SIERRA MADRE GOLD AND SILVER LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS AND MANAGEMENT INFORMATION CIRCULAR

Dated: March 24, 2026

SIERRA MADRE GOLD AND SILVER LTD.
300 - 1455 Bellevue Ave.
West Vancouver, BC V7T 1C3

March 24, 2026

Dear Shareholders of Sierra Madre Gold and Silver Ltd.:

You are invited to attend the special meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**") of Sierra Madre Gold and Silver Ltd. ("**Sierra Madre**" or the "**Company**") to be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia V6E 2J3, on April 28, 2026, at 10:00 a.m. (Vancouver time) to approve the Acquisition (as defined below).

The Acquisition

As announced by the Company on December 17, 2025, the Company, First Majestic Silver Corp. ("**First Majestic**") and Corporación First Majestic, S.A. de C.V. (the "**Vendor**"), a wholly-owned subsidiary of First Majestic incorporated under the laws of Mexico, entered into a definitive share purchase agreement dated December 17, 2025 (the "**Share Purchase Agreement**"). Pursuant to the Share Purchase Agreement, the Company will acquire all of the issued and outstanding shares of First Majestic Del Toro, S.A. de C.V. (the "**Target**") from the Vendor (the "**Acquisition**"). The Target holds a 100% interest in the Del Toro Silver Mine in the Chalchihuites District in Mexico ("**Del Toro**"). First Majestic is a non-arm's length party of the Company.

At the Meeting, you will be asked to consider and vote upon the Acquisition and the Company's payment of up to US$60,000,000 to First Majestic, subject to customary working capital adjustments, as follows:

(i) upon closing of the Acquisition (the "**Closing**"), US$20,000,000 payable in cash and US$10,000,000 payable by the issuance of common shares of the Company ("**Shares**") at a deemed price of $1.30 per Share;

(ii) within 18 months of the Closing, US$10,000,000, payable in cash or, at the option of the Company, Shares at a price per Share equal to the market price of the Shares (as determined in accordance with the policies of the TSX Venture Exchange (the "**TSXV**")) on the day prior to issuance of the Shares, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value (based on the market price of the Shares on the day prior to issuance) of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash;

(iii) if, within 48 months of the Closing, the Company files a National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") technical report over any or all of Del Toro that demonstrates "mineral resources" (as defined in NI 43-101) of at least 100 million ounces ("Moz") of silver equivalent ("AgEq") or the Company issues a news release announcing "mineral resources" of at least 100 Moz AgEq, an additional US$10,000,000 in cash or, at the option of the Company, Shares at a price per Share equal to the market price of the Shares (as determined in accordance with the policies of the TSXV) on the day prior to issuance of the Shares, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value (based on the market price of the Shares on the day prior to issuance) of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash; and

(iv) if, within 60 months of the Closing, the Company achieves commercial production at Del Toro of at least 4,000 tonnes per day ("tpd") for 30 consecutive days, an additional US$10,000,000 in cash or, at the option of the Company, Shares at a price per Share equal to the market price of the Shares (as determined in accordance with the policies of the TSXV) on the day prior to issuance of the Shares, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value (based on the market price of the Shares on the day prior to issuance) of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash.

Concurrent Financing

To facilitate completion of the Acquisition, the Company has completed a brokered Concurrent Financing (as defined herein) of 44,231,300 Subscription Receipts at a price of $1.30 per Subscription Receipt for gross proceeds of $57,500,690 pursuant to an Agency Agreement entered into by the Company, Beacon Securities Limited as lead agent and sole bookrunner, Canaccord Genuity Corp., BMO Capital Markets, VSA Capital Limited. The Concurrent Financing closed in two tranches, on January 14, 2026 and January 30, 2026 for 30,521,724 Subscription Receipts and 13,709,576 Subscription Receipts, respectively. Each Subscription Receipt will automatically convert into one Share immediately prior to completion of the Acquisition. All proceeds of the Concurrent Financing are being held in escrow pending completion of the Acquisition and will be returned to subscribers in the event the Acquisition is not completed.

Why Shareholder Approval is Required

First Majestic is an insider of the Company because it owns in excess of 10% of the Company's outstanding Shares. As a result, the Acquisition constitutes a “related party transaction” under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and requires approval by a simple majority of the votes cast by disinterested Shareholders present in person or represented by proxy at the Meeting. The Company is relying on the exemption from the formal valuation requirement under subsection 5.5(b) of MI 61-101 because the Company’s Shares are not listed on a specified market; accordingly, no formal valuation is required. Disinterested shareholder approval of the Acquisition is nevertheless required under MI 61-101. Disinterested shareholder approval of the Acquisition is also required under TSXV Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets* to satisfy evidence of value requirements as the Acquisition involves non-arm’s length parties to Sierra Madre. Shareholder approval was not required for the Concurrent Financing.

Board Process and Fairness

The Board, based on its considerations, investigations and deliberations, including its review of the terms and conditions of the Share Purchase Agreement and other relevant matters, and taking into account the best interests of Sierra Madre, and after consultation with management and its legal, tax and financial advisors, has unanimously determined that the Acquisition is fair and reasonable, from a financial point of view, and that the Acquisition is in the best interests of Sierra Madre. Accordingly, the Board unanimously recommends that disinterested Shareholders vote **"FOR"** the Acquisition Resolution.

Strategic Rationale and Benefits to Sierra Madre Shareholders

The Board determined that the transaction advances Sierra Madre’s strategy and enhances long-term value for shareholders for the following reasons:

- Sierra Madre will become the indirect owner and operator of Del Toro, a fully permitted, past-producing underground silver-gold-lead mine with an on-site process plant that operated between 2013 and 2019.
- Del Toro is located within the under-explored Chalchihuites mining district, host to numerous old mines and workings with silver, lead, zinc and copper mineralization.
- Because the Acquisition Resolution must be approved by a majority of the votes cast by disinterested Shareholders pursuant to MI 61-101 in person or by proxy at the Meeting, it is considered protective of the rights of Shareholders.
- The terms and conditions of the Share Purchase Agreement, including the parties’ representations, warranties and covenants, and the conditions to their respective obligations are in the judgment of the Board, following consultations with its advisors, reasonable.
- There are no brokerage fees payable by the Company upon closing of the Acquisition.

- Completion of the Acquisition is subject to closing conditions, including, without limitation, completion of a private placement for gross proceeds of at least $40,000,000, which has been satisfied through completion of the Concurrent Financing.

In reaching its decision, the Board considered potential alternatives; the certainty, timing and form of consideration; risk allocation among the parties; and the terms of the Concurrent Financing.

Key Terms and Conditions

Completion of the Acquisition is subject to customary conditions, including:

- receipt of required approval from Sierra Madre disinterested shareholders;
- acceptance of the TSXV;
- Mexican antitrust approval;
- completion of a private placement for gross proceeds of at least $40,000,000, which has been satisfied through completion of the Concurrent Financing; and
- other customary regulatory and third-party approvals and conditions.

Who Can Vote and How Your Votes Will Be Counted

The transaction must be approved by a simple majority of the votes cast by disinterested Shareholders present in person or by proxy at the meeting. Votes attached to Shares held by interested parties and their affiliates (including First Majestic) as prescribed by MI 61-101 will be excluded from the minority approval.

The accompanying management information circular contains important information regarding the meeting, voting procedures, risk factors, the text of the resolution and a detailed description of the transaction and related agreements. **Please read it carefully.**

Recommendation of the Board

The Board has unanimously determined that the transaction is in the best interests of Sierra Madre and fair, from a financial point of view, to Shareholders, and unanimously recommends that disinterested Shareholders vote **"FOR"** the resolution approving the transaction.

