

## **GATOS SILVER, INC.**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

#### **INTRODUCTION**

Gatos Silver, Inc. and its subsidiaries and affiliated business entities (“Gatos” or the “Company”) are committed to high standards of ethical conduct and integrity in everything that we do. To help guide you in making ethical decisions, we have established this Code of Business Conduct and Ethics (the “Code”). It embodies our defining values, and reflects the principle that each of us should strive to avoid any circumstances giving rise to even an appearance of impropriety. Everyone at Gatos (directors, officers and employees) must sign an acknowledgement that they have read and understood the Code and agreed to observe it.

Each of us is personally responsible for making sure that our business decisions and actions comply with both the letter and spirit of the Code at all times. Complying with the Code is a condition of your employment, and, if you violate the Code, Gatos may take prompt disciplinary action, up to and including dismissal for cause. Each of us also has a duty to report behavior on the part of others that appears to violate the Code (or any of our other compliance policies or procedures).

We will enforce the standards of conduct contained in the Code at all organizational levels. Directors, officers and other managers, in particular, have a special responsibility to lead according to the standards in the Code, in both words and action. While the Code’s standards are principally based on laws to which we are all subject, in some cases they go beyond legal obligations.

If you suspect someone is violating a law, rule or regulation, or this Code, you should immediately report that violation to your immediate supervisor or the Chief Financial Officer (“Compliance Officer”). If you have concerns that you want to raise confidentially, you can do so by following the procedures outlined in the Company’s Whistleblower Policy.

Retaliation is not tolerated at Gatos. You can be assured that no retaliation will be taken against any employee for raising any concern, question or complaint in good faith, and all concerns will be taken seriously and handled promptly, professionally and as confidentially as possible. Anyone who attempts to retaliate against another employee for reporting known or suspected violation of law or this Code is in violation of our Code and subject to disciplinary action, up to and including termination of employment. Retaliation also may be a violation of the law, and as such, could subject the offender to personal liability.

#### ***Corporate Responsibility -- We Will Work to Ensure that Gatos is a Good Corporate Citizen.***

It is Gatos’ policy to be a good “corporate citizen.” You should comply with all applicable laws, rules and regulations wherever we do business. You are also responsible for understanding the contract requirements of other parties you work with at Gatos, and for complying with those requirements.

#### ***Avoiding Conflicts of Interest -- We must not engage in or give the appearance of engaging in any activity that creates a real or perceived conflict between personal interests and those of Gatos.***

A conflict of interest occurs whenever an employee’s private interests interfere with the interests of Gatos as a whole. Gatos relies on your loyalty in carrying out its business. You may not enter into relationships that might impair your judgment as to what is best for Gatos, or that even appear to create a conflict of interest. Nor can you avoid these standards by acting indirectly through a friend, a family member or anyone else.

If you think a real or apparent conflict of interest exists or cannot be avoided, you must bring your concern to the attention of the Compliance Officer for review and assessment. It may be that if you have a conflict of interest, you will be required to comply with our Policy Concerning Related Person Transactions.

Although it is impossible to list all potential scenarios in which a conflict of interest can occur, some guidelines are set out below:

- **Outside Employment and Directorships**

- No one who is an employee, officer or director of Gatos may work for or receive compensation for services, including any part-time or one-time consulting services, from any of Gatos' competitors or any parties with which Gatos has business dealings, unless he or she has the advance approval of the Compliance Officer. Outside Directors may also be directors of, and receive director compensation from, other mining companies whose interests may, from time to time, conflict with the interests of the Company. This Code does not prohibit such other directorships, but Outside Directors are expected to notify the Compliance Officer of such relationships and of particular instances where such relationships may result in a conflict of interest, and to abstain from voting on any matter involving such a conflict of interest. The Company's Compensation and Nominating Committee will also consider such relationships in its annual review of directors for election.
- No one who is an employee or officer of Gatos may serve on the board of directors of another for-profit company or as a member of a governmental agency or other body, unless he or she has the advance approval of the Chief Executive Officer.
- Where approval is granted, appropriate steps must be taken to separate company and non-company activities. The Legal department will assist you in determining what steps are appropriate.

- **Investing**

- You generally may not have financial interests in any competitor, or any party with which Gatos has business dealings, that could lead either to a conflict of interest or the appearance of one, without the advance approval of the Compliance Officer. Owning securities of a publicly traded company normally would not be considered to be a conflict of interest unless it represents a material part of your savings.
- Where approval is granted, appropriate steps must be taken to separate company and non-company activities. The Compliance Officer will assist you in determining what steps are appropriate.

