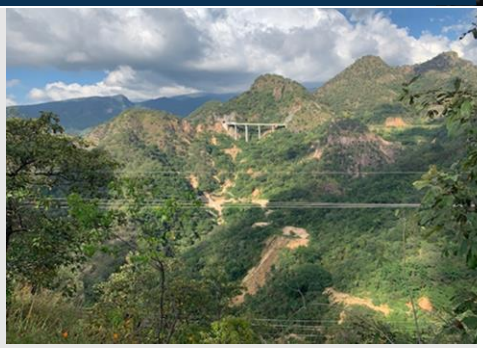

Vizsla Silver Corp. (VZLA CN)

Site Visit – Multiple Completed

Price	*C$*	$1.82
Shares on issue	*m*	207.0
Market cap	*C$m*	$376.7
Working capital	*C$m*	-
Total debt	*C$m*	$70.0
Avg, Daily Volume	*3mo*	194,832
Valuation	*C$/sh*	$4.20
P / NAV	*x*	0.43x

All figures in USD unless noted.

VZLA vs GDXJ (rebased)

Source: FactSet, Agentis Capital research.

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5 March 2023

Agentis Capital Markets Canada Limited Partnership ("Agentis Capital")

Vizsla Silver (VZLA CN)

Initiating Coverage: Our Panuco Mine Plan DCF$_{5\%}$ Delivers ~10mozAgEqpa over +16yr LOM

Key Points

⇒ We are initiating coverage of VZLA, elevating it from "Gray's Prospect" level coverage & derive an initial NAV of $690m (C$4.20/sh).

⇒ Using first principles of mine engineering to develop a proprietary 1500-2500tpd scenario: 9.7mozAgEqpa at $10.22/oz AISC over 16.4yr LOM.

⇒ Resource of 219mozAgEq at 463g/tAgEq (59%Ag/43%Au) across nine veins and poised for explosive growth via a 7-rig exploration program.

Western Panuco has high hub & spoke mine complex potential

The Copala, Cristiano, Tajitos, Napoleon and Josephine veins are our focus for development and are within a ~3km radius of our conceptual mine-mill scenario. Our preliminary evaluation of geotech, mineabilty, sequencing and access underpins a scenario utilizing 44% longhole, 39% cut & fill and 17% inclined room & pillar mining methods. We model ultimate reserves of 13.3mt at 402g/tAgEq (172mozAgEq) & sequentially ramp-up throughput to 2500tpd (yr 5) for an initial 16.4yr LOM & production of 9.7mozAgEqpa.

Existing infrastructure mitigates execution risk

Vizsla's 100% controlled Panuco Ag-Au low to intermediate sulphidation epithermal vein field project is well-located in southern Sinaloa, Mexico. The project is off a major highway with power & water access. Mazatlan (pop ~500k) is ~1hr away and has a major port & an international airport. The supporting area has a strong history of mining, as production in the district dates back to the 1500's – in our view, increasing mine potential & reducing capital requirements.

Region is ripe for new discoveries

Copala has evolved from a pre-discovery vein (Jan/22) to Panuco's centre of gravity for Ag-Au endowment (thus far). The Copala Ag-Au vein structure discovery (essentially blind) has positive implications for new property-wide exploration upside as the shallow dip could mean other blind structures are yet to be detected. With VZLA having established the vein footprints (Rosetta Stone), an airborne survey could be key to rapidly generate multiple new targets. VZLA has drilled +250km since consolidating Panuco in 2019 – we expect aggressive exploration to continue.

Management has the pedigree to successfully execute

The strong technical team on the ground has deep Mexican experience with backgrounds from Fresnillo, Pan American and Hecla, and is complemented by extensive capital markets experience from Chairman Craig Parry and CEO Michael Konnert. Vizsla has the skillset to successfully finance, explore and develop Panuco.

Numerous catalysts in the next 12mo

- i) Exploration drill results – fully-funded 90km program (ongoing); ii) Metallurgical testing – First Copala & Tajitos met work (2Q23); iii) Updated MRE (2H23)

Valuation

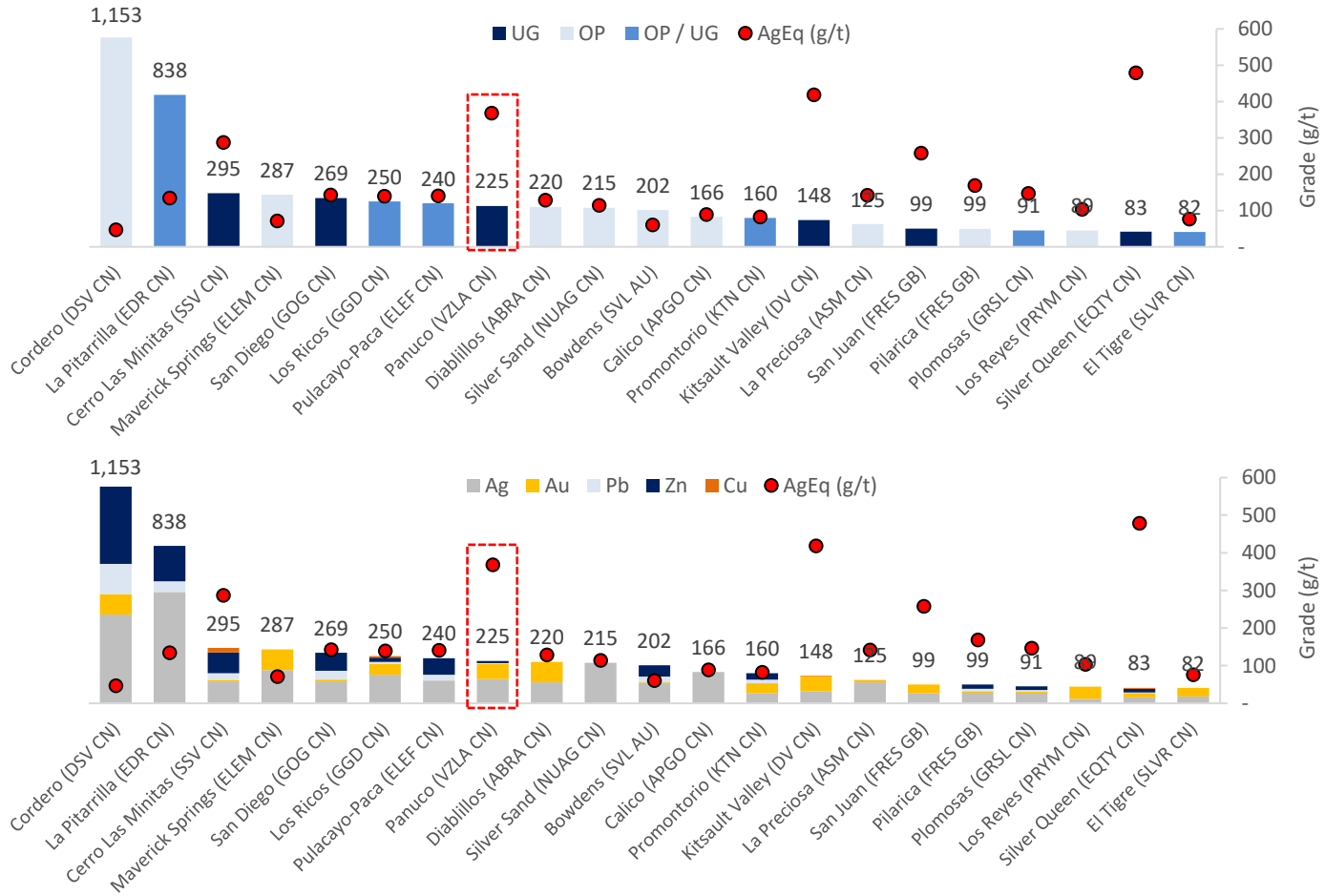
- We derive a **$690m NAV (C$4.20/sh)** via our sum of parts fully funded 12mo corporate NAV approach, underpinned by our DCF$_{5\%}$ model for Panuco yielding an after-tax **$581 NPV$_{5\%}$ & 38.4% IRR** at $194m initial capex ($1950Au, $24Ag).
- At spot metal prices, we derive an after-tax $464 NPV$_{5\%}$ & 33% IRR (C$3.50/sh).
- VZLA trades at a P/NAV multiple of 0.43x vs its peer group avg 0.41x (Fig 22).

Company Overview

Vizsla Silver Corp. (Vizsla, VZLA) is an early-stage precious metal developer advancing district-scale discoveries across its 100% controlled Panuco Ag-Au low-int sulphidation epithermal vein field project in southern Sinaloa, Mexico. Headquartered in Vancouver, BC, Canada, under the stewardship of CEO Michael Konnert & Chairman Craig Parry, Vizsla is backed by, and is the flagship company of Inventa Capital Corp., a resource sector focused merchant bank and company incubator. Modern exploration (2020 onward) has yielded several raw discoveries for VZLA that have established a recently updated (I+I) resource of 219mozAgEq at 463g/tAgEq (59%Ag/43%Au) across nine veins.

Vizsla trades in Canada on the TSXV & NYSE (both ticker VZLA) and in Germany on the FWB (ticker 0G3). Vizsla has 207.0m shares i/o and we estimate has ~C$70m in working capital. VZLA has a FDITM share capital structure of 219.0m based on 10.6m options ITM (weighted avg strike of C$1.21/sh; expiry Jun/24 to Feb/29) and 1.4m warrants ITM (strike of C$1.45/sh; expiry Nov/24). Institutions and HNW individuals own ~60%, which include Franklin Advisors, Sprott Asset Management, Eric Sprott, Luxor, Fourthsail and Global X. Management and directors own ~16% of the company.

Fig 1 Undeveloped primary silver resources by mine type (top) and metal composition (bottom) – Grade (margin) is king – Panuco is 1 of only 2 undeveloped assets globally hosting +100mozAgEq at +300g/tAgEq. Of active primary silver mines that yield +5mozAgEqpa, 23/26 produce at +300g/tAgEq. As such, we view undeveloped resources exceeding this hurdle as having high mine potential, deserving of a premium multiple.



Source: S&P Capital IQ; Company disclosure; Agentis Capital research.
Note: "Primary silver" = >35% resource value attributable to Ag. Showing global resources >80mozAgEq using $24Ag, $1,950Au, $1.00Pb, $1.40Zn, $4.00Cu.

Insights – Opportunities and Challenges

Attractive Features

- **Rare undeveloped +200mozAgEq at +300g/t AgEq epithermal vein field** – Panuco is the largest undeveloped primary silver asset (globally) that is +300g/tAgEq & one of two undeveloped assets that is +300g/tAgEq & +100mozAgEq (Fig 1). Any +100mozAgEq projects with such +300g/tAgEq grades are highly sought after as potential high-margin UG mines. We expect resources to continue to grow in the next resource estimate as VZLA continues to expand the vein field footprint & we see +300mozAgEq potential.
- **Potential for 10moz AgEq over +16yr LOM** – Our proprietary UG development scenario feeding a 1500-2500tpd mill yields a 16.4yr LOM at 9.7mozAgEqpa. We think Panuco would be a top 15 primary silver producer globally (if in production).
- **Optionality for developing early high-grade mill feed** – We prioritize early mill feed from Cristiano & Copala. However, Gallinero is a tantalizing zone with +13moz at ~650g/tAgEq for early mining, pending further geotechnical investigation.
- **Exploration sizzle, potential for torquey discoveries** – Early-innings district exploration, VZLA has taken Panuco from pre-discovery to +200moz in ~3yrs. It has an array of quality targets & significant depth potential (low-interm sulph system).
- **Global epicentre of silver production** – Mexico is the world's largest silver producer and has excellent infrastructure supportive of mining. Panuco is ~1hr from the deep-water port of Mazatlan, along a highway and has 640kV of power on site.

Potential risks and sensitivities (p22)

- **Metallurgical process & flowsheet needs more test work** – Although the initial flotation concentration tests on Napoleon have been positive, we need to see Copala & Tajitos test work to gain a better understanding of the ideal process flowsheet. There may be some issues with blending (two circuits required?) as Napoleon is relatively base-metal rich.
- **Local communities, incl town of Copala** – VZLA appears to have a solid relationship with locals, including ejido agreements & local labour comprising ~70% of the on-site workforce. However, there are several communities near planned mining areas that will need to be considered in any development scenario, especially for surface infrastructure.
- **Copala vein structure integrity** – The centre of gravity for endowment and representing 49% of our ultimate reserve, Copala, is a shallow to moderate-dipping vein (avg 30-55°) that has several jogs/changes in dip. In our view Copala will require systematic drilling on <30m spacing to establish measured resources.
- **Geotechnical evaluation** – Panuco will need to undergo geotechnical studies to confirm amenability to our assumed mining methods, particularly to accommodate the inclined room & pillar method. We note there are some cross fault systems at Napoleon & Gallinero that may present geotechnical complexity. See p27 for our site visit insights.
- **Agentis ultimate reserves estimate** – Our mineral inventory is a best-efforts attempt to quantify potential reserve endowment for our development scenario based on our evaluation of dilution, recovery, mineability and ultimate reserve potential. We have used only publicly available data and have taken a conservative approach to modelling mining dilution/recovery and extraction methods. There are no assurances that our estimates will be realised.
- **Organized crime** – The presence of cartels in Mexico can be a major risk due to violence, instability and extortion. The Sinaloa Cartel is Mexico's most dominant drug cartel. Jesus Maria, Culiacan & Los Mochis in Sinaloa have seen harsh violence in 2023. We think country manager Hernando Rueda has excellent experience in Mexico and should be able help VZLA navigate any challenges.

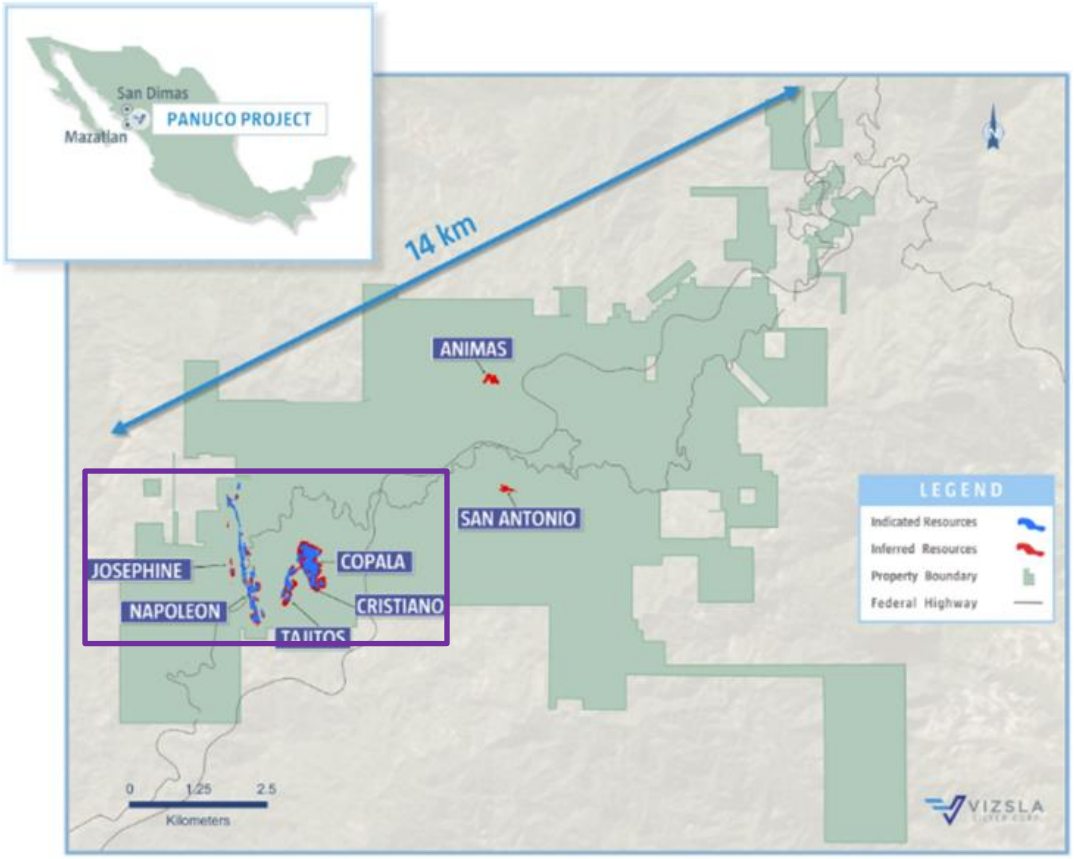
Introduction & Report Layout

Our focus to date has been on the geology of Panuco; however, the purpose of this report is to frame Panuco from a mine development perspective and drill down on valuation. We have a high conviction that Panuco has potential to evolve into another long-life, high-margin Mexican Ag-Au mine & that the regional vein field will continue to yield new discoveries. We are initiating coverage of VZLA, elevating it from previous "Gray's Prospects" level coverage.