Your vote is important regardless of the number of Shares you own. Please vote your Shares as soon as possible.

On behalf of the Board,

/s/ "Alexander Langer"

Alexander Langer
Chief Executive Officer and a Director

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN THAT the special meeting (the "**Meeting**") of the shareholders of Sierra Madre Gold and Silver Ltd. ("**Sierra Madre**" or the "**Company**") will be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia V6E 2J3, on April 28, 2026, at 10:00 a.m. (Vancouver time).

At the Meeting, the shareholders will consider resolutions for the following purposes:

1. to consider and, if deemed advisable, to approve, with or without amendment, a resolution of shareholders (the "**Acquisition Resolution**") to be passed by a simple majority of the votes cast on the Acquisition Resolution by the shareholders present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to the shares beneficially held by, or over which control or direction is exercised by, shareholders who are required to be excluded in accordance with Section 8.1 of Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*, the full text of such Acquisition Resolution is set out in the accompanying management information circular (the "**Information Circular**"), approving the transactions contemplated in the Share Purchase Agreement dated December 17, 2025 between the Company, First Majestic, the Vendor and the Target, as more particularly described in the Information Circular; and

2. to transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

The board of directors of the Company (the "**Board**") has fixed the record date for the Meeting at the close of business on March 24, 2026, for determining shareholders entitled to receive notice of, and to vote at the Meeting and any postponement or adjournment of the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy; however, the Board is requesting that all shareholders vote their shares by proxy and <u>not</u> attend in person. Shareholders should read, complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 24th day of March, 2026.

BY ORDER OF THE BOARD

/s/ "Alexander Langer"

ALEXANDER LANGER

Chief Executive Officer and a Director

TABLE OF CONTENTS

GLOSSARY OF TERMS

The following glossary of terms used in this Information Circular is provided for ease of reference. In this Information Circular, unless otherwise noted, all dollar amounts are expressed in Canadian dollars.

"Acquisition"	means the acquisition by the Company of all of the issued and outstanding shares of the Target pursuant to the Share Purchase Agreement.
"Acquisition Resolution"	means the resolution of disinterested Shareholders approving the Acquisition.
"Agency Agreement"	means an agency agreement entered into by Sierra Madre and the Agents in connection with the Concurrent Financing.
"Agents"	means Beacon, as lead agent and sole bookrunner, Canaccord Genuity Corp., BMO Capital Markets and VSA Capital Limited, as agents in connection with the Concurrent Financing.
"Agents' Fees"	means the cash commission and corporate finance fee of $2,484,348.06 paid to the Agents under the Concurrent Financing.
"Beacon"	means Beacon Securities Limited.
"Board"	means the board of directors of Sierra Madre, as constituted from time to time.
"CIM"	means the Canadian Institute of Mining, Metallurgy and Petroleum.
"CIM Standards"	means the CIM Definition Standards on Mineral Resources and Mineral Reserves.
"Closing"	means the closing of the Acquisition.
"Company" or "Sierra Madre"	means Sierra Madre Gold and Silver Ltd.
"Compensation Option"	means 1,908,845 compensation options of the Company issued to the Agents under the Concurrent Financing.
"Concessions Assignment"	means the assignment agreement dated December 10, 2025 pursuant to which the Target agreed to assign the Jimenez del Tul concessions to Minera Jimenez del Tul.
"Concurrent Financing"	means the brokered private placement of 44,231,300 Subscription Receipts at a price of $1.30 per Subscription Receipt for gross proceeds of $57,500,690.
"Consideration Shares"	means the Shares issued to First Majestic pursuant to the Share Purchase Agreement.
"Del Toro"	means the Del Toro Silver Mine in the Chalchihuites District in Mexico.
"Eligible Expenses"	all reasonable expenses and fees payable by the Company in connection with the Concurrent Financing and the Acquisition, including, without limitation: (i) all expenses of or incidental to the creation, issue, sale or distribution of the Subscription Receipts; (ii) the fees and expenses of the Company's legal counsel; (iii) all costs incurred in connection with the preparation of documents relating to the Concurrent Financing; and (iv) all reasonable expenses and fees incurred by the Agents with respect to the Concurrent Financing, including the reasonable fees, disbursements and applicable taxes thereon of the Agents' legal counsel (subject to a maximum of $100,000 for the Agents' Canadian legal counsel, exclusive of disbursements and taxes) in connection with the Concurrent Financing, and any HST on the foregoing amounts.
"Escrow Release Conditions"	means certain escrow release conditions under the Concurrent Financing, including written confirmation from each of the Company and First Majestic that all conditions precedent to the Acquisition have been satisfied in all material

	respects in accordance with the Share Purchase Agreement, the receipt of all required corporate, shareholder and regulatory approvals in connection with the Acquisition and such other customary escrow release conditions that may be requested by Beacon, acting reasonably
"Escrowed Proceeds"	means the aggregate gross proceeds of the Concurrent Financing, less the Eligible Expenses and 50% of the Agents' Fee, together with all interest and other income earned thereon, which funds are being held in escrow.
"First Majestic"	means First Majestic Silver Corp.
"First Tranche"	means the first tranche of the Concurrent Financing, which closed on January 14, 2026 for 30,521,724 Subscription Receipts.
"**Information Circular**"	means this management information circular prepared in connection with the Meeting.
"La Guitarra"	means the mining claims covering approximately 39,714 hectares, and a 500 tpd flotation mill and related infrastructure, located in the Temascaltepec Mining District, Mexico.
"Litigation Rights Assignment"	means the assignment agreement dated December 10, 2025 pursuant to which the Target assigned certain litigation rights to Minera La Encantada, S.A. de C.V.
"LOI"	means the letter of intent entered into between the Company and First Majestic dated October 31, 2025.
"Market Price"	means the market price of the Shares on the day prior to issuance of the Shares as determined in accordance with the policies of the TSXV.
"Meeting"	means the special meeting of Shareholders of Sierra Madre to be held on April 28, 2026.
"Mexican Antitrust Approval"	means the approval of the Federal Economic Competition Commission (Comisión Federal de Competencia Económica) in Mexico in respect of the Acquisition.
"MI 61-101"	means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
"Minera Jimenez del Tul"	means Minera Jimenez del Tul, S.A. de C.V., an affiliate of First Majestic.
"Minera La Encantada"	means Minera La Encantada, S.A. de C.V., an affiliate of First Majestic.
"NI 43-101"	means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
"Pre-Closing Tax Period"	means any taxable period ending on or before the Time of Closing and, with respect to any taxable period beginning before and ending after the Time of Closing, the portion of such taxable period ending on and including the Time of Closing.
"Purchase Price"	means the aggregate purchase price of up to US$60,000,000 payable by the Company to First Majestic for the Acquisition.
"Record Date"	means the date fixed as the record date for determining Shareholders entitled to vote at the Meeting.
"Release Deadline"	means prior to 5:00 p.m. (Toronto time) on May 14, 2026, the deadline by which the Escrow Release Conditions must be satisfied under the Concurrent Financing.
"SEDAR+"	means the System for Electronic Document Analysis and Retrieval+, accessible at www.sedarplus.ca.