- **Accepting Gifts and Hospitality**

- The Company's Anti-Corruption Policy deals with when and under what limited circumstances you may accept gifts or hospitality from persons who have or may have a business relationship with Gatos. Please carefully review that Policy before accepting any gift or hospitality from persons who have or may have a business relationship with Gatos, and confer with the Compliance Officer as to any situation that may give rise to any potential violation before taking any action.

- **Loans**
  - Gatos will not make loans to, or guarantee the personal obligations of, employees unless approved by the Compliance Officer.
  - The law prohibits making any such loans to any of Gatos' directors or executive officers under any circumstances.
  
- **Public Service**
  - We encourage you to be active in the political and civic life of your community, including charitable or educational activities. Please remember, however, that when making any public communication, your views are yours individually and are not being expressed as an employee of Gatos. Any potential conflict of interest that arises out of your involvement in the community - if for instance, the community is engaged in some sort of negotiation with Gatos - should be discussed with legal counsel for the community and the Compliance Officer as soon as it becomes apparent to you.

***We Will Deal Fairly with Our Suppliers.***

Doing business in an honest and fair manner with our suppliers means that employees responsible for buying or leasing materials and services on our behalf must do so objectively. Accordingly:

- Suppliers should be chosen on the basis of the price, quality and desirability of their goods and services.
- You must not accept or seek out any benefit from a supplier or potential supplier that would even appear to compromise your judgment.
- You may not require a supplier to give up trade with any of our competitors or to make purchases of our products and services in order to continue a relationship with us, unless there is a legitimate business purpose for doing so (failure to adhere to this policy could constitute a potential violation of antitrust laws).

The Company's Anti-Corruption Policy deals with when and under what limited circumstances you may accept gifts or hospitality from persons who have or may have a business relationship with Gatos, including suppliers. Please carefully review that Policy before accepting any gift or hospitality from a supplier or potential supplier, and confer with the Compliance Officer as to any situation that may give rise to any potential violation before taking any action.

***Confidential Information - We Will Safeguard Gatos' Confidential and Proprietary Information.***

You have a duty to safeguard confidential and proprietary information about Gatos at all times. Generally speaking, this will be information that has not been disclosed to the general public that could expose us to harm or liability if released prematurely or inappropriately, such as current financial information. If you are unsure about whether information should be treated as confidential or proprietary, consult with your immediate supervisor or the Compliance Officer.

Confidential or proprietary information should never be discussed in public places. In no event should such information be disclosed to anyone else unless authorized by the Compliance Officer. In addition, some personal information is confidential, such as performance assessments, disciplinary action

and medical and benefits information, and that information may be discussed only with management and Human Resources.

Your duty to preserve the confidentiality of any information entrusted to you will continue even after you leave Gatos.

This policy regarding confidentiality is in addition to the requirements of any Confidentiality Agreement between you and Gatos.

***Corporate Opportunities - We are Prohibited from Appropriating Corporate Opportunities from Gatos.***

You owe a duty to Gatos to advance its legitimate interests when the opportunity to do so arises. You may not appropriate, for yourself or any other person or organization, the benefit of any business venture or potential opportunity that you learn about in the course of your employment and that is in Gatos' line of business.

***Environmental and Social Responsibility - We are Committed to Promoting Environmental and Social Responsibility in the Communities in which we Operate.***

Gatos is committed to being a positive force in the communities in which it operate, and supports addressing environmental, labor and health and safety issues that may arise in connection with its operations. We believe in high standards for the environment and worker health and safety.

***Competition and Antitrust Laws - We will Avoid Anti-Competitive Behavior.***

Gatos is subject to various competition or antitrust laws that govern how it can compete in order to prevent interference with the competitive market system. Under these laws, companies or individuals may not enter into agreements with competitors, or otherwise act to unreasonably restrict competition. Illegal practices include price fixing, allocating customers or territories or unlawfully abusing a dominant market position. In order to ensure compliance with the antitrust laws:

- You may not discuss competitively sensitive information with competitors unless approved by the Compliance Officer in advance.
- You must promptly report any instance in which a competitor has raised any sensitive topic or otherwise suggested collaboration to the Compliance Officer.

