OUTCROP SILVER REPORTS EXCELLENT METALLURGICAL RESULTS AND PROVIDES UPDATE ON UPCOMING RESOURCE ESTIMATION

November 3, 2022 – Outcrop Silver & Gold Corporation (TSXV: OCG, OTCQX: OCGSF, DE: MRG1) ("Outcrop") is pleased to report excellent results from metallurgical testing from the Santa Ana project and provides an update on work being conducted to publish a maiden compliant resource before the end of 2022.

Highlights

- **Metallurgical testing demonstrates excellent recoveries from the processing of mineralized veins in the Santa Ana project.**
- **On average, 94% of contained silver and 96% of contained gold were recovered in a concentrate containing 6,540 grams per tonne of silver and 82.94 grams per tonne of gold.**
- **Diagnostic work on mineral characterization, liberation, grain-size particle distribution, and concentrate grades support excellent metallurgical recoveries of gold and silver by conventional milling methods.**
- **Micon International Limited will complete the NI 43-101 compliant Mineral Resource Estimate for Santa Ana.**
- **A total of eight modelled veins containing twelve high-grade shoots will be used in the upcoming Resource Estimation.**
- **Two hundred and thirty-eight holes comprising 44,608 metres of diamond drilling will support the first maiden resource in Santa Ana.**
- **Gold is 90% in free native form, and 88% of silver by mass is in argentite, for very simple "ore" mineralogy.**

"We are very excited about partnering with Micon to produce a compliant resource estimate before the end of the year. Their track record and expertise independently support our vision for the Santa Ana project," commented Guillermo Hernandez, Vice President of Exploration. "Simultaneous with the resource-related work, further exploration drilling and prospecting is adding potential resource areas that will be incorporated in a revised resource report when it is time to do so."

“Outcrop is reaching a very significant milestone in taking Santa Ana from a quality high-grade discovery to a compliant resource,” comments Joseph Hebert, Chief Executive Officer. “We believe publishing a quality resource will add significant value to Outcrop. The maiden resource will represent only a small part of the Santa Ana project’s potential.’

Metallurgical Test Work

Outcrop prepared four sample composites, two per shoot, from Ivana (POR-1 and POR-2) and Megapozo (PAR-1 and PAR-2) from coarse laboratory rejects (See NR February 23, 2022). Each composite weighs approximately 50 kilograms, and the samples represent two metallurgical domains: high-grade and low-grade.

The high-grade composites represent the average grade in the shoot, while the low-grade represents Outcrop’s “significant result” threshold. SGS Labs have conducted all preparation and testing to date.

Returned grades for the composites are as follows:

Prospect	Sample	Au g/t	Ag g/t	Pb %	Zn %	AgEq g/t	Cu %	S %
Megapozo	PAR-1	1.48	89	0.06	0.08	204	0.03	1.6
	PAR-2	6.14	539	0.36	0.47	1,007	0.03	3.8
Ivana	POR-1	1.19	118	0.11	0.20	213	0.02	3.3
	POR-2	7.36	313	0.32	0.53	904	0.03	3.5

Metal prices used for equivalent calculations were US$1,827/oz for gold, US$21.24/oz for silver, US$0.90/lb for lead and US$1.56/lb for zinc. Metallurgical recoveries assumed are 93% for gold, 90% for silver, 90% for lead and 92% for zinc.

Table 1. Assayed head grades from the prepared composite samples.

The particle size mass distribution for sulfide minerals shows that between 80 and 90% of the sulfides can be liberated from milling down to 53 to 106 microns (Figure 1). These grain sizes can be achieved under conventional milling.

