under the Company's SEDAR profile at [www.sedarplus.com](http://www.sedarplus.com).

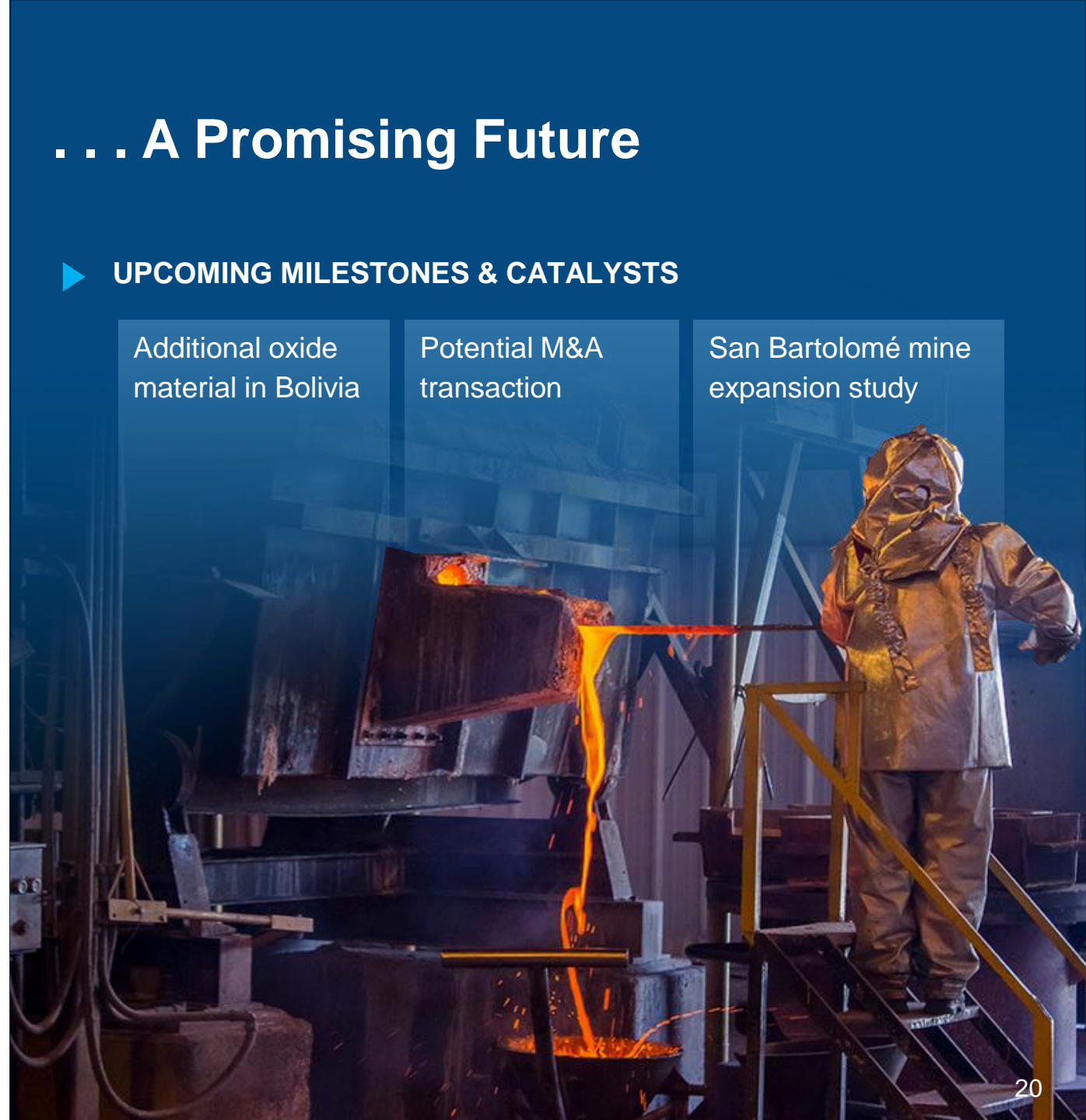
# . . . A Promising Future

## ► UPCOMING MILESTONES & CATALYSTS

Additional oxide material in Bolivia

Potential M&A transaction

San Bartolomé mine expansion study





# Appendix

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- ▶ BOARD OF DIRECTORS
- ▶ SENIOR LEADERSHIP TEAM
- ▶ BOLIVIA: FAST FACTS
- ▶ BOLIVIA: BRIEF HISTORY
- ▶ SAN BARTOLOMÉ RESOURCE STATEMENT
- ▶ SAN BARTOLOMÉ FLOWSHEET



# Board of Directors



## **ALBERTO MORALES**

Executive Chair and CEO  
Member of the Nomination  
& Corporate Governance  
Committee

Founder of Andean Precious  
Metals Corp.