"Share Purchase Agreement"	means the definitive share purchase agreement dated December 17, 2025 between the Company, First Majestic, the Vendor and the Target.
"Shareholders"	means holders of Shares.
"Shares"	means the common shares of the Company.
"SK 1300"	means Item 1300 of Regulation S-K under the Exchange Act.
"**Straddle Period**"	means a tax period that commences prior to the Time of Closing and ends following the Time of Closing.
"Subscription Receipt Agreement"	means the subscription receipt agreement among the Company, Beacon and Odyssey Trust Company, as subscription receipt agent, dated January 14, 2026 under the Concurrent Financing.
"Subscription Receipts"	means the subscription receipts of the Company to be issued under the Concurrent Financing.
"Target"	means First Majestic Del Toro, S.A. de C.V.
"**Tax**" or "**Taxes**"	means all foreign, federal, national, provincial, state, city or municipal taxes, levies, duties, assessments, reassessments and other charges of any nature whatsoever, including income tax, profits tax, capital gains tax, gross receipts tax, corporation tax, mining tax, royalties, sales and use tax, wage tax, payroll tax, workers' compensation levy, capital tax, stamp duty, real and personal property tax, land transfer tax, customs or excise duty, excise tax, turnover or value added tax on goods sold or services rendered, goods and services tax, withholding tax, social security, government pension plan and employment insurance charges or retirement contributions and any instalments, interest, penalties or other additions to tax.
"Tax Assessment"	means any tax assessment issued by the Mexican Tax authority to the Target for any Pre-Closing Tax Period or Straddle Period.
"Tax Re-Assessment"	means any tax re-assessment issued by the Mexican Tax authority to the Target for any Pre-Closing Tax Period or Straddle Period, including interest, inflation and penalties.
"**Time of Closing**"	means 9:00 a.m. (Vancouver time) on the date of Closing or such other time on as agreed to in writing by Sierra Madre, First Majestic and the Vendor.
"TSXV"	means the TSX Venture Exchange.
"VAT Refund"	means payment from the Mexican Tax authority of the value added tax receivables of the Target as at 12:01 a.m. (Vancouver Time) on the Closing Date.
"Vendor"	means Corporación First Majestic, S.A. de C.V.

MANAGEMENT INFORMATION CIRCULAR
(As at March 24, 2026 except as indicated)

Sierra Madre Gold and Silver Ltd. ("**Sierra Madre**" or the "**Company**") is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the special meeting (the "**Meeting**") of the Company to be held on April 28, 2026 and at any adjournments thereof. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

As of the date of this Information Circular, the Company has not retained a proxy solicitation firm. The Company may, in its discretion, retain a proxy solicitation firm prior to the Meeting to assist with the solicitation of proxies. If a firm is retained, the Company expects to pay customary market fees for such services, plus disbursements and applicable taxes. Any additional solicitation materials used by or on behalf of the Company will be filed on SEDAR+ as required.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This circular and the documents incorporated by reference contain "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities laws (together, "forward-looking statements"). Forward-looking statements are often, but not always, identified by words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "potential", "predict", "project", "seek", "should", "target", "will", "would", and similar expressions (including negative and grammatical variations). Forward-looking statements in this circular include, without limitation, statements regarding: the expected timing, terms and completion of the Acquisition; the holding of the Meeting; the receipt of shareholder, TSXV and other regulatory approvals and the satisfaction or waiver of conditions to closing; the anticipated development, operation, production profile and mine life of Del Toro (including the resumption of production); the potential benefits, strategic rationale, cash flow generation, accretion, risk profile and long-term value of the Acquisition to Sierra Madre and its shareholders; the availability, terms and use of financing, including the Concurrent Financing; the fulfillment of Escrow Release Conditions in connection with the Concurrent Financing; Sierra Madre's proposed exploration, drilling and exploitation activities and timelines; the activities, events or developments that Sierra Madre expects or anticipates will or may occur in the future; expectations regarding the future development of Sierra Madre's assets; and future commodity prices, exchange rates, inflation and interest rates.

Forward-looking statements are based on the opinions, assumptions and estimates of management as at the date they are made and are subject to a variety of known and unknown risks, uncertainties and other factors that may cause actual events or results to differ materially from those expressed or implied by such statements. These assumptions include, without limitation, the ability to obtain required approvals on satisfactory terms and in a timely manner; the ability to hold the Meeting on the anticipated timeline; the ability to satisfy closing conditions; the ability to complete the Acquisition on the terms announced or at all; the accuracy of public disclosure and technical information regarding Del Toro; the benefits of the Acquisition; that Sierra Madre will have the necessary funds and resources to carry out its exploration and development plans for Del Toro, including the intended resumption of production; that the Escrow Release Conditions in connection with the Concurrent Financing will be satisfied or waived (as permitted) prior to the Release Deadline; that Sierra Madre will use the proceeds of the Concurrent Financing as announced or at all; the performance by counterparties of contractual obligations; availability of financing on acceptable terms; the reliability of title, permits and licences; stable general economic, market and regulatory conditions; and commodity price and foreign exchange rate assumptions.

Risks and uncertainties that may cause actual results to differ materially include, without limitation: failure to obtain shareholder, stock exchange or regulatory approvals; inability to satisfy or waive closing conditions or delays in doing so; risks that Sierra Madre may be unable to complete the Acquisition on the proposed terms, or at all; termination of the definitive agreements in accordance with their terms; changes in transaction terms; counterparty risk (including with First Majestic); risks associated with integrating the operations of Del Toro into Sierra Madre's existing business, including the potential for unexpected costs, delays or difficulties in achieving anticipated synergies; risks that the Escrow Release Conditions may not be satisfied prior to the Release Deadline resulting in the return of the Escrowed Proceeds to subscribers and the cancellation of the Subscription Receipts, which would prevent completion of the Acquisition; operational, development, construction and technical risks at Del Toro; risks that Sierra Madre may not have the necessary funds or resources to carry out its exploration and development plans for Del Toro, including resuming production at Del Toro, on the anticipated timeline, or at all; risks that Sierra Madre may not use the proceeds of the Concurrent Financing as anticipated; commodity price and foreign exchange volatility; cost inflation; access to and cost of capital; changes in laws, regulations, policies or their enforcement (including environmental, permitting, tax, sanctions, anti-corruption and royalties); title, permitting and environmental risks; timeliness of government or regulatory approvals; geological, metallurgical, processing and recovery uncertainties; reliance on key personnel; labour matters; equipment breakdowns and delays; supply chain disruptions; political and macroeconomic risks; market or business conditions; litigation and disputes; exploration cost overruns; and the other risk factors described in Sierra Madre’s public disclosure record available under Sierra Madre’s profile on SEDAR+.

Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are provided for the purpose of assisting Shareholders in understanding the proposed transaction and its expected impact and may not be appropriate for other purposes. Except as required by applicable securities laws, Sierra Madre undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Market and Industry Data

This Information Circular may include market and industry data that has been obtained from third-party sources, including industry publications, as well as industry data prepared by Sierra Madre management on the basis of their knowledge of and experience in the mining industry, including management’s estimates and assumptions relating to such industry based on that knowledge. The knowledge of Sierra Madre management of such industries has been developed through their respective experience and participation in such industries. Although management of Sierra Madre believes such information to be reliable, Sierra Madre management has not independently verified any of the data from third-party sources referred to in this Information Circular or ascertained the underlying economic assumptions relied upon by such sources. References in this Information Circular to any publications, reports, surveys or articles prepared by third parties should not be construed as depicting the complete findings of the entire publication, report, survey or article. The information in any such publication, report, survey or article is not incorporated by reference in this Information Circular.

Cautionary Note to U.S. Securityholders Concerning Mineral Resource and Reserve Estimates

Information concerning the properties and operations of Sierra Madre and First Majestic has been prepared in accordance with the requirements of Canadian securities Laws, which differ from the requirements of United States securities Laws. Unless otherwise indicated, all mineral reserve and mineral resource estimates included or incorporated by reference in this Information Circular have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") definitions and classification system. NI 43-101 is a rule developed by the Canadian Securities Administrators which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects (the “**CIM Standards**”). Canadian standards, including NI 43-101, differ significantly from the requirements of the SEC, and mineral reserve and mineral resource information contained or incorporated by reference in this Information Circular may not be comparable to similar information disclosed by U.S. companies subject to the reporting and disclosure requirements of the SEC. Under Canadian rules, inferred mineral resources can only be used in economic studies as provided under CIM

Standards. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource is economically or legally mineable. An "inferred mineral resource" is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Disclosure of contained ounces is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report resources as in place tonnage and grade without reference to unit measures.

