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NEWS RELEASE

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CMC Metals Ltd. Acquires the Gavilanes Silver-Polymetallic Project in the San Dimas Area, Durango, Mexico

January 8, 2024. Vancouver, B.C. – CMC Metals Ltd. (TSX-V: CMB) (Frankfurt:ZM5P)(CMCXF: OTCQB) (“CMC” or the “Company”) is pleased to announce that the Sailfish Royalty Corp. (“Sailfish”) has entered into a share purchase option agreement (the “**Agreement**”) with the Company that grants the option (the “**Option**”) to acquire all of the issued and outstanding shares of Swordfish Silver Corp. (“**Swordfish**”). Swordfish, through Sailfish de Mexico S.A. de C.V., holds the mineral rights of the Gavilanes silver exploration property (the “**Property**”) located in the Municipality of San Dimas, State of Durango, Mexico. The terms of this agreement were previously announced in a press release dated December 21, 2023 with a majority of the financial commitments in the back-end of the multi-year deal. The deal is also subject to Exchange approval.

The silver-gold polymetallic Gavilanes Project (13,594.5 hectares) has a current NI 43-101 Inferred Resource of 18,174,000 contained silver-equivalent (“Ag-Eq”) ounces at an average grade of 320.3 g/t Ag-Eq within 1,765,000 tonnes (Mine Development Associates/Respec Resource Gesociences Inc., 2021). The metal prices assumed in the resource estimate were \$19.00 USD/oz silver, \$1,600 USD/oz gold, \$3.50 USD/lb copper, and \$1.00 USD/lb for lead and zinc.

Gavilanes is a low to intermediate sulfidation epithermal deposit and is located in the Sierra Madre Occidental Province in southwestern Durango. Limited drilling at the site has been completed over 0.2 square kilometers of veins. Gavilanes has been subjected to periodic episodes of drilling totalling 61 diamond drill holes (13,011.25 meters). A majority of the drilling (47 holes) was completed by Santa Cruz Silver Mining. The drilling focused on the Guadalupe Solitude structure along only 500 meters. The San Nicolas mineralized structures, which span 2.6 kilometers, have only been tested over 250 meters with drilling intersecting an important gold system that was later confirmed with mapping and surface sampling.

Highlights of some previous intersections from historical drilling efforts include:

- SCSN-01: 8 meters 155 g/t silver
- SCSN-04: **17.8 meters of 465 g/t silver**
- SCSN-05: **2.4 meters of 6.75 g/t gold**

- SCGP-02: 4.25 meters of 233 g/t silver and 0.33 g/t gold
- SCGP-11: **4.8 meters of 616 g/t silver**
- SCGP-12: 4 meters of 243 g/t silver
- SCGP-15: 3.4 meters of 298 g/t silver
- SCGP-22: **3.3 meters of 2,540 g/t silver**
- SCGP-26: **8.6 meters of 409 g/t silver**
- SCHN-12: **6.3 meters of 2,016 g/t silver and 0.16 g/t gold**

(note: the results do not include other metals present such as lead, zinc, copper and/or gold which could result in higher silver equivalent grades)

Initial drilling will focus on further extensions of the San Nicolas vein, Descubridora, Veta Del Pueblo and Guadalupe-Soledad veins. Average veins encountered to date are approximately 3.0 meters in width and typical contain varying amounts of silver, gold, copper, lead and zinc.

Recent mapping efforts by Sailfish identified more than 20 veins covering an area in excess of 15 square kilometers some with strike lengths estimated in excess of 2.0 kilometers. Preliminary sampling of a majority of the veins has indicated that they are mineralized (see Map 2). Highlights of the surface sampling include:

- Sample 43038, Veta Del Pueblo: **1 meter grading 1,867 g/t silver**
- Sample 43235, Descubridora Vein: **2 meters grading 24.4 g/t gold and 44.5 g/t silver**
- Sample 45352, San Nicolas Vein: **1.5 meters grading 6.07 g/t gold and 201 g/t silver**
- Sample 45331, San Nicolas Vein: 1.0 meter grading 30 g/t gold, 190 g/t silver

Key points arising from these results are:

- They demonstrate the potential for very large areas of prospectivity on the main vein structures outside of areas subjected to historical drilling;
- The potential for significant gold mineralization especially in the southeastern extensions of the veins which are exposures of the deeper parts of the veins; and,
- These sample results do not include other sample results on new veins identified and/or areas immediately outside of the core Gavilanes Zone;

It is also highly probable that the identified volume of mineralized veins will be increased by drilling the dip and strike extensions of the partly drill tested Gavilanes Zone, and early stage detailed mapping of the Central and Western Zones.