## **GRANT ANGWIN**

Lead Independent Director, Chair of Health,  
Safety, Environment, Social and Sustainability  
Committee, Chairman of the Compensation  
Committee, Member of the Audit and Nomination  
& Corporate Governance Committees

Former President Asahi Refining,  
Former Chairman of LBMA



## **YOHANN BOUCHARD**

Independent Director

EVP & COO, New Gold. Professional Mining  
Engineer with over 25 years of mining  
experience leading operational teams  
throughout the Americas and Africa.



## **PETER GUNDY**

Independent Director, Chair of the  
Audit and Nomination &  
Governance Committees; Member  
of the Compensation Committee

Founder NEO Materials,  
EVP Finance, Potash Corp.



## **FELIPE CANALES**

Independent Director  
Member of the Audit and Compensation  
Committees

Independent Financial Advisor,  
Co-CEO Rose Hill Special Acquisition Corp.



## **RAMIRO VILLARREAL**

Independent Director  
Member of the Nomination & Corporate Governance  
Committee

Director of Cemex S.A.B. de C.V.  
Director of Grupo Cementos de Chihuahua S.A. de C.V.



# Senior Leadership Team



**ALBERTO MORALES**

Executive Chairman  
& CEO

Founder of Andean  
Precious Metals



**JUAN CARLOS SANDOVAL**  
CFO

More than two decades of  
banking, finance, accounting and  
M&A experience mostly focused  
on mining, energy and resource  
sectors.



**HUMBERTO RADA**  
President, Manquiri

Former Country  
Manager and GM for  
Coeur Mining and  
Newmont. President of  
the Mining Association



**DANTE RODRIGUEZ**  
Chief of Operations,  
South America

Exploration and operational  
management with Starcore  
International Mines and  
Santacruz Silver Mining



**SARAI CARDUSO**  
VP, Special Projects

15+ years building start-up  
business management  
teams and providing  
executive management  
services



**FEDERICO GIL**  
VP, Legal & Administration

Nearly 20 years as general  
counsel for Latin American  
conglomerates



**TRISH MORAN**  
VP, Investor Relations

More than 25 years'  
experience in investor  
relations and capital  
markets



**SEGUN ODUNUGA**  
EVP, Finance

25+ years' experience in  
accounting, financial  
reporting, risk  
management, corporate  
strategy, M&A, IT  
management