We have focused our Initiation on our proprietary mine development scenario and our valuation for VZLA. We have linked to our site visit notes (2021 & 2022) for our key takeaways on the geology & potential of the Panuco low-int sulphidation epithermal vein field. We have also appended background on the Panuco asset (location, access, infrastructure, royalties & exploration upside). In this report we:

- Lay out our key assumptions and rationale for our mine development scenario that underpins our $DCF_{5\%}$ model (p5-12)
- Valuation - Provide our sum of parts NAV as anchored by our $DCF_{5\%}$ model for our conceptual mine at Panuco (p13-16)
- Highlight the relative positioning of VZLA vs peer group developers & producers (p17-19)
- Compare Panuco with Mexican UG Ag-Au producers (p20)
- Highlight key catalysts over the next 18mo (p21) as well as risks & sensitivities (p22)
- Finally, we append background on Panuco (location, access & infrastructure), management bios, Panuco resource statements and exploration upside (p23-28)

Fig 2 Plan view, Panuco Ag-Au project. Western Panuco, outlined in purple, is our focus area for a conceptual mine.



Source: Company disclosure; Agentis Capital research.

Agentis' Take on Potential Panuco Mine Development & Key Model Assumptions

#1 Resource has critical mass for a Western Panuco hub and spoke

- **The maiden resource in Mar/22 caught our eye** – VZLA's initial resource of 106.7mozAgEq at 366g/t (52%Ag/43%Au) was across eight veins. The resource was based on 120.6km of drilling (446 holes) and was released less than two years after the "game-changing" gold-rich Napoleon discovery.
- **Rapid growth via +105% increase of resources in Jan/23 (Fig 3)** – Based on successful 2022 step-out & infill drilling over an additional 82km of drilling (198 holes), particular at the Copala vein area, VZLA provided an updated resource of **219mozAgEq at an average grade of 463g/tAgEq** (see our Jan 24/23 note). Refer to Appendix C for the vein-by-vein resource statement.
- **Gold-rich epithermal vein field** – Western Panuco is 50/50 inferred & indicated on a contained metal basis. The global 219mozAgEq resource is ~93% precious metals (59%Ag/43%Au).
- **Hub and spoke mine plan feeding a central milling site** – Preliminary development will focus on the western portion of Panuco (Fig 2). For our $DCF_{5\%}$ mine plan model, we ignore the Animas and San Antonio veins of the Central Panuco area which collectively host 7.0mozAgEq.

Fig 3 Updated Panuco resource statement by major area (effective date Jan 12/23).

Vein Area	Tonnes (mt)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq (g/t)	Ag (koz)	Au (koz)	Pb (kt)	Zn (kt)	AgEq (koz)
Napoleon Area Indicated	3.6	138	2.0	0.4	1.3	353	16,112	238	14.4	48.3	41,347
Copala Area Indicated	3.8	344	2.2	0.1	0.1	517	42,218	271	2.6	4.9	63,446
Napoleon Area Inferred	3.0	117	2.0	0.2	0.5	298	12,461	161	7.1	27.7	28,708
Copala Area Inferred	3.9	433	2.4	0.1	0.2	627	54,072	301	5.3	9.2	78,395
Western Total	**14.3**	**271**	**2.1**	**0.2**	**0.6**	**459**	**124,863**	**971**	**29.4**	**90.1**	**211,896**
Animas Inferred	0.4	169	1.7	0.3	0.6	188	2,101	21.0	1.1	2.3	4,074
San Antonio Inferred	0.3	226	1.3	0.0	0.0	325	2,038	12.0	0.0	0.1	2,936
Central Total	**0.7**	**184**	**1.5**	**0.2**	**0.3**	**311**	**4,139**	**33**	**1.1**	**2.4**	**7,010**
Panuco Total	**15.0**	**267**	**2.1**	**0.2**	**0.6**	**453**	**129,002**	**1,004**	**30.5**	**92.5**	**218,906**

Source: Company disclosure; Agentis Capital research.

#2 Excellent UG mining potential

We think the Panuco veins will be amenable to conventional UG mining methods. Based on our analysis to date, including site visit observations of drill core, rocks generally have favourable geotechnical conditions and vein geometries to optimize dilution and recovery.

- **Vein dimensions** – VZLA has defined thicknesses and orientations observed at Panuco. We have estimated averages (or utilized VZLA reporting) for major veins on a best-efforts basis in Fig 4.

Fig 4 Vein parameters, feeding our assumptions with respect to mining methods, recovery, dilution & logistics.

Vein	Strike (°)	Dip (°)	Thickness (m)	Avg Thickness (m)	Strike Length (m)	Dip Length (m)	Tonnage (mt)	Average Grade (g/t AgEq)
Napoleon	350	80 - 85	3.0 - 3.5	3.3	2,900	400	5.0	340
Gallinero	*350*	*80 - 85*	*3.0 - 3.5*	*3.3*	*500*	*300*	*0.6*	*648*
Josephine	355	75 - 85	1.5 - 2.5	2.5	1,500	500	0.3	451
Napoleon HW	350	60 - 65	2.0 - 3.0	2.5	2,400	500	0.6	322
Cruz	330	80 - 90	0.7 - 3.1	1.9	400	300	0.4	371
Copala – North	15	10 - 35	2.0 - 35.0	6.0	500	400	2.9	564
Copala – South	15	40 - 65	2.0 - 35.0	6.0	500	400	2.9	564
Tajitos	20	70 - 75	2.0 - 3.0	2.5	1,500	400	1.3	506
Cristiano	340	80 - 90	1.0 - 3.0	1.9	500	250	0.5	825

Source: Company disclosure; Agentis Capital research.
Note: Napoleon is inclusive of Gallinero.

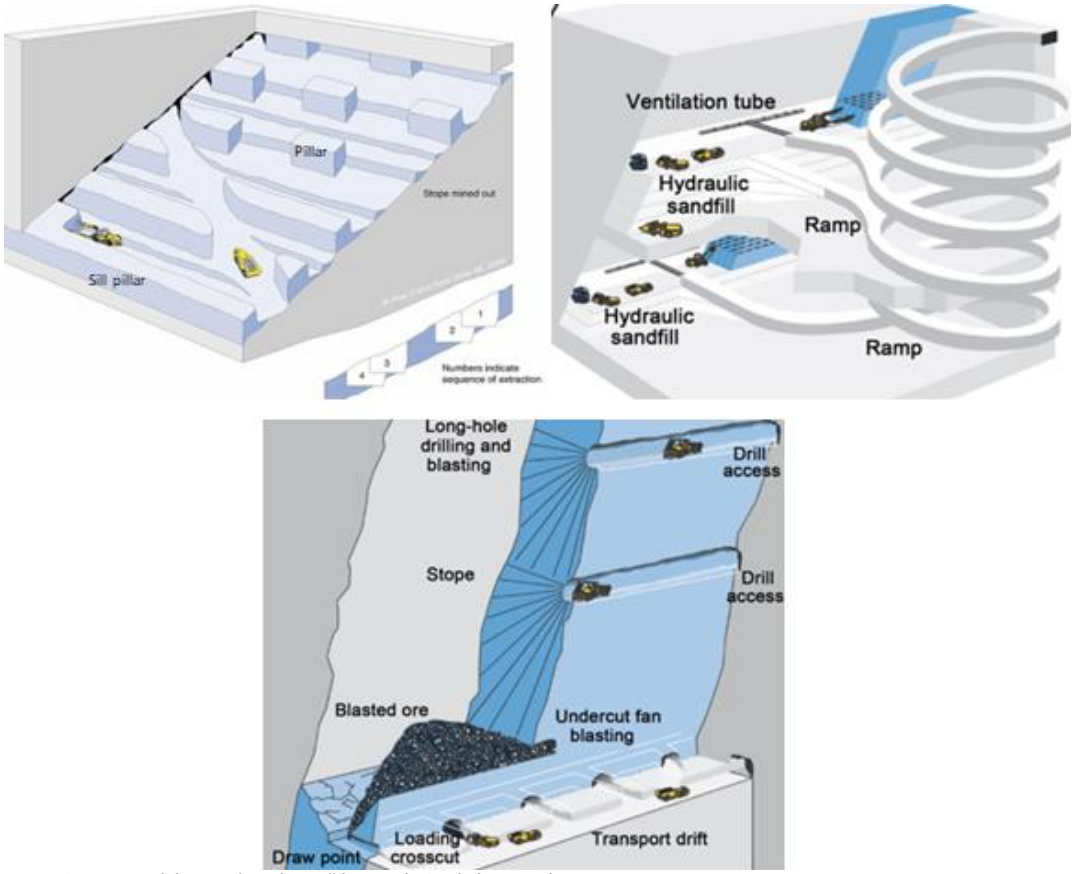
- **Geotech** – Based on our insights leveraged from site visits and core review, we think the general geotechnical conditions at Panuco are favourable; however certain areas of Napoleon are subject to step-faulting and may pose a challenge (RH photo in Fig 5). The potential for minor kinematic failures should be easily mitigated with a combination of industry-standard shotcrete, UG mesh screening and rock-bolting practices. We have incorporated the favourable geotechnical conditions into our model via relatively high recovery and low to moderate dilution assumptions.

Fig 5 Site visit core photos – Left: Competent cut core from Napoleon, showing excellent +80% RQD conditions. Right: Poor cut core from Napoleon with crushed rock and minor gouge, estimated to be <20% RQD.

Source: Agentis Capital research.

- **Mining methods** – The generally thick, mineable widths of subvertical veins at Panuco lend themselves to conventional longhole open stoping (Copala being an exception). In our mine plan, 44% of our ultimate reserves are mined via longhole methods, 39% are mined via cut & fill and 17% are mined via room & pillar methods (Fig 7). The mining methods used in our model are described in the schematics in Fig 6.
    - **Longhole** - The long, tabular, sub-vertical and consistently mineralized Napoleon system makes it highly amenable to longitudinal longhole stoping. The adjacent Josephine & Napoleon HW veins (similar sub-vertical geometries) can be accessed with minimal transverse development. We also assume Tajitos & Cristiano to be mined primarily via longhole stoping.
    - **Inclined Room & Pillar** - At Copala North, with vein dip in the range of 10° to 35°, inclined or step room & pillar mining is the primary method. Room & pillar mining is a productive method requiring low development but requires reduced mining recoveries due to geotechnical constraints.
    - **Cut & Fill** - Cut & fill mining is a selective, versatile method that can be implemented using jumbos or jacklegs to follow narrow or irregular orebodies (such as Napoleon HW, Josephine, Copala South & Cruz). It is a preferred method to navigate poor ground conditions, including a small geotechnically challenging zone at Napoleon.

Fig 6 Left: Schematic diagram, inclined room & pillar. Right: Schematic diagram, cut & fill mining. Bottom: Schematic diagram, longitudinal longhole stoping.



Source: QueensU Mining Engineering Wiki; Agentis Capital research.

- **Mining dilution and recovery** – Thicknesses of veins at Panuco typically exceed minimum mining widths of 1.5m (Fig 4). For that reason, we have assumed low to moderate planned dilution for all mining areas, from 12% at Copala North and up to 35% at Cruz (Fig 7). Due to the predictable, continuous thick vein geometries and competent ground conditions throughout most of the project, we have assumed high recovery. Mining recovery is lowest at Copala North (83%) where room & pillar mining is predominantly used with an assumed 75% recovery and highest at Napoleon (96%) due to its sub-vertical orientation and relatively consistent widths. For reference, MAG Silver (MAG CN) used a planned dilution of 10% and mining recovery of 90% to generate the Juanicipio mine plan. Our dilution assumptions are utilized to calculate our $DCF_{5\%}$ reserve statement in Fig 12.

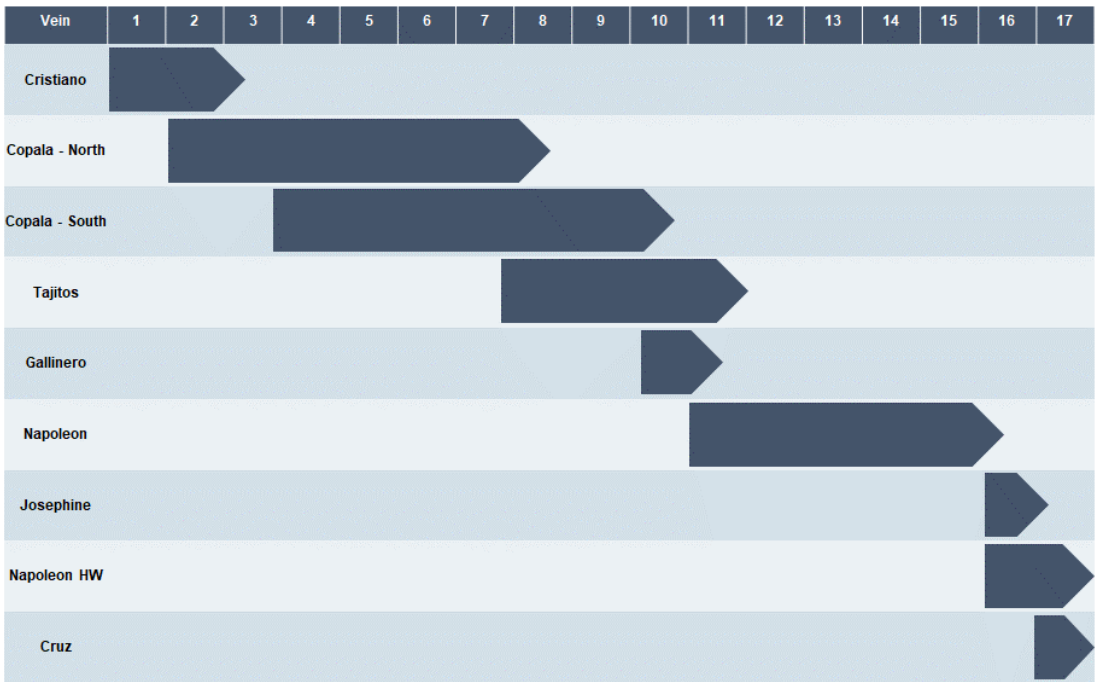
Fig 7 Agentis Panuco $DCF_{5\%}$ mine plan assumptions of mining method, recovery & planned dilution by vein.