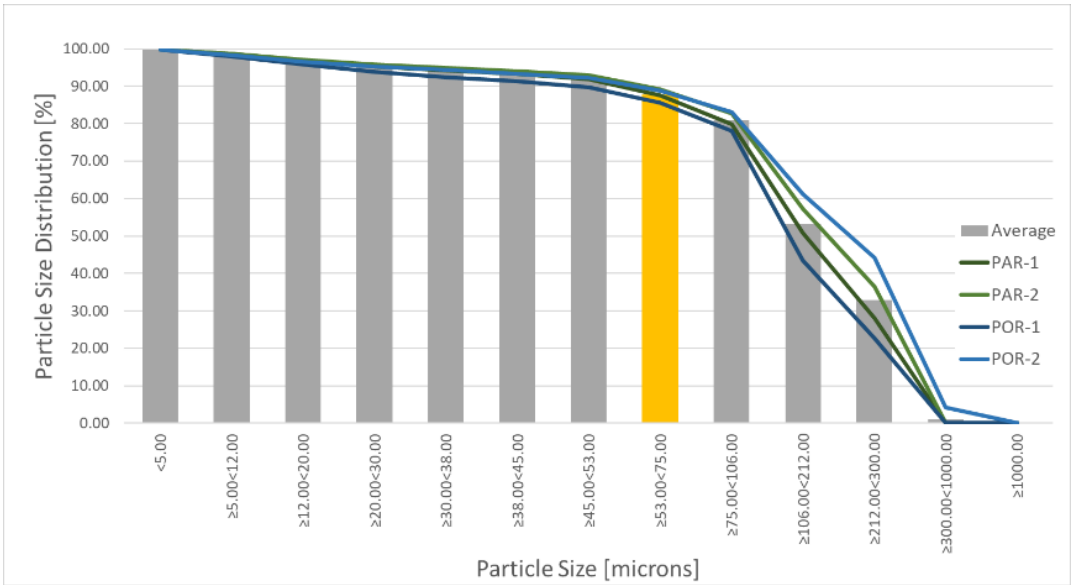


Figure 1. Particle size mass distribution for all sulfide phases. Yellow highlight indicates 90% liberation between 53 and 75 microns, a good size distribution for processing.

Mineral characterization during testing has shown electrum (Figure 2) to contain 60 to 70% silver (with gold) and represents, on average, 3% of the silver-forming mineral mass. Argentite is the most common silver-phase mineral, with 88% of the total mass, followed by Freibergite, with 8% of the mass on average. Mineralogy is simple, with silver partitioned into mainly three minerals.

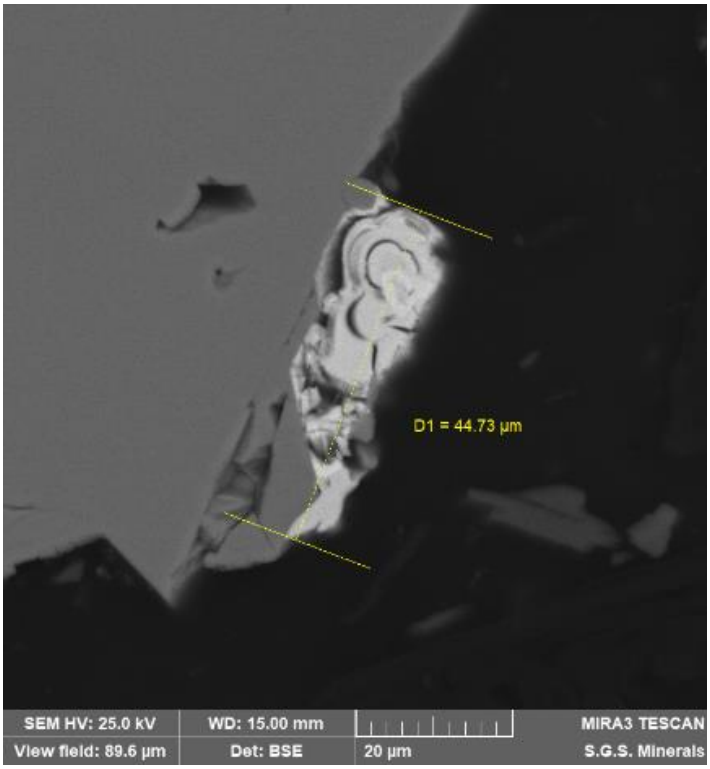


Figure 2. Backscattered electron image of an electrum particle from sample PAR-2.