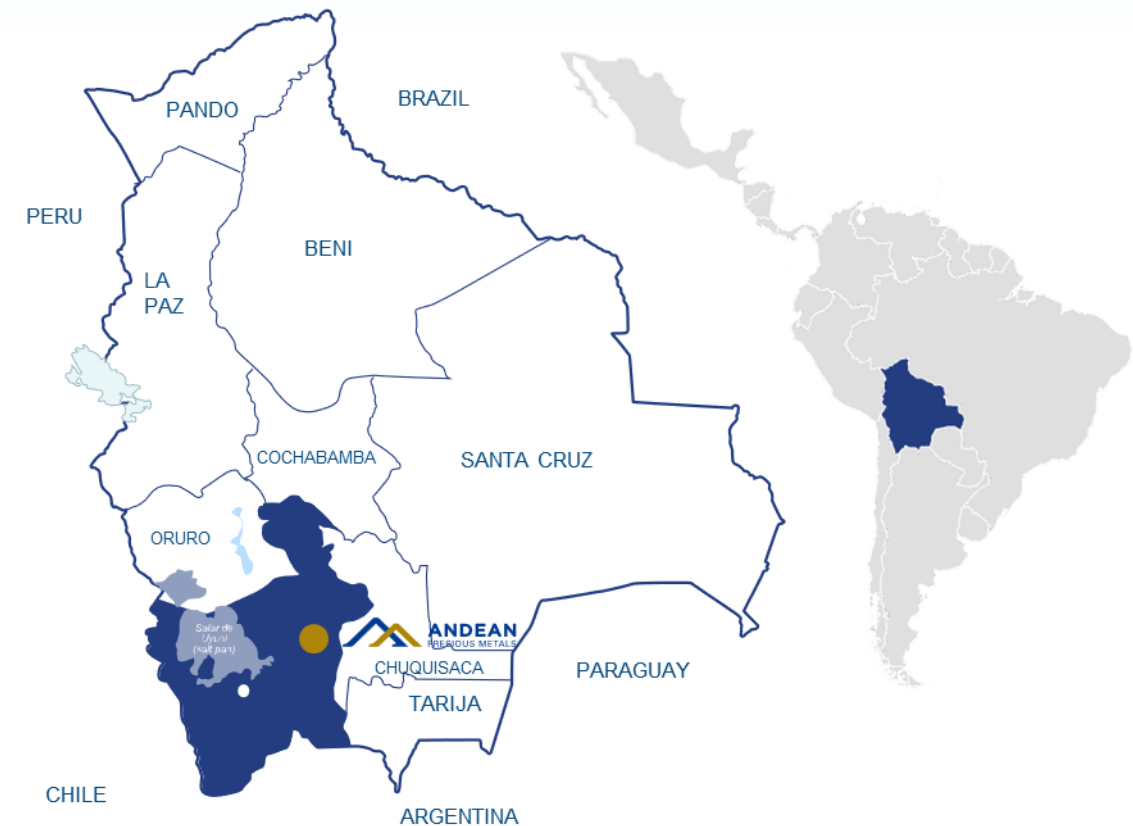


**MELISSA TERUI VILLEGAS**  
Corporate Secretary

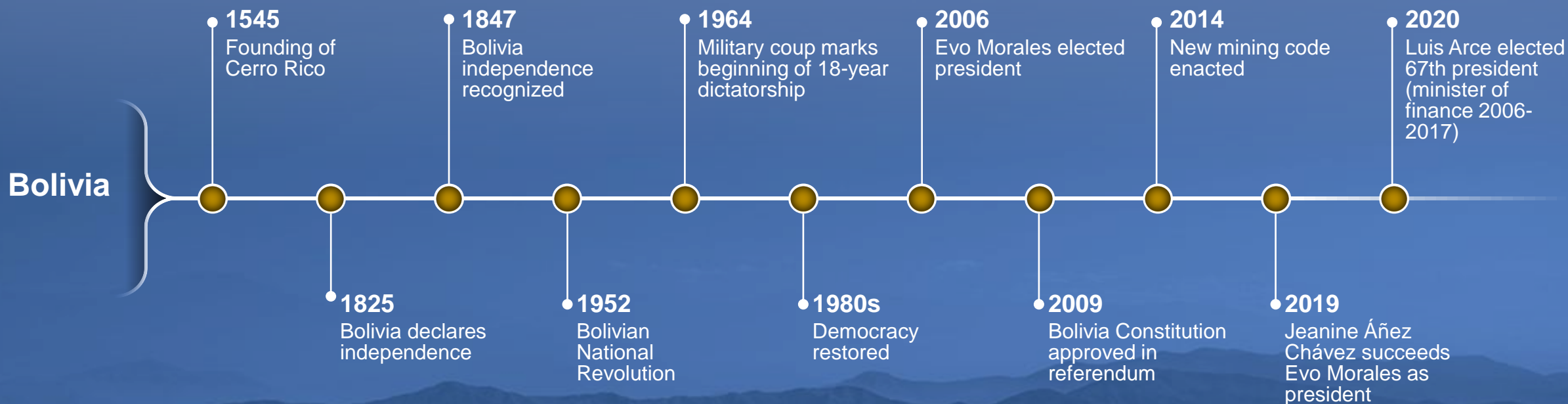
15 years of experience in general  
practice law, with specialization  
in corporate governance

