



SUSTAINABILITY REPORT

EXECUTIVE SUMMARY

2025





TABLE OF CONTENTS

04 /	AbraSilver and the Diablillos Project
05 /	Sustainability Strategy
06 /	Double Materiality Assessment and ESG risks
08 /	Governance, ethics and economic performance
09 /	Environmental management I: water and effluents in water-stressed zones
10 /	Environmental management II: tailings, pollution prevention and waste
12 /	Environmental management III: energy, climate and biodiversity
13 /	Social management I: communities, territory and social license to operate
14 /	Social management II: suppliers, local employment, talent and safety
15 /	2025 Progress and 2026 Priorities

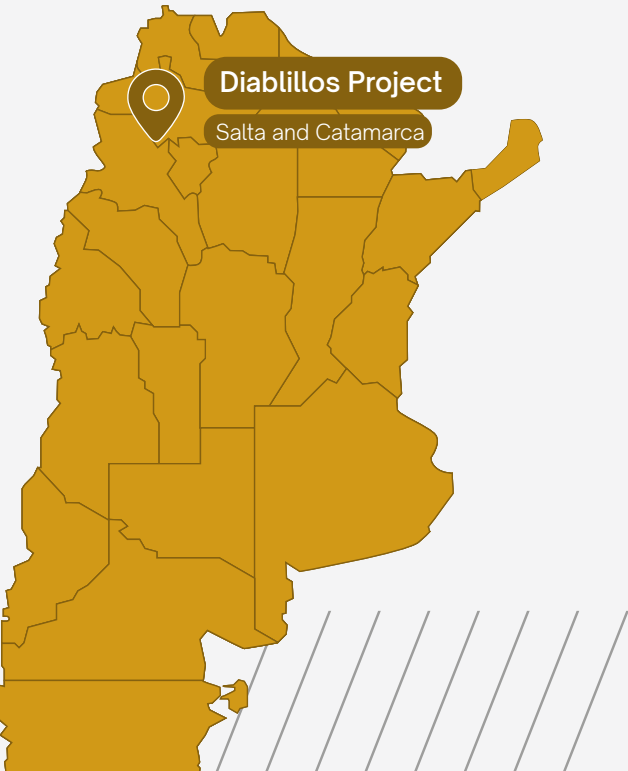
ABRASILVER AND THE DIABLILLOS PROJECT

AbraSilver Resource Corp. is a precious metals mining company dedicated to the **exploration and development of high-growth potential silver and gold projects**. It is listed on the Toronto Stock Exchange (TSX) under the symbol “**ABRA**” and trades in the United States on the OTCQX Market under the ticker symbol “**ABBRF**”. The company is headquartered in Toronto, Canada, and currently carries out its activities entirely in Argentina.

Its main asset is its 100%-owned flagship **Diablillos Project**, located in the **Argentine Puna**, in a bi-provincial cooperation zone between Salta and Catamarca. This project is the company’s growth driver and the focus of its advanced exploration, development activities, and technical studies.



Key Indicator	Data Sheet 2025
Location	Argentine Puna, bi-provincial cooperation zone between Salta (Los Andes Department) and Catamarca (Antofagasta de la Sierra Department), within the framework of an agreement that provides greater legal certainty to the development of mining concessions.
Property Area	11,403 ha / 28,177 acres
Altitude	4,100–4,650 metres above sea level
Deposit Type	High-sulfidation epithermal silver-gold deposit
Main Deposits	Oculto, JAC, Fantasma and Laderas
Planned Mining Method	Open-pit mining combined with on-site mineral processing
Projected average plant capacity	9,000 tonnes per day
Project overall horizon	17 years
Current Stage	Advanced exploration / feasibility studies



Diablillos combines geological potential, technical advancement, financial strengthening and ESG management focused on **reducing risks and preparing the project for its next development stage**.