The SEC's disclosure rules for mining companies under Item 1300 of Regulation S-K under the Exchange Act ("**SK 1300**") are not applicable to this Information Circular and do not require the Company to provide disclosure on its mineral properties. Under the SEC Modernization Rules, the definitions of "proven mineral reserves" and "probable mineral reserves" are substantially similar to the corresponding CIM Standards and the SEC definitions recognize "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" which are also substantially similar to the corresponding CIM Standards; however there are differences in the definitions and standards under SK 1300 and the CIM Standards and therefore there is no assurance that the Company's mineral reserve and mineral resource estimates under CIM Standards would be the same if the Company reported under SK 1300.

GENERAL PROXY INFORMATION

Appointment of Proxyholder

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers and/or directors of the Company (the "**Management Proxyholders**").

A Shareholder has the right to appoint a person other than a Management Proxyholder, to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.

Voting by Proxy

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

Completion and Return of Proxy

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Odyssey Trust Company, 1140 West Pender St., Suite 1310, Vancouver, British Columbia V6E 4G1, Canada, not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

Non-Registered Holders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered Shareholders are holders of Shares whose names appear on the share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased Shares. Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy. Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their Shares. The Company's Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners), and those who do not object (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting but rather has distributed copies of the Meeting materials to the Intermediaries for distribution to NOBOs. With respect to OBOs, in accordance with applicable securities law requirements, the Company has distributed copies of the Meeting materials to the clearing agencies and Intermediaries for distribution to OBOs. The Company does not intend to pay for Intermediaries to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Intermediaries assume the cost of delivery.

Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting materials will either:

(a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow; or

(b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder, but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and **deposit it with the Company, c/o Odyssey Trust Company, 1140 West Pender St., Suite 1310, Vancouver, British Columbia V6E 4G1, Canada**.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered

Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert their own name or such other person's name in the blank space provided. **Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

Notice-and-Access

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issue*r.

Revocability of Proxy

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the "**Board**") has fixed the record date for the Meeting as the close of business on March 24, 2026 (the "**Record Date**") for determining Shareholders entitled to receive notice of, and to vote at the Meeting and any postponement or adjournment of the Meeting.

The Company is authorized to issue an unlimited number of Shares and an unlimited number of preferred shares, each without par value, of which 196,734,526 Shares were issued and outstanding as at March 24, 2026. Persons who are registered Shareholders as of the Record Date will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. There are no preferred shares outstanding.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all Shares of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
First Majestic	51,563,076	26.21%(1)

Notes:

(1) Based on 196,734,526 shares issued and outstanding, on an undiluted basis, as of March 24, 2026.

THE ACQUISITION

Background to the Acquisition

The execution of the LOI and the Share Purchase Agreement, which contemplates the Acquisition, was the result of the completion of arm's length negotiations among representatives and legal advisors of the Company and First Majestic. The following is a summary of the material events which led to the negotiations of the LOI and the Share Purchase Agreement and the meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the LOI and the Share Purchase Agreement:

- The acquisition of Del Toro was discussed and considered during the La Guitarra acquisition; however, the Company elected to proceed only with La Guitarra given management's history and familiarity with the mine. In addition, as the Company was still relatively young and lean, it wanted to focus its efforts on getting one mine up and running before taking on another project in order to avoid stretching its management personnel and labour force too thin.

- Members of the Company's technical team in Mexico had worked at Del Toro and surrounding areas and had always maintained an interest in Del Toro due to its excellent potential. The technical team and management discussed Del Toro on several occasions after the La Guitarra acquisition was completed.

- Once commercial production at La Guitarra was achieved, the team began reviewing possible acquisitions of projects with positive features similar to La Guitarra - permitted, simple path and short timeline to production, with strong exploration upside. Del Toro met many of the Company's criteria as an acquisition candidate.

- On June 6, 2025, the Company met with First Majestic at which time Del Toro was discussed. First Majestic stated that they would review their internal plans moving forward and advise the Company.

- On September 12, 2025, during meetings First Majestic advised that they were agreeable to selling Del Toro to the right group. The Company immediately began detailed due diligence on Del Toro.

- On September 14, 2025, the process of setting up a data room was started and a site visit was organized.

- On September 24, 2025, the Company and First Majestic signed a confidentiality agreement.

- The Company's first site visit to Del Toro occurred between October 3 to October 6, 2025. The Company's full technical team, Chief Financial Officer, and various contractors were in attendance at this site.

- During October 2025, price negotiations took place between senior managers of both companies. The LOI was signed on October 31, 2025. Final terms for the acquisition were agreed in early November.

- The second site visit occurred between November 24 to November 28, 2025. The Company's full technical team and Qualified Person (as defined under NI 43-101) attended.

- During early December 2025, the Company notified First Majestic that it would like to proceed with the Acquisition, at which point board approval was received and legal contracts were drafted. Beacon was engaged for the Concurrent Financing and meetings commenced related to the Concurrent Financing.

- On December 17, 2025: (i) the Board approved the Acquisition and the Concurrent Financing, (ii) the Company entered into the Share Purchase Agreement, (iii) the Company executed an engagement letter with Beacon, and (iv) the Company announced the Acquisition and Concurrent Financing.

Recommendation of the Board

The Board has determined that the Acquisition is in the best interests of Sierra Madre and has approved the Acquisition and Share Purchase Agreement and recommends that Shareholders vote "**FOR**" the Acquisition Resolution.

Reasons for the Recommendation

In reaching its conclusions and formulating its recommendation that Shareholders vote "**FOR**" the Acquisition Resolution, the Board reviewed and considered a significant amount of information and considered a number of factors relating to the Acquisition and the transactions as a whole, with the benefit of advice from the financial and legal advisors of the Board and input from Sierra Madre's senior management team. The Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. The following is a summary of the principal reasons for the unanimous recommendation of the Board that Shareholders vote "**FOR**" the Acquisition Resolution:

(i) Sierra Madre will become the indirect owner and operator of Del Toro, a fully permitted, past-producing underground silver-gold-lead mine with an on-site process plant that operated between 2013 and 2019.

(ii) Del Toro is located within the under-explored Chalchihuites mining district, host to numerous old mines and workings with silver, lead, zinc and copper mineralization.

(iii) Because the Acquisition Resolution must be approved by a majority of the votes cast by disinterested Shareholders pursuant to MI 61-101 in person or by proxy at the Meeting, it is considered protective of the rights of Shareholders.

(iv) The terms and conditions of the Share Purchase Agreement, including the parties' representations, warranties and covenants, and the conditions to their respective obligations are in the judgment of the Board, following consultations with its advisors, reasonable.

(v) There are no brokerage fees payable by the Company upon closing of the Acquisition.

(vi) Completion of the Acquisition is subject to closing conditions, including, without limitation, completion of a private placement for gross proceeds of at least $40,000,000, which has been satisfied through completion of the Concurrent Financing.

Summary of the Acquisition

This section summarizes the material terms of the Acquisition. This summary is qualified in its entirety by the full text of the Share Purchase Agreement, a copy of which is available on the Company's profile on SEDAR+ at www.sedarplus.ca.

Pursuant to the Share Purchase Agreement, the Company will acquire all of the issued and outstanding shares of the Target, a wholly-owned subsidiary of the Vendor, in exchange for the payment of cash and Share consideration as described below. See "*The Acquisition – Consideration for the Acquisition*".

