Pinnacle Provides Project Update for El Potrero as it Advances Towards a Production Decision

HIGHLIGHTS

- **Underground rehabilitation** of the historic mine workings and preparation of drill stations is anticipated to begin next week
- **Underground delineation drilling** is expected to commence by the second half of March
- An application for the **environmental permit required for surface drilling** has been submitted and the Company anticipates that the program could commence in approximately 90 days
- A second round of **metallurgical testing** is underway that will optimize the results of the first round of preliminary high level scoping testing, which achieved **95.1% gold recoveries**. Head assays of a five-sample main zone composite returned **7.7 g/t Au and 116 g/t Ag**, implying a robust head grade for future operations
- A feasibility study for the **extension of a powerline** to the project site has been commissioned and will provide cost and time estimates for the installation, for submission to the Mexican authorities
- A **community agreement** has been signed with the local Ejido El Carmen covering all work that Pinnacle is undertaking to advance the project towards a production decision

VANCOUVER, BRITISH COLUMBIA, February 26, 2026 (TSXV: PINN, OTC: PSGCF, Frankfurt: P9J) – Pinnacle Silver and Gold Corp. ("**Pinnacle**" or the "**Company**") is pleased to provide an update on various aspects of the high-grade El Potrero Project in Durango, Mexico as it continues to advance towards a production decision. Since commencing work on the project one year ago, Pinnacle has made significant progress in following parallel tracks to fast-track the project towards a production decision, as the goal is to commence production as soon as possible.

Having completed extensive underground and surface channel sampling and 3D modeling, the Company is now in a position to commence rehabilitation of the historic mine workings on the main Dos de Mayo vein trend. Underground delineation drilling will commence following the preparation of drill stations. In addition, an application for the surface drilling permit has been submitted, a second round of metallurgical testing is underway, a feasibility study for the extension of the powerline has been commissioned and a new access agreement has been signed with the local community.

"One year in, we are extremely pleased with the progress to date on the Potrero Project," stated Robert Archer, President and CEO of Pinnacle. "The commencement of underground rehabilitation is a significant milestone in the advancement of the project as it is not often that the first drill program on a

project comprises underground delineation drilling rather than surface exploration. We believe that the underground drilling program will be followed immediately by surface drilling. Following on the excellent results of our first round of metallurgical tests that returned an average of 95.1% gold recovery, this current round of tests will add mineralogical studies, more extensive gravity separation and optimization of leach tests. The feasibility study for the powerline extension will provide the details we need to get approval from the Comisión Federal de Electricidad (the "CFE") and give us an estimate of costs and time required for this activity. Importantly, we have signed an agreement with the local Ejido El Carmen supporting our work on their land covering the northern block of the Potrero Project where the mines and plant are located. With all of this work moving forward in parallel to de-risk the project, we anticipate being able to make a production decision before year-end."

Underground Rehabilitation and Delineation Drilling

Having taken more than 800 systematic channel samples in the three historic mines along the Dos de Mayo vein trend, Pinnacle geologists have a very good idea of where the principal mineralized zones are located and now need to define their size, shape and average grade. A local Mexican mining contractor is mobilizing equipment to site, and the rehabilitation work will entail enlargement of the main access adits, sub-levels, and drill stations, whereby the drilling equipment will be able to be brought into the mines and set up with adequate working spaces. Of primary importance is that all mine workings will be secure from a safety perspective.

As there are three historic mines, and the drilling program has been broken into two phases, we will prioritize the drill stations for Phase I and move between mines in order to start drilling sooner rather than waiting for all drill stations to be completed. This will provide greater flexibility and allow us to speed up the program. At present, it is contemplated that 14 underground drill stations will be constructed in the Dos de Mayo and Pinos Cuates mines. After consideration of the location of the mineralization in the La Dura mine, it was decided that it would be more efficient and cost effective to drill this from surface. A total of 2,423 metres in 107 holes is currently planned but this is subject to modification as the program progresses.

The mine rehabilitation and drill station preparation is anticipated to take approximately 6 weeks to complete but by staggering the work between the three mines, the Company is planning on commencing the drilling prior to the completion of all the underground preparatory work. As such, it is anticipated that the drilling will commence in late March or early April. Further details on the drill program will be provided at that time.

Permitting

An application for the environmental permit required for surface drilling has been submitted to SEMARNAT, the Mexican environmental authority. It is anticipated that a permit could be issued within 60-90 days, which would allow the surface drilling to follow immediately after the underground drilling. The Company has also been notified verbally of the approval of a water permit and is awaiting formal written notification.

Metallurgical Testing

As the preliminary metallurgical tests carried out last year were completed without any optimization, a second round of seven samples is being conducted, again at SGS Labs in Durango. Two samples were taken from the Dos de Mayo mine, two from Pinos Cuates and one from La Dura, and these five were combined into a composite sample after individual head assays were completed. The reason for the compositing is that this material will likely be blended at the plant once production is underway and determining the best parameters for processing will allow for the design of an efficient flow sheet and the purchase of the appropriate equipment for the plant. In addition, one sample was taken from each of the Capulin and Estrella veins and will be tested separately to see how they react in comparison to the Dos de Mayo vein.