***Company Assets - We are Stewards of Gatos Assets and Resources.***

Gatos' success requires a commitment on the part of all of its employees to the proper allocation and use of its assets<sup>4</sup>. You have a duty to protect Gatos' assets from loss, damage, misuse, theft or sabotage and use such assets efficiently for the benefit of Gatos. Accordingly, with limited exceptions, corporate assets should be used only for business purposes. While bearing in mind the following guidelines, please contact the Compliance Officer with any questions.

- **Computers, Other Equipment and Network Security**

The computers, computer network, e-mail, and Internet access provided by Gatos are intended to be used by you for business purposes. Gatos encourages the use of these resources

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<sup>4</sup> Such assets may include equipment, supplies, real estate, tools, funds, computer systems and equipment, computer software, computer data, vehicles, records or reports, non-public information, intellectual property or other sensitive information or materials and telephone, voice mail or e-mail communications.

because they help you to be more efficient and productive, and allow you to communicate more effectively. Accordingly, you have a responsibility to use Gatos' computers, computer network, e-mail and Internet access in a productive manner. To that end, you should be aware that computer software, e-mail messages and files may contain viruses or other destructive programming that could jeopardize Gatos' computer or network security. In addition, you should note that all programs, documents and other work created on company computers or on company time related to the operation of Gatos become the property of Gatos and are not the property of the individual(s) creating such programs or applications.

- **Electronic Communications Remain Company Property**

You are responsible for the content of all text, audio and images that you place on or send over Gatos' computers, computer network, e-mail or Internet access resources. E-mail messages, computer information, fax communications and voice mail are considered company property, and you should not have any expectation of privacy with respect to them. Gatos may review such communications at any time without notice to you. Please also note that transmitting certain data over e-mail may be subject to special legal requirements.

- **Limited Personal Use of Corporate Resources**

Company assets should be used to support and conduct our business. In limited circumstances, employees may be permitted distinct and reasonable personal use of certain business equipment and systems. When using our corporate resources for personal use, employees should exercise good judgment and keep personal use to a minimum. Personal use of company resources is limited to basic office services and systems such as telephones, photocopiers, fax machines and personal computers.

***It is Critical That We Comply with the Securities Laws and Avoid Insider Trading***

In the course of your employment, you may be exposed to information about Gatos or other companies that is not available to the general public. Disclosing "inside" information ("tipping") and using that inside information to trade in securities, whether by you, any of your family members or any other person to whom you may communicate that information (a "tippee"), is strictly forbidden. It is unethical and illegal, and could expose you to significant civil and criminal penalties. "Inside" information might include financial results or forecasts, information about possible mergers or acquisitions, significant product developments and major changes in business strategy, but also includes any other information that might influence an investor to buy, sell or hold stock. You should review our Insider Trading Policy regarding prohibited disclosure and trading in Company securities and, if questions persist, consult the Compliance Officer. Any employee who engages in insider trading or tipping will be subject to discipline up to and including immediate termination.

***We are Legally Required to Maintain Accurate Books and Records***

Gatos is required to make sure that its books and records accurately and fairly represent transactions and dispositions of our assets in reasonable detail. It is a violation of company policy, and possibly illegal, for any employee to cause our books and records to be inaccurate in any way. You must never create or participate in the creation of records that are misleading or artificial, and should cooperate fully with our internal and independent auditors and management in ensuring that we fulfill our responsibilities. Any attempt to unduly or fraudulently influence, coerce, manipulate or mislead the Company or its independent or internal auditors regarding our financial statements, accounting practices or internal controls is a violation of the Code. In addition, you must strictly adhere to the following requirements:

- **Access to Company Assets; Transactions on Management’s Authorization**

Access to company assets is permitted only in accordance with management’s general or specific authorization and transactions must be executed only in accordance with management’s general or specific authorizations. Transactions involving Gatos must be recorded to permit preparation of our financial statements in conformity with generally accepted accounting principles and related requirements and to maintain accountability over our assets.

- **Maintain Accurate Books and Appropriate Controls**

All of Gatos’ books and records must be true and complete. False or misleading entries are strictly prohibited, and Gatos will not condone any undisclosed liabilities or unrecorded bank accounts or assets established for any purpose. In addition, appropriate administrative and accounting controls must be maintained to provide reasonable assurance that financial and other reports are accurately and reliably prepared and to fully and fairly disclose all required and other material information.

- **Ensure Proper Payments**

You may not authorize the payment of funds by Gatos if you know that any part of the payment will be used for any purpose other than the purpose described in the documents supporting the payment.