The Target owns Del Toro, which consists of approximately 2,159 hectares in the Municipality of Chalchihuites, Zacatecas in Mexico, as well as a mill and related infrastructure. Sierra Madre will indirectly acquire a 100% interest in Del Toro in connection with its acquisition of the Target under the Share Purchase Agreement, funded by the Concurrent Financing.

Consideration for the Acquisition

The aggregate purchase price payable by the Company to First Majestic for the Acquisition is up to US$60,000,000 (the "**Purchase Price**"), payable as follows:

(i) upon Closing, US$20,000,000 payable in cash and US$10,000,000 payable by the issuance of Shares at a deemed price of $1.30 per Share;

(ii) within 18 months of the Closing, US$10,000,000, payable in cash or, at the option of the Company, Shares at a price per Share equal to the Market Price, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value based on the Market Price of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash;

(iii) if, within 48 months of the Closing, the Company files an NI 43-101 technical report over any or all of Del Toro that demonstrates "mineral resources" (as defined in NI 43-101) of at least 100 million ounces ("Moz") of silver equivalent ("AgEq") or the Company issues a news release announcing "mineral resources" of at least 100Moz AgEq, an additional US$10,000,000 in cash or, at the option of the Company, Shares at a price per Share equal to the Market Price, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value based on the Market Price of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash; and

(iv) if, within 60 months of the Closing, the Company achieves commercial production at Del Toro of at least 4,000 tonnes per day ("tpd") for 30 consecutive days, an additional US$10,000,000 in cash or, at the option of the Company, Shares at a price per Share equal to the Market Price, subject to a maximum of 10,575,385 Shares, provided that if the aggregate deemed value based on the Market Price of the maximum number of Shares does not equal US$10,000,000, the remaining balance will be paid in cash.

The Purchase Price is subject to customary working capital adjustments post-closing.

Resale Restrictions

The Shares issued to First Majestic (the "**Consideration Shares**") will be subject to the following contractual resale restrictions, in addition to any securities law resale restrictions under TSXV policies:

(i) 25% will be subject to a 6-month resale restriction from the Closing date;

(ii) 25% will be subject to a 12-month resale restriction from the Closing date;

(iii) 25% will be subject to an 18-month resale restriction from the Closing date; and

(iv) 25% will be subject to a 24-month resale restriction from the Closing date.

Conditions to the Closing of the Acquisition

The respective obligations of the parties to complete the Acquisition are subject to the satisfaction, on or before the Closing, of a number of conditions precedent, which may be waived in accordance with the Share Purchase Agreement.

Completion of the Acquisition is subject to the satisfaction, on or before the Closing, of the following mutual conditions precedent:

(a) no provision of any applicable law shall prohibit or make illegal the Closing, and no governmental authority or other person shall have instituted or threatened any proceeding seeking to impose any such restraint or prohibition, or otherwise make illegal, the Closing;

(b) Sierra Madre shall have obtained Shareholder approval at the Meeting;

(c) the Mexican Antitrust Approval shall have been obtained; and

(d) Sierra Madre shall have obtained any required approvals of the TSXV for the transactions contemplated by the Share Purchase Agreement, including the issuance of the Consideration Shares to First Majestic, subject only to customary conditions.

Additionally, the obligations of Sierra Madre to complete the Acquisition are subject to the satisfaction, on or before the Closing, of the following conditions precedent:

(a) the representations and warranties of First Majestic, the Vendor and the Target made in the Share Purchase Agreement shall be true and correct in all respects as of the Closing, subject to customary exceptions;

(b) First Majestic, the Vendor and the Target shall have performed and complied in all material respects with all covenants, conditions, and agreements required by the Share Purchase Agreement on or prior to the Closing;

(c) there shall have been no material adverse change with respect to the Target or Del Toro since the date of the Share Purchase Agreement;

(d) each of the consents as identified in the Share Purchase Agreement shall have been obtained in the form and substance satisfactory to Sierra Madre, acting reasonably, and shall be in effect as of the Closing;

(e) First Majestic, the Vendor and the Target shall have delivered a title opinion update with respect to corporation mineral interests;

(f) the completion of a private placement for gross proceeds of at least US$40,000,000 on terms acceptable to Sierra Madre, which has been satisfied through completion of the Concurrent Financing; and

(g) Sierra Madre shall have received certain customary closing deliveries.

Further, the obligations of First Majestic, the Vendor and the Target to complete the Acquisition are subject to the satisfaction, on or before the Closing, of the following conditions precedent:

(a) the representations and warranties of Sierra Madre made in the Share Purchase Agreement shall be true and correct in all respects as of the Closing, subject to customary exceptions;

(b) Sierra Madre shall have performed and complied in all material respects with all covenants, conditions, and agreements required by the Share Purchase Agreement on or prior to the Closing;

(c) there shall have been no material adverse change with respect to Sierra Madre since the date of the Share Purchase Agreement; and

(d) First Majestic, the Vendor and the Target shall have received certain customary closing deliveries.

Covenants; conduct of business and access

The Share Purchase Agreement provides for certain covenants of the Company, First Majestic, the Vendor and the Target, as applicable, which covenants include, without limitation, the following:

(a) each party shall (i) take all such reasonable actions as are within its power and otherwise use all commercially reasonable efforts to (A) ensure compliance with the closing conditions, and (B) cause the Closing to occur as promptly as reasonable practicable and (ii) not take or agree to take any action that would reasonably be expected to delay or prevent the Acquisition;

(b) First Majestic and the Vendor shall cause the Target to conduct its business in the ordinary course of business consistent with past practices and will use commercially reasonable efforts to preserve intact the business, organization and goodwill and to maintain relationships with its counterparties;

(c) First Majestic and the Vendor shall not cause nor permit the Target to:

(i) amend or modify its charter documents;

(ii) alter the terms and conditions of its outstanding securities (including any split, conversion or exchange);

(iii) create, authorize or agree to issue or grant any equity securities or securities or other equity awards convertible into or exchangeable or exercisable for equity securities of the Target;

(iv) declare, set aside or pay any cash dividend or non-cash distribution or payment in respect of any of its securities;

(v) acquire (by merger, consolidation, acquisition of shares or assets or otherwise) any business;

(vi) sell, transfer, dispose of, lease, encumber, relinquish or abandon any asset used in the conduct of the business, subject to customary exceptions;

(vii) enter into any collective agreement covering any of the employees;

(viii) amend, increase the benefits under or terminate any plan that provides benefits to any current or former employees, or adopt an employee benefit plan that would be a plan in each case, other than in the ordinary course of business, consistent with past practices;

(ix) grant any employee or amend any existing right to any severance, retention, change in control or similar payment;

(x) grant to any employee an increase in salary greater than 5% per annum, except in the ordinary course of business and consistent with past practices or as is necessary to comply with applicable laws or an existing employment or services agreement;

(xi) hire any new employee or dismiss any employee, subject to certain exceptions;

(xii) make any material change in its methods of accounting, except as required by IFRS;

(xiii) incur any indebtedness for borrowed money, subject to customary exceptions;

(xiv) make any loans or advances to any person or assume or guarantee the liabilities of any person other than in the ordinary course of business;

(xv) except in the ordinary course of business, settle, offer or propose to settle, compromise, assign or release any proceeding brought against the Target;

(xvi) enter into any agreement creating a joint venture or partnership or effecting a business combination or any other similar arrangement with another person;

(xvii) amend in any material respect, enter into or terminate any material contract except as set out in the Share Purchase Agreement;

(xviii) waive, release, relinquish, terminate, grant or transfer any material rights under any permits;

(xix) other than as required by applicable law, make or change any material tax election, change any annual tax accounting periods, adopt or change any method of tax accounting, settle any disputed claim or assessment in respect of taxes which involves an amount payable by the Target, enter into any tax sharing or similar agreement or arrangement or amend any tax return in any material respect;

