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Research Note

Capitan Silver – Strong Grades at All Targets; Two New Zones Discovered at Depth

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Rating	Target Price
BUY	**$3.50**
Unchanged	*Unchanged*

September 14, 2026

Dissemninated on Behalf of Capitan Silver

All figures in CAD unless otherwise stated

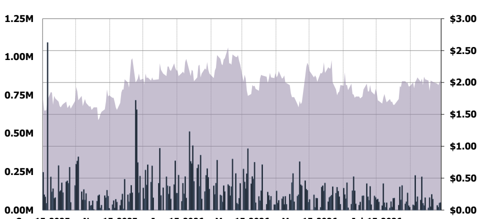
Capitan Silver Corp.	**CAPT:TSXV**
Rating	BUY
Target Price	$3.50
Return to Target	85%

Market Data	
Share Price	$1.89
Average Daily TSXV Volume (K)	83.4
FD ITM Shares (M)	132.6
Market Cap ($M)	$250.6
Cash & Marketable Securities ($M)	$26.9
Debt ($M)	$0.0
Enterprise Value ($M)	$223.7

Resource Data	
Inferred Gold (Moz)	0.6 Moz
Inferred Silver (Moz)	19.4 Moz
Inferred Total (AgEq, Moz)	63.5 Moz

Valuation	
EV/oz (US$/oz, AgEq)	$2.48/oz
Peers EV/oz (US$/oz, AgEq)	$1.16/oz

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Capitan Silver is defining a new high-grade silver system at its Cruz de Plata project, located in the heart of Mexico's primary silver belt. The Company is led by a proven and accomplished management team that has previously advanced three projects into production, on time and on budget. The Company has been diligent in maintaining a tight share structure and has one of the tightest share structures among its peer group, with the top three shareholders owning ~37% of the Company's share capital. Capitan Silver is fully funded and actively drilling at its Cruz de Plata silver project.

What you need to know:

- Capitan Silver reported results for 35 additional holes as part of its 60,000m drill program, while a further 78 holes remain pending.
- High grades were intersected at all three priority target areas, expanding known mineralization along the Jesus Maria Trend to 2.8km.
- Two new high-grade silver zones were discovered at depth east of the Peñoles Fault, both of which remain open along strike and at depth.
- Results reinforce the potential for a large-scale and robust mineralized silver system at Cruz de Plata.

This morning, Capitan Silver (CAPT:TSXV, CAPTF:OTC) reported assays for 35 holes from its 60,000m 2026 drill program at the Cruz de Plata Project in Durango, Mexico. Drilling delivered high-grade assays at all three target areas, as the program continues to expand mineralization at depth, while expanding drilled strike along the Jesus Maria Silver Trend to 2.8km. In addition, CAPT discovered two new high-grade silver zones at depth to the east of the Peñoles Fault, which remain open for expansion. Assays are pending for an additional 78 drill holes from 2026's extensive program and continue to arrive weekly. **We are maintaining our BUY rating and target price of $3.50/share on Capitan Silver.**

Drilling returned high-grade intercepts at all three target areas (A,B,C), as displayed below in Figure 1, **expanding known mineralization to 2.8km along the Jesus Maria Trend**, and at depth. Highlight intercepts reported this morning include:

- **26-ERRC-63**: 848.0 g/t AgEq over 1.5m within 181.4 g/t over 29.0m, and 429.9 g/t over 1.5m within 340.5 g/t over 3.0m (lower zone).
- **26-SRRC-32**: 889.9 g/t AgEq over 1.5m within 142.4 g/t, and 63.6 g/t over 12.2m (lower zone).
- **26-JMDD-09**: 1,363.1 AgEq over 1.1m within 731.3 g/t over 3.1m (upper zone), 389.7 g/t AgEq over 1.6m and 288.6 g/t over 1.3m within 173.5 g/t over 11.6m (middle zone), and 198.8 g/t over 1.0m within 82.6 g/t over 6.3m (lower zone).
- **26-ERDD-14**: 1,123.6 g/t AgEq over 1.0m and 597.2 g/t over 1.1m within 125.3 g/t over 6.0m, and 143.9 g/t over 1.8m within 42.8 g/t over 25.4m.

