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The securities offered under this Offering Document under the Listed Issuer Financing Exemption (the “Offering Document”) have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

New Issue

March 20, 2024

AMERICAS GOLD AND SILVER CORPORATION



Up to \$6,500,100

21,667,000 Units

SUMMARY OF OFFERING

What are we offering?

Pursuant to this offering document being filed in accordance with the listed issuer financing exemption in section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions* (the “**Offering Document**”), Americas Gold and Silver Corporation (“**Americas Gold**”, “**we**”, “**us**”, “**our**” or the “**Company**”) is offering up to 21,667,000 units (the “**Units**”) of the Company (the “**Offering**”) at a price of \$0.30 per Unit (the “**Offering Price**”). Each Unit will consist of one common share of the Company (each, a “**Common Share**”) and one common share purchase warrant of the Company (each, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of \$0.40 per Common Share until the date that is 36 months from the Closing Date (as defined below).

Each Common Share entitles the holder to: (i) one vote at all meetings of shareholders (except meetings at which only holders of a specified class of shares are entitled to vote); (ii) receive, subject to the holders of another class of shares, any dividend declared by Americas Gold on the Common Shares; and (iii) receive, subject to the rights of the holders of another class of shares, the remaining property of Americas Gold on the liquidation, dissolution or winding up of Americas Gold, whether voluntary or involuntary.

Eight Capital (the “**Agent**”) has agreed to act as agent, on a “best efforts” basis and without underwriter liability, in connection with the Offering. The Offering will be subject to a maximum distribution of 21,667,000 Units.

It is expected that the completion of the sale of the Units pursuant to the Offering will take place on or about March 27, 2024, or on such other date as may be agreed upon by the Company and the Agent and, in any event, on or before a date not later than 45 days after the date of the filing of this Offering Document (the “**Closing Date**”). **There is no**

minimum amount of funds that must be raised under this Offering. This means that the Company could complete this Offering after raising only a small portion of the Offering amount set out above.

The outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “USA” and on the NYSE American LLC (the “NYSE American”) under the symbol “USAS”. On March 19, 2024, the last trading day completed prior to the date of this Offering Document, the closing price of the Common Shares on the TSX was C\$0.315 and on the NYSE American was US\$0.2332. All references in this Offering Document to “dollars”, “C\$” or “\$” are to Canadian dollars, unless otherwise stated. References to “US\$” are to United States dollars.

Americas Gold is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions. In connection with this Offering, the issuer represents the following is true:

- **Americas Gold has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **Americas Gold has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$6,724,486.30.**
- **Americas Gold will not close this Offering unless it reasonably believes it has raised sufficient funds from this Offering to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **Americas Gold will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.**

CAUTION REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

This Offering Document contains “forward-looking information” or “forward looking statements” within the meaning of applicable securities laws (“**forward-looking statements**”). Forward-looking information is generally identifiable by use of the words “believes”, “may”, “plans”, “will”, “anticipates”, “intends”, “could”, “estimates”, “expects”, “forecasts”, “projects” and similar expressions, and the negative of such expressions.

Forward-looking statements in this Offering Document include, but are not limited to, statements regarding: any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; estimates of mineral reserves and mineral resources; the realization of mineral reserve estimates; the timing and amount of estimated future production, production guidance, costs of production, capital expenditures, costs and timing of development; statements regarding the Galena Complex, including with respect to underground development improvements, equipment procurement and the high-grade Phase II extension exploration drilling program; statements regarding the Company’s Cosalá Operations, including expected production levels, the ability of the Company to target higher-grade silver ores at the Cosalá Operations; statements relating to the future financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company; material uncertainties that may impact the Company’s liquidity in the short term; the anticipated use of proceeds from the Offering; the anticipated Closing Date; other terms and conditions of the Offering, and other events or conditions that may occur in the future. Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company’s ability to control or predict that may cause the actual results, performance or achievements of the Company, or developments in the Company’s business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements including, without limitation, those referred to in the Company’s annual information form dated March 30, 2023, under the heading “Risk Factors” and in the Company’s other continuous and periodic disclosure filings.

The forward-looking statements contained in this Offering Document represent the Company’s views only as of the date of this Offering Document. Forward-looking statements contained in this Offering Document are based on management’s plans, estimates, projections, beliefs and opinions and the assumptions related to these plans, estimates, projections, beliefs and opinions may change. Such assumptions, which may prove to be incorrect, relate to: our budget, including expected costs and cash flows, and the assumptions regarding market conditions and other factors