(xx) take any voluntary steps to dissolve, wind up or otherwise affect the Target's organizational existence; or

(xxi) enter into any contract with any of its affiliates, directors, officers or insiders, subject to certain exceptions;

(d) the parties shall provide one another prompt notice in writing of:

(i) any notice or communication from any person alleging that the consent of such person is or may be required in connection with the Acquisition;

(ii) any material notice or communication from any governmental authority in connection with the Acquisition;

(iii) any material proceeding commenced or threatened against Sierra Madre or the Target which relates to the consummation of the Acquisition; and

(iv) any failure by it to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied under the Share Purchase Agreement;

(e) Sierra Madre shall take, or cause to be taken all actions and to do or cause to be done, all things reasonably necessary to obtain the consent of the TSXV, prior to the Closing, in respect of the completion of the transactions set out in the Share Purchase Agreement, including the issuance of the Consideration Shares;

(f) Sierra Madre shall hold the Meeting in order to complete the Acquisition, and as such:

(i) shall convene and conduct the Meeting in accordance with applicable securities laws and the policies of the TSXV;

(ii) shall use commercially reasonable efforts to solicit proxies in favour of the Acquisition Resolution and against any resolution submitted by any person that is inconsistent with, or which seeks (without consent) to hinder or delay the Acquisition Resolution and the completion of the Acquisition;

(iii) shall permit First Majestic, the Vendor and the Target to, on behalf of management of Sierra Madre, directly or through a soliciting dealer, actively solicit proxies in favour of the Acquisition Resolution in compliance with applicable laws and Sierra Madre shall disclose in this Information Circular that First Majestic, the Vendor and the Target are permitted to make such solicitations;

(iv) shall provide First Majestic, the Vendor and the Target with copies of or access to information regarding the Meeting generated by any dealer or proxy solicitation firm, as may be reasonably requested by First Majestic, the Vendor and the Target from time to time;

(v) shall advise First Majestic, the Vendor and the Target as they may reasonably request as to the tally of the proxies received by Sierra Madre in respect of the Acquisition Resolution; and

(vi) shall ensure this Information Circular complies in all material respects with all applicable laws and will not contain any misrepresentation; and

(g) the parties shall each promptly notify the other if at any time before the Closing, they become aware that this Information Circular contains a misrepresentation or that otherwise requires an amendment or supplement to this Information Circular, and the parties shall cooperate in the preparation of any amendment or supplement to this Information Circular, as required or appropriate, and Sierra Madre shall promptly mail or otherwise publicly disseminate any amendment or supplement to this Information Circular to the Shareholders and, if required by applicable laws, file the same with the securities authorities and as otherwise required.

VAT Refund, Assignment of Tax Assessment and Tax Re-Assessment

Sierra Madre has agreed to cause the Target to, amongst other things, (i) grant a special power of attorney in favour of First Majestic and the Vendor to (A) obtain payment of the VAT Refund; and (B) assume control of any Tax Assessment and/or Tax Re-Assessment (as such terms are defined in the Share Purchase Agreement) on behalf of the Target; and (ii) cooperate with First Majestic and the Vendor with respect to the VAT Refund, any Tax Assessment and any Tax Re-Assessment.

All rights, obligations and benefits in and to the VAT Receivable (as defined in the Share Purchase Agreement) and any Tax Assessment and Tax Re-Assessment will remain with First Majestic and the Vendor, as applicable, from and after the Closing. First Majestic will promptly pay any and all additional amounts required in connection with any Tax Assessment or Tax Re-Assessment provided that the total amount payable by First Majestic on account of all Tax Assessments and Tax Re-Assessments will not exceed US$60,000,000. Any amounts in excess of such amount will be solely for the account of the Target. Sierra Madre and the Target will be entitled to recover the reasonable documented costs incurred by them in providing cooperation, information and access to First Majestic with respect to the VAT Receivable, Tax Assessment and Tax Reassessment, including reasonable fees and expenses of counsel and personnel of Sierra Madre and the Target incurred in connection with therewith.

Assignment of Litigation Rights

The Target has assigned certain litigation rights owned by the Target to Minera La Encantada, S.A. de C.V. ("**Minera La Encantada**"), an affiliate of First Majestic, pursuant to an assignment agreement dated December 10, 2025 (the "**Litigation Rights Assignment**"). Sierra Madre has agreed to, and/or cause the Target to, amongst other things, (i) grant, from time to time, such special powers of attorney of the Target in favour of representatives of Minera La Encantada, First Majestic or the Vendor to assume control of the litigation which is the subject of the Litigation Rights Assignment; and (ii) provide First Majestic and the Vendor with such other information and assistance and take such other actions as First Majestic and the Vendor may reasonably request in connection with the Litigation Rights Assignment.

Sierra Madre and the Target will be entitled to recover the reasonable documented costs incurred by them in providing cooperation, information and access with respect to the Litigation Rights Assignment including reasonable fees and expenses of counsel of Sierra Madre and the Target incurred in connection therewith.

Assignment of Jimenez del Tul Concessions

The Target has agreed to assign the concessions referred to as the "Jimenez del Tul concessions" owned by the Target to Minera Jimenez del Tul, S.A. de C.V. ("**Minera Jimenez del Tul**"), an affiliate of First Majestic, pursuant to an assignment agreement dated December 10, 2025 (the "**Concessions Assignment**"). Sierra Madre has agreed to, and/or cause the Target to, amongst other things, (i) grant, from time to time, such special powers of attorney of the Target in favour of representatives of Minera Jimenez del Tul, First Majestic or the Vendor to assume control of the Jimenez del Tul concessions which are the subject of the Concessions Assignment; and (ii) provide First Majestic and the Vendor with such other information and assistance and take such other actions as First Majestic and the Vendor may reasonably request in connection with the Concessions Assignment.

Sierra Madre and the Target will be entitled to recover the reasonable documented costs incurred by them in providing cooperation, information and access to First Majestic with respect to the Concessions Assignment including reasonable fees and expenses of counsel of Sierra Madre and the Target incurred in connection therewith.

Representations, warranties and indemnities

Each of Sierra Madre, First Majestic, the Vendor and the Target has provided customary representations and warranties in the Share Purchase Agreement, including with respect to organizational authority, due authorization, no conflicts, required consents and regulatory approvals, status of title and capitalization (as applicable), and litigation and insolvency matters. Certain "fundamental" representations have extended survival periods. Each party has agreed to customary covenants and indemnities, including indemnification by First Majestic, the Vendor and the Target in favour of Sierra Madre for, among other things, actions taken at the direction of the Target. Indemnities are subject to customary limitations and procedures.

Regulatory approvals and shareholder vote

First Majestic is an insider of the Company because it owns in excess of 10% of the Company's outstanding Shares. As a result, the Acquisition constitutes a "related party transaction" under MI 61-101. Sierra Madre is relying on the exemption from the formal valuation requirement under subsection 5.5(b) of MI 61-101. Disinterested Shareholder approval of the Acquisition is required under MI 61-101. Disinterested Shareholder approval of the Acquisition is also required under TSXV Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets* to satisfy evidence of valuation requirements as the Acquisition involves non-arm's length parties to Sierra Madre. Votes attached to Shares held by interested parties and their affiliates (including First Majestic) will be excluded for purposes of the minority approval.