***We are Responsible for Ensuring Complete, Accurate and Timely Disclosure of Information.***

Gatos is committed to full compliance with all relevant disclosure requirements that would be applicable if and when it is a publicly traded company, and has implemented disclosure controls and procedures to assure that its public disclosures will be timely, compliant and otherwise full, fair, accurate and understandable. Those who are responsible for preparing Gatos’ public disclosures or who provide information as part of that process, are responsible for ensuring that such disclosures are complete, accurate and comply with those disclosure controls and procedures. If you have questions about Gatos’ disclosure controls and procedures, please contact the Compliance Officer.

***Gatos is Committed to Anti-Corruption Principles Designed to Ensure Good Governance and to Foster Transparency in our Payments to Government Personnel or Others.***

Commercial bribery of any nature is a violation of our policy and is illegal under U.S. law. You are strictly prohibited from offering any form of bribe, kickback or inducement to any person.

In addition, other practices that are considered acceptable in the commercial business environment, such as providing meals, transportation, entertainment or other things of value, may be illegal when dealing with governmental agents. The U.S. Foreign Corrupt Practices Act (“FCPA”), for example, generally prohibits giving money or anything of value to foreign government officials, foreign political parties or candidates for foreign political office for the purpose of influencing a foreign government. And Gatos is subject to a variety of other domestic and foreign laws relating to corruption of government officials. Violations of these laws can lead to fines or imprisonment. Accordingly, you must not give anything of value to governmental agents if it could be interpreted as an attempt to curry favor on behalf of Gatos. This includes making any payments through intermediaries, such as sales representatives or consultants. Even though “courtesies” such as furnishing meals, transportation or entertainment, or making charitable contributions, may be consistent with local custom, they may be a violation of the FCPA or other applicable laws.

The Gatos Anti-Corruption Policy contains more detailed information relating to our anti-corruption policy in the commercial area and also in relation to governments, including detailed information regarding “dos” and “don’ts” when dealing with government officials, and should be carefully reviewed, particularly by employees who deal with government officials, suppliers and customers. Any question concerning Gatos’ Anti-Corruption Policy and relationships with government officials should be referred to the Compliance Officer.

You also should consult with the Compliance Officer if there is any uncertainty about permitted interactions with governmental agents, in particular before giving anything of value to a government official.

### ***We Should Cooperate with Government Investigations and Audits by Gatos***

Gatos will cooperate fully with any governmental inquiry or investigation and expects its employees, officers and directors to do the same. You should promptly notify your immediate supervisor if you become aware of such an inquiry or investigation. Before permitting an inspection, providing information, writing a statement or signing a government document, you should get approval from the Compliance Officer.

In addition, Gatos may conduct periodic audits or investigations regarding compliance with the Code. Be advised that Gatos reserves the right to take disciplinary action up to and including dismissal for cause for any violation of the policies in the Code, depending on the nature and severity of the violation. We also may be required to report certain violations to criminal or civil authorities, as appropriate.

### ***We prohibit discrimination***

The Company’s policies for recruitment, advancement and retention of employees forbid discrimination on the basis of any criteria prohibited by law, including but not limited to race, national origin, religion, sex, sexual orientation and age. Our policies are designed to ensure that employees are treated, and treat each other, fairly and with respect and dignity. In keeping with this objective, conduct involving discrimination or harassment of others will not be tolerated. All employees are required to comply with the Company’s policy on equal opportunity, non-discrimination and fair employment.

### ***How to Report Issues or Get Advice***

As part of our commitment to ethical and legal conduct, Gatos expects employees, officers and directors to report information regarding violations of the Code, other company policies or any federal, state or local laws or regulations, or any questionable accounting, auditing, financial reporting or internal controls matter. You are responsible for reporting any known or suspected violation promptly to any or all of the following:

- Your manager
- Your Human Resources representative
- the Compliance Officer
- You may use the processes outlined in the Gatos Whistleblower Policy, and you need not identify yourself.
- Interested parties may also communicate directly with Gatos’ non-management directors through the contact information contained in Gatos’ proxy statement for the

Annual Meeting of Stockholders.

All reports submitted confidentially will be treated confidentially. Retaliation against employees reporting concerns in good faith is prohibited. Failure to report knowledge of wrongdoing may result in disciplinary action.

### ***Requesting a Waiver of the Code of Business Conduct and Ethics***

Any request by an employee for a waiver of any standard in this Code may be granted only by the Chief Executive Officer, and must be notified in advance to the Compliance Officer. Only the Board of Directors of Gatos or a designated committee of the Board of Directors may provide waivers involving any of Gatos' directors or executive officers. All waivers granted to executive officers and directors will be promptly disclosed to Gatos' stockholders within four business days, and any other waiver will be disclosed to the extent required by law. All personnel should be aware that Gatos generally will not grant any waivers and will do so only when good cause is shown for doing so.