Milestone	
2016	Acquisition of Diablillos Project
2018	Advances in geological reconnaissance and resource updating
2024	Initiation of Feasibility Studies
2025	Advanced-Stage Technical Evaluation and publication of Mineral Resource Estimate

SUSTAINABILITY STRATEGY: EMBEDDING ESG MANAGEMENT INTO PROJECT DEVELOPMENT

In 2025, AbraSilver developed its **Sustainability Strategy**, an environmental, social, economic, and governance management framework for the next three to five years. The strategy serves as a tool to guide decision-making, anticipate risks, and strengthen the continuity of the Diablillos Project. The strategy is structured around three pillars:

→ Environmental Performance

Commitment to complying with environmental standards, rules and regulations, incorporating best practices for responsible operation and business continuity

→ Social Performance

Commitment to complying with labour principles, human rights, and inclusion, incorporating best practices in community engagement to generate social value and contribute to local development.

→ Economic Performance and Governance

Commitment to efficient and transparent management, incorporating innovation, regulatory compliance and responsible governance to generate sustainable economic value and strengthen trust with the various stakeholder groups.



In 2025, we adhered to the **UN Global Compact Network Argentina**, reaffirming our strong commitment to the highest international standards on human rights, labour, the environment, and the fight against corruption.

Sustainability is integrated into the Diablillos Project development as a tool for risk management, operational preparedness, and building trust with communities, authorities, workers, suppliers, and investors.