	Napoleon	Gallinero	Josephine	Napoleon HW	Cruz	Copala North	Copala South	Tajitos	Cristiano	Overall
Longhole	80%	90%	50%	30%	0%	0%	0%	90%	90%	**43.9%**
Cut & Fill	20%	10%	50%	70%	100%	40%	80%	10%	10%	**39.5%**
Room & Pillar	0%	0%	0%	0%	0%	60%	20%	0%	0%	**16.6%**
Recovery	96.0%	95.5%	95.0%	95.0%	95.0%	83.0%	91.0%	95.0%	95.5%	**92.0%**
Dilution	18.0%	19.0%	15.0%	18.0%	35.0%	12.0%	14.0%	29.0%	29.0%	**17.8%**

Source: Agentis Capital research.

- **Development sequencing** – 2022 exploration activities and the updated MRE have, in our view, solidified the Copala area as the primary target for mining. The high-grade, precious-metal rich Cristiano, Copala & Tajitos veins produce excellent early mining CF. The early CF will provide a relatively short payback period of 2 years while aiding in self-funding a processing plant expansion to 2,500tpd and the expansion capex associated with UG development into the Napoleon area.

Fig 8 Agentis conceptual mining sequencing of major veins for each year of our Panuco $DCF_{5\%}$ mine plan.



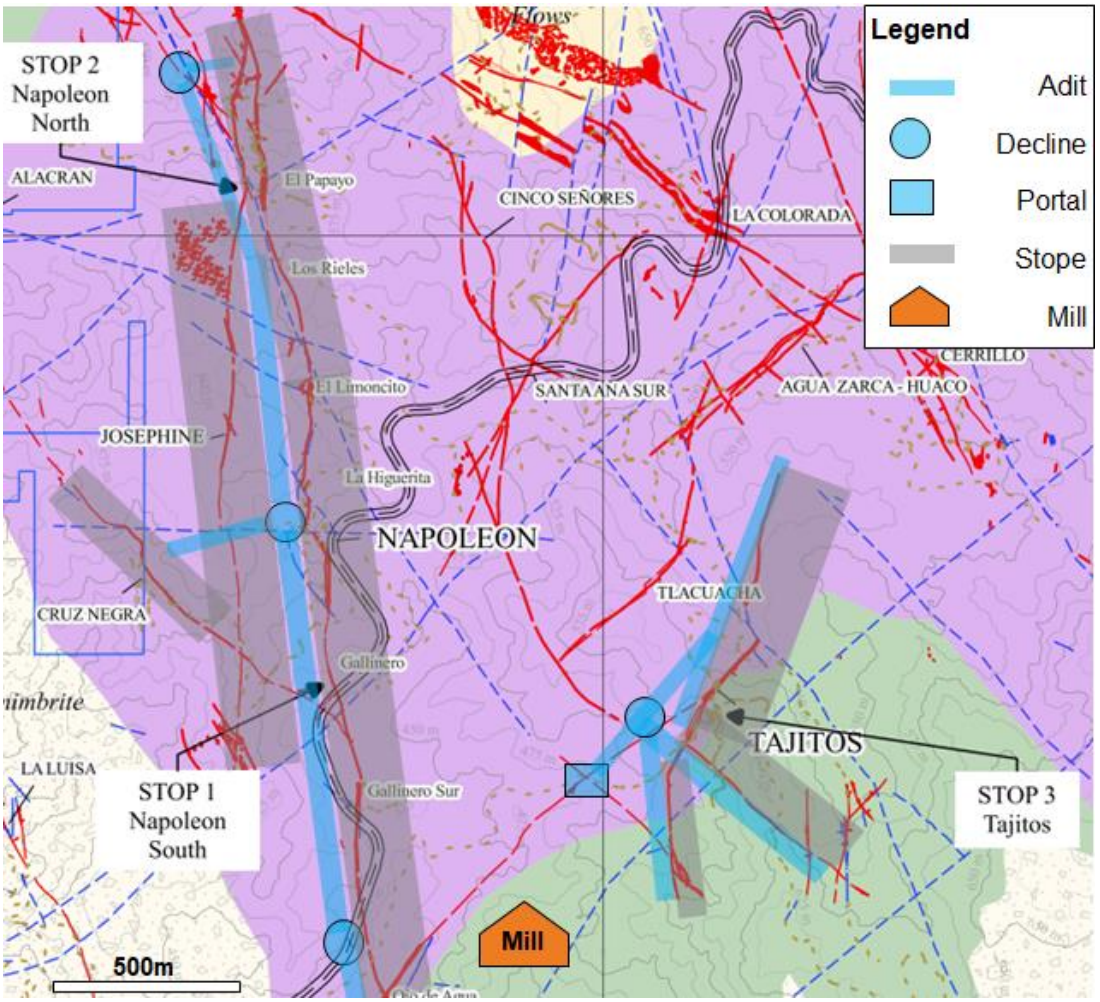
Source: Agentis Capital research.

#3 Mine infrastructure planning

Panuco benefits from outstanding existing infrastructure that includes paved roads, power and water access. Thus, we believe the development hurdle is lowered and execution risk is significantly mitigated.

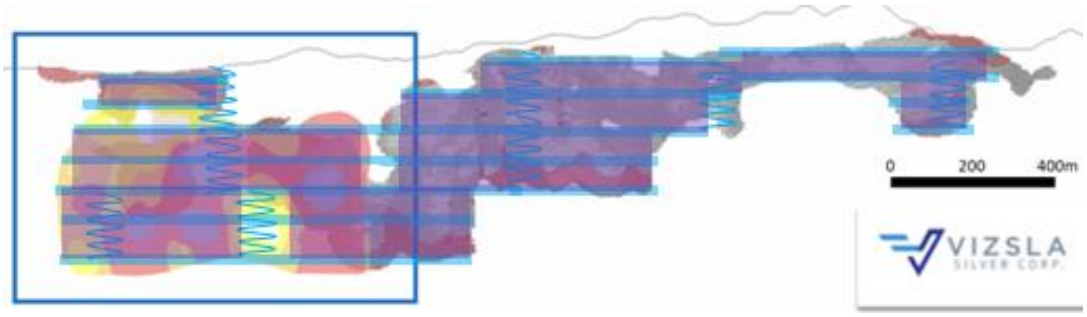
- **Plant location, decline access** – We think the SW portion of Panuco serves as an excellent hub for processing due to the short hauling distances from high-grade, high-tonnage zones in Copala, Tajitos, Cristiano and Gallinero.
    - We anticipate VZLA would build a processing plant just southwest of the Tajitos vein (Fig 9). This location would be adjacent to a single hillside adit providing UG access to the Copala-Tajitos area. The mill and adit locations would keep infrastructure out of sight from the nearby town of Copala (east of the hill).
    - Our mine plan involves the construction of three adits and three primary declines, with other vertical development serving the Napoleon area due to the long strike length and varying depths of mineralization (Fig 10).
    - We have estimated total underground development of 149km, comparable to SilverCrest's (SIL CN) Las Chispas at 89km and MAG's Juanicipio at 156km.

Fig 9 Topographic plan view, Western Panuco – Showing key UG corridors (blue) and conceptual priority mining areas projected to surface (grey) to feed a 2,500tpd mill (orange) to the south.



Source: Company disclosure; Agentis Capital research.

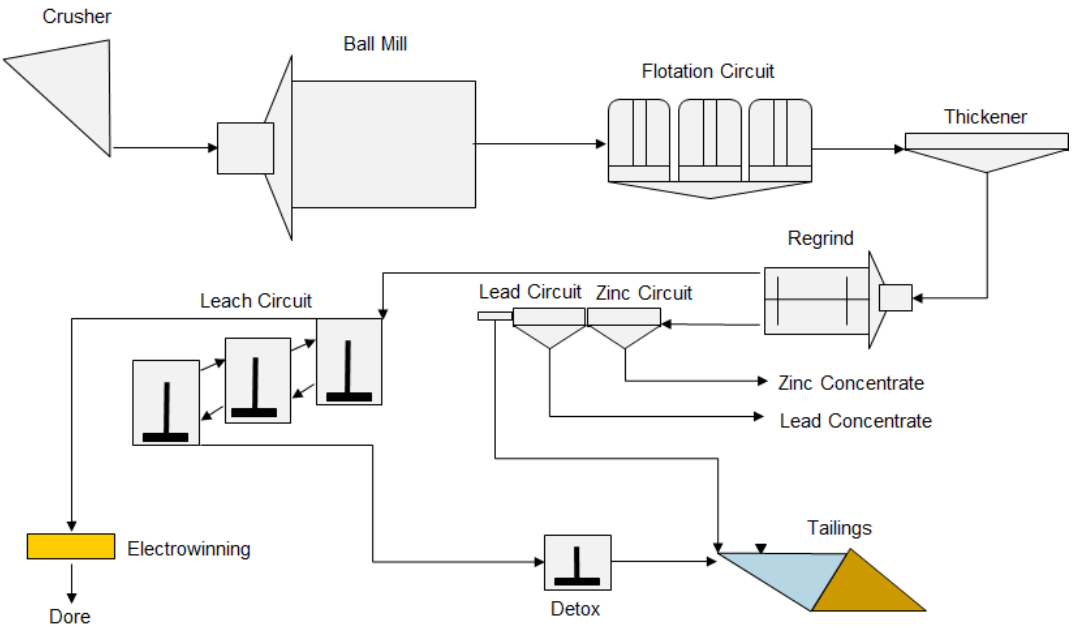
Fig 10 Longitudinal section, Napoleon resource area (viewing W) as of maiden Mar/22 resource estimate – Showing conceptual major UG development drifts & declines (blue) and main stoping areas (purple). The blue box denotes the growth of the southern area of Napoleon, expanded since the maiden Mar/22 resource estimate.



Source: Company disclosure; Agentis Capital research.

- **Mill requirements** – Our main scenario for mining Panuco involves the construction of a 1,500tpd float & leach plant to be expanded to 2,500tpd starting in year 5. Power to the mill would be supplied to a main substation to be constructed at the site along with a connection to the local 400kV and 240kV overhead federal powerlines.
- **Processing** – Pending further metallurgical testing, we anticipate the Panuco flowsheet to involve two flotation circuits to manage the precious-metal rich Copala area and base-metal rich Napoleon area, as separated in our ultimate reserve assumptions (Fig 12). Mill feed from the Copala area will undergo flotation and leaching to produce a dore, whereas mill feed from Napoleon will be further processed via sequential flotation circuits to produce separate high-grade lead & zinc concentrates. Napoleon mineralization flotation testing yielded recoveries of up to 93%Ag, 90%Au, 94%Pb and 94%Zn. We think leaching will yield even higher Ag & Au recoveries from Copala area mineralization. Results from Copala/Tajitos met testing are anticipated in 2Q23. As VZLA completes more testing, we will revise our model accordingly.

Fig 11 A conceptual flowsheet for production of precious metal dore, zinc concentrate & lead concentrate at Panuco.



Source: Agentis Capital research.
Note: VZLA has not conducted adequate metallurgical test work to develop a processing flowsheet and that this is merely conceptual to guide cost estimation.

#4 Modelling our conceptual development scenario

- **Agentis ultimate reserves** – We have estimated ultimate reserves for Panuco from our resource assumptions (Appendix C – Fig 30) via conversion rates assumed for each major vein area.
    - For most veins (Napoleon, Josephine, Napoleon HW, Cruz, Copala, Tajitos), we have assumed 95% of indicated and 75% of inferred resources will be converted to reserves. We believe a high conversion rate is warranted due to the established expansion (multiple directions) and successful infill drilling results since the Jan/23 MRE cut-off date. We have not included any on-strike or dip expansion upside in our model.
    - We have assumed 100% of Cristiano inferred resources will be converted to reserves, as we think the current resource is a floor for this highly prospective, under-drilled vein with significant expansion potential.

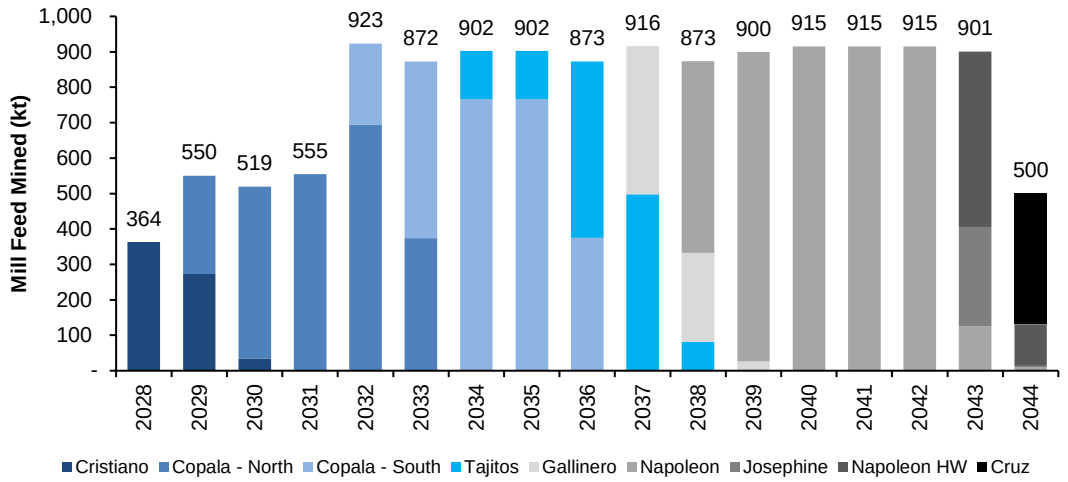
Fig 12 Agentis Panuco $DCF_{5\%}$ ultimate diluted reserve statement. Recovery/dilution by vein is broken down in Fig 7.