Importantly, recently received head assays for the samples are very encouraging with the five-sample composite returning 7.7 g/t Au and 116 g/t Ag, while the Estrella sample returned 6.6 g/t Au and 169 g/t Ag and the Capulin sample returned 4.5 g/t Au and 91 g/t Ag.

All seven samples are being individually subjected to high-definition mineralogical examination at the SGS facility in Santiago, Chile using a 'next generation' method called TIMA (TESCAN Integrated Mineral Analyzer), an automated system that acquires quantitative mineralogical data using a TESCAN scanning electron microscope equipped with four energy-dispersive X-ray (EDS) detectors. This approach enables the statistically robust determination of parameters such as mineral content, chemical composition, grain size, distribution, mineral associations, and liberation. Unlike traditional methods such as point counting or optical petrography, which can be more subjective and time-consuming, automated mineralogy provides more accurate and reproducible results. This will be particularly useful in determining the silver mineralogy and allow for the optimization of silver recoveries.

Other tests to be included are grinding (liberation sizing), bond ball mill work index (BWi), gravity concentration, bottle cyanidation of gravity tails, overall bulk material bottle cyanidation optimization and filtration tests. Final results are expected in about 6-8 weeks.

Powerline Extension

Initial discussion held with the Federal Electricity Commission (Comisión Federal de Electricidad. or CFE) were positive and they requested that the Company submit an independent feasibility study for the extension of the powerline to the project site, approximately 4.5 - 5 kilometres along the existing road. As such, the Company has engaged Grupo Electroconstructor Rueda, S. de R.L. de C.V. of Durango to conduct the study. Once complete (approximately 45 days) it will be submitted to the CFE for further discussions and a request to proceed. Any field work will also require environmental permitting for the accessway along the roadside and this will be considered concurrently with the CFE application. Further details will be provided in due course.

Community Agreement

Due to a decades-old technicality, Pinnacle's Mexican legal counsel discovered that the private property agreement covering the historic mines and plant is not valid, so the Company has signed an agreement with the local Ejido El Carmen for this area that covers all of the work that needs to be done to advance the Potrero project. Given the preliminary stage of the project, this initial agreement is good for one year, after which it will be replaced with a more comprehensive agreement. The Company has strong community support for the project and currently employs several local people in addition to renting houses, upgrading roads, etc. There is no other commercial activity in this immediate area, and the community members understand the benefits that an operating mine will bring. The nearby town of Topia has tripled in size, from about 3,000 to 9,000 people, since Great Panther restarted the Topia mine in 2006 and it has operated continuously since then.

The company will provide additional updates on a regular basis as work progresses.

Qualified Person

Mr. Jorge Ortega, P. Geo, a Qualified Person as defined by National Instrument 43-101, and the author of the NI 43-101 Technical Report for the Potrero Project, has reviewed, verified and approved for disclosure the technical information contained in this news release.

Mr. David Salari, P.Eng., a Director of Pinnacle and a Qualified Person as defined by National Instrument 43-101, has also reviewed and approved this news release.

About the Potrero Property

El Potrero is located in the prolific Sierra Madre Occidental of western Mexico and lies within 35 kilometres of four operating mines, including the 4,000 tonnes per day (tpd) Ciénega Mine (Fresnillo), the 1,000 tpd Tahuehueto Mine (Luca Mining) and the 250 tpd Topia Mine (Guanajuato Silver).

High-grade gold-silver mineralization occurs in a low sulphidation epithermal breccia vein system hosted within andesites of the Lower Volcanic Series and has three historic mines along a 500 metre strike length. The property has been in private hands for almost 40 years and has never been systematically explored by modern methods, leaving significant exploration potential.

A previously operational 100 tpd plant on site can be refurbished / rebuilt and historic underground mine workings rehabilitated at relatively low cost in order to achieve near-term production once permits are in place. The property is road accessible with a power line within three kilometres.

Pinnacle will earn an initial 50% interest immediately upon commencing production. The goal will then be to generate sufficient cash flow with which to further develop the project and increase the Company's ownership to 100% subject to a 2% NSR. If successful, this approach would be less dilutive for shareholders than relying on the equity markets to finance the growth of the Company.

About Pinnacle Silver and Gold Corp.

Pinnacle is focused on the development of precious metals projects in the Americas. The high-grade Potrero gold-silver project in Mexico's Sierra Madre Belt hosts an underexplored low-sulphidation epithermal vein system and provides the potential for near-term production. In the prolific Red Lake District of northwestern Ontario, the Company owns a 100% interest in the past-producing, high-grade Argosy Gold Mine and the adjacent North Birch Project with an eight-kilometre-long target horizon. With a seasoned, highly successful management team and quality projects, Pinnacle Silver and Gold is committed to building long-term, sustainable value for shareholders.

Signed: "Robert A. Archer"
President & CEO

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