

Southern Silver Exploration Corp. (TSXV:SSV)

Exploration Update
February 10, 2026

781 g/t AgEq over 5.8m Intersected at Puro Corazon Claim

Impact: Mildly Positive

Southern Silver (SSV) reported additional assays from the recently acquired Puro Corazon claim at its 100%-owned Cerro Las Minitas project (CLM) in Durango, Mexico. The highlight result from this batch of assays was 781 g/t AgEq over 5.8m (25CLM-210). **We are encouraged by another batch of good drill results that should continue to help draw investor eyeballs to Southern Silver, which is still trading at a discount to peers on an EV/oz AgEq and P/NAV basis. This disconnect is despite its large resource base in a prime Mexican mining jurisdiction and being right next to a main highway and infrastructure. We believe further positive drill results, resource expansion, and project de-risking work could continue to help re-rate the stock. We expect the inclusion of Puro Corazon's mineralization and existing infrastructure in future CLM economic studies to be synergistic and value enhancing.**

Highlights:

- **Drilling continues to extend mineralization at depth.** Highlights include: 1) 781 g/t AgEq over 5.8m (25CLM-210), 2) 348 g/t AgEq over 10.8m incl. 642 g/t AgEq over 3.1m (25CLM-210), and 3) 890 g/t AgEq over 3.0m. These new intercepts tested the depth extent of mineralization below previous results from Puro Corazon ([read note](#)) and tested further extents of mineralization toward the southern edge of the claim.
- **More high-grade results below the main skarn target.** Results have continued to confirm the continuity of the replacement lens and extended mineralization to a depth of >360m below surface. We note that these results build on previous intersections that returned 1,115 g/t AgEq over 10.5m ([read note](#)) and 743 g/t AgEq over 10.4m ([read note](#)).
- **Assays remain pending.** SSV initially planned to drill a total of 22 core drill holes with 21 holes now completed or in-progress. Results from eight holes have been reported and the remaining holes are pending.
- **Lots of catalysts on the horizon.** Once final drill assays are received from Puro Corazon in Q1/26, the company expects to incorporate the full set of results into an Updated MRE and PEA at its CLM project. Subsequently, it is expected to continue advancing baseline data collection and a permit readiness review.
- **Opportunity to improve project economics.** CLM's 2024 PEA outlined a 17-year 5,300 tpd longhole open stoping operation producing ~190M oz AgEq with a US\$501M NPV5%, 21.2% IRR and four-year payback (all post-tax) at prices of US\$23/oz Ag, US\$ 1,850 Au, US\$4/lb Cu, US\$1/lb Pb and US\$1.25/lb Zn ([read note](#)). We expect further positive drill results to potentially expand the project's resource and bolster economics.

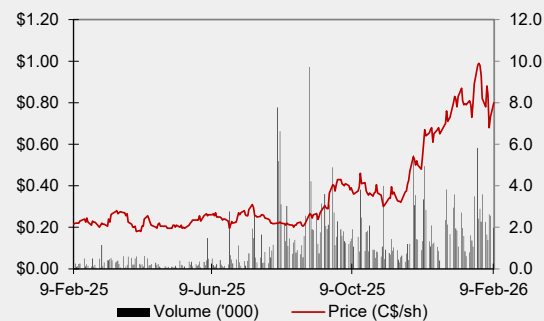
Valuation:

We maintain our BUY rating and target price of C\$1.30/sh. Our target is based on 0.60x of the company's corporate NAVPS of C\$2.06 (unchanged), which is driven by our ~C\$1.4B DCF_{8%} valuation of CLM. Southern Silver trades at a discount to its peers on a US\$EV/oz AgEq basis at \$0.73 vs peers at \$2.46, and on a P/NAV basis at 0.39x vs peers at 0.57x. **Upcoming Catalysts:** 1) Cerro Las Minitas and Puro Corazon drill results (Ongoing) and 2) Updated CLM MRE & PEA (H1/26).

(Currency is CAD\$ unless noted otherwise)

Closing Price (\$/sh)		\$0.80
Rating		BUY
Target (\$/sh)		\$1.30
Return to Target		63%
NAV (\$/sh)		\$2.06
P/NAV		0.39x
52 Week Low / High	\$0.18 /	\$1.13
CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	405.2	496.8
Market Capitalization (\$MM)		\$324.2
Enterprise Value (\$MM)		\$304.5
Cash (\$MM)		\$19.7
Debt (\$MM)		\$0.0

STOCK CHART



NET ASSET VALUE	(C\$M)	(C\$/sh)
Cerro Las Minitas, Mexico (100%)	\$1,393.17	\$2.00
Oro Project, Mexico (100%)	\$5.00	\$0.01
Corporate Adjustments	\$37.94	\$0.05
NAV	\$1,436.11	\$2.06

RELATIVE VALUATION	US\$EV/oz AgEq	P/NAV
Peer Group Average*	\$2.46	0.57x
Southern Silver Exploration Corp.	\$0.73	0.39x