Thirty-seven of the Santa Cruz drill holes were used to derive the resource estimate. Sailfish subsequently logged and assayed the remaining ten holes not included in the current resource estimate. Therefore, after the initial round of drilling it is the Company's intent to incorporate these holes and new drilling results into a revised resource estimate in late Q4-2024/early Q1-2025. Gavilanes is located only 23 km northeast of the San Dimas/Tayoltita mine operated by First Majestic Silver Corp and shares many geological and mineralogical similarities with the mine deposit.

Descriptions of the property potential are included within various technical reports and recent studies which will be placed on the Company website (www.cmcmetals.ca).

Mr. Kevin Brewer, President and CEO of the Company noted: “Gavilanes is a transformational transaction. It is a major asset with immense exploration potential that provides the opportunity for significant growth of the Company in 2024 and beyond. To acquire a permitted project with a solid resource base, extensive mineralized veins in three mineralized zones covering an area over 20 square kilometers, and potential to demonstrate an expansion of the resource in the near term with past and proposed drilling, is quite an astounding feat for CMC. We plan to initiate drilling at Gavilanes in April, 2024.”

The project has a drill permit from SEMARNAT to complete up to 4,650 meters of drilling. Plans are underway to complete 3,000 meters of step-out drilling from the identified resource as recommended by the 2021 NI 43-101 study. Phase 2 of the project envisions an additional 15,000 meters of diamond drilling targeted at a resource expansion program and proposes to conduct drilling during that program in all three mineralized zones on the property, including the Gavilanes, Central and Western Zones.

Surface rights in the core area are held by the Ejido Los Gavilanes, a communal agrarian cooperative who have established exploration agreements with previous operators. The Company has already had met with the Ejido and has initiated negotiations for an exploration agreement which they hope will be concluded in the next couple of months.

Qualified Person

Qualified Person Kevin Brewer, a registered professional geoscientist, is the Company’s President and CEO, and Qualified Person (as defined by National Instrument 43-101). He has given his approval of the technical information pertaining reported herein. The Company is committed to meeting the highest standards of integrity, transparency and consistency in reporting technical content, including geological reporting, geophysical investigations, environmental and baseline studies, engineering studies, metallurgical testing, assaying and all other technical data.

About CMC Metals Ltd.

CMC Metals Ltd. is a growth stage exploration company focused on opportunities for high grade polymetallic deposits in Mexico, Yukon, British Columbia and Newfoundland. Our new flagship project is the Gavilanes Silver-Gold Project, San Dimas, Durango, Mexico. Our polymetallic silver-lead-zinc CRD prospects in the Rancheria Silver District include the Silverknife and Amy projects (British Columbia) and the Silver Hart Deposit and Blue Heaven claims (Yukon). Our polymetallic projects with potential for copper-silver-gold and other metals include Bridal Veil (Newfoundland) and Logjam (Yukon).

On behalf of the Board:

“John Bossio”

John Bossio, Chairman, Board of Directors, CMC METALS LTD.

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To be added to CMC's news distribution list, please send an email to info@cmcmetals.ca or contact Mr. Kevin Brewer directly.

References

Mine Development Associates/Respec and Resource Geosciences Incorporated, 2021. **CSA NI 43-101 Technical Report and Estimate of Mineral Resources, Gavilanes Silver Project, San Dimas Municipality, Durango, Mexico**, Authors: Dr. Matthew D. Gray and Derrick Unger. 128pp.

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“This news release may contain certain statements that constitute “forward-looking information” within the meaning of applicable securities law, including without limitation, statements that address the timing and content of upcoming work programs, geological interpretations, receipt of property titles and exploitation activities and developments. In this release disclosure regarding the potential to undertake future exploration work comprise forward looking statements. Forward-looking statements address future events and conditions and are necessarily based upon a number of estimates and assumptions. While such estimates and assumptions are considered reasonable by the management of the Company, they are inherently subject to significant business, economic, competitive and regulatory uncertainties and risks, including the ability of the Company to raise the funds necessary to fund its projects, to carry out the work and, accordingly, may not occur as described herein or at all. Actual results may differ materially from those currently anticipated in such statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory approvals, the impact of the constantly evolving COVID-19 pandemic crisis and continued availability of capital and financing and general economic, market or business conditions. Readers are referred to the Company’s filings with the Canadian securities regulators for information on these and other risk factors, available at www.sedar.com. Investors are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The forward-looking statements included in this news release are made as of the date hereof and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.”