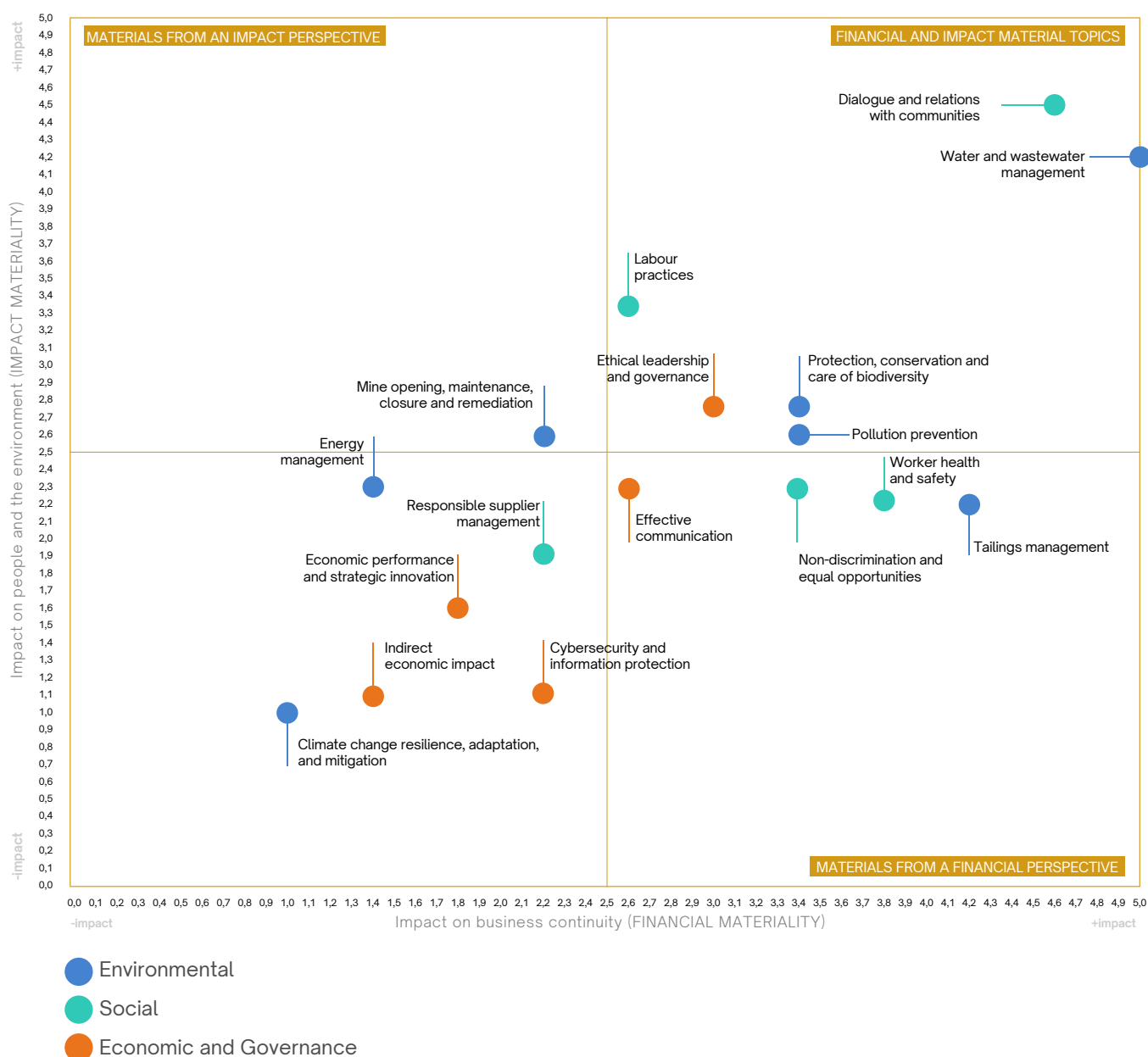


DOUBLE MATERIALITY ASSESSMENT AND ESG RISKS: A ROADMAP FOR PROJECT MANAGEMENT

In 2025, AbraSilver conducted its first Double Materiality Assessment, aligned with international best practices in ESG management. This process made it possible to identify the **most significant impacts on the environment and people, as well as relevant risks and opportunities for the business in the medium and long term.**

The company identified **17 key sustainability topics**, grouped into environmental, social, and economic/governance dimensions. Prioritization involved consulting **41 individuals from four key stakeholder groups**: employees, senior management, local communities, and regulators.

→ Double Materiality Assessment





→ ESG Assessment

During 2025, AbraSilver conducted its first **ESG assessment under the Digbee standard**. The result obtained—BB rating—reflects the existence of developing ESG practices and helps identify key strengths and risks for the management of the project.

Dimension	Identified Risk	Management Measures
Environmental	Extreme weather events and adverse operating conditions	Adaptive planning, climate monitoring, and cross-departmental coordination
Environmental	Inadequate waste and effluent management	Procedures, monitoring, and internal/external controls
Social	Negative social perception of mining activity	Field-based work, community dialogue, and collaboration with authorities
Social	Workplace accidents and unsafe conditions	Health and safety system, PPE, inductions, training, and drills
Governance	Ethical or human rights violations	Corporate policies, Global Compact, training, and supervision

GOVERNANCE, ETHICS AND ECONOMIC PERFORMANCE: BASES FOR FINANCING AND DEVELOPING THE PROJECT

AbraSilver’s Board of Directors oversees the business strategy, compliance with corporate governance standards and the main risks and opportunities associated with the development of the Diablillos Project. During the reporting period, it consisted of eight members with extensive experience in mining, finance, legal affairs, and corporate governance.

AbraSilver has in place a **corporate integrity system**, that is, a comprehensive framework designed to embed policies, procedures, and control mechanisms aimed at preventing misconduct, promoting responsible practices, and ensuring compliance with applicable regulations.

2025 MILESTONES:

- Progress toward updated pre-feasibility and feasibility studies.
- Submission of the application to **join to the Large Investment Incentive Regime** (RIGI, for its Spanish acronym).
- Graduation from the TSX Venture Exchange (TSX-V) to the Toronto Stock Exchange (TSX).
- Implementation of accounting and management systems, use of remote monitoring technologies, and ongoing training of our teams.

Key Economic Indicators	Result 2025
Cash and available funds	CAD 58.5 million
Working capital	CAD 51.9 million
Total liabilities	CAD 7.2 million
Investment in exploration and drilling activities and in technical studies	CAD 42.2 million
Investor contributions	Over USD 75 million

25%
Women on
the Board

3
Board
Committees

100%

of the mining sites have an **Emergency Preparedness and Response Plan** implemented

0

Confirmed cases of **corruption**

0

Operations or suppliers with **significant risks** associated with child or forced labour

0

Data privacy incidents

2026 PRIORITIES:

Finalize the Project Feasibility Study; Make progress on the Project’s approval under the Large Investment Incentive Regime (RIGI); Strengthen cybersecurity and data protection policies, protocols, and indicators.

