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A GROWING &
PROFITABLE
DIVERSIFIED
PRODUCER



CORPORATE PRESENTATION

February 2021

Disclaimer

Certain statements in this presentation constitute forward-looking information within the meaning of Canadian and United States securities legislation. Forward-looking information relates to future events or the anticipated performance of Sierra and reflect management's expectations or beliefs regarding such future events and anticipated performance based on an assumed set of economic conditions and courses of action. In certain cases, statements that contain forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative of these words or comparable terminology. By its very nature forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual performance of Sierra to be materially different from any anticipated performance expressed or implied by such forward-looking information. These include estimates of future production levels; expectations regarding mine production costs; expected trends in mineral prices; changes in general economic conditions and financial markets; changes in prices for silver and other metals; technological and operational hazards in Sierra's mining and mine development activities; risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; the timing and availability of financing; governmental and other approvals; political unrest or instability in countries where Sierra is active; labor relations and other risk factors disclosed in Sierra's Annual Information Form, which is available on SEDAR at www.sedar.com and which is incorporated by reference into the prospectus forming part of the Company's registration statement on Form F-10, filed with the SEC and available at www.sec.gov.

Although Sierra has attempted to identify important factors that could cause actual performance to differ materially from