Discovered two high-grade silver zones at depth east of the Peñoles Fault. At Target B, holes 26-ERRC-63 and 26-SRRC-32 returned two of the widest and highest-grade intervals in the area. 26-ERRC-63 intersected a 70m wide zone, while 26-SRRC-32 intersected six separate mineralized zones. Both newly discovered targets remain open at depth and along strike for expansion.

2026 drill program fully ramped. Four drill rigs are currently active at the Cruz de Plata Project, with drilling through the late spring and summer targeting extensions of known high-grade zones at depth over the Jesus Maria Silver Trend's entire strike length. 78 additional drill holes from numerous priority targets are still pending assays, which includes 31 core and 47 RC holes. The remainder of the 60,000m program in this area will focus on diamond drilling the strike length of the trend to a depth of 500m vertically from surface, with down-dip step outs increasing to ~80-175m. RC drilling is now 100% focused on newly permitted targets and has moved to a double shift to accelerate drilling. **This morning's results reinforce our belief that Cruz de Plata hosts a large-scale and robust mineralized system**, with significant potential that has yet to be drilled.

Catalysts

- 60,000m Drill Program - Ongoing

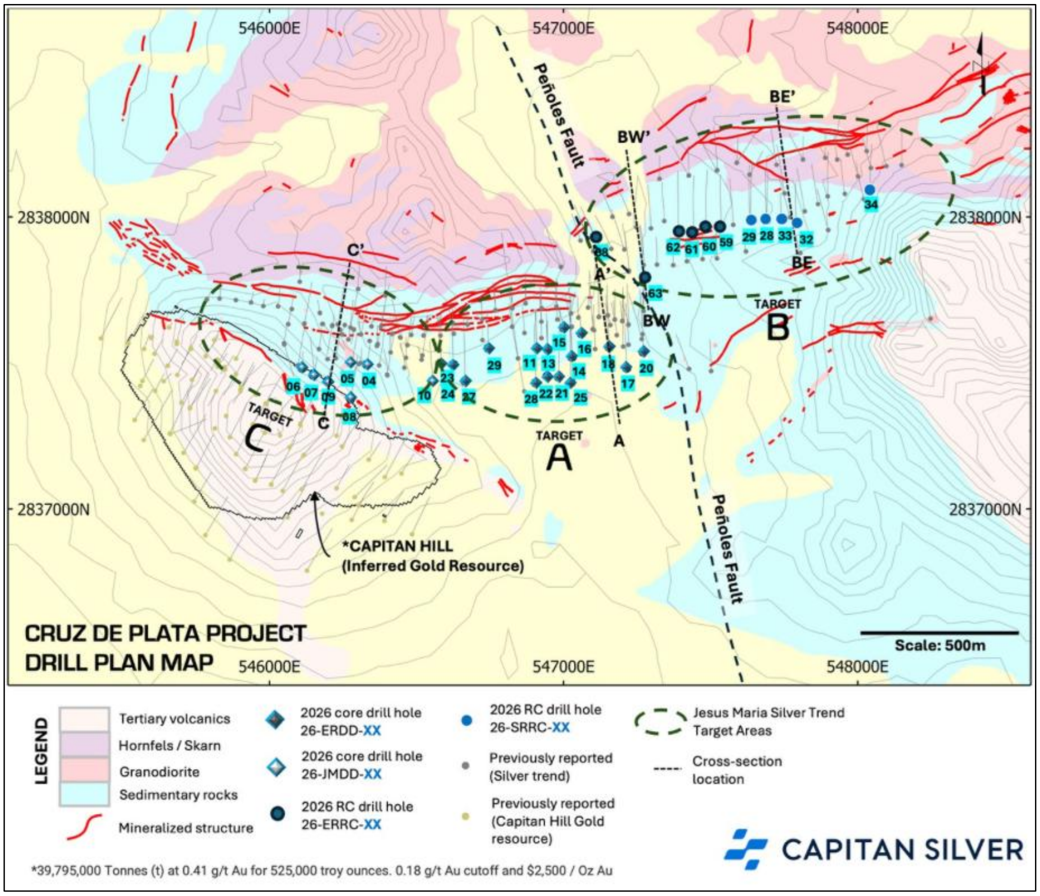


Figure 1: Cruz de Plata Plan Map (Source: Company Documents)

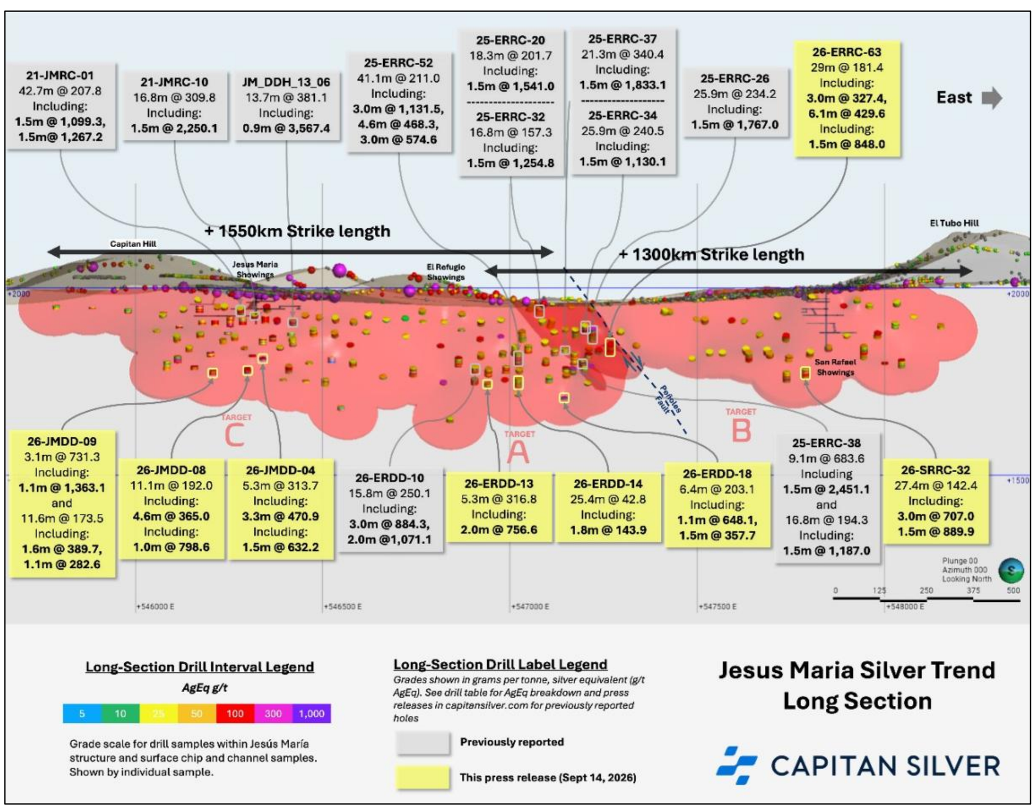


Figure 2: Long-Section of Jesus Maria Silver Trend (Source: Company Documents)

Further Discussion of Drilling

Target Area B

Target B yielded the two new significantly high-grade zones of silver mineralization at depth. **Hole 26-ERRC-63** was drilled proximal to the hanging wall of the Peñoles Fault and returned one of the most significant intersects to date, outlining a 70m wide zone with multiple mineralized intervals:

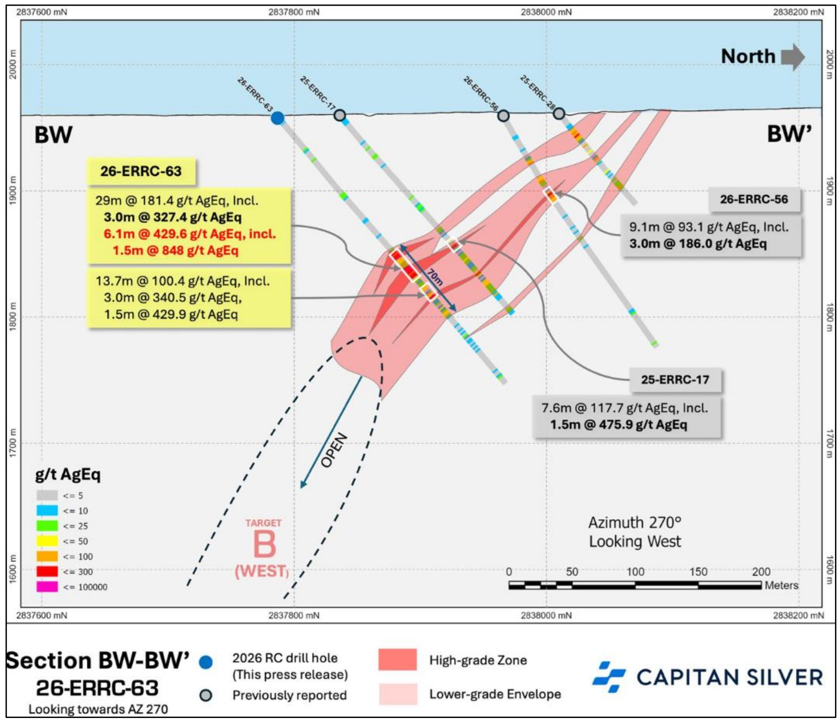


Figure 3: Cross-Section of Drill Hole 26-ERRC-63 (Source: Company Documents)

The second new high-grade zone was intersected in hole **26-SRRC-32** within the vicinity of the historic San Rafael Mine. The drill hole returned six zones of mineralization, with the most significant being the lower zone:

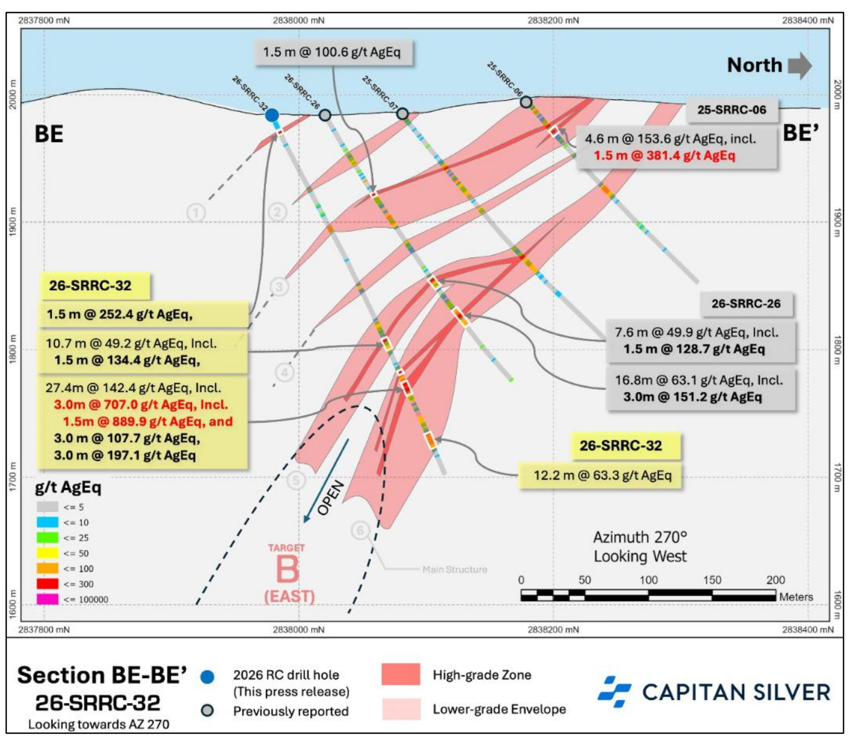


Figure 4: Cross-Section of Drill Hole 26-SRRC-32 (Source: Company Documents)