	Tonnes (mt)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq (g/t)	Ag (koz)	Au (koz)	Pb (kt)	Zn (kt)	AgEq (koz)
Napoleon Area	6.3	117	1.6	0.3%	1.0%	300	23,588	332	18.2	63.9	60,429
Copala Area	7.0	325	2.0	0.1%	0.2%	492	73,637	442	6.0*	10.7*	111,463
Diluted Reserve	13.3	227	1.8	0.2%	0.6%	402	97,225	774	24.2	74.5	171,892

Source: Agentis Capital research.
**Note: Per our processing assumptions, there are no base metals payable from Copala mill feed in a dore production scenario.*

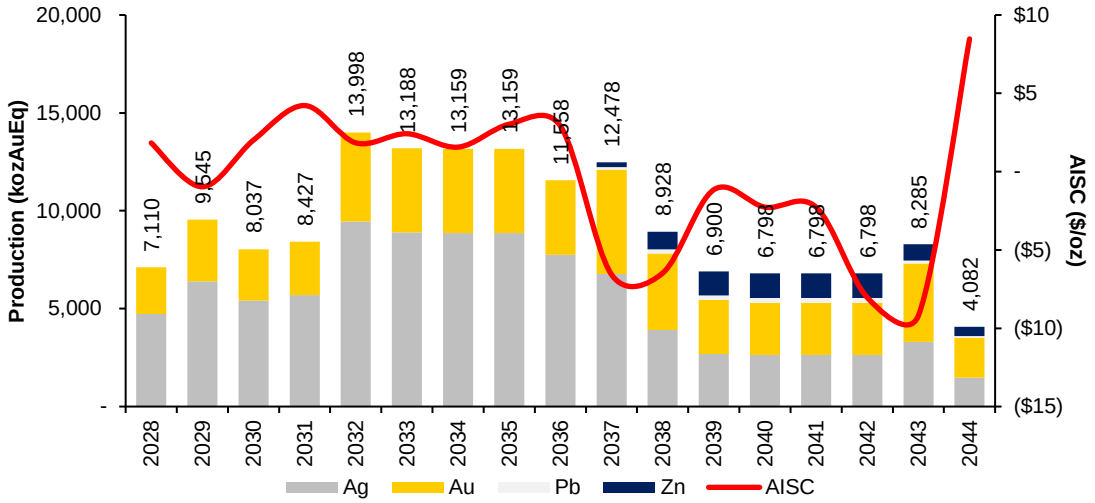
- **Throughput initially 1,500tpd then expanded 67% in yr 5** – We model the Panuco mill to be initially built with a 1,500tpd float & leach circuit, expanded to 2,500tpd in year 5. The leach circuit is envisioned to focus on rougher concentrate from the high-grade precious metal mineralization in the Copala area for the first 10 years. The Napoleon area is mined from year 10, where the flotation cleaner circuit comes online to produce base metal-rich concentrates.
- **Production profile & mine life** – The Panuco 16.4yr LOM production is modelled at an avg of 9.7mozAgEqpa and is broken down in Fig 13. Despite the lower throughput in the year 1 ramp-up period (~1,000tpd), mining the high-grade Cristiano vein is expected to yield 7.1mozAgEq payable. This is anticipated to put VZLA in a strong position with production of ~8.7mozAgEqpa for the following three years at a 1,500tpd throughput. Based on our estimates, the mill expansion to 2,500tpd capacity in year 5 allows Panuco to produce 12.9mozAgEqpa for six years before mining lower grade material for the remaining six years of the mine plan.
- **First Production in 2028?** – The average time for UG silver mines in Mexico to advance to production from a maiden resource is ~6.7 years. For example, Las Chispas (~4yrs), Palmarejo (~5yrs), San Jose (~7yrs), Los Gatos (~7yrs) & Juanicipio (~12yrs) all reached production quite rapidly after a maiden resource was established. We think Panuco has critical mass to become a significant high-margin silver mine with potential to further bolster the already impressive mineral inventory.
- **Low capital intensity** – With our expansion scenario, we estimate Pancuo development requires low initial capital intensity of $194m. Our estimate includes a provision for inflation and was benchmarked to SIL's 1,250tpd Las Chispas build at $164m. Capex overruns for Mexican Ag mines that reached production are minimal, with an average of +9% above the development study estimates. We have incorporated a 10% contingency (~$18m) into our capex estimates. Our year 5 expansion involves $66m of expansion capex, to expand the processing plant and equipment fleet.

Fig 13 Annual mill feed profile, by major vein, showing the ramp up from 1,500tpd to 2,500tpd in year 5 and sequencing of mining each vein.



Source: Company disclosure; Agentis Capital research.

Fig 14 AgEq Production profile & AISC (by-product) over the 16.4yr LOM.



Source: Company disclosure; Agentis Capital research.

- **Conservative opex** – High-margin UG mine yielding LOM by-product CC & AISC of -$3.07ozAg & $0.17/ozAg respectively co-product CC & AISC of $8.34ozAgEq & $10.22/ozAgEq respectively. At this early development stage, we model opex higher than most producing Mexican UG mines (avg $80.6/t milled) at $94.5/t milled.
- **$NPV_{5\%}$ & IRR attractive** – Our $DCF_{5\%}$ model for Panuco is based on our proprietary conceptual mine plan which yields an after-tax $581m $NPV_{5\%}$ and 38.4% IRR. We think this conceptual development scenario for Panuco potentially benchmarks well against Las Chispas with an after-tax $486m $NPV_{5\%}$ and 52% IRR (Fig 23).
- **Significant upside via blue-sky expansion potential** – In our view, Panuco has critical mass to become a stand-out Ag-Au producer in Mexico. We note that VZLA discovered five veins in 2022 alone, four of which are part of the 225mozAgEq resource including three in our Western Panuco mine plan: Copala, Copala 2, Cristiano, Cuevillas (Central) & La Luisa (West, no resource). We think Panuco is still a raw district-scale project with potential to expand into a ++20yr mine and conduct an expansion to 4,000tpd for sustained free cash flow later in the mine life.
- **Panuco is a standout undeveloped Ag-Au vein field** – Comparison vs producers (Fig 21 & 25) and developers (Fig 21-24) underpins the quality of this Ag-Au asset.

Valuation

Methodology

We value VZLA using a sum-of-parts 12-month corporate NAV approach, as underpinned by our $DCF_{5\%}$ model for a conceptual Panuco UG Ag-Au-Zn-Pb mine, using the methods and assumptions in Fig 15.

Panuco $DCF_{5\%}$

Our Panuco $DCF_{5\%}$ model of ultimate reserves of 13.3mt is based on VZLA's 14.3mt Western Panuco updated indicated & inferred mineral resource estimate (Jan/23) (Appendix C). We assume a two-year initial construction period ahead of UG mining starting in 2028. As outlined previously in the report via the key assumptions that drive our mine plan and $DCF_{5\%}$ model, we assume an initial capex of $194m (incl 10% contingency) incurred over a 24-month period to build the 1,500tpd mill, surface infrastructure, the decline to the Copala area and initial development drifts. We have modelled ongoing development of UG corridors to open up mining of new veins, estimated using distances from project plan maps and sections. We model $77m in expansion capex (incl 10% contingency) incurred in year 4 to in which Panuco FCF may fund the expansion of the mill to 2,500tpd as well as the associated circuits and site infrastructure to produce saleable concentrates from the Napoleon area, where mining commences in year 10.

In our mine plan, Panuco will be a high-margin producer of 9.7mozAgEqpa, generating avg annual FCF of $64mpa & $120mpa during peak production from year 5 through year 10 (Fig 17). We have modelled costs conservatively against producing Mexican UG Ag mines and estimated a mining sequence which yields an after-tax **$581m NPV5% and 38.4% IRR**. We have a high conviction that a mine development at Panuco can be realized and still leave significant upside potential for optimization and inclusion of blue-sky targets.

Fig 15 Panuco DCF5% – Agentis LOM model assumptions & parameters

	Agentis Base Case
Model Basis	2023 MRE and other public disclosure
Ultimate Diluted Reserve	13.3Mt at 402g/tAgEq
Mine Life	16.4 years
Mine Start Year	2028
Throughput	1,500tpd initially, 2,500tpd beginning yr 5
Recoveries	95.3%Ag, 93.5%Au, 94.0%Zn, 94.0%Pb
Avg Annual Production	9.7mozAgEq
Mining Cost / t Mined	$61.70
Processing Cost / t Milled	$28.00
Site G&A Cost / t Milled	$5.00
By-Product (Co-Product) Cash Cost	-$3.07 ($8.34)
By-Product (Co-Product) AISC	$0.17 ($10.22)
Royalties	3% NSR - Copala, Cristiano, Tajitos, Napoleon, Cruz*
Taxes	30% Corporate Income Tax, 7.5% Special Mining Duty, 0.5% Extraordinary Au-Ag Mining Duty
Metal Prices	$24Ag, $1,950, $1.40Zn, $1.00Pb
FX (CADUSD)	0.75
Initial Capex (incl 10% contingency) *Initial UG Development* *Processing Plant* *Site Development & Equipment* *Offsite Infrastructure*	$194m *$16m* *$110m* *$45m* *$5m*
Expansion Capex	$70m
Sustaining Capex	$354m
Reclamation Capex	$22m
NPV5% (after tax)	$581m
IRR (after tax)	38.4%
Payback (after tax)	2.0 years

*Source: Agentis Capital research. *Note: See p24 for additional disclosure.*

Sum of Parts 12mo Corporate NAV

We derive a sum-of-parts NAV of $690m (C$4.20/sh) for VZLA based on the methodologies and assumptions presented throughout this report (Fig 15). Our valuation is predicated on our preliminary UG development scenario focused on Western Panuco feeding our initial 16.4yr mine life in our $DCF_{5\%}$, yielding an after-tax $581m $NPV_{5\%}$ and 38.4% IRR with a payback period of 2.0 years. We ascribe valuation credits via $1/ozAgEq for additional "stranded resources" plus near-term expansion upside, and $10,000/ha for blue-sky exploration potential across the 6,754ha district-scale Panuco land package (65% prospective).

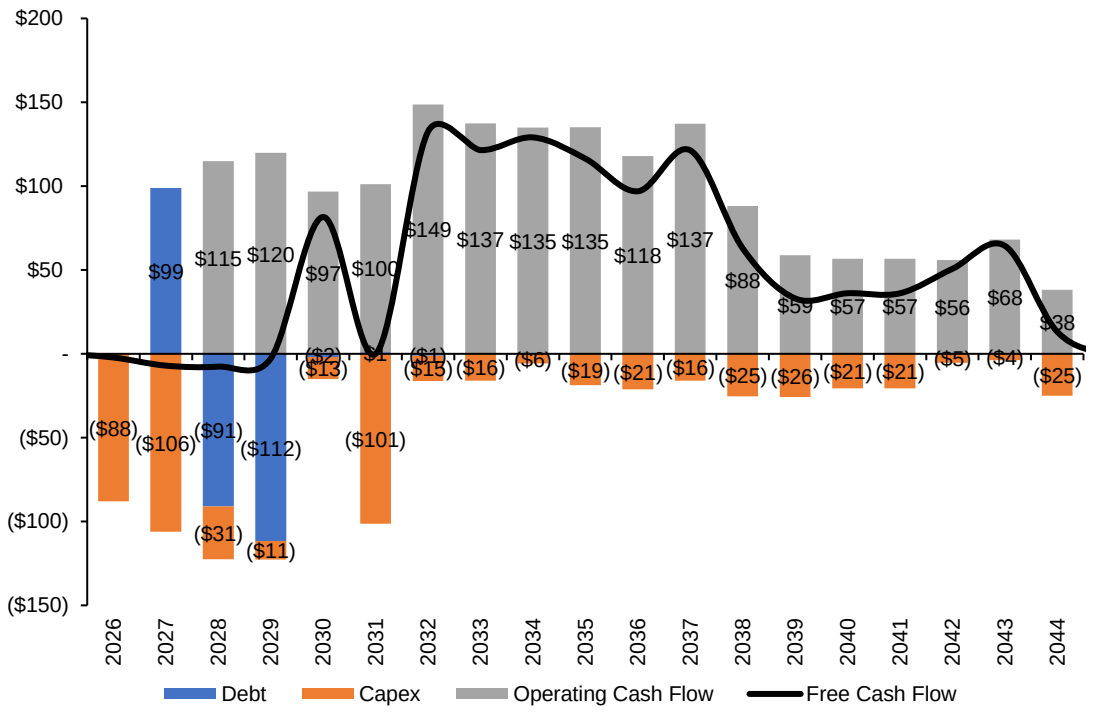
We have provided our asset level FCF profile in Fig 17, sensitivity analysis in Fig 18 and comparative analysis in Fig 19-20, relative positioning vs peers in Fig 21-24 and comparison of Panuco vs major Mexican silver mines in Fig 26.

Fig 16 VZLA 12-month corporate NAV breakdown.

NAV Breakdown	US$m	C$mm	US$/sh	C$/sh	% Total
DCF					
Panuco - DCF5%	$581	$774	$2.65	$3.54	89.1%
Comparative Analysis		-			
Panuco - 75mozAgEq @ $1/oz	$27	$36	$0.12	$0.16	4.2%
Panuco Land Package - 6754ha @ $10,000/ha	$44	$59	$0.20	$0.27	6.7%
Total Mineral Asset NAV	**$651**	**$869**	**$2.98**	**$3.97**	100.0%
Working capital	$38	$51	$0.17	$0.23	
LT Debt	-	-	-	-	
Total Non-Operating NAV	**$38**	**$51**	**$0.17**	**$0.23**	
Net Asset Value	**$690**	**$920**	**$3.15**	**$4.20**	

Source: Agentis Capital research.
Note: Assumed VZLA i/o shares as of Dec 31/23 incl FDITM securities: 219.0

Fig 17 Cash flow profile including FCF (black line) that averages $64mpa and $120 during peak production from year 5 to year 10. We think upside exists to sustain elevated cash flows beyond year 10 via a second expansion beyond 2,500tpd, possibly to 4,000tpd (not modelled).



Source: Agentis Capital research.

Fig 18 VZLA C$NAVPS sensitivity analysis (Ag price vs Au price, head grade, recovery, capex, opex, discount rate).