MAJOR SHAREHOLDERS

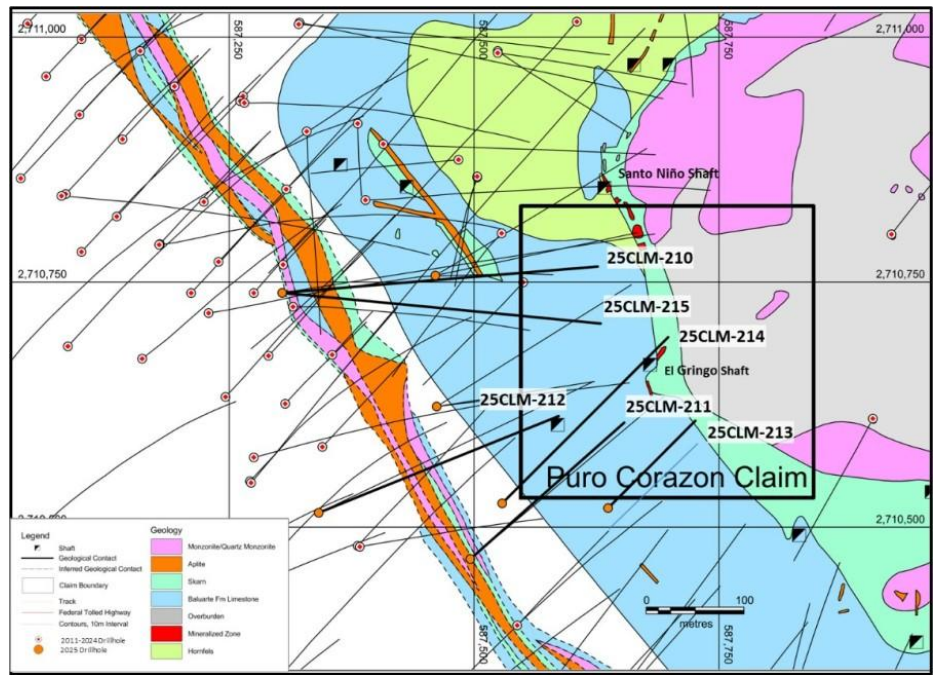
Management (2.3%), The Electrum Group LLC (25.0%), Institutions (12.0%)

DISCLOSURE CODE: 1,2,3
(Please refer to the disclosures listed on the back page)
Source: RCS, Company Information, Capital IQ

Company Description

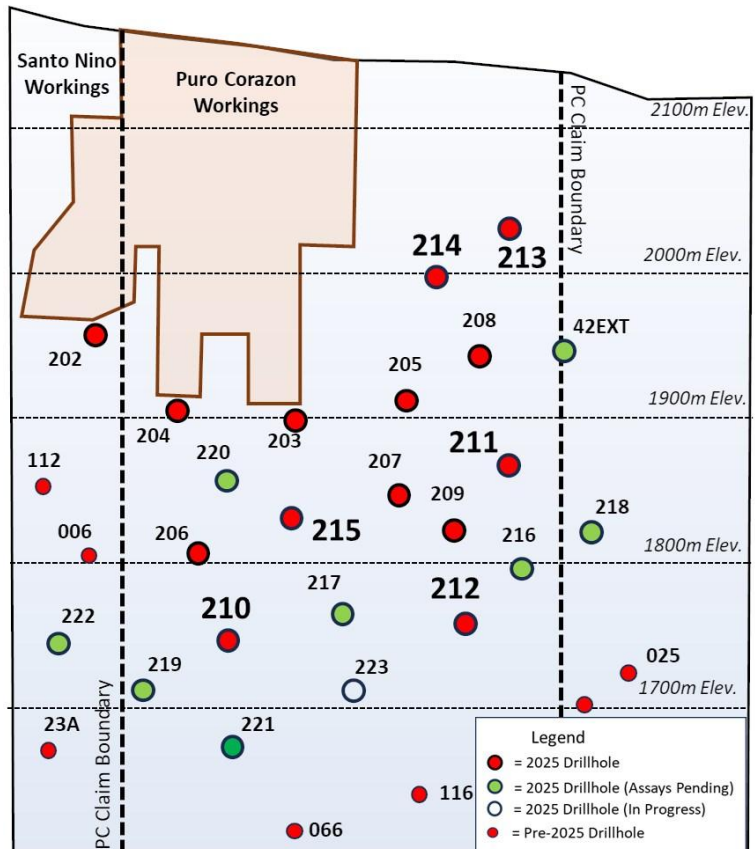
Southern Silver Exploration Corp., an exploration stage company, acquires, explores, and develops natural resource properties. It explores for gold, silver, copper, lead, and zinc ores. The company's flagship property is the Cerro Las Minitas project comprising twenty-five mineral concessions covering an area of approximately 27,451 hectares located in Durango State, Mexico. The company was formerly known as Newcoast Silver Mines Ltd. and changed its name to Southern Silver Exploration Corp. in July 2004. Southern Silver Exploration Corp. was incorporated in 1963 and is headquartered in Vancouver, Canada.

Figure 1: Plan view of drilling completed at Puro Corazon



Source: Company Reports

Figure 2: Longitudinal section of Puro Corazon target. Pierce points reflect intercepts into the main Skarn zone



Source: Company Reports

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Disclosure Statement

Updated February 10, 2026

Recommendation / Target Change			Red Cloud Securities has this percentage of its universe assigned as the following:	
Date	Rating	Target	Status	%
2024-06-12	BUY	1.00	BUY	46%
2024-07-25	BUY	1.00	BUY (S)	21%
2024-08-28	BUY	1.00	HOLD	0%
2024-09-04	BUY	0.90	TENDER/ SELL	0%
2024-10-21	BUY	0.90	NA	30%
2025-01-07	RESTR.	RESTR.	UNDER REVIEW	4%
2025-02-27	BUY	0.90		
2025-03-03	RESTR.	RESTR.		
2025-04-24	BUY	1.25		
2025-06-30	BUY	1.25		
2025-09-18	BUY	1.10		
2025-10-20	BUY	1.30		
2025-11-07	BUY	1.25		
2025-12-02	BUY	1.30		
2025-12-02	BUY	1.30		
2026-01-07	BUY	1.30		
2026-01-28	BUY	1.30		
2026-02-10	BUY	1.30		

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Company Name	Ticker Symbol	Disclosures
Southern Silver Exploration Corp.	TSXV:SSV	1,2,3

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