Target Area C
Drilling in Target Area C was focused on extending mineralization down-dip from known high-grade zones within the vicinity of the historic Jesus Maria Mine. Holes 26-JMDD-04, 06, 07, 08, 09, and 10, all yielded significant silver mineralization with grades >300 g/t AgEq and extended down-dip mineralization between 35-150m. **Hole 09 returned grades >1,000 g/t AgEq**. Highlights include:

- **26-JMDD-09**: 1,363.1 AgEq over 1.1m within 731.3 g/t over 3.1m (upper zone), 389.7 g/t AgEq over 1.6m and 288.6 g/t over 1.3m within 173.5 g/t over 11.6m (middle zone), and 198.8 g/t over 1.0m within 82.6 g/t over 6.3m (lower zone)
- **26-JMDD-08**: 798.7 g/t AgEq over 1.0m within 192.0 g/t over 11.1m
- **26-JMDD-04**: 632.3 g/t AgEq over 1.5m within 313.7 g/t over 5.3m
- **26-JMDD-06**: 368.9 g/t AgEq over 4.3m within 159.3 g/t over 18.1m

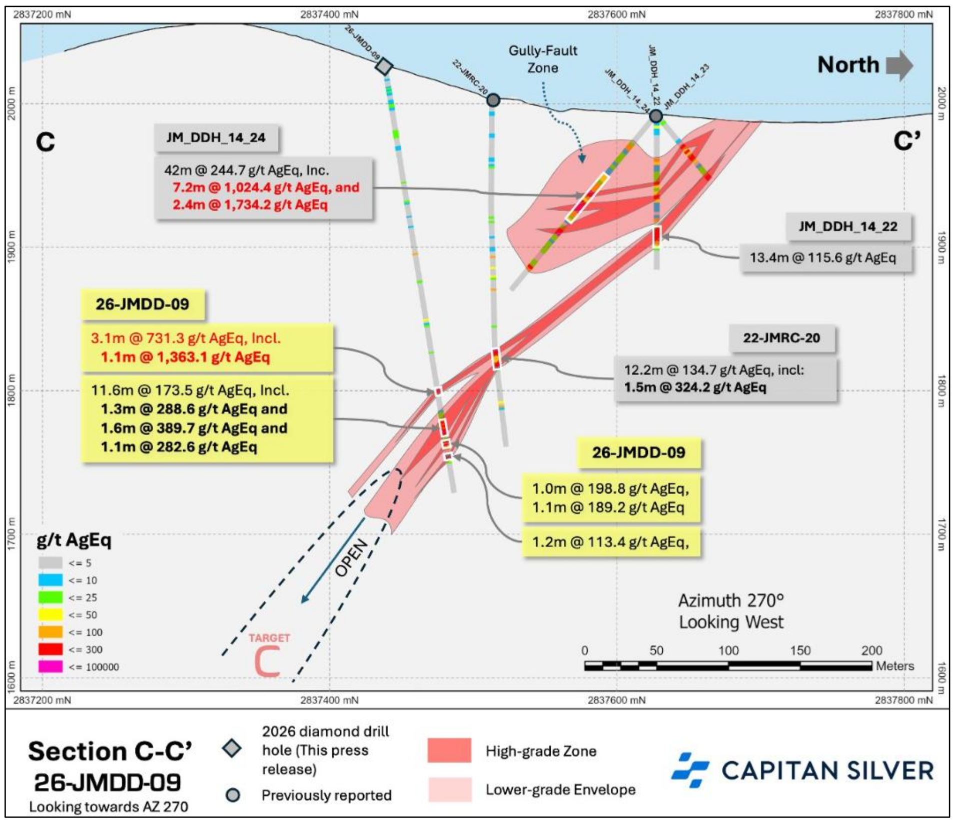


Figure 5: Cross-Section of Drill Hole 26-JMDD-09 (Source: Company Documents)