# Bolivia: Fast Facts

<b>Capital city:</b>	La Paz (executive and legislative) Sucre (constitutional and judicial)
<b>Population:</b>	12.1 million (2022), including 1.75 million in Santa Cruz, the largest city
<b>Religion:</b>	89% Christianity
<b>Currency:</b>	Bolivian Boliviano (Bs) has remained pegged to US\$ since October 2011 <ul style="list-style-type: none"><li>– 6.96 Bs/US\$1 for selling</li><li>– 6.86 Bs/US\$1 for buying</li></ul>
<b>Legal system:</b>	Civil law
<b>Resources:</b>	Resources are fully owned by the Bolivian people; however, the Bolivian State can authorize their exploration and exploitation
<b>Elections:</b>	Presidents are elected by popular vote for a 5-year term with no limit on number of terms



# Bolivia: Brief History





# Mineral Resources Statement

(as at December 31, 2022)

Source	Tonnes (M)	Silver g/t	Silver (Moz)	Tin %	Tin (k tonnes)
<b>Measured and Indicated Resources</b>					
Pallacos (Cerro Rico)	2.237	83	5.95	-	-
Tatasi - Portugalete	0.082	304	0.81	-	-
<b>Pallacos &amp; Tatasi</b>	<b>2.319</b>	<b>91</b>	<b>6.77</b>	<b>-</b>	<b>-</b>
<b>Mineralized stockpile (FDF only)</b>	<b>10.148</b>	<b>50</b>	<b>16.2</b>	<b>0.12</b>	<b>11.93</b>
<b>Inferred Resources</b>					
Pallacos (Cerro Rico)	0.331	89	0.95	-	-
Tatasi - Portugalete	0.016	272	0.14	-	-
<b>Pallacos &amp; Tatasi</b>	<b>0.347</b>	<b>97</b>	<b>1.09</b>	<b>-</b>	<b>-</b>
<b>Mineralized stockpile (FDF only)</b>	<b>1.505</b>	<b>48</b>	<b>2.3</b>	<b>0.09</b>	<b>1.33</b>
<b>DSF oxides</b>	<b>18.11</b>	<b>43</b>	<b>25.09</b>	<b>0.16</b>	<b>28.9</b>

## Notes to Table

- Mineral resources cited herein are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserve.
- Mineral resources are effective December 31, 2022 and reflect mining depletion of the mineral resources, disclosed in the December 2021 San Bartolomé Technical Report.
- Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate. Rounding may result in apparent differences.
- Pallacos mineral resources are reported using the following Ag cut-off Grades: Antuco: 62.9 g/t Ag, Huacajchi: 58.1 g/t Ag and Santa Rita: 61.5 g/t Ag.
- Pallacos mineral resources are reported within a constraining pit shell.
  - a) Assumed silver price of \$22/oz; b) Assumed metallurgical silver recovery: 88%; c) variable mining cost by deposit: Antuco \$7.53/t, Huacajchi \$6.25/t and Santa Rita \$7.06/t; d) process costs: Antuco \$19.78/t Huacajchi \$19.03/t and Santa Rita \$19.11/t; e) Washing (+8) costs: \$1.2/t; f) G&A costs: Antuco \$5.37/t Huacajchi \$6.29/t and Santa Rita \$5.34/t. other costs considered included Smelting, COMIBOL(Corporación Minera de Bolivia) royalty and the Silver Bolivian Royalty.
- Tatasi-Portugalete mineral resources are based on the Technical Report on the Bolivian Operations of Ag-Mining Investments AB and Buckhaven Capital Corp., effective March 17, 2020, prepared by Birak Consulting LLC and NCL Ingeniería y Construcción SpA.
- FDF mineral resources are effective as of December 31, 2021. Assumptions include 100% mining recovery. No depletion of the FDF mineral resources has occurred.
- DSF mineral resources are as disclosed in a November 13, 2022 press release on [www.andeanpm.com](http://www.andeanpm.com).