Diagnostic tests for gold show that 90% of the contained gold is in free native form, with only minor amounts from 0.5% to 2% encapsulated in silicates. Native gold has a very high recovery rate from simple processing.

ID-Sample	p80 (µm)	1st Cyanide Leaching Au (%)	Acid leaching H_2SO_4 / 2nd Cyanide Leaching Au (%)	Acid Leaching HNO_3 / 3rd Cyanide Leaching Au (%)	Residual Au (%)
PAR-1	75	94.1	3.4	0.5	2.0
PAR-2	75	87.4	7.9	4.1	0.5
POR-1	75	87.5	4.4	5.9	2.2
POR-2	75	92.3	4.1	3.2	0.5
Gold State		Free Gold	Gold is associated with pyrrhotite, calcite, hematite, galena, dolomite	Primary sulfide-associated Gold (pyrite, arsenopyrite)	Silicates encapsulated Gold

Table 2. Summary results from a gold-diagnostic test.

Initial standard flotation tests were performed on sample PAR-2 from the Megapozo shoot in Paraiso vein, since Outcrop anticipates a significant resource contribution from this target in the Santa Ana resource estimation. The results show average recoveries of **94%** for silver and **96%** for gold in concentrate, grading 6,540 grams per tonne of silver and 82.94 grams per tonne of gold.

	Product Concentrate		Cumulative Recovery	
Milling p80	Ag g/t	Au g/t	Ag	Au
75 µm	5,968	80	98.4	99.5
105 µm	6,044	75	98.2	99.5
150 µm	7,231	79	97.5	98.9
210 µm	7,110	102	94.4	97.3

Table 3. Summary results from flotation tests. The weighted average for all tests is 94 % for silver and 96% for gold.