Target Area A
Drilling in Target Area A continued to expand the main Jesus Maria Vein down-dip from the historic El Refugio Mine, aimed at extending prior high-grade mineralization to depth, while also infilling poor density areas along the boundary with Target Area C. **Hole 26-ERDD-14 returned the strongest intercept with 1,124 g/t AgEq over 1.0m**. In addition, five holes returned grades >500 g/t AgEq, and the majority of holes yielded >200 g/t AgEq. Base metal content continues to increase at depth and is anticipated to continue to do so. Highlights include:

- **26-ERDD-14**: 1,123.6 g/t AgEq over 1.0m and 597.2 g/t over 1.1m within 125.3 g/t over 6.0m, and 143.9 g/t over 1.8m within 42.8 g/t over 25.4m
- **26-ERDD-18**: 648.2 g/t AgEq over 1.1m within 203.1 g/t over 6.4m
- **26-ERDD-13**: 756.6 g/t AgEq over 2.0m within 316.8 g/t over 5.3m
- **26-ERDD-23**: 643.1 g/t AgEq over 0.9m
- **26-ERDD-27**: 538.7 g/t AgEq over 1.7m within 285.2 g/t over 5.2m
- **26-ERDD-29**: 305.5 g/t AgEq over 1.3m within 85.0 g/t over 25.6m

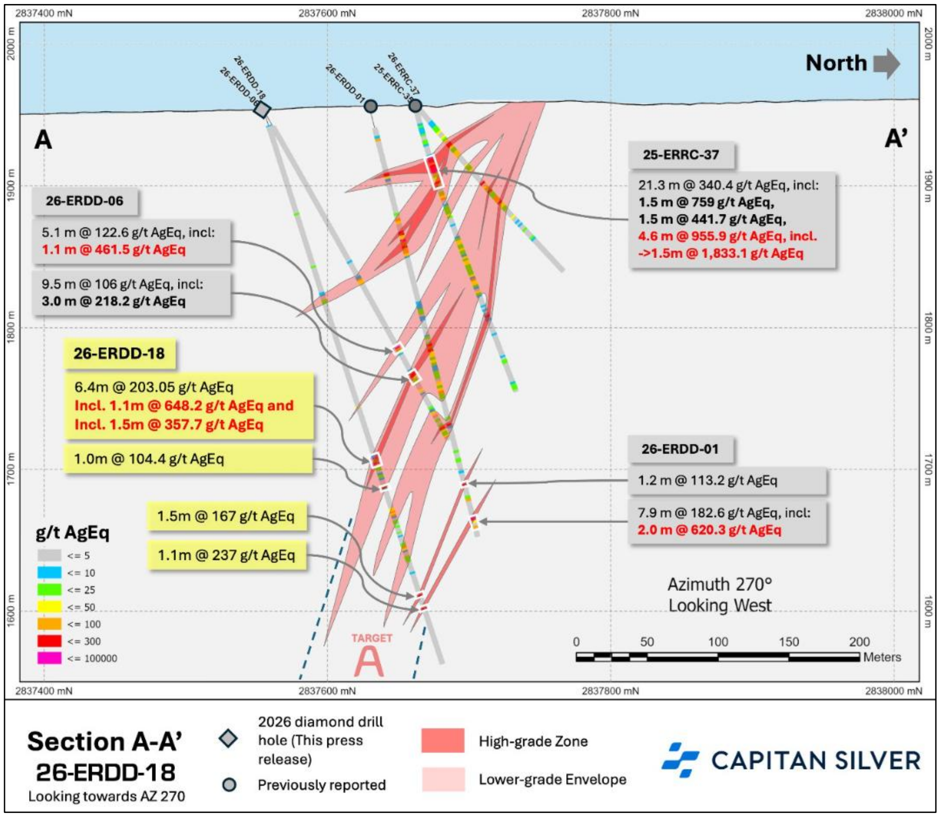


Figure 6: Cross-Section of Drill Hole 26-ERDD-18 (Source: Company Documents)