Termination rights

The Share Purchase Agreement may be terminated:

(a) by mutual consent;

(b) if conditions set out in the agreement are not satisfied or waived by June 30, 2026, being the outside date (subject to customary limitations);

(c) by First Majestic or the Vendor, if Sierra Madre fails to hold the Meeting within 15 days of April 30, 2026;

(d) if Sierra Madre fails to obtain disinterested Shareholder approval of the Acquisition at the Meeting (including any adjournment or postponement of);

(e) if any law makes consummation of the Acquisition illegal or otherwise prohibited;

(f) if any governmental authority shall have issued an order restraining or enjoining the Acquisition, and such order shall have become final and non-appealable; or

(g) if a material breach of any provision of the Share Purchase Agreement (subject to customary limitations) has occurred.

Del Toro

Del Toro is located in the northwest-west region of Zacatecas State, near the border with Durango State, approximately 224 km from Zacatecas City, and about 125 km from Durango City. Between 2015 and 2018, the underground mine produced an average of 2.54Moz of AgEq annually (or 1.42Moz silver, plus 345.5oz gold and 19.95Mlb lead annually), based on data disclosed in the Annual Information Forms of First Majestic for the years ended December 31, 2015 through 2018, dated March 31, 2016 through 2019, available for review under First Majestic´s SEDAR+ profile at www.sedarplus.ca.

The operation includes three underground production-ready silver mines (Perseverancia, San Juan and Dolores), approximately one and three kilometres apart, respectively as well as a 3,000 tpd flotation processing circuit with three mills.[1] Additional infrastructure includes a dry stack tailings facility with design capacity for 12 years of

1. The Company´s decision to place a mine into commercial production, expand a mine, make other production related decisions, or otherwise carry out mining and processing operations, is largely based on internal non-public Company data and economic models prepared by the Company in conjunction with management´s knowledge of the property and experience at La Guitarra. The Company is not basing any production decisions on NI 43-101 compliant reserve estimates, preliminary economic assessments or feasibility studies and, as a result, there is greater risk and uncertainty as to future economic results from Del Toro, including increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated

operations at a rate of 2,000 tpd that is located approximately 800 metres from the process plant and an analytical lab, core shack, as well as power substations and power lines.

The Chalchihuites district was discovered between 1546-1556 during the Spanish colonial period. Although production records are limited, information indicates that during more recent times at least four mines were worked intermittently (San Juan, La Esmeralda, Magistral and La Perseverancia).[2]

The mineralization at Del Toro is consistent with the CRD model. Two structural systems are present, a NW-SE system and a N-S system. These structures are host to the vein style mineralization that were the primary source of First Majestic´s production. At structural intersections breccia zones and CRD chimney structures are present, with First Majestic´s Cuerpo 3 deposit being the best example developed to date. There is evidence of Manto type CRD mineralization in surface exposures, old workings and intersections in the historic drilling. During due diligence of both the historic data base and examination of surface exposures a total of 23 CRD targets have been identified.

Certain of the Del Toro concessions are subject to net smelter returns royalties between 1% and 2%.

As disclosed in the Annual Information Form of First Majestic for the year ended December 31, 2024, dated March 31, 2025, available for review under First Majestic´s SEDAR+ profile at www.sedarplus.ca, the site hosts Historical Measured and Indicated Resources of 592,000 tonnes grading 201 g/t Ag, 0.43 g/t Au, 3.90% Pb and 4.27% zinc ("**Zn**") (398 g/t AgEq), for a total of 7.57 million AgEq oz. Historical Inferred Resources stand at approximately 1.19 million tonnes grading 183 g/t Ag, 0.15 g/t Au, 3.46% Pb and 1.14% Zn (293 g/t AgEq), for a total of 11.18 million oz of AgEq.[3]

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with developing a commercially mineable deposit, and a higher technical risk of failure than would be the case if a feasibility study were completed and relied upon to make a production decision.

2. Mineralization on nearby properties is not necessarily indicative of mineralization hosted on the Del Toro property.

3. Notes on Historical Mineral Resource Estimates:
   (a) Reported by First Majestic in a technical report titled "Technical Report for the Del Toro Silver Mine, Chalchihuites, and Zacatecas, Mexico" with an effective date of December 31, 2016 prepared by Ramon Mendoza Reyes, P.Eng., Jesus M. Velador Beltran, MMSA and Andrew Hamilton, P.Geo. and last updated in First Majestic´s Annual Information Form with an effective date of December 31, 2020. The latest historical estimates were prepared by First Majestic internal "Qualified Persons" (as defined in NI 43-101) who have the appropriate relevant qualifications and experience in geology and resource estimation. The Mineral Resource estimates were prepared under the supervision of, or were reviewed by, David Rowe, CPG, Internal QP for First Majestic, a Qualified Person, as that term is defined in NI 43-101. Sample data was collected through a cutoff date of December 31, 2020. Metal prices considered for Mineral Resources estimates on December 31, 2020, were $22.50/oz Ag, $1,850/oz Au, $0.90/lb Pb and $1.05/lb Zn.
   (b) Mineral Resource estimates have been classified in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves, whose definitions are incorporated by reference into NI 43-101.
   (c) In accordance with NI 43-101, the Del Toro Historical Mineral Resource Estimates use the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource", having the same meanings ascribed to those terms as in the CIM Standards.
   (d) As these mineral resource estimates pre-date the Company´s agreement to acquire Del Toro, the Company is treating them as "historical estimates" under NI 43-101, but they remain relevant as the most recent mineral resource estimates for Del Toro. No more recent estimates or data are available to Sierra Madre.
   (e) Further drilling and resource modelling would be required to upgrade or verify these historical estimates as current Mineral Resources for the respective assets and accordingly, they should be relied upon only as a historical resource estimate of First Majestic, which pre-dates the Company´s agreement to acquire Del Toro.
   (f) Mr. Gregory Smith, P. Geo., a director of Sierra Madre, is a "Qualified Person" as defined by NI 43-101 and has reviewed and approved the technical data and information contained in this news release. However, a "Qualified Person" under NI 43-101 has not done sufficient work to classify the historical estimates as current Mineral Resources. Accordingly, a Qualified Person of the Company has not independently verified the Mineral Resources nor the other information contained herein, and the Company is not treating the historical estimates as current Mineral Resources.
   (g) Although the Company is not treating this information as a current estimate, the Company believes David Rowe´s work is reliable.
   (h) Historical information may not be representative of expected results.
   (i) Mineral Resources that are not mineral reserves do not have economic viability. Totals may not add up due to rounding.

Concurrent Financing

To facilitate the Acquisition, the Company completed a brokered Concurrent Financing of 44,231,300 Subscription Receipts at a price of $1.30 per Subscription Receipt for gross proceeds of $57,500,690. The Concurrent Financing closed in two tranches, on January 14, 2026 and January 30, 2026 for 30,521,724 Subscription Receipts and 13,709,576 Subscription Receipts, respectively.

The Concurrent Financing was conducted pursuant to an agency agreement dated January 14, 2026 (the "**Agency Agreement**") entered into by the Company, Beacon Securities Limited ("**Beacon**") as lead agent and sole bookrunner, Canaccord Genuity Corp., BMO Capital Markets and VSA Capital Limited (together with Beacon, the "**Agents**").

The Subscription Receipts are governed by the Subscription Receipt Agreement. Each Subscription Receipt shall be deemed to be exercised, without payment of any additional consideration and without further action on the part of the holder thereof, for one Share of the Company upon satisfaction of certain escrow release conditions, including written confirmation from each of the Company and First Majestic that all conditions precedent to the Acquisition have been satisfied in all material respects in accordance with the Share Purchase Agreement, the receipt of all required corporate, shareholder and regulatory approvals in connection with the Acquisition and such other customary escrow release conditions that may be requested by Beacon, acting reasonably (collectively, the "**Escrow Release Conditions**").