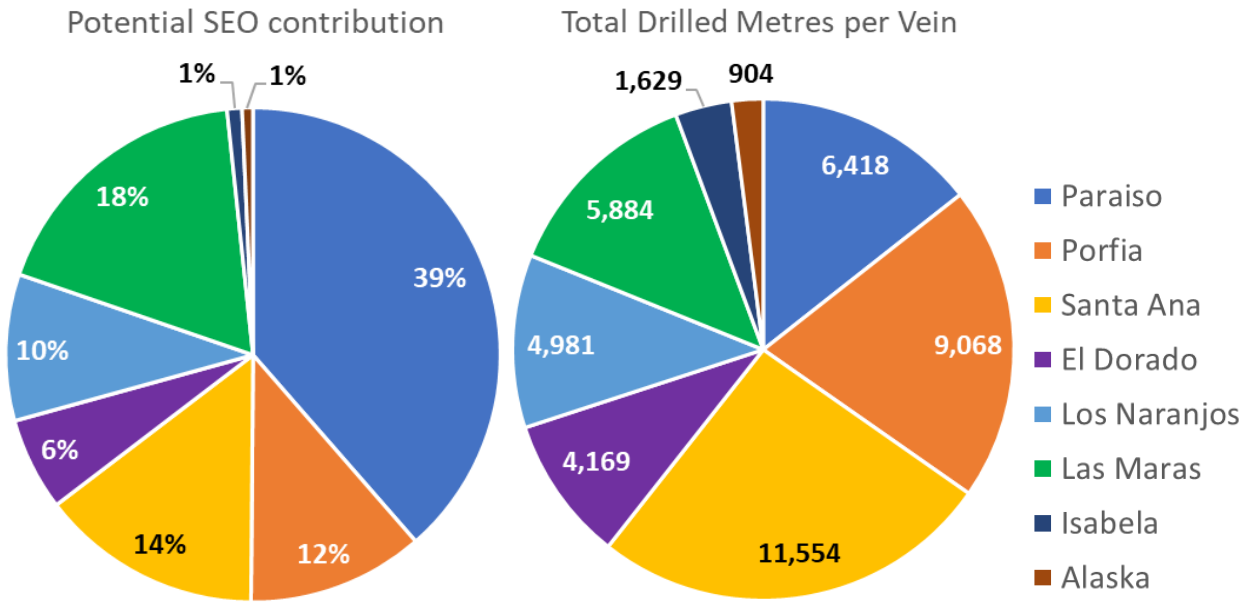
NI 43-101 Compliant Resource Estimate

Outcrop engaged Micon International Limited, Mineral Industry Consultants (Micon), to conduct an independent NI 43-101 compliant mineral resource estimate for the Santa Ana project.

Micon has provided independent consulting services to the world's mining industry since 1988. It comprises highly qualified and experienced professionals guided by best practices and principles. Micon has designated a team of five highly skilled independent associates with more than 130 years of combined experience in resources estimations, geostatistics, geology and metallurgy to work on the Santa Ana resource report.

Mineral Resource Guidance and future potential

Outcrop maintains an internal guidance of 45 to 55 million silver equivalent ounces (see news release dated January 25, 2022), incorporating twelve shoots from the eight most well-defined veins on the Santa Ana project (Figure 3 and Figure 4). The Megapozo shoot (Paraiso vein) and the Ivana shoot (Porfia vein) represent more than 50% of the potential resources (Figure 3). The mineral resource estimate will incorporate 44,608 metres of drilling in 238 drill holes distributed in the eight shoots (Figure 3).



SEO=Silver Equivalent Ounces. Metal prices used for equivalent calculations were US$1,827/oz for gold, US$21.24/oz for silver, US$0.90/lb for lead and US$1.56/lb for zinc. Metallurgical recoveries assumed are 93% for gold, 90% for silver, 90% for lead and 92% for zinc.

Figure 3. Projected possible vein contribution to compliant resource and drill hole metres in the eight modelled veins. All mineralization in the veins remains open at depth. Percentages represent only gross estimates of relative contributions to potential resources by internally calculated volume and may not correlate with compliant resources estimated by Micon International.

Importantly the average depth of drilling in 12 defined shoots is only 170 metres, whereas recent drilling in Las Maras shoot shows mineralization open at 370 metres. Drilling all shoots at depth in early 2023 may add significant volume to known shoots when drilled out. Extending an average depth of high-grade mineralization from 170 metres to 370 metres could at least double the volume of known shoots for a rapid increase in potential resources.

Outcrop will continue with its regional target definition and drilling in numerous targets along the mapped mineralized trend (see news release dated August 23, 2022) from the Aguilar-Guadual vein systems along 8.5-kilometres to the Frias mine group of veins. (Figure 4).

The vein containing shoots in the resource represent less than 30% of the well-defined vein segments on the project, and further work will continue to generate numerous more well-defined targets. Outcrop Silver thinks it will be possible to significantly increase the maiden resource report with an updated report in late 2023 or early 2024. Further, all exploration and drilling to date have only been conducted on 12 percent of the Santa Ana project, indicating that Santa Ana has the potential to be a world-class silver-gold province with over 60 kilometres of composite vein zone.