With RC drilling now completely focused on newly permitted targets, significant opportunity exists from targets outside the current focus area:

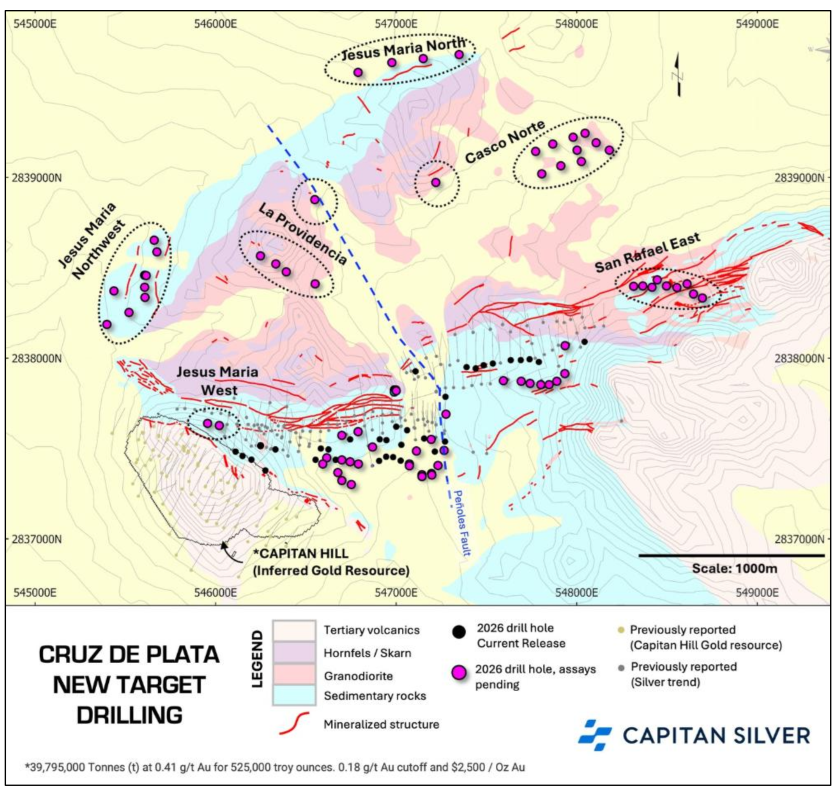


Figure 7: Cruz de Plata Plan Map with New Target Drilling (Source: Company Documents)

Why We Like CAPT

- The Cruz de Plata Project hosts two deposits, one silver and one gold. This greatly reduces exploration risk as the Company expands the current zones and focuses on silver resource growth.
- The Cruz de Plata Project has five key high-grade silver structures identified, ranging from 1km to over 2.8km, all of which remain open along strike and depth. Recently, the Company has discovered key targets to the north on the newly acquired claims, which significantly expand the potential scale of this project. These structures support the growth potential that could result in a district-scale silver-gold deposit.
- The Jesus Maria Silver Zone hosts 8+ high-grade silver veins which have intersected several intercepts over 1,000 g/t Ag, some over 3,000 g/t.
- Capitan is supported by excellent shareholders, including Jupiter Asset Management, Michael Gentile, Construplan, management & board, Ninepoint Partners, and U.S. Global. The management team last worked together at Argonaut Gold, where they were instrumental in generating >$1B in market cap from their Mexico operations.

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