# San Bartolomé Flow Sheet

## FAST FACTS

FY 2022

Ore milled: 1.6 Mt

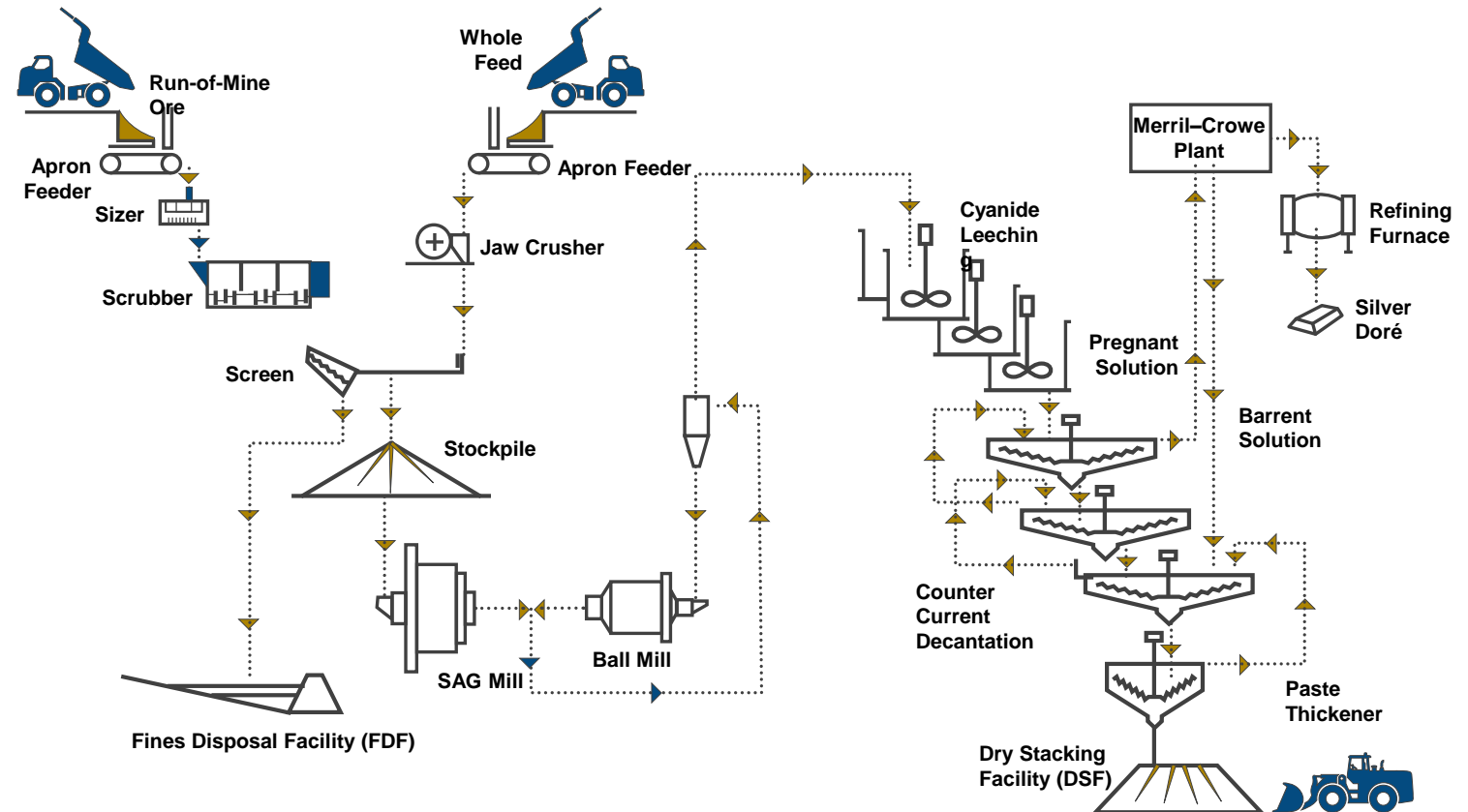
Head grade: 120 g/t

Silver produced: 5.0 Moz

Recovery: 77%

## ► CONVENTIONAL COMMINUTION, LEACH (CYANIDE), MERRILL-CROWE PROCESS, REFINING FLOWSHEET

- San Bartolomé pre-processes (washes) the feed from pallacos
  - to remove the Ag -8 mesh fraction
  - to increase head grade of +8 mesh mill feed
- Tailings (+8 mesh and -8 mesh) are stored in separate facilities, +8 is sent to the mill, and tailings are stored in DSF
- Material grade for the -8 mesh fraction is ~35-40g/t stored in FDF
- Produce doré bars for shipment to refiner
- Mill capacity of 5,000 dmt/d







For more information, please contact Trish Moran,  
VP Investor Relations at [tmoran@andeanpm.com](mailto:tmoran@andeanpm.com)<sup>28</sup>