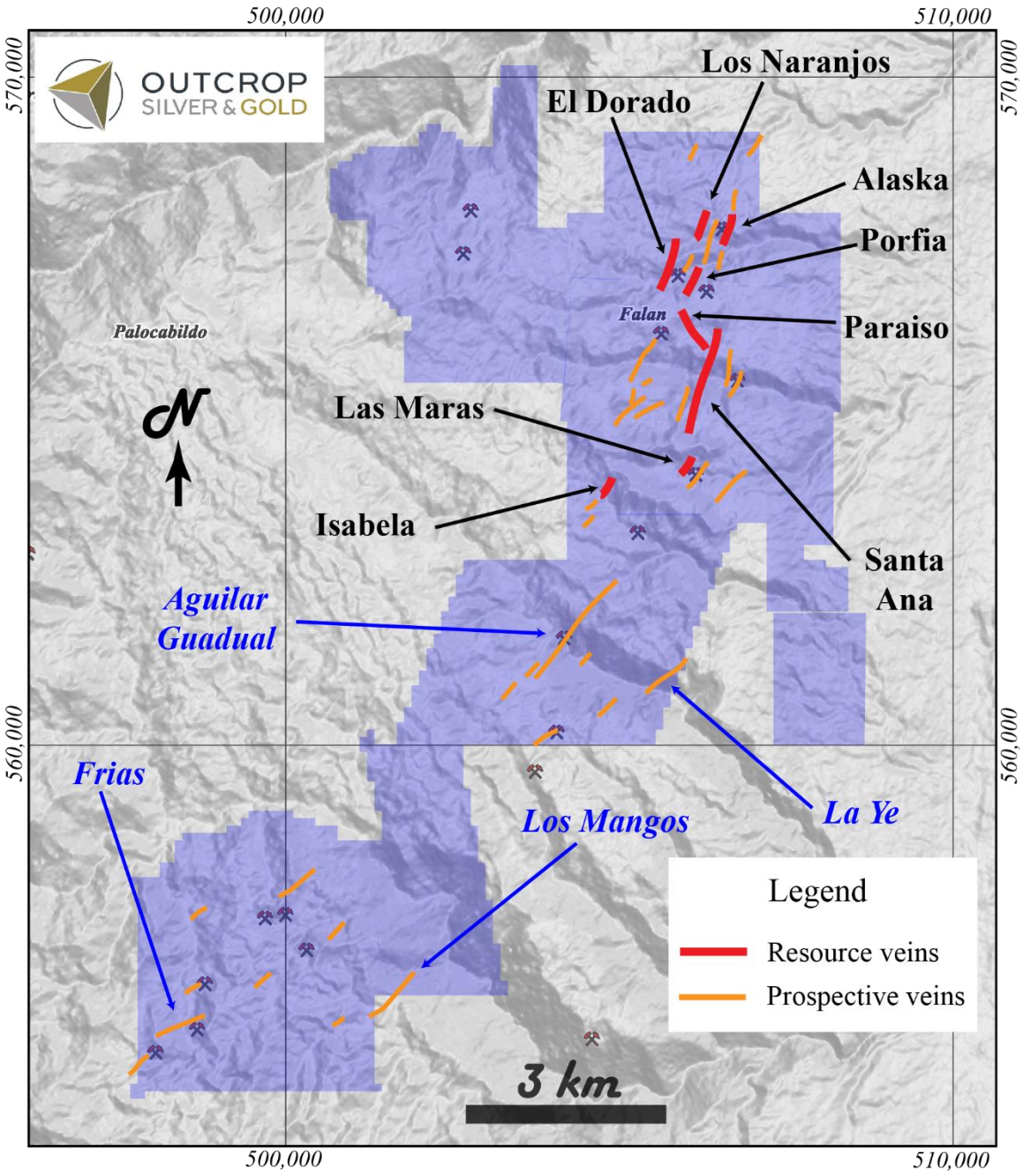


Figure 4. Resource included veins and prospective veins that will likely add to future resources. All vein segments will show more continuity with future work.

QA/QC

Core samples are sent to either Actlabs in Medellin or ALS Chemex in Medellin for preparation and then to ALS Chemex in Toronto or Lima, Peru, for analysis. In line with QA/QC best practice, approximately three control samples are inserted per twenty samples (one blank, one standard and one field duplicate). The samples are analysed for gold using a standard fire-assay on a 50-gram sample with a gravimetric finish. Multi-element geochemistry is determined by ICP-MS using

either aqua regia (ME-MS41) or four acid (ME-MS61) digestion. Comparison to control samples and their standard deviations indicates acceptable accuracy of the assays and no detectible contamination.