ENVIRONMENTAL MANAGEMENT I: WATER AND EFFLUENTS IN WATER-STRESSED ZONES

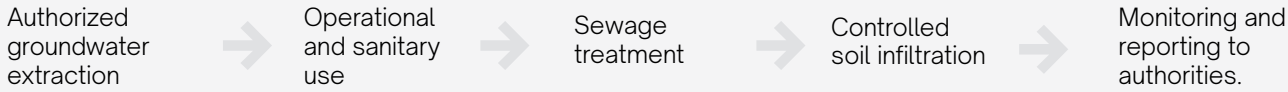
Water management is one of the most relevant environmental issues for the Diablillos Project. The project is located in **a water-stressed environment which is characteristic of the Puna region**, with low precipitation, absence of permanent surface water bodies within the project area, and limited availability of groundwater resources.

AbraSilver's water management approach is aimed at **ensuring responsible use of the resource**, by prioritizing water supply for local communities, adherence to authorized extraction limits, and preserving water availability for exploration activities.

The **Environmental Water Quality Control Program** includes **monthly sampling** of groundwater, surface water, and camp water storage tanks. Samples are sent to certified laboratories where physicochemical parameters are analysed. Consumption is recorded using a flow meter installed at the wellhead and reported semi-annually to the Water Resources Secretariat of the Province of Salta.

In the current phase, the liquid effluents are sewage from the camp. **100% of these effluents are treated** through a secondary aerobic treatment system, with an aeration chamber, settling chamber, disinfection and sampling units and controlled soil infiltration system, with no discharge to water bodies.

→ Water Management Flow



39.14 ML
Total water
extraction and
consumption*

100%
Sewage
treatment

2.68 ML
Effluents
generated
and treated*



GROUNDWATER
Source

- 0 Discharge into water bodies
- 0 Surface extraction
- 0 Corrective actions regarding water
- 0 Corrective actions regarding effluents

* Water: below authorized volumes. Effluents: treated according to applicable regulatory parameters.



ENVIRONMENTAL MANAGEMENT II: TAILINGS, POLLUTION PREVENTION AND WASTE

The management of tailings, waste, local emissions and potential sources of pollution is addressed from the earliest stages through geotechnical safety, water efficiency and environmental protection criteria.

Although the Diablillos Project is not yet operational and does not have a constructed or operational Tailings Storage Facility (TSF), **in 2025 progress was made in the TSF pre-feasibility engineering, consolidating the technical and regulatory criteria guiding its design.**

The planned criteria include lining, drainage, leakage control, monitoring wells, separation of contact and non-contact water, perimeter channels, minimization of the exposed water surface area, evaluation of embankment stability and future closure requirements.





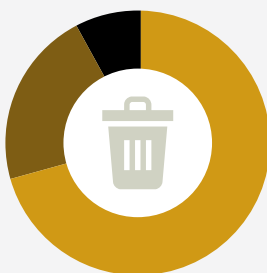
→ Pollution Prevention

Air Quality. As mitigation measures, the following are in place: frequent watering and maintenance of site roads, annual air quality monitoring, preventive maintenance of equipment and dust control at drilling platforms.

Acid Rock Drainage (ARD). At the current advanced exploration stage, no ARD generation has been recorded. However, to proactively anticipate this potential risk, 68 representative samples were analysed, and encapsulation of potentially acid-generating material is planned if ARD potential is confirmed.

Environmental Control Program for Waste Management: This program sets out the guidelines for the generation, handling, storage, transport, and final disposal of waste produced during the construction and operational Project stages.

→ Type of waste generated (in kg)



15,532.03
Household

4,681.19
Compostable

1,764.32
Recyclable

21,977.54
kg of waste
generated

1,764.32

kg of **waste diverted**
from disposal
(recovered/recycled),



Equivalent to
8% of the total
waste generated

ENVIRONMENTAL MANAGEMENT III:

ENERGY, CLIMATE AND BIODIVERSITY

In 2025, AbraSilver made progress in generating baseline environmental information to **manage climate, energy, ecosystem, and closure performance**. This information allows for anticipating costs, regulatory risks, environmental exposure, and long-term technical requirements.