$56,137,811.26, being the gross proceeds of the Concurrent Financing less 50% of the Agents' Fees and certain expenses of the Agents, was placed into escrow and will be released to the Company subject to the completion or satisfaction of the Escrow Release Conditions as set out in the Agency Agreement. Provided that the Escrow Release Conditions are satisfied prior to 5:00 p.m. (Toronto time) on May 14, 2026 (the "**Release Deadline**"), the remaining 50% of the Agents' Fees, and any interest earned thereon, will be released to the Agents from the Escrowed Proceeds, and the balance of the Escrowed Proceeds (together with interest earned thereon) will be released to the Company. However, in the event that the Escrow Release Conditions are not satisfied by the Release Deadline, or if prior to such time, the Company advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Proceeds together with the *pro rata* portion of any interest earned thereon (net of any applicable withholding tax) will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

In connection with the closing of the Concurrent Financing, the Company paid the Agents a cash commission and corporate finance fee of $2,484,348.06 (the "**Agents' Fee**"), of which 50% was placed into escrow, and issued to the Agents 1,908,845 compensation options (each, a "**Compensation Option**"). Each Compensation Option entitles the Agents to purchase one Share at a price of $1.30 per Compensation Option during a term of 24 months from the closing of the First Tranche.

The securities issued in connection with the Concurrent Financing are subject to a four-month hold period from the date of the applicable closing, in addition to any other restrictions under applicable law. The Concurrent Financing remains subject to certain conditions, including the receipt of final approval of the TSXV.

Required Shareholder Approval and Acquisition Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, approve the Acquisition Resolution. In order for the Acquisition to be completed and for the Closing to occur, as provided in the Share Purchase Agreement, the Acquisition Resolution must be approved, with or without amendment, by the affirmative vote of a simple majority of the votes cast on the Acquisition Resolution by Shareholders present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to the Shares beneficially held by, or over which control or direction is exercised by, Shareholders who are required to be excluded in accordance with Section 8.1 of MI 61-101. See "*The Acquisition – Interest of Certain Persons in the Acquisition*".

Should the Acquisition Resolution fail to obtain the requisite approval by Shareholders at the Meeting, the Acquisition will not be completed.

The full text of the Acquisition Resolution is as follows:

"**BE IT RESOLVED THAT:**

1. The acquisition by Sierra Madre Gold and Silver Ltd. (the "**Company**") of all of the issued and outstanding common shares of First Majestic Del Toro, S.A. de C.V. (the "**Target**") in exchange for initial consideration of US$20,000,000 payable in cash, US$10,000,000 payable in common shares of the Company at a deemed price per share of $1.30, and additional contingent consideration of up to US$30,000,000, all as more particularly described and set forth in this Information Circular, pursuant to the share purchase agreement between Sierra Madre, the Target and First Majestic Silver Corp. dated December 17, 2025 (the "**Share Purchase Agreement**"), and the execution, delivery and performance by Sierra Madre of its covenants and obligations under the Share Purchase Agreement and all ancillary agreements and documents contemplated thereby, are hereby approved.

2. Notwithstanding the approval in paragraph 1, the board of directors of Sierra Madre (the "**Board**") is authorized, in its discretion and without further approval of shareholders, to (a) make such amendments, variations or changes to the Share Purchase Agreement and any ancillary agreement as the Board may determine are necessary or desirable and not materially adverse to Sierra Madre or its disinterested shareholders; (b) defer, waive or accelerate compliance with any terms or conditions of the Acquisition to the extent permitted by the terms of the Share Purchase Agreement and applicable law; and (c) take such steps, execute and deliver such documents and do all such other acts and things as the Board may determine to be necessary or desirable to give effect to the intent of these resolutions and to complete the Acquisition.

3. The Board is authorized, if it determines that it is in the best interests of Sierra Madre, to terminate the Acquisition in accordance with the Share Purchase Agreement without further approval of shareholders of Sierra Madre.

4. Any actions taken by any director or officer of Sierra Madre prior to the date hereof in connection with the Acquisition or the transactions contemplated thereby are hereby ratified, confirmed and approved."

The Board has approved the terms of the Share Purchase Agreement and unanimously recommends that Shareholders vote "<u>FOR</u>" the Acquisition Resolution. See "*The Acquisition – Recommendation of the Board*".

Management recommends a vote "<u>FOR</u>" the approval of the Acquisition Resolution. In the absence of a contrary instruction, the persons designated by management of Sierra Madre in the enclosed Proxy intend to vote "<u>FOR</u>" the approval of the Acquisition Resolution.

Interest of Certain Persons in the Acquisition

The Acquisition constitutes a "related party transaction" under MI 61-101, as First Majestic is an insider that owns in excess of 10% of Sierra Madre's outstanding Shares. Accordingly, First Majestic and its respective affiliates, together with any "interested party", any "related party" of an interested party, and any "joint actor" with any of the foregoing (each as defined in MI 61-101), are excluded from voting on the Acquisition Resolution in accordance with MI 61-101.

As at March 24, 2026, to the knowledge of Sierra Madre, the following Shareholders beneficially own, or exercise control or direction over, Shares that will be excluded from voting on the Acquisition Resolution:

Name	Basis for Exclusion	No. of Shares Held
First Majestic	Insider of the Company	51,563,076
Mani Alkhafaji	Senior officer of First Majestic	15,752

Votes attached to Shares beneficially owned by, or over which control or direction is exercised by, any interested party, related party of an interested party or joint actor (each as defined in MI 61-101) will not be counted for the purposes of the minority approval required by MI 61-101.

Formal Valuation

Sierra Madre is relying on the exemption in Section 5.5(b) of MI 61-101 in connection with the requirement to obtain a formal valuation, as no securities of Sierra Madre are listed on a market designated under Section 5.5(b) of MI 61-101.

No "prior valuations" (as defined in MI 61-101) in respect of Sierra Madre made in the twenty-four (24) months before the date of this Information Circular that relate to the subject matter of, or are otherwise relevant to, the Acquisition have become known, after reasonable inquiry, to Sierra Madre or to any director or senior officer of Sierra Madre. Sierra Madre has not received any bona fide prior offer relating to the subject matter of, or otherwise relevant to, the Acquisition during the twenty-four (24) months preceding the entry into the Share Purchase Agreement.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, to the knowledge of management of the Company, no informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at: (604) 765-1604 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+.

Dividend Policy

The Company has not paid a dividend on the Shares since incorporation. The Company intends to continue to retain earnings and other cash resources for its business. Any future determination to pay dividends will be at the discretion of the Board and will depend upon the capital requirements of the Company, results of operations and such other factors as the Board considers relevant.

Trading Price and Volume

The principal market on which the Shares traded during the last 12 months prior to the date of this Information Circular was the TSXV. The following table shows the high and low trading prices and monthly trading volume of the Shares on the TSXV for the 12-month period preceding the date of this Information Circular.

	TSXV (prices in Canadian dollars)		
Month	**High**	**Low**	**Volume**
February 2025	$0.64	$0.52	1,647,501
March 2025	$0.61	$0.51	1,610,989
April 2025	$0.65	$0.49	2,199,015
May 2025	$0.65	$0.55	1,019,006
June 2025	$0.84	$0.61	4,469,897
July 2025	$0.9	$0.66	6,759,101
August 2025	$0.87	$0.7	2,586,901
September 2025	$1.32	$0.9	6,889,391
October 2025	$1.6	$1.22	10,112,332
November 2025	$1.3	$1.01	6,552,316
December 2025	$1.825	$1.2	14,944,089
January 2026	$3.25	$1.68	25,232,276
February 2026	$2.73	$2.04	9,552,588
March 1 – March 24, 2026	$2.42	$1.32	6,084,204

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 24th day of March, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ "Alexander Langer"
ALEXANDER LANGER
Chief Executive Officer and a Director