upon which we have based our expenditure expectations; our ability to raise additional capital to proceed with our exploration, development and operations plans; our operations and key suppliers are essential services or business, and our employees, contractors and subcontractors will be available to continue exploration, development and operation activities; our ability to obtain all necessary regulatory approvals, permits and licenses for our planned activities under governmental and other applicable regulatory regimes; our expectations regarding the demand for, and supply and price of, precious metals; our expectations regarding tax rates, currency exchange rates, and interest rates; our mineral reserve and mineral resource estimates, and the assumptions upon which they are based; our ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals; our operations are not significantly disrupted as a result of political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental or political actions, litigation or arbitration proceedings, equipment or infrastructure failure, labour shortages, transportation disruptions or accidents, or other development, exploration or operational risks. Although the Company believes that the assumptions and expectations reflected in those forward-looking statements are reasonable, there can be no assurance that such assumptions and expectations will prove to be correct. The Company cannot guarantee future results, levels of activity, performance or achievements and actual results or developments may differ materially from those contemplated by the forward looking statements.

All forward-looking statements in this Offering Document is qualified in its entirety by this cautionary statement and we disclaim any obligation to revise or update such forward-looking statements to reflect future results, events or developments, except as required by law.

Cautionary Note to Investors in the United States Regarding Mineral Resources and Mineral Reserves

This Offering Document has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. The Company's mineral reserves and mineral resources have been calculated in accordance with NI 43-101, as required by Canadian securities regulatory authorities. These standards differ from the requirements of the U.S. Securities and Exchange Commission (the "SEC") that are applicable to domestic United States reporting companies. Accordingly, information in this Offering Document that describes the Company's mineral reserves and mineral resources may not be comparable to information made public by United States companies subject to the SEC's reporting and disclosure requirements.

United States Securities Laws

The Units, the Common Shares and Warrants comprising the Units, and the Common Shares issuable upon exercise of the Warrants (the "**Warrant Shares**") have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or the securities laws of any state of the United States and that the Units may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption from such registration. The Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the sale or resale of the Units, the Common Shares, the Warrants or the Warrant Shares and that that the Warrants may not be exercised in the United States or by, or for the account or benefit of, a U.S. person or a person in the United States, nor may the Warrant Shares be issued and delivered upon any such exercise, unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available, and the holder has delivered to the Company a legal opinion to such effect in form and substance reasonably satisfactory to the Company, if requested. "United States" and "U.S. person" have the meanings ascribed to them in Regulation S under the U.S. Securities Act ("**Regulation S**").

In addition, the Agents have agreed that they will not offer or sell the Units within the United States or to, or for the account or benefit of, U.S. persons: (i) as part of their distribution; or (ii) otherwise until 40 days after the later of the commencement of the Offering and the Closing Date (the "**Distribution Compliance Period**"), except in either case in accordance with Regulation S, pursuant to registration under the U.S. Securities Act, or pursuant to an available exemption from the registration requirements of the U.S. Securities Act. In addition, an Agent or U.S. broker-dealer selling Units to a distributor (as defined in Regulation S), dealer (as defined in Rule 2(a)(12) of the U.S. Securities Act), or other person receiving a selling concession, fee or other remuneration in respect of the Units, during the Distribution Compliance Period, must send to such persons a confirmation or other notice setting forth the above-noted restrictions on offers and sales of Units until the expiration of the Distribution Compliance Period.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Americas Gold is a precious metals mining company with multiple assets in North America. The Company has two operations in the world's leading silver mining regions: the Galena Complex in Idaho, USA, which it manages and owns a 60% interest in, and the Cosalá Operations in Sinaloa, Mexico, which it owns and operates, and is advancing technical studies at the Relief Canyon mine ("Relief Canyon") in Nevada, USA following a suspension of mining activities in August 2021. The Cosalá area land holdings also hosts the Zone 120 and the El Cajón silver-copper development projects ("EC120 Project"). The Company also owns and operates the San Felipe development project in Sonora, Mexico.

Material facts

There are no material facts about the Units that have not been disclosed in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document and the date the Company's most recent audited annual financial statements were filed.

What are the business objectives that we expect to accomplish using the available funds?

The business objective that Americas Gold expects to accomplish using the net proceeds of the Offering, together with existing cash and cash equivalents, is for working capital requirements at the Company's Cosalá Operations and Galena Complex, as further described herein, in order to transition to additional silver-copper ore production at the Company's operations in the U.S. and Mexico, and general and administrative purposes.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

	<u>Assuming 100% Offering</u>
A Amount to be raised by this Offering	\$6,500,100
B Selling commissions and fees	\$390,006
C Estimated offering costs (e.g., legal, accounting, audit)	\$200,000
D Net proceeds of offering: D = A - (B+C)	\$5,910,094
E Working capital as at most recent month end	(\$31,000,000) ⁽¹⁾
F Additional sources of funding	\$--- ⁽²⁾
G Total available funds: G = D+E+F	(\$25,089,906) ⁽³⁾

Notes:

- (1) US\$22.8 million using a USD/CAD spot rate of 1.3581, the closing foreign exchange rate from Bank of Canada on March 19, 2024. Working capital includes certain non-cash items, such as: a metal contract liability, a derivative instrument, and common shares pending issuance related to a convertible debt retraction, totalling C\$19.3 million (US\$14.2 million) for an adjusted working capital of deficit of C\$11.7 million (US\$8.6 million).
- (2) In addition to Company's current available financial resources and the net proceeds of the Offering, the Company anticipates generating additional funds to meet its business objectives and liquidity requirements from the cash flows from the operations at the Cosalá Operations and the Galena Complex.
- (3) Taking into account the adjusted working capital deficit of C\$11.7 million referred to in footnote 1 above, the total available funds showed would represent available funds of approximately (C\$5.8 million). This amount is expected to be funded from the Company's current available financial resources, the net proceeds of the Offering, and the anticipated cash flow from its operations at the Cosalá Operations and the Galena Complex.

How will we use the available funds?

<u>Description of intended use of available funds listed in order of priority</u>	<u>Assuming 100% of Offering</u>
Working capital requirements at the Cosalá Operations (expected to be allocated between underground development work, ventilation intake raise improvements, and equipment purchases)	\$2,250,000
Working capital requirements at the Galena Complex (expected to be allocated between underground development contractor costs and ventilation intake raise improvements)	\$2,250,000
General and administrative purposes	\$2,000,100
Total.....	\$6,500,100

The above noted allocation represents the Company’s intentions with respect to its use of available funds based on current knowledge, planning and expectations of management of the Company. Actual use of funds may differ from the estimates set forth above. There may be circumstances where for sound business reasons, the Company reallocates the use of available funds. Such uses will not include a significant acquisition, a restructuring transaction, or any transaction requiring approval of the Company’s security holders.

Since December 31, 2022, the Company’s working capital decreased from (US\$16.7) million to (US\$22.8) million as at December 31, 2023 due to the decrease in the average realized zinc price from US\$1.55/lbs in 2022 to US\$1.18/lbs in 2023. The Company entered into additional short-term obligations to address these working capital requirements.

The Company’s condensed interim consolidated financial statements for the three and nine months ended September 30, 2023, and 2022, being the most interim financial report of the Company, included a going-concern note. Several material uncertainties cast substantial doubt upon the going concern assumption, including cash flow positive production at the Cosalá Operations and Galena Complex. The Offering is intended for working capital requirements at the Company’s Cosalá Operations and Galena Complex, as further described herein, in order to transition to additional silver-copper ore production at the Company’s operations in the U.S. and Mexico, and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

The following table sets out the disclosure the Company previously made about how it would use available funds or proceeds from any financing in the past 12 months, an explanation of any variances, and the impact of the variances, if any, on the Company’s ability to achieve its business objectives and milestones.

<u>Offering and Proceeds</u>	<u>Disclosed Used of Proceeds</u>	<u>Variance</u>	<u>Impact of Variance</u>
C\$8.0 million June 2023 issuance of additional secured convertible debenture to Delbrook Capital Advisors (“ Delbrook ”)	Finalizing construction of the Galena hoist project and for general working capital purposes	As disclosed	Not applicable
C\$2.0 million October 2023 increase to secured convertible debenture held by Delbrook	Finalizing construction of the Galena hoist project and for general working capital purposes	As disclosed	Not applicable
US\$0.8 million July 2023 non-brokered private placements of Common Shares	Finalizing construction of the Galena hoist project and for general working capital purposes	As disclosed	Not applicable

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Agent will act as the sole agent, on a “best efforts” basis and without underwriter liability, in connection with the Offering. The Company has agreed to pay to the Agent a cash fee (the “**Agency Commission**”) representing 6.0% of the aggregate gross proceeds of the Offering. In addition, the Agent will also receive an aggregate number of compensation warrants (the “**Compensation Warrants**”) equal to 6.0% of the number of Units sold under the Offering, with each such Compensation Warrant entitling the Agent to purchase one Common Share at an exercise price equal to the Offering Price for a period of 24 months from the Closing Date. The Company has also agreed to reimburse the Agent for certain expenses and disbursements related to the Offering (the “**Expenses**”). The Agency Commission and Expenses will be paid by the Company from the proceeds of the Offering of Units.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to the Agent, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS’ RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

- (a) to rescind your purchase of these securities with Americas Gold, or
- (b) to damages against Americas Gold and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where you can find more information about us

Investors can access Americas Gold’s continuous disclosure at www.sedarplus.ca and may find additional information at our website www.americas-gold.com.

Purchasers should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of the Units.

CERTIFICATE OF THE COMPANY

March 20, 2024

This Offering Document, together with any document filed under Canadian securities legislation on or after March 20, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

(Signed) "*DARREN BLASUTTI*"
Chief Executive Officer

(Signed) "*WARREN VARGA*"
Chief Financial Officer