→ Energy and climate

The Diablillos Project is located in an isolated area, without access to the interconnected electrical grid. It is powered through generator sets and a complementary solar photovoltaic (PV) system. During 2025, total fuel consumption associated with power generation amounted to 103,303 litres of diesel, and the **photovoltaic solar system covered approximately 13% of the total energy demand, allowing for the incorporation of renewable sources into the project's self-generation scheme.**

As a key milestone, in 2025, we prepared the first greenhouse gas (GHG) emissions inventory by calculating the Diablillos Project's carbon footprint (scopes 1 and 2).

Scope / Emission Source	GHG emissions (tCO ₂ e) *
Scope 1 – Total	1,391.06
Mobile combustion (vehicles and equipment)	1,120.04
Stationary combustion (generator sets)	247.84
Fugitive emissions from refrigerants	23.17
Scope 2 – Total	0
Total carbon footprint (Scope 1 + 2)	1,391.06

* Calculated using IPCC AR6 Global Warming Potentials (GWP). Period 11/1/2024 – 10/31/2025. CO₂ is the main component of the inventory (1,348.43 tCO₂e), while CH₄ and N₂O emissions contribute marginally to the total (2.92 tCH₄ and 16.54 tN₂O, respectively), in line with the emission factors characteristic of combustion processes.

→ Biodiversity protection, preservation and care

The project is located in High Andean ecosystems characterized by Puna steppe and high-altitude wetlands and is not situated within any national or provincial protected natural areas. In the advanced exploration stage, **biodiversity management is focused on impact prevention and technical monitoring of the ecosystem conditions.**

Baseline studies identified:

- » **15 native plant species**
- » **55 native vertebrate species**
- » **No significant changes in relation to the project were recorded.**

→ Participatory Environmental Monitoring (PEM)

As part of our policy of transparency and territorial engagement, processes are being implemented with the participation of representatives from local communities, provincial authorities, and independent laboratories. During 2025, activities included the **assessment of water, soil, air, flora, and fauna, as well as visits to archaeological sites, integrating both the environmental and cultural dimensions of the territory.**

NEXT STEPS:

Progressively formalize a climate adaptation plan; improve energy traceability; assess relevant Scope 3 categories; and adjust the closure engineering as the design evolves.



SOCIAL MANAGEMENT I: COMMUNITIES, TERRITORY AND SOCIAL LICENCE TO OPERATE



The Diablillos Project is developed in a very sparsely populated zone, predominantly characterized by scattered rural settlements, extensive pasturing activities and the presence of Indigenous communities with strong territorial ties.

The project is located near Santa Rosa de los Pastos Grandes, in Salta Province, and Ciénaga La Redonda, in Catamarca Province. The broader area of influence includes Antofagasta de la Sierra, San Antonio de los Cobres, and Salar de Pocitos.