Panuco Project NAVPS (C$) Sensitivity - Au Price (US$/oz) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
Au Price (US$/oz)	$15	$18	$21	$24	$27	$30	$33
$2,250	$2.80	$3.42	$4.03	$4.65	$5.26	$5.87	$6.48
$2,100	$2.58	$3.19	$3.81	$4.42	$5.04	$5.65	$6.25
$1,950	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
$1,800	$2.13	$2.75	$3.36	$3.98	$4.59	$5.20	$5.81
$1,650	$1.91	$2.52	$3.14	$3.75	$4.37	$4.98	$5.59

Panuco Project NAVPS (C$) Sensitivity - Head Grade Δ (%) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
Head Grade Δ (%)	$15	$18	$21	$24	$27	$30	$33
10.0%	$2.53	$3.16	$3.78	$4.41	$5.03	$5.65	$6.27
5.0%	$2.44	$3.06	$3.69	$4.30	$4.92	$5.54	$6.15
-	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
(5.0%)	$2.27	$2.88	$3.49	$4.10	$4.70	$5.31	$5.91
(10.0%)	$2.18	$2.79	$3.39	$3.99	$4.59	$5.19	$5.80

Panuco Project NAVPS (C$) Sensitivity - Recovery Δ (%) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
Recovery Δ (%)	$15	$18	$21	$24	$27	$30	$33
5.0%	$2.62	$3.27	$3.91	$4.55	$5.19	$5.82	$6.46
2.5%	$2.51	$3.14	$3.77	$4.40	$5.03	$5.65	$6.28
-	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
(2.5%)	$2.20	$2.80	$3.40	$4.00	$4.60	$5.20	$5.79
(5.0%)	$2.05	$2.64	$3.22	$3.80	$4.39	$4.97	$5.55

Panuco Project NAVPS (C$) Sensitivity - CAPEX Δ (%) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
CAPEX Δ (%)	$15	$18	$21	$24	$27	$30	$33
(30.0%)	$2.65	$3.26	$3.88	$4.49	$5.10	$5.71	$6.32
(15.0%)	$2.50	$3.12	$3.73	$4.35	$4.96	$5.57	$6.18
-	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
15.0%	$2.21	$2.82	$3.44	$4.05	$4.67	$5.28	$5.89
30.0%	$2.06	$2.68	$3.29	$3.91	$4.52	$5.13	$5.74

Panuco Project NAVPS (C$) Sensitivity - OPEX Δ (%) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
OPEX Δ (%)	$15	$18	$21	$24	$27	$30	$33
(30.0%)	$3.38	$4.00	$4.61	$5.22	$5.83	$6.44	$7.05
(15.0%)	$2.87	$3.49	$4.10	$4.71	$5.32	$5.93	$6.54
-	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
15.0%	$1.84	$2.46	$3.07	$3.68	$4.30	$4.91	$5.52
30.0%	$1.32	$1.94	$2.56	$3.17	$3.78	$4.39	$5.01

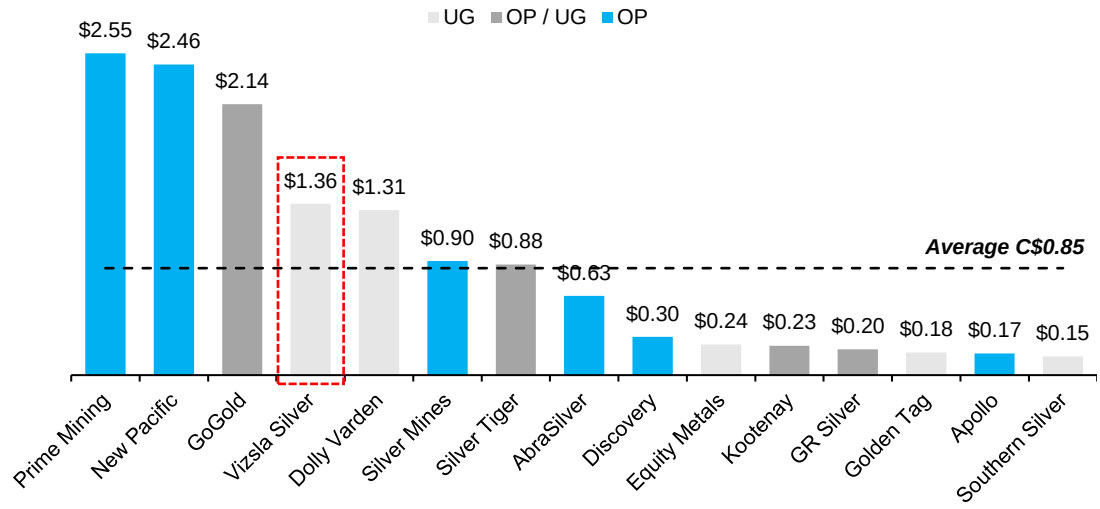
Panuco Project NAVPS (C$) Sensitivity - Discount Rate (%) vs Ag Price (US$/oz)							
	Ag Price (US$/oz)						
Discount Rate (%)	$15	$18	$21	$24	$27	$30	$33
-	$4.15	$5.22	$6.28	$7.34	$8.40	$9.45	$10.50
5.0%	$2.35	$2.97	$3.59	$4.20	$4.81	$5.42	$6.03
7.0%	$1.93	$2.43	$2.93	$3.44	$3.94	$4.44	$4.93
8.0%	$1.75	$2.21	$2.67	$3.12	$3.58	$4.03	$4.48
10.0%	$1.47	$1.85	$2.23	$2.60	$2.98	$3.35	$3.73

Source: Agentis Capital research.

Comparative Analysis

EV / Resource (Fig 19) – For the 36mozAgEq in resources outside of our ultimate reserves we have modelled, we use a premium over the peer group *in-situ* average of C$0.85/ozAgEq, at $1/ozAgEq for a valuation of $36m. We have not accounted for resource expansion we expect to be documented in 2023, despite anticipated resource estimates for drilled veins (e.g., La Luisa, Napoleon splays) and ongoing expansion of Copala.

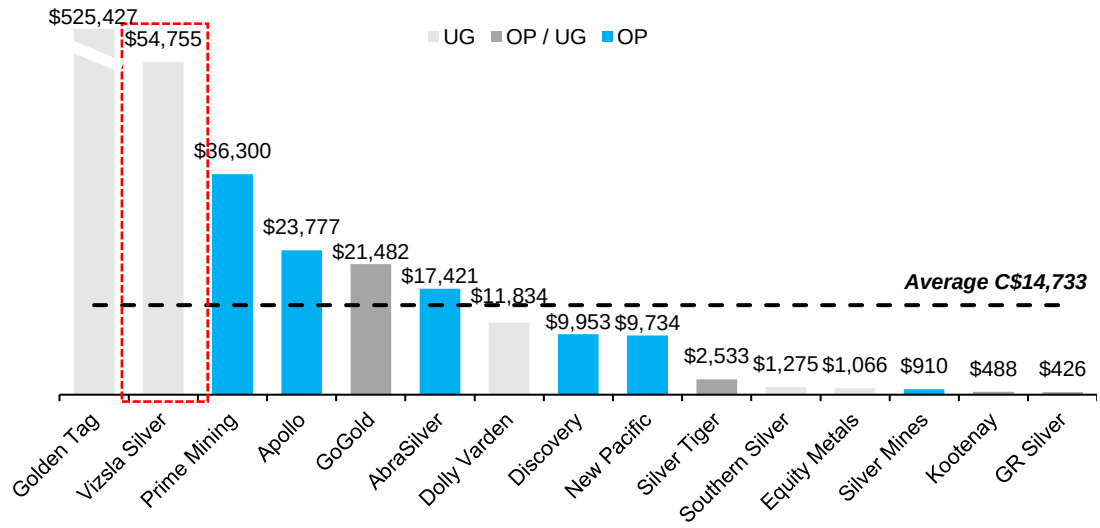
Fig 19 EV / Resource (C$/ozAgEq) for silver-primary explorer/developer peers. VZLA exceeds the peer group average of C$0.85/ozAgEq. We have applied a premium for VZLA's stranded resources at $1/ozAgEq as we think they have mine potential as VZLA continues to expand Panuco via the drill bit.



Source: Company disclosure; FactSet; Agentis Capital research.

Land Package Comparisons (Fig 20) – VZLA exceeds the EV/hectare peer group average, as we think this speaks to a high market valuation of the rapid resource growth and strong exploration upside at Western Panuco. In our valuation, to account for underexplored land tenure without a resource estimate, we attribute $10,000/ha for blue-sky exploration potential across 65% of the district-scale Panuco land package (in line with the peer group average).

Fig 20 EV / Land Package (C$/ha) for silver-primary explorer/developer peers. VZLA exceeds the peer group average of C$14,733/ha.



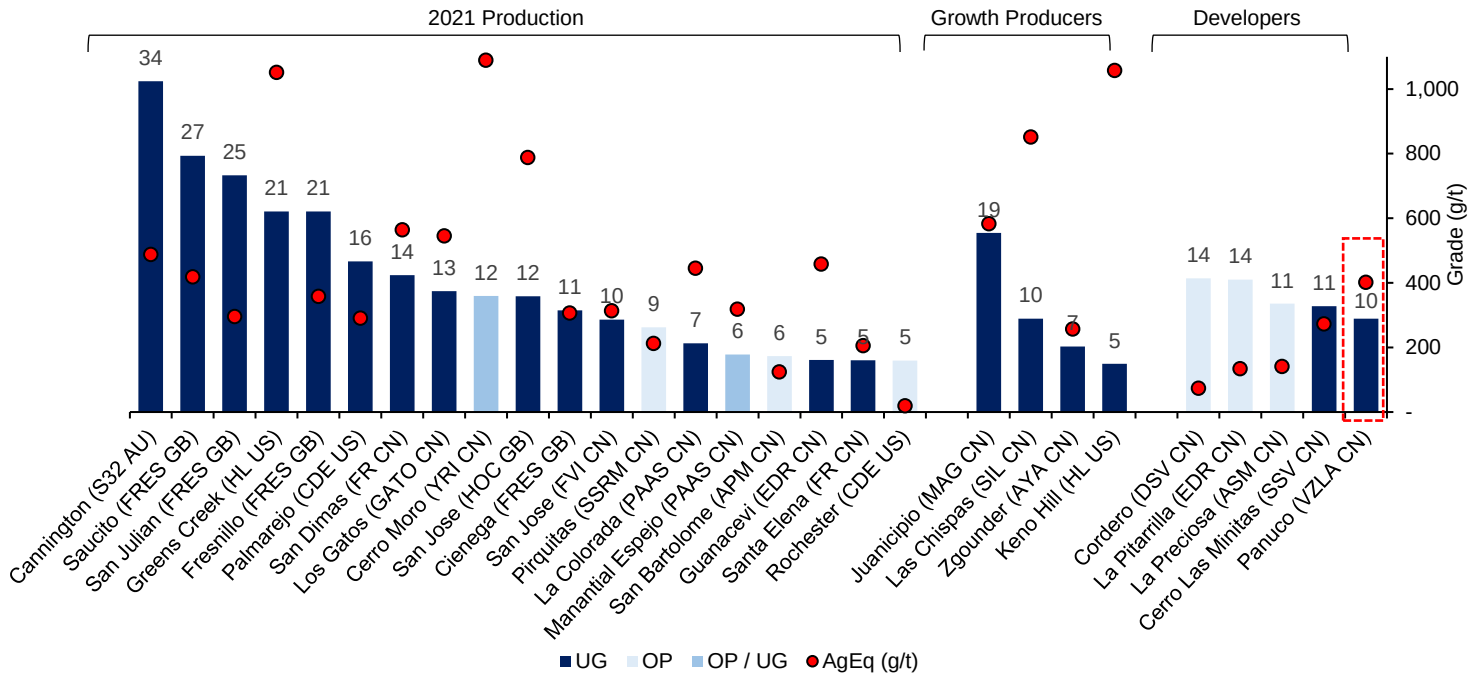
Source: Company disclosure; FactSet; Agentis Capital research.

Relative Positioning

Panuco is a Standout Undeveloped Ag-Au Vein Field Asset

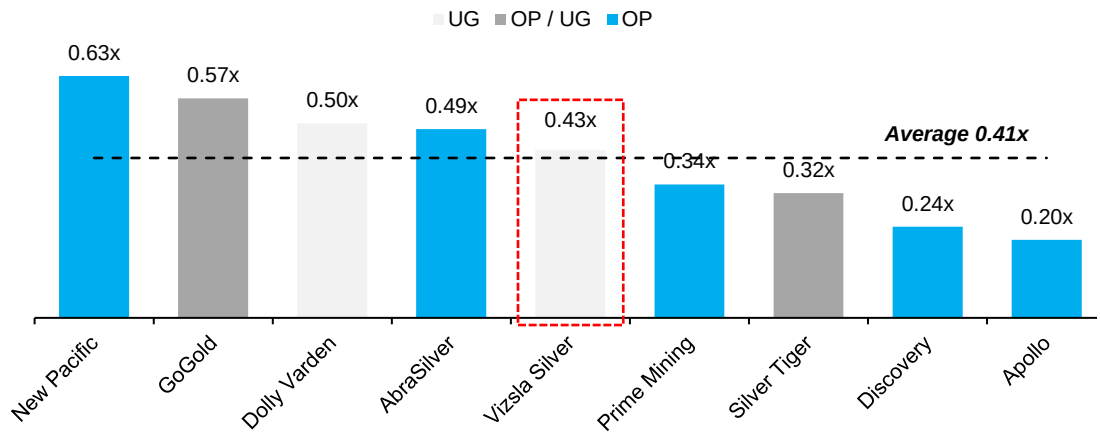
In our view, Panuco has critical mass to become a meaningful Ag-Au producer, as it would be in the top 15 Ag-primary mines if it were operating today. (Fig 21). We note that producing and emerging silver mines are dominated by high-grade UG operations, whereas the majority of large undeveloped assets are primarily low-grade OP projects, not currently permittable in Mexico.

Fig 21 Annual production for global silver-primary producers (2021A), silver-primary growth producers and undeveloped silver-primary assets with mine potential.



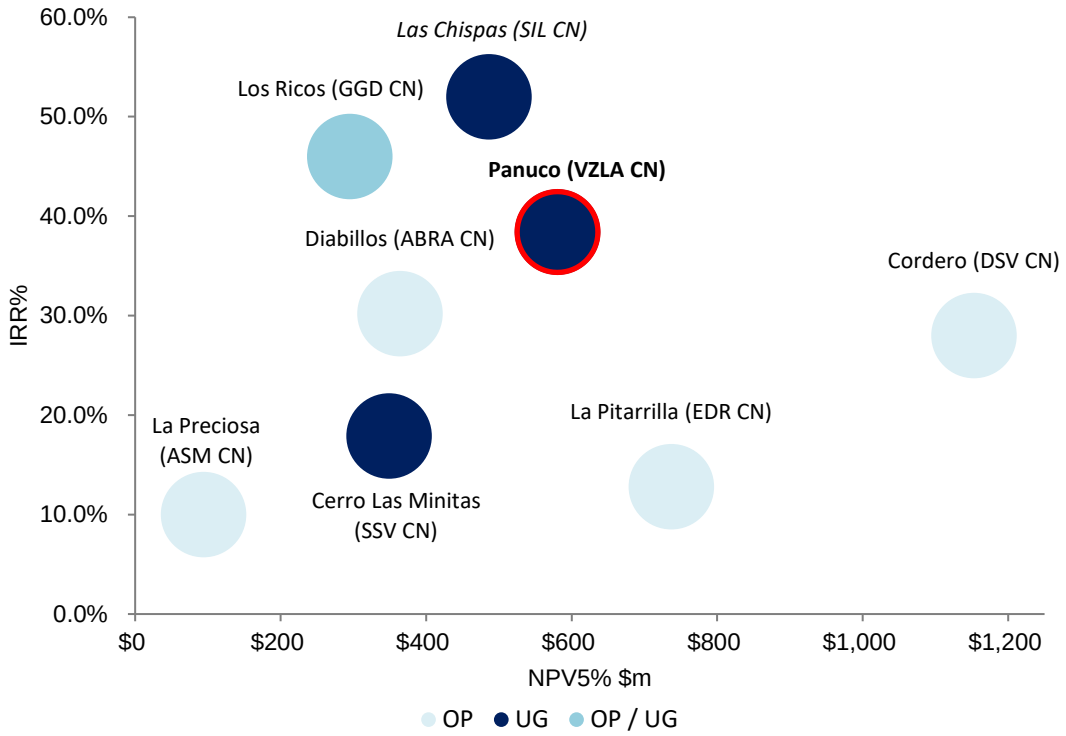
Source: Company disclosure; Agentis Capital research.
Note: Annual production projections for growth producers & developers are based on avg annual production via latest technical reports; Panuco based on Agentis model.

Fig 22 P/NAV of silver-primary developer peers. VZLA trades in-line with the peer group average; however, we have a high conviction that VZLA deserves a premium multiple due to its high mine potential and significant exploration upside.



