



NEWS RELEASE

Gatos Silver Reports Temporary Suspension of Mine Operations

4/27/2022

DENVER--(BUSINESS WIRE)-- Gatos Silver, Inc. (NYSE/TSX: GATO) ("Gatos Silver" or the "Company") today announced the temporary suspension of mine operations as a result of a temporary regulatory suspension of the explosive and blasting permit at the Cerro Los Gatos Mine ("CLG").

The Mexican Ministry of Defense ("SEDENA"), who regulates all explosives permits in Mexico, temporarily suspended CLG's explosive and blasting permit on April 21, 2022, following a blasting incident during underground development activities where two blasts were detonated prematurely. There were no physical injuries as a result of the incident, and no significant damage to equipment or infrastructure. Gatos Silver considers the safety of our employees of critical importance, and a thorough investigation of CLG's blasting procedures is being conducted.

The processing plant has continued to operate normally since April 21, 2022, and will shut down on April 28, 2022 for scheduled maintenance activities. Non-production related activities in the mine are continuing normally. In conjunction with completing the incident investigation this week, the Company expects the reinstatement of CLG's explosives and blasting permit soon, together with the resumption of normal mine operations and processing activities next week. We do not currently expect any material impact to our current production plans or to our annual production guidance.

About Gatos Silver

Gatos Silver is a silver dominant exploration, development and production company that discovered a new silver and zinc-rich mineral district in southern Chihuahua State, Mexico. As a 70% owner of the LGJV, the Company is primarily focused on operating the mine and mineral processing plant at the LGJV's CLG deposit which started

producing in 2019. More than 85% of the approximately 103,087-hectare mineral rights package has yet to be drilled, representing a highly prospective and under-explored district with numerous silver-zinc-lead epithermal mineralized zones identified as priority targets.

Forward-Looking Statements

This press release contains statements that constitute “forward looking information” and “forward-looking statements” within the meaning of U.S. and Canadian securities laws. Forward-looking statements are based on management’s beliefs and assumptions and on information currently available to management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements. Such risks and uncertainties include the risks and uncertainties described in our filings with the U.S. Securities and Exchange Commission and Canadian securities commissions. Gatos Silver expressly disclaims any obligation or undertaking to update the forward-looking statements contained in this press release to reflect any change in its expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law. No assurance can be given that such future results will be achieved. Forward-looking statements speak only as of the date of this press release.

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