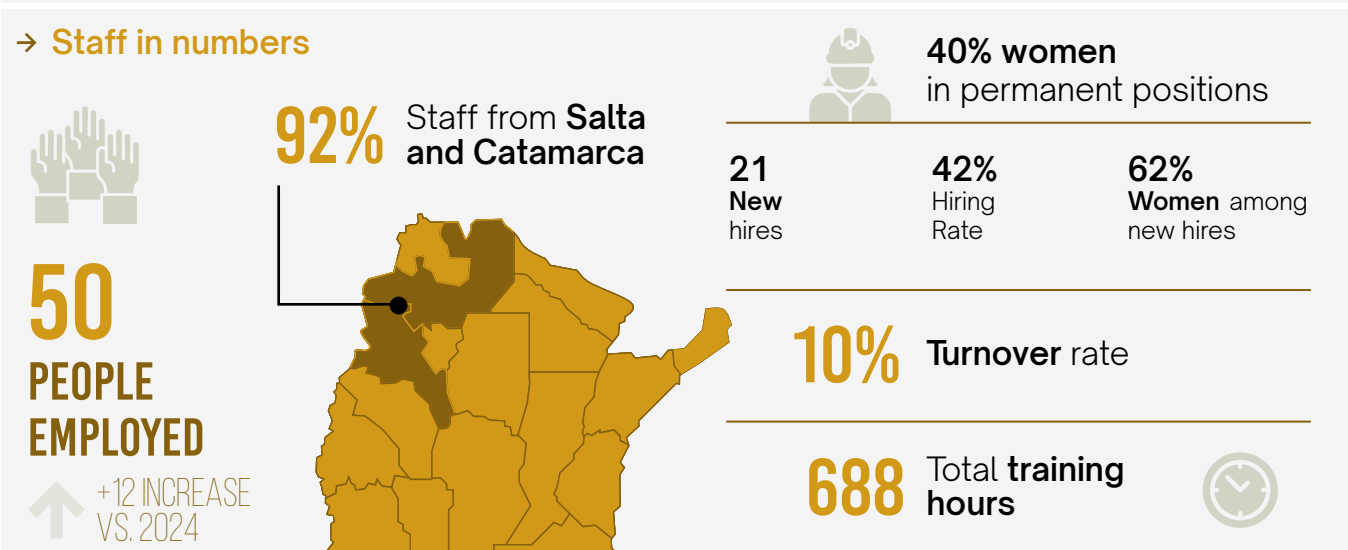
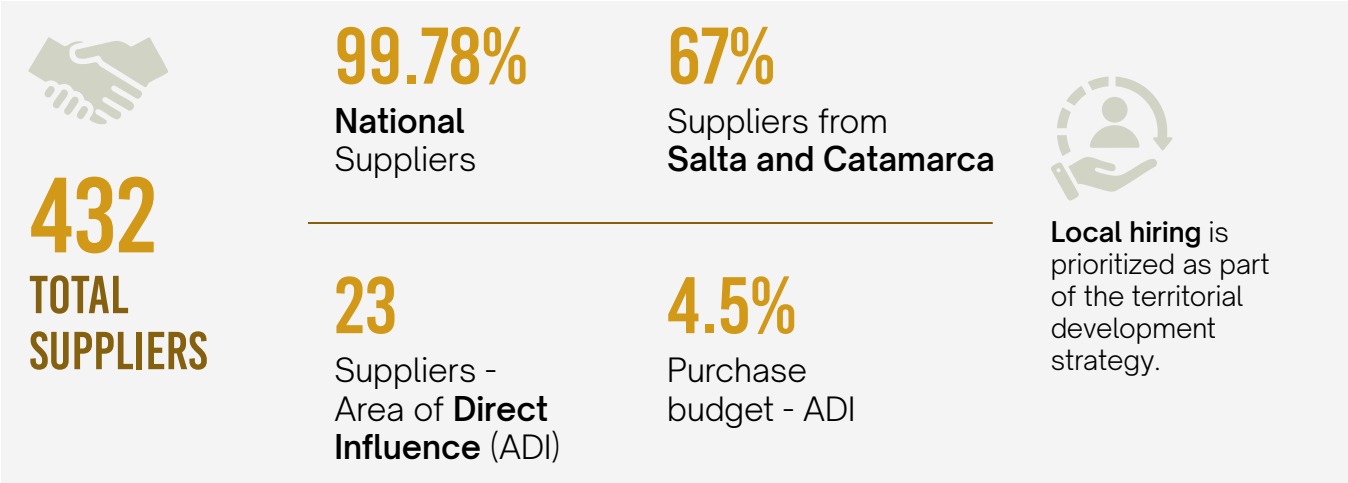


Social management is critical for the project's continuity and for trust-building relationships. Therefore, AbraSilver focuses its social management on **maintaining an active institutional presence, fostering open dialogue, and encouraging the informed engagement of nearby communities**. During 2025, the following activities were carried out:

Indicator		2025 Results
Spaces	Community informational meetings	12 informational meetings held in Salta and Catamarca communities.
	Social dialogue roundtables	4 Social dialogue roundtables with the Community of Santa Rosa de los Pastos Grandes
Scope	Participants in the Employability Day	320 people
	Students reached by the "Working My Future" program	200 from the Department of Los Andes, in San Antonio de los Cobres-Salta
	Students in vocational guidance workshops	22 from Villa de Antofagasta de la Sierra and from El Peñón
	People trained in road machinery operation	10 inhabitants of Santa Rosa de los Pastos Grandes community
	Women trained in the "Constructoras de la Puna" Program	25
	Women trained in the "Conductoras de la Puna" Program	50
Complaints	Formal complaints regarding land use	0
	Resettlements	0
	Loss of access to natural resources	0