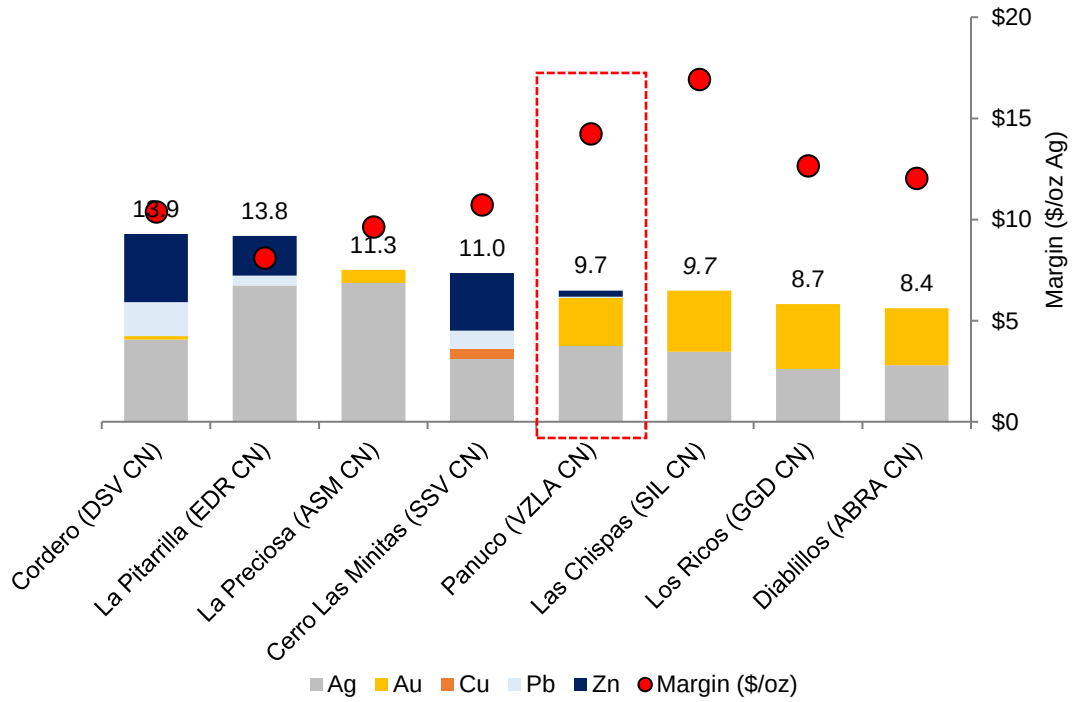
Source: FactSet; Agentis Capital research.
Note: Peers showing analyst consensus P/NAV; VZLA showing Agentis P/NAV.

Fig 23 NPV5% vs IRR for silver-primary developers. We have included Las Chispas (italicized) as we think it is the most comparable project to Panuco from a geology and potential development standpoint.



Source: Company disclosure; S&P Capital IQ Pro; Agentis Capital research.

Fig 24 Annual average production (mozAgEq) and margin ($/ozAg on a co-product basis) for silver-primary developer peers (again, incl Las Chispas). We highlight the similar production profiles, operating margin and Ag:Au ratios between Panuco (UG), Las Chispas (UG), Los Ricos (OP/UG) & Diabillos (OP).



Source: Company disclosure; S&P Capital IQ Pro; Agentis Capital research.

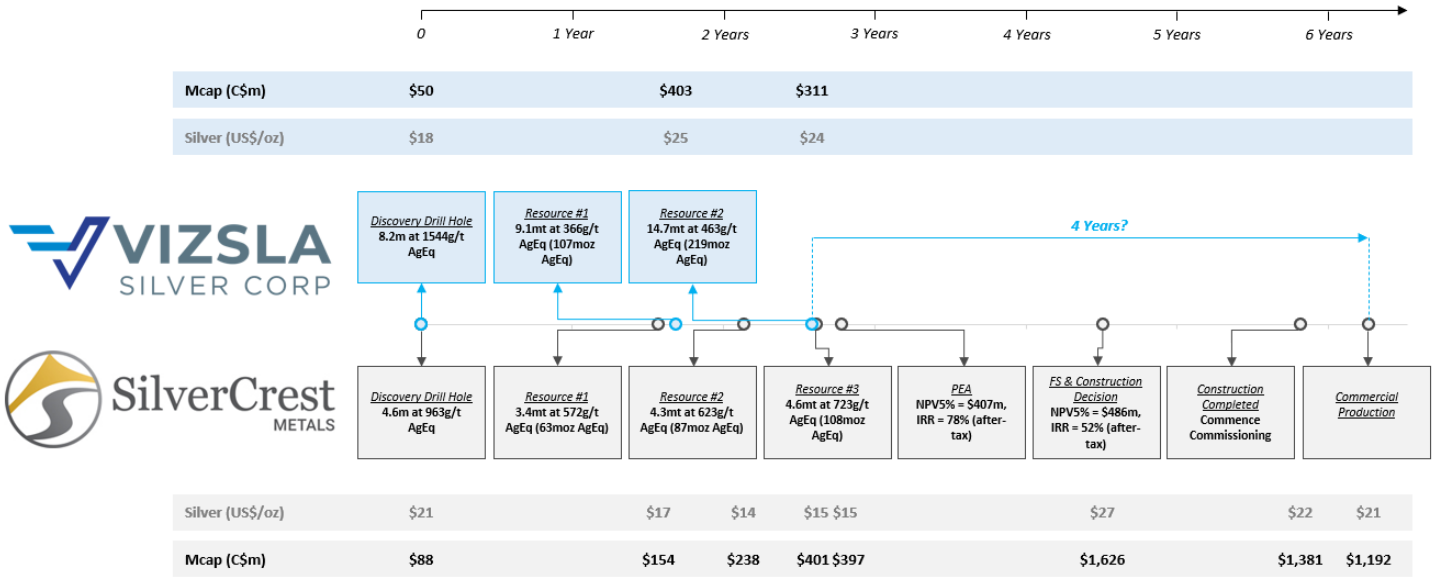
SilverCrest's Las Chispas milestones vs Vizsla's Panuco

High-grade/high margin low-int sulphidation Ag-Au vein field assets with high mine potential of +10mozAgEq over +10 years are globally scarce & highly coveted by the precious silver & gold producers.

We think Panuco is a standout undeveloped Ag-Au vein field asset that at this stage is (much) higher quality that its peer assets in the development pipeline. As such, we believe that Las Chispas is the best analogue for VZLA in terms of its historic resource milestones, development trajectory and cost profile.

In Fig 25 we present a timeline of maiden resource to commercial production for both Las Chipas and Panuco and believe the timelines underscore how well Panuco is benchmarking to this point in its overall trajectory.

Fig 25 SIL (Las Chispas) vs VZLA (Panuco) – Milestones over similar periods of time from discovery drill hole.



Source: Company disclosure; FactSet; Agentis Capital research.

Geological Picture of Panuco vs other Mexican Vein Field Producers

We view Panuco as an emerging precious-metals vein system that stacks up against major Mexican mines. Fig 26 compares various geological features of these epithermal systems along with mining and milling statistics. We think the similarities of these epithermal deposits showcases the highly prospective geological setting of Panuco as being another potential world-class low-int sulphidation epithermal vein field.

Fig 26 Agentis best efforts comparison of major features of the San Dimas, Las Chispas, Juanicipio, San Jose, Palmarejo & Panuco low-int sulphidation epithermal vein fields.

Feature	San Dimas *Durango, MX*	Las Chispas *Sonora, MX*	Juanicipio *Zacatecas, MX*	San Jose *Oaxaca, MX*	Palmarejo *Chihuahua, MX*	Panuco *Sinaloa, MX*
Owner	First Majestic Silver (100%)	SilverCrest Metals (100%)	Fresnillo (56%) / MAG Silver (44%)	Fortuna Silver (100%)	Coeur Mining (100%)	Vizsla Silver (100%)
Deposit Type	Epithermal (low-int sulph)	Epithermal (low-int sulph)	Epithermal (low sulph)	Epithermal (low sulph)	Epithermal (low-int sulph)	Epithermal (int sulph)
Age (Ma)	41-31.7	~30-23	31-29.6	~25	~30-20	~45-30
Metals (main)	Ag-Au	Ag-Au	Ag-Au-Pb-Zn	Ag-Au-Pb-Zn-Cu	Ag-Au	Ag-Au
Host Rocks	Andesite, rhyolite, diorite	Pyroclastic, andesitic tuff, rhyolite	Tuff, flow breccia, rhyolite, dacite, volcaniclastics	Andesite, dacite, volcaniclastics, breccias	Andesite, rhyodacitic tuffs, volcaniclastics	Fine-grained, weakly to strongly magnetic diorite, andesite
Intrusive	Piaxtla batholith	Late Cretaceous-Paleocene plutonics	Possible cupola?	Neogene granodiorite stocks	Rhyolite dome complexes	9 x 3km diorite pluton
Major Structures	NW normal faults	NW normal faults	N-S strike-slip, NW normal faults	NW normal faults	NW normal & strike-slip faults	WNW normal faults
Dykes	Dacite porphyry dykes	Rhyolite/andesite dykes	Quartz-monzonite dyke (Fresnillo area)	n/a	Rhyolite dykes	NNW sinistral shears
Alteration	Silicification, argillic, propylitic	Silicification, argillic	Silicification, advanced argillic	Propylitic	Silicification, clay minerals	Propylitic, silicification
Precious Metal Mineralogy	Polybasite, stromeyerite, native silver, electrum	Pyrite, chalcopyrite, argentite, electrum	Pyrargyrite, acanthite, polybasite	Acanthite, electrum	Native silver, electrum, pyrite, aguilarite	Acanthite, proustite, electrum, native silver
Base Metal Mineralogy	Sphalerite, chalcopyrite, galena, pyrite, argentite	Chalcopyrite, sphalerite, galena	Galena, sphalerite, chalcopyrite	Pyrite, sphalerite, galena, chalcopyrite	Pyrite, sphalerite, galena, argentite	Sphalerite, galena, chalcopyrite, tennanite, bornite
Associated Metals	Pb, Zn, Cu	Sb, Pb, Zn, Cu	Pb, Zn, Cu	Zn, Pb, Cu, Sb	Zn, Pb, Cu, Sb	Cu, Zn, Pb, Sb
Ag:Au Ratio	~50:1	~100:1	~200:1	50-200:1	~90:1	~125:1
Vein Orientation (primary)	E-W, NE, N-NW	NE-SW	NW-SE	N-S	NW-SE	N-S
Vein Dips (primary)	55-90° (variable orientation)	80° W	35-75° SW	70-80° E-NE	45-70° NE	30-90° NE-SE
Thickness	2.5m avg range: <1m-15m	2.0m avg range: 0.5m-10m	5.0m avg range: <1m-30m	10.8m avg Range: <1m-50m	2.5m avg Range: 1m-12m	6m avg Range: 0.5m-35m
Total Strike Extent	1,500m	3,500m	2,000m	1,300m	4,000m	2,900m
Vertical Extent	~650m	~400m	~700m	~600m	~500m	~500m
Mining Methods	Longhole, Cut & Fill	43% Longhole, 18% C&F (uppers), 27% C&F (breasting), 12% Resue	Longhole, Cut & Fill	Cut & Fill, R&P (when >8m thickness)	Longhole	44% Longhole, 39% C&F, 17% R&P[2]
Minimum Mining Width	1.6m (LH) / 1.2m (CF)	1.5m	3.0m	4.0m	2.0m	1.5m[2]
Processing	Flotation & Leach → Dore	Flotation & Leach → Dore	Flotation → Con	Flotation → Con	Flotation & Leach → Dore	Flotation & Leach → Dore + Later Con[2]
Mill Size	3,000tpd	1,250tpd	4,000tpd	1,000tpd	5,500tpd	1,500-2,500tpd[2]
Size and Grades	9mt @ 720g/tAgEq[1]	7mt @ 992g/tAgEq	25mt @ 731g/tAgEq	12mt @ 360g/AgEq	58mt @ 302g/tAgEq	15mt @ 453g/tAgEq
Endowment	198mozAgEq[1]	231mozAgEq	587mozAgEq	143mozAgEq	566mozAgEq	219mozAgEq

Source: Company disclosure; S&P Capital IQ Pro; Agentis Capital research.
Note: 1) Past production excluded from endowment due to poorly documented production records; 2) Based on Agentis model.

Multiple Key Catalysts – Next 18 Months

We think there are a series of key catalysts that will be important in driving VZLA's valuation over the next 12-18 months and beyond (Fig 27).

Fig 27 VZLA, Panuco project – Key catalysts, next 18mo

Catalyst	Description & Potential Impact	Target Date
Exploration Drilling	Two rigs (of six total) are currently focused on exploration drilling as part of VZLA's aggressive 90km drill program. The epithermal vein field has an array of raw exploration targets that in our view are ripe for new discoveries (Fig 31). To date, only 30% of drill targets at Panuco have been drill tested. As the Copala vein structure discovery is essentially blind due to its shallow dip, it has positive implications for new property-wide exploration upside for other blind structures are yet to be detected. **Potential Impact:** Positive, could be very torquey – New discoveries could rapidly move up the target pecking order and drastically change exploration (and potential mine development) priorities.	**Ongoing**
Resource Drilling	Four rigs (of six) are currently focused on resource delineation for 55km of VZLA's aggressive 90km drill program. The focus remains on upgrading and expanding the updated Jan/23 resource at Copala, Cristiano & Napoleon. **Potential Impact:** Very Positive – Especially if step-out drilling at Copala can successfully expand the strike length at either of the i) fault offset target to the SE of Cristiano; or ii) interpreted northern extension target beyond the town of Copala. These targets could significantly increase endowment potential of the current centre of gravity.	**Ongoing**
Updated Mineral Resource Estimate	We expect the 2H23 revised mineral resource estimate could grow significantly again. In particular, we see enormous resource growth potential at Copala where we see ultimate +300mozAgEq potential. We think this vein system is the centre of gravity for silver endowment at Panuco. The S vein splays at Napoleon have shown high-grade results and remain another highly prospective area for resource growth in Western Panuco. We expect infill drilling to move +50% of current Inferred resources to the Indicated category. **Potential Impact:** Positive – May signal high throughput hub and spoke mine complex potential.	**2H23**
Metallurgical Testing – Copala & Tajitos	Preliminary metallurgical testing at Copala & Tajitos will assess a range of viable processing alternatives through geo-metallurgical characterization, comminution testing, cyanide leach testing, gravity recovery, grind size sensitivity, bulk and sequential flotation assessments. **Potential Impact:** Positive – Positive test results would de-risk development Coapala & Tajitos and guide the processing strategy for development of the western portion of Panuco. **Potential Impact:** Very Positive – If Copala & Tajitos metallurgy is amenable to the same processing methods as Napoleon it would simplify flowsheet requirements and mitigate the need for multiple circuits, thereby reducing upfront capital requirements and processing opex.	**2Q23**
Airborne Mag-EM Survey	VZLA is planning a high-resolution airborne Mag-EM-radiometrics survey over Panuco, it could provide: i) direct detection via EM of base-metal rich veins (Josephine discovery); ii) mapping of faults via mag (magnetic contrasts & destruction); and iii) ID of alteration via radiometrics (K alteration associated with mineralized veins - albeit heavily vegetated cover). **Potential Impact:** Positive – With VZLA having established the vein footprints (Rosetta Stones), an airborne survey could be key to rapidly generate multiple new targets.	**1H23**
Preliminary Economic Assessment	Our analysis shows that Panuco is a potential high-margin Ag-Au producer, where initial capex will remain moderate due to significant infrastructure advantages and its mining-friendly Mexican jurisdiction. We expect a maiden Panuco development study to underpin the western portion of the district as the centre of operations. **Potential Impact:** Positive – A solid economic study with detailed engineering trade-off studies would significantly de-risk the project for investors and potential acquirors.	**2H23-1H24?**

Source: Agentis Capital research.