About Santa Ana

The 100% owned Santa Ana project comprises 36,000 hectares located in the northern Tolima Department, Colombia, 190 kilometres from Bogota. The project consists of five or more regional scale parallel vein systems across a trend 12 kilometres wide and 30 kilometres long. The Santa Ana project covers a majority of the Mariquita District, where mining records date to at least 1585. The Mariquita District is the highest-grade primary silver district in Colombia, with historic silver grades reported to be among the highest in Latin America from dozens of mines. Historic mining depths support a geologic and exploration model for composite mesothermal and epithermal vein systems having mineralization that likely extends to great depth. At Santa Ana, it is unlikely that there is sharp elevation restriction common to high-grade zones in many epithermal systems with no mesozonal component. The extremely high silver and gold values on Santa Ana reflect at least three recognized overprinting mineralization events.

At the core Royal Santa Ana project, located at the northern extent of just one of the regional vein systems controlled by Outcrop, thirteen high-grade shoots have been discovered to date – La Ivana hanging-wall and footwall (La Porfia vein system); San Antonio, Roberto Tovar, San Juan (Royal Santa Ana vein systems); Las Maras (Las Penas vein system); El Dorado, La Abeja (El Dorado vein systems); Megapozo, Paraiso (El Paraiso vein system); Espiritu Santo (Aguilar vein system); La Isabela and Los Naranjos. Each zone commonly contains multiple parallel veins. The veins can show both high-grade silver and high-grade gold mineralization, and low-angle veins appear to connect to more common high-angle veins.

Outcrop drilling indicates that mineralization extends from surface or near surface to depths of at least 370 metres. Cumulatively, over 60 kilometres of mapped and inferred vein zones occur on the Santa Ana project. The Frias Mine on the south-central part of the project, 16 kilometres south of the Royal Santa Ana Mines, produced 7.8 million ounces of silver post-production in the Spanish colonial era at a recovered grade of 1.3 kg Ag/t. The Frias Mine is considered an analogue to each of the thirteen shoots discovered to date by Outcrop. Between the Royal Santa Ana Mines and the Frias Mine, veins have been extended to the south providing strong drill targets in the Aguilar, Espiritu Santo and El Cristo veins that show high values up to 5.5 kg AgEq/t. These veins show widths up to 4.7 metres. Twelve kilometres of vein zones have been mapped between El Dorado vein to the north and the Aguilar vein to the south. An additional seven kilometres of veins have been mapped between Aguiler and the Frias mine, including the veins Los Mangos and La Ye, which provide several targets with high values up to 9,738 g AgEq/t.

Qualified Person

The technical information in this news release has been approved by Joseph P Hebert, a qualified person as defined in NI43-101 and President and Chief Executive Officer of Outcrop.

About Outcrop

Outcrop Silver & Gold is rapidly advancing the Santa Ana high-grade silver discovery with ongoing expansion drilling and an initial resource to be released in the coming months. Outcrop is also progressing exploration on four gold projects with world-class discovery potential in

Colombia. These assets are being advanced by a highly disciplined and seasoned professional team with decades of experience in Colombia.

Qualified Person

The technical information in this news release has been approved by Joseph P Hebert, a qualified person as defined in NI43-101 and President and Chief Executive Officer of Outcrop Silver.

ON BEHALF OF THE BOARD OF DIRECTORS

Joseph P Hebert, Chief Executive Officer
+1 775 340 0450
joseph.hebert@outcropsilverandgold.com
www.outcropsilverandgold.com

Investor Relations
+1 778-783-2818
info@outcropsilverandgold.com