SOCIAL MANAGEMENT II: SUPPLIERS, LOCAL EMPLOYMENT, TALENT AND SAFETY

AbraSilver’s social strategy connects the development of the Diablillos Project with **local capacity building, job creation, strengthening regional suppliers, and safe working conditions**. These aspects reduce execution risks and prepare the value chain for stages with higher operational intensity.



→ Occupational Health and Safety

During the reporting period, AbraSilver maintained low accident rates, with most incidents classified as minor injuries, no accidents involving company personnel, and no fatalities among own or contract staff.

Safety Indicator	Employees	Non-employee workers
Workplace Accidents	0	4
Annual Frequency Rate	0	16.05
Lost Day Rate	0	0.08
Hours Worked	42,856	206,300
Fatalities due to occupational disease	0	0

100% On-site own and contract staff covered by the H&S system

100% of personnel represented on the Joint Health and Safety Committee

100% On-site personnel trained in first aid

Monthly Joint Committee Meetings

2025 PROGRESS AND 2026 PRIORITIES: PREPARING FOR THE NEXT DEVELOPMENT STAGE

The year 2025 marked a significant step forward in the Diablillos Project's development pathway. AbraSilver strengthened its technical, financial, and ESG foundations, consolidating key information to manage risks, meet investor expectations, and prepare the project for future stages of higher operational intensity.

The value of the ESG approach at this stage lies in showing that the critical issues related to mining development are being identified and managed from early stages: water, tailings, biodiversity, closure, communities, suppliers, safety, governance, compliance and financing.

Dimension	Highlights of 2025	2026 Priorities
Project	Progress in feasibility studies, drilling campaigns, and Mineral Resource Estimate	Finalize the Feasibility Study; obtain the Environmental Impact Statement to allow the Project to advance toward construction
Financing	CAD 58.5 million in available funds; >USD 75M contributed by investors	Make progress toward approval under RIGI
ESG Strategy	Sustainability strategy and adherence to the Global Compact	Consolidate ESG management and indicators
Materiality	First double materiality assessment; 17 topics; 41 people from 4 stakeholder groups	Expand consultation and quantify impacts, risks, and opportunities
Tailings	TSF in pre-feasibility stage; tailings thickened to 60%	Detailed engineering and GISTM classification
Climate and energy	First GHG inventory; 1,391.06 tCO ₂ e; 13% solar generation	Improve energy records and evaluate metres
Communities	12 meetings; 4 roundtables; training and employability programs	Move forward in the Free, Prior, and Informed Consultation (FPIC) process and public hearings
Suppliers	432 suppliers; 99.78% national level; 67% Salta/Catamarca	Systematic supplier evaluation
Occupational Health and Safety	50 employees; 92% Salta/Catamarca; 0 fatalities	Reduce accident rates and strengthen emergency response teams
Governance	0 corruption; 0 sanctions; Independent Board of Directors	Strengthen cybersecurity and data protection

2026 PROGRESS

In early 2026, we also advanced several milestones that are shaping the project's path forward. In May, we secured approval under the **Large Investment Incentive Regime (RIGI)**, an important step in establishing the conditions required for the future development of Diablillos. We also expect to publish our **Definitive Feasibility Study (DFS)** in the next quarter and continue progressing toward the **Environmental Impact Assessment (EIA) approval in Catamarca**, which will complement the approval already in place in Salta. These developments strengthen the project's roadmap and provide greater clarity for the stages ahead.



This is the Executive Summary of AbraSilver's first Sustainability Report for fiscal year 2025.

 [Click here to access the full Report](#)

✉ info@abrasilver.com

🌐 www.abrasilver.com

📷 [@abrasilverargentina](#)

🏢 [/AbraSilver Resource Corp](#)

External Facilitators

Punto ESG | www.puntoesg.com

Design

Thesia | [in thesiadg](#)