Risks & Sensitivities

We have analysed the key risks and sensitivities for VZLA and its Panuco project as summarized in Fig 28.

Fig 28 VZLA, Panuco project – Risks & sensitivities with mitigating factors

Risk/Sensitivity	Description	Mitigating Factors
Town of Copala	• Mining near the community of Copala (pop ~300) may involve dust, noise, vibration and water disruptions • UG mining near/under a historic church could cause subsidence	• Engaging the community from an early stage as mine development becomes a priority – job creation and infrastructure investments • Keep surface infrastructure out of sight, practice good dust control, UG ground control & water management measures • There are UG historic workings under the town at present
Metallurgical process and flowsheet needs more test work	• Although the initial flotation concentration tests on Napoleon have been positive, we need to see Copala and Tajitos test work to gain a better understanding of the ideal process flowsheet • There may be some issues with blending (two circuits required?) as Napoleon is relatively base metal rich	• We have assumed that two circuits will be required to accommodate different "ore" types • If metallurgical test work indicates that Napoleon material is amenable to the same circuit as Copala/Tajitos/Cristiano, it will significantly reduce opex and capital requirements
Agentis ultimate reserves estimate	• Our proprietary mineral inventory estimate and ultimate reserve conversion is a "best-efforts" attempt (based on public domain data) to quantify the potential ultimate reserve endowment for our development scenario. There are no assurances that our estimate will be met	• Relatively conservative long-term conversion assumptions • Only converting reserves from 8 of 10 resource-hosting veins • Exploration potential to expand vein footprints
Agentis mine development scenario	• Our propriety development scenario is a "best efforts" attempt (based on our endowment estimate, discussions with management, site visits & internal skill set) to quantify development of the Panuco Ag-Au project • Our scenario incorporates positive assumptions for test work & trade-off studies that are not yet completed and will change based on those results. There are no assurances that our estimates will be realised	• Comparable company approach to mining dilution, recovery, geotech and mining methods • Conservative cost assumptions and timelines • Numerous mineralized areas not included in our DCF model • Positive trade-off studies and test work results may indicate upside to our proprietary development scenario
Organized crime	• The Sinaloa Cartel operates in the area. Late 2022 and early 2023 have seen elevated violence in Sinaloa • Cartels have been known to extort money or trucking/service contracts from mining companies	• Clear compliance programs to make it difficult for criminal organizations to access contracts and other benefits • Navigating local community relationships via country manager Hernando Rueda • Emergency response plans for violent situations in Sinaloa
Permitting	• Mexico has announced OP mines will not be granted permits until 4Q24 • Permitting process is typically <12mo	• UG mines are favoured in Mexico; OP slowdown may inversely impact UG permitting? • Environmental baseline studies underway, ~1.5yrs of data collection in hand
Copala vein structure integrity	• Copala is the centre of gravity for Ag-Au endowment and represents ~50% of our ultimate reserve. As, a shallow-dipping vein (avg ~35°) that has several jogs/changes in dip, Copala will require systematic drilling on <30m spacing (or less?) to upgrade resources.	• Solid continuity has been established over ~1.1km along strike and ~400m down-dip, with an average resource wireframe thickness of ~10m, on drill centres as tight as ~25m • We have conservatively modelled reserve conversion and incorporate higher-cost cut & fill and room + pillar mining methods in our DCF model
Ejido agreements	• Mining companies must agree to and keep in good-standing agreements with Ejidos (state-supported communal/private land used for agriculture) to access, explore & exploit the land	• VZLA signed short-term exploration/access agreements with all 5 Ejidos covering the district & 30-year exploration/exploitation (operating) agreements with 4 of the 5 Ejidos
Financing & Equity Dilution	• VZLA will need to raise sufficient equity, at as low of a cost of capital as possible, to mitigate dilution as it advances Panuco • Political/social instability in Sinaloa could deter investors	• Exploration costs are relatively low and consistent in Mexico • VZLA has an excellent track record of raising cash via equity financings at a relatively low cost of capital
Commodity prices	• Explorer and Developer share prices can be negatively impacted by downward pressure on commodity prices (Ag, Au)	• Panuco is a high grade/high margin asset with excellent economics that could be profitable at <$15Ag and <$1650Au

Source: Company disclosure; Agentis Capital research.

Appendix A – Management & BOD

Senior Management Team

Michael Konnert - President, CEO & Director – Mr. Konnert is a natural resource entrepreneur experienced in deal-making, financing, team development, and corporate strategy. He is co-founder and Managing Partner of Inventa Capital and has +10 years of experience in mining and capital markets. Previously, Mr. Konnert co-founded CobaltOne Energy, which he led as CEO and sold to Blackstone Minerals in 2017.

Mahesh Liyanage - CFO – Mr. Liyanage is a Chartered Professional Accountant with +10 years of experience as CFO for numerous exploration companies, including Orogen Royalties, Mirasol Resources, and the Manex Resource Group.

Martin Dupuis - COO – Mr. Dupuis is a professional geoscientist and has +25 years of experience covering all stages of a project's life, from exploration through feasibility and engineering studies, construction, mine expansion and operations. Prior to joining Vizsla, Mr. Dupuis' prior experience includes serving as Director of Geology for Pan American Silver, and Technical Services Manager for Aurico Gold.

Michael Pettingell - VP, Business Development & Strategy – Mr. Pettingell is a geologist with +10 years of experience working in pre-producing and operating mines, as well as the capital markets. Prior to joining Vizsla, Mr. Pettingell was an Associate Analyst in Metals & Mining Equity Research at Canaccord Genuity, both an Exploration Geologist and a Corporate Development Associate at Hecla Mining, and an Exploration Geologist for Romarco Minerals at its Haile Gold mine prior to its acquisition by OceanaGold in 2015.

Jesus Velador - VP, Exploration – Dr. Velador has +20 years of experience in precious metals exploration, specializing in epithermal systems. Recently, he worked with Fortuna Silver, where he managed brownfields exploration in Mexico and Peru. Dr. Velador previously served as Director of Exploration for First Majestic, where he managed the exploration team that discovered the Au-Ag deposit at Ermitaño, at the company's Santa Elena mine in Sonora, Mexico. Dr. Velador started his career working for Industrias Peñoles where his work was instrumental in the discovery of the Valdecañas Vein at Fresnillo/MAG Silver's Juanicipio JV. Dr. Velador earned a Ph.D (Epithermal deposits) from the New Mexico Institute of Mining and Technology.

Hernando Rueda - Country Manager – Mr. Rueda is a professional geologist with +20 years of experience. Mr. Rueda's prior experience in Mexico includes serving as Regional Exploration Manager at Capstone Mining and Project Evaluation Manager with Agnico Eagle.

Board of Directors

Craig Parry - Chairman – Through the course of his career, Mr. Parry has been a founder, director, CEO, senior executive and geologist working across a broad range of commodities with several companies. Mr. Parry is a Co-Founder and Partner of Inventa Capital and is currently Chairman of Skeena Resources. Previously, he was the founder and CEO of IsoEnergy, founding director of NexGen Energy, founding shareholder and Senior Advisor to EMR Capital, and worked for Rio Tinto from 2000 to 2008.

Michael Konnert - President, CEO & Director – See management bio above.

Charles Funk - Technical Director – Mr. Funk has +13 years of industry experience, most recently as the Vice President of New Opportunities and Exploration at Evrim Resources. Previously, Mr. Funk worked as a geologist and geophysicist for Newcrest Mining and Oxiana/OZ Minerals with a focus on business development and early-stage exploration in North and South America, Australia and South-East Asia. Mr. Funk also has a wide range of experience in porphyry, epithermal and Iron Oxide Copper Gold deposits.

Simon Cmrlec - Director – Mr. Cmrlec is a metallurgical engineer and currently the COO of Ausenco. Mr. Cmrlec has +20 years experience in mine development and commissioning, including Owner Representative for Western Mining at Olympic Dam, and Senior Project Manager for Inco at the Goro Nickel mine.

Harry Pokrandt - Director – Mr. Pokrandt is a Capital Markets Executive with 30+ years' experience in mining and technology. Former Managing Director at Macquarie Capital Markets, CEO of Hive Block chain, Director of Kore Mining, Gold X Mining, BQ Metals, Lithium X and Fiore Exploration.

David Cobbold - Director – Mr. Cobbold is a veteran investment banker with +25 years of experience in global commodity and securities markets. He is Vice Chairman of Metals and Mining at Macquarie Group.

Appendix B – Asset Overview: Panuco (100%)

Infrastructure and location are attractive for development

The 6,754ha Panuco Ag-Au low-int sulphidation epithermal vein field project is well-located along Mexican Federal Highway 40D between Durango (~2.5hr drive NE; pop ~650k) and the port city of Mazatlan (~1hr drive SW; pop ~500k) in southern Sinaloa, Mexico (Fig 29). Panuco lies within 80km of the active San Dimas Ag-Au mine intermediate sulphidation vein field hosting +900mozAg & +12mozAu in past production and current resources. We note that the deposits are geologically similar and we think proximity to San Dimas is positive for Panuco mine potential.

Mexico is the world's largest silver producing nation, has well-developed mining infrastructure and access to skilled labour. Panuco has leverage to pre-existing site infrastructure including highway access, road network, power (incl 400kV and 240kV overhead federal powerlines) and permitted 500tpd mill and tailings facility.

The project landscape is characterized by moderate relief mountain ranges cut by relatively steep gorges with heavily vegetated cover and a subtropical climate with relatively high annual rainfall. Topography may pose advantages & challenges for infrastructure planning.

Fig 29 Plan view, location of Panuco in southern Sinaloa, Mexico – Highlighting the excellent access from the port city of Mazatlan, lowering execution risk.

Source: Company; Agentis Capital research.

Land tenure and royalties

Panuco has 107 mining concessions (6,754ha) that were consolidated by VZLA for the first time (ever) in 2019. There is a 3%NSR on ~60% of the concessions payable to Bacis, covering by management's estimates, the Cristiano (100%), Copala (100%), Tajitos (100%), Cruz (50%) and Napoleon (20%) resource areas. VZLA has transferred a 0.5%-2%NSR on certain mining concessions to its 100% owned subsidiary, Canam Royalties.

VZLA has recently signed short-term exploration/access agreements with all five Ejidos covering the district and long-term (30-year) exploration/exploitation (operating) agreements with four of the five Ejidos (Fig 30). The annual cost such Ejido agreements is ₱1200/ha pa for exploration ($60/ha pa) and ₱7500/ha pa for exploitation ($375/ha pa).

Local communities and engagement

VZLA is committed to responsible mineral exploration and mining initiatives. In 2022, the company received the ***Socially Responsible Company Distinctio***n, Mexico's highest corporate social responsibility recognition, awarded jointly by the Mexican Center for Philanthropy and the Foundation for Sustainability and Equity (ALIARSE). The company has a ~70% local on-site workforce and is engaged in local infrastructure improvements, education opportunities and community enhancement initiatives. There are several small towns scattered throughout the Panuco land tenure (total population <5k) that need to be navigated.

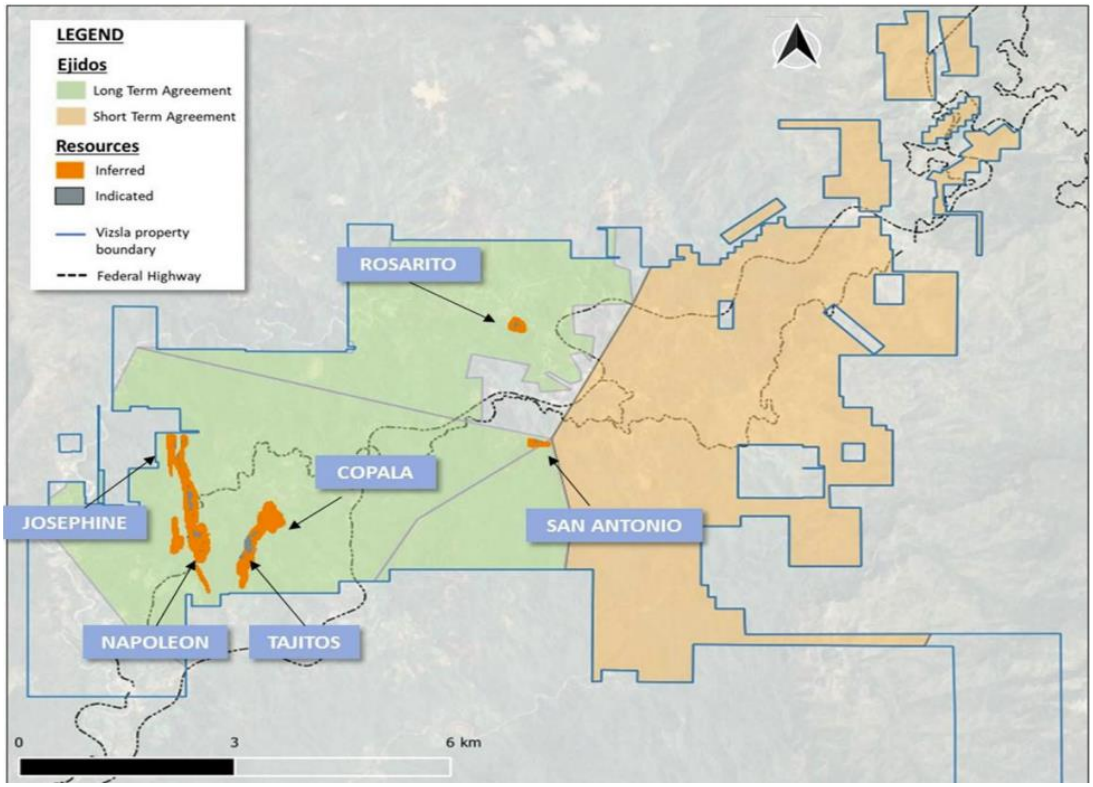
VZLA has ongoing engagement with local communities and has signed 30-year exploitation agreements, with four of the five Ejido communities, for the purpose of developing and extracting resources. These four Ejido agreements have an annual cost to VZLA of ₱1200/ha pa (exploration) and ₱7500/ha pa (exploitation). Risk associated with the Sinaloa is a potential concern with ongoing violence in the state.

Permitting Considerations

Environmental baseline studies have commenced and are leveraging ~1.5 years of data collection. The largest permitting hurdle to receive federal approval for mining in Mexico is the completion of an environmental impact assessment.

The project is not included within any specially protected, federally designated, ecological zones. The Panuco-Copala mining district has been subject to intermittent historical production since 1565. The project hosts some environmental impacts as a result of historical mining. Under Mexican environmental and regulatory legislature, these impacts are considered as pre-existing environmental liabilities that are deemed non-significant and are acknowledged by regulators as not being the responsibility of VZLA.

Fig 30 Panuco land tenure – Agreements for local Ejidos.