### ***Qualifications to the Code of Business Conduct and Ethics***

- **Shareholders Agreement**

The Company contemplates that it will enter into a shareholders agreement with certain of its stockholders (as amended from time to time, the "**Shareholders Agreement**") in connection with its initial public offering. At such time and for so long as the Shareholders Agreement is in effect, the provisions of the Shareholders Agreement will be incorporated by reference into the relevant provisions of this Code, and this Code will be interpreted and applied in a manner consistent with the terms of the Shareholders Agreement.

- **Activities of Electrum and Municipal Employees' Retirement System of Michigan**

Notwithstanding anything herein to the contrary, the Electrum Group of companies (including Electrum Silver US LLC, Tigris Financial Group Ltd., Grat Holdings, LLC and Manul Capital Management LLC) and the Municipal Employees' Retirement System of Michigan, all of which are our stockholders, and their affiliates (other than Gatos) may engage in brokerage, investment advisory, financial advisory, anti-raid advisory, merger advisory, financing, asset management, trading, market making, arbitrage, principal investing and other activities conducted in the ordinary course of their businesses, including but not limited to activities related to Gatos' common stock.

- **Corporate Opportunities Provision of Certificate of Incorporation**

The Code shall be subject to the provisions of Article 9 of the Company's Amended and Restated Certificate of Incorporation, and the Code shall be interpreted and applied in a manner consistent with the terms of such Article 9.

### ***Amending the Code of Business Conduct and Ethics***

The Compensation and Nominating Committee shall periodically review this Code and recommend any amendments to the Board of Directors. Amendments of the provisions of this Code that are applicable to the Chief Executive Officer or any senior financial officers will be promptly disclosed to the Company's stockholders.

**Form of Acknowledgement to be Signed by Employees**

**Acknowledgement by Employee**

I acknowledge that I have received, read and understood the Gatos Code of Business Conduct and Ethics (the “Code”) and that my conduct as an employee of Gatos must at all times comply with the standards and policies set out in the Code, as well as any other legal or compliance policies or procedures of Gatos.

Employee:

Name (printed):

Date:

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**Form of Acknowledgement to be Signed by Directors and Executive Officers**

**Acknowledgement by Directors and Executive Officers**

**(to be executed annually)**

As the [Specify Office]\_\_\_\_\_ of Gatos Silver, Inc. (“Gatos”), I acknowledge that I will adhere to the following principles and responsibilities; subject to the qualifications set forth in Gatos’ Code of Business Conduct and Ethics:

- Act at all times in accordance with Gatos’ Code of Business Conduct and Ethics, a copy of which has been provided to me;
- Act at all times with integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships;
- Address any apparent conflict of interest in personal and professional relationships in accordance with the highest ethical standards and promptly disclose to the Compliance Officer the nature of any such conflict of interest or any material transaction or relationship that reasonably could be expected to give rise to such a conflict of interest;
- Provide, in Gatos’ public communications, including any reports filed with the U.S. Securities and Exchange Commission, disclosure that is full, fair, accurate, complete, objective, timely and understandable;
- Comply with rules and regulations of all U.S. and non-U.S. governmental entities and other private and public regulatory agencies to which Gatos is subject, including any exchanges on which Gatos’ securities may be listed;
- Act in good faith, responsibly, with due care, competence and diligence, and without misrepresenting material facts or circumstances;
- Respect the confidentiality of Gatos information, except when authorized or otherwise required to make any disclosure, and avoid the use of any Gatos information for personal advantage;
- Share my knowledge with others within Gatos, to the extent appropriate and consistent with applicable law;
- Promote ethical behavior among employees under my supervision;
- Accept accountability for adherence to this Code of Business Conduct and Ethics; and
- Ensure responsible use of and control over all assets and resources of Gatos entrusted to me.

I acknowledge that Gatos’ Code of Business Conduct and Ethics describes procedures for the internal reporting of violations of such Code. I will comply with those reporting requirements. I will also promote compliance with them by others under my supervision, as well as prompt reporting by them of violations of such Code. I further acknowledge that the consequences of my failure to adhere to Gatos’ Code of Business Conduct and Ethics may result in disciplinary action, up to and including termination for cause.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by the Board of Directors on October 8, 2020.