Source: Company; Agentis Capital research.

Appendix C – Resource Statement

Fig 31 Mineral resource estimate – Panuco project, effective date Jan 12/23, by vein area.

							Contained Metal				
Vein	Tonnes	Ag	Au	Pb	Zn	AgEq	Ag	Au	Pb	Zn	AgEq
	mt	*g/t*	*g/t*	*%*	*%*	*g/t*	*koz*	*koz*	*kt*	*kt*	*koz*
Napoleon	3.3	135	2.0	0.4	1.4	351	14,186	209.0	13.5	45.2	36,814
**Includes Gallinero*	*0.6*	*278*	*4.2*	*0.4*	*0.6*	*648*	*5,708*	*86.0*	*2.6*	*4.0*	*13,307*
Josephine	0.1	179	5.1	0.3	0.9	610	519	15.0	0.3	0.8	1,766
Napoleon HW	0.3	151	1.5	0.2	0.8	298	1,407	14.0	0.6	2.3	2,767
Napoleon Area Indicated	3.6	138	2.0	0.4	1.3	353	16,112.0	238.0	14.4	48.3	41,347
Napoleon	1.7	149	1.6	0.3	1.1	318	8,129	87.0	4.9	18.1	17,393
Josephine	0.2	110	3.3	0.2	0.7	389	817	24.0	0.5	1.6	2,891
Napoleon HW	0.4	176	1.6	0.2	1.0	341	2,025	18.0	0.8	3.6	3,910
Cruz Negra	0.4	123	2.6	0.2	1.2	371	1,490	32.0	0.9	4.4	4,514
Napoleon Area Inferred	3.0	117	2.0	0.2	0.5	298	12,461	161.0	7.1	27.7	28,708
Napoleon Area Total	**6.6**	**134**	**1.9**	**0.3**	**1.1**	**328**	**28,573**	**399.0**	**21.5**	**76.0**	**70,055**
Copala - North	1.5	343	2.2	0.1	0.1	516	17,000	110	1.0	1.8	25,553
Copala - South	1.5	343	2.2	0.1	0.1	516	17,000	110	1.0	1.8	25,553
Tajitos	0.6	329	2.1	0.1	0.2	496	6,197	39.0	0.6	1.0	9,337
Cristiano	0.2	414	2.5	0.1	0.2	614	2,022	12.0	0.1	0.3	3,003
Copala Area Indicated	3.8	344.0	2.2	0.1	0.1	517	42,218	271	2.6	4.9	63,446
Copala - North	1.4	433	2.3	0.1	0.2	617	19,419	104	1.6	2.9	27,705
Copala - South	1.4	433	2.3	0.1	0.2	617	19,419	104	1.6	2.9	27,705
Tajitos	0.7	340	2.1	0.2	0.3	514	7,740	47.0	1.4	2.3	11,713
Cristiano	0.4	604	3.8	0.2	0.3	908	7,494	47.0	0.7	1.2	11,273
Copala Area Inferred	3.9	433.0	2.4	0.1	0.2	627	54,072	301	5.3	9.2	78,395
Copala Area Total	**7.7**	**389**	**2.3**	**0.1**	**0.2**	**572**	**96,290**	**572.0**	**7.9**	**14.1**	**141,841**
Western Panuco Total	**14.3**	**271**	**2.1**	**0.2**	**0.6**	**459**	**124,863**	**971**	**29.4**	**90.1**	**211,896**
Animas Inferred	0.4	169	1.7	0.3	0.6	188	2,101	21.0	1.1	2.3	4,074
Animas Total	**0.4**	**169**	**1.7**	**0.3**	**0.6**	**188**	**2,101**	**21.0**	**1.1**	**2.3**	**4,074**
San Antonio Inferred	0.3	226	1.3	0.0	0.0	325	2,038	12.0	0.0	0.1	2,936
San Antonio Total	**0.3**	**226**	**1.3**	**0.0**	**0.0**	**325**	**2,038**	**12.0**	**0.0**	**0.1**	**2,936**
Central Panuco Total	**0.7**	**184**	**1.5**	**0.2**	**0.3**	**513**	**4,139**	**33.0**	**1.1**	**2.4**	**7,010**

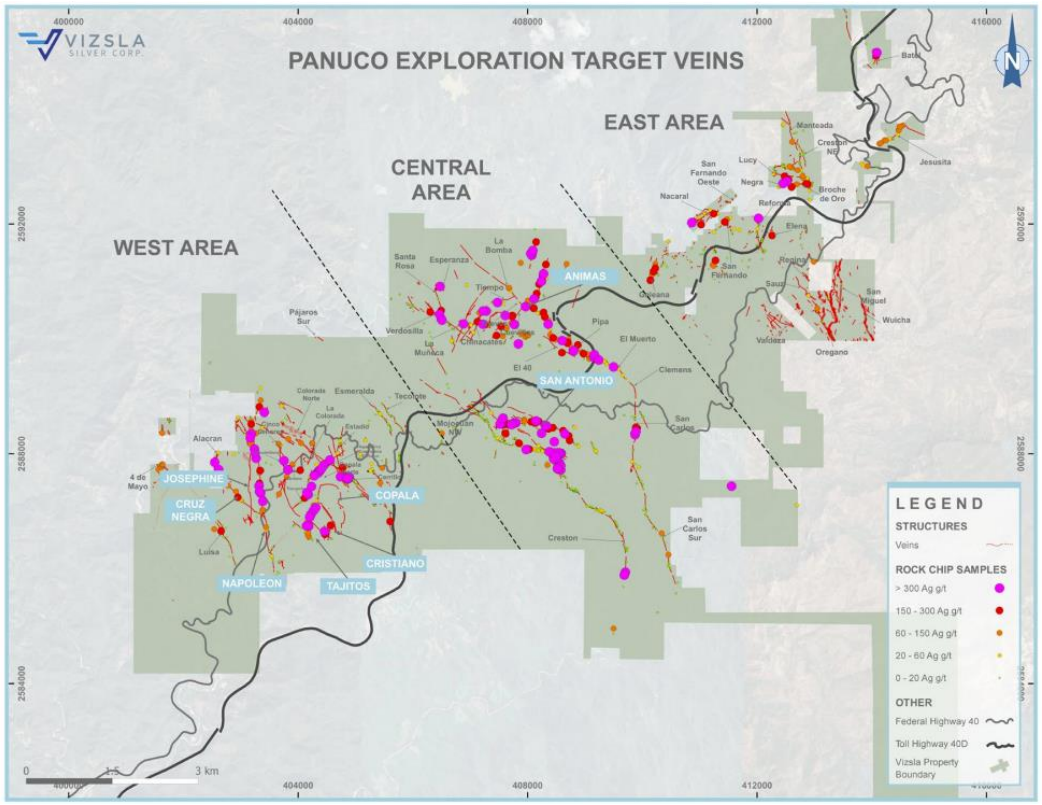
Source: Company disclosure; Agentis Capital research. Note: AgEq calculated using VZLA's price deck of $24Ag, $1,800Au, $1.1Pb, $1.35Zn.

Appendix D – Exploration Upside Potential

Panuco Vein Field Geology (Fig 32)

- Panuco is a low to intermediate sulphidation epithermal system, hosting quartz-carbonate veins with structural controls defining both steeply plunging and sub-horizontal mineralization. Mineralization occurs primarily as silver sulphide minerals (argentite & acanthite), native gold, electrum and native silver associated with base-metal sulphides (pyrite, galena, sphalerite & lesser chalcopyrite.
- We have conducted two site visits to Panuco, see our Nov 8/21 site visit note and our Oct 17/22 site visit note for the insights we gained from time in the core shack and in the field at various key outcrops. In these research notes we highlight the key controls on mineralization and that we are compelled by the: i) multi-stage nature of the vein mineralization; ii) the large intermediate sulphidation vertical depth window, and iii) the high potential to find near surface blind discoveries.
- Targets from the Panuco project are broken down by stage and priority in Fig 33.

Fig 32 Plan view, Panuco district, showing prospective veins (red line traces) in the context of Panuco property claims (green). High-grade +300g/tAg chip samples are mapped (pink dots), highlighting district-scale potential.



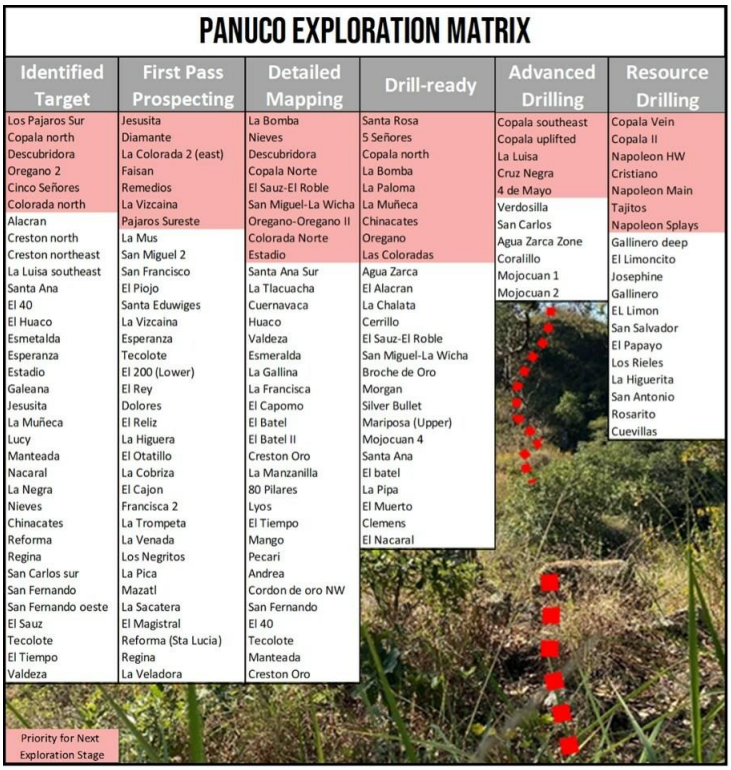
Source: Company disclosure; Agentis Capital research.

District-Scale Potential – Agentis Target Ranking

The Panuco vein field is still in the early innings of modern exploration with a district-scale lens. In our view, a key breakthrough occurred in May/21 when VZLA started to drill bonanza grades over considerable thicknesses from the Au-rich Napoleon vein (originally discovered via initial VZLA drilling in Jun/20). Following additional success of Au-rich mineralization in this area, the Western portion of the Panuco district has deservingly been the key focus of exploration efforts. Systematic mapping and geophysics has illuminated an array of quality targets that could dramatically alter priorities, as was the case with the Jan/22 discovery of the Copala vein structure.

- **2023 drilling program** – 2023 exploration will focus on incremental expansion and de-risking of the Panuco resource. VZLA has a +90km drill program (fully funded) to target resource growth within the Copala and Napoleon areas, test high-priority targets near current resource areas and identify new mineralized structures to potentially add additional resources. For 2023, seven diamond drill rigs will be active at Panuco (four focused on infill/expansion, three focused on exploration).
- **High-resolution airborne survey may light up targets** – The shallow dip of the rapidly growing Copala structure highlights potential for other blind structures yet to be detected. VZLA is planning a high-resolution airborne mag-EM-radiometrics survey over Panuco to potentially provide: i) direct detection via EM of base-metal rich veins (Josephine discovery); ii) mapping of faults via mag (magnetic contrasts & destruction); and iii) ID of alteration via radiometrics (K alteration associated with mineralized veins). VZLA has conducted surface mapping to establish many vein footprints; however, we think an airborne survey could (potentially) generate targets.
- **Resource expansion could really move the needle** – The Copala structure remains open along strike, down-dip, and east via a faulted, uplifted block – see our Feb 13/23 note. Cristiano, a very high-grade narrow vein adjacent to Copala remains open along strike and further exploration could yield additional high-margin ounces. Napoleon splays to the south are also highly prospective for near-term growth, and as low to intermediate sulphidation epithermal systems are known to have significant vertical extents (often twice the depths of a low sulphidation system), we think deeper drill holes could unravel additional high-grade mineralization at depth. Other proximal targets in Western Panuco include the prospective Cruz Negra, La Luisa and 4 de Mayo veins. If VZLA can continue to show major resource growth in its 2H23 updated resource, we believe VZLA would see a premium multiple re-rating.
- **Regional tip of iceberg potential** – Beyond the resource expansion and proximal exploration targets, Panuco hosts multiple district-wide targets; Santa Rosa (Central), La Bomba (Central), Oregano (East) and Negra (Area). We think VZLA may continue to expand their land package as the prospectivity of their various untested targets becomes better established. We think the Jan 9/23 C$2m strategic investment to own ~10% of Prismo (PRIZ CN), including a ROFR to purchase Palos Verdes, signals VZLA's commitment to exploration Panuco via a district-scale lens.

Fig 33 Panuco exploration matrix by target stage. Vein areas highlighted in red are VZLA's priority targets at each stage.



Source: Company disclosure; Agentis Capital research.

Important Disclosures:

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Company specific disclosure details

Company Name	***Symbol***	***Disclosures***
Ascot Resources Ltd.	*AOT CN*	***1,2,3,4,8***
Defense Metals Corp.	*DEFN CN*	***1,2,3,4,8***
Imperial Metals Corporation	*III CN*	***1,2,3,4***
K92 Mining Inc.	*KNT CN*	***1,4,8***
NorthIsle Copper and Gold Inc.	*NCX CN*	***1,2,3,4,8***
Skeena Resources Limited	*SKE CN*	***1,2,3,4,8***
Vizsla Silver Corp.	*VZLA CN*	***1***
Arizona Metals Corp.	*AMC CN*	***4,8***
Capitan Mining Inc.	*CAPT CN*	***1,2,3***
Dolly Varden Silver Corporation	*DV CN*	***1***
Endurance Gold Corporation	*EDG CN*	***1,2,3,4,8***
Inflection Resources Ltd.	*AUCU CN*	***1,4,8***
Maple Gold Mines Ltd.	*MGM CN*	***1,2,3,4,8***
Mayfair Gold Corp.	*MFG CN*	***1,4***
Northern Superior Resources Inc.	*SUP CN*	***n/a***
Rockhaven Resources Ltd.	*RK CN*	***1,4,8***
Snowline Gold Corp.	*SGD CN*	***1,4,8***
Southern Cross Gold Ltd.	*SXG AU*	***1,4,8***
Western Alaska Minerals Corp.	*WAM CN*	***1,2,3,4,8***

1. *A member of Agentis Capital has visited/viewed material operations of the issuer*
2. *In the last 12 months, Agentis Capital has been retained under a service or advisory agreement by the issuer*
3. *In the last 12 months, Agentis Capital has received compensation for investment banking services*
4. *Agentis Capital or a member of the Agentis Capital team or household, has a long position in the shares and/or the options of the issuer*
5. *Agentis Capital or a member of the Agentis Capital team or household, has a short position in the shares and/or the options of the issuer*
6. *Agentis Capital or a member of the Agentis Capital team or household, own more than 1% of any class of common equity of the issuer*
7. *A member of the Agentis Capital team or household, serves as a Director or Officer or Advisory Board Member of the issuer*
8. *The Author/Primary Analyst owns a position of less than 1% of any class of common equity of the issuer*
9. *The Author/Primary Analyst owns more than 1% of any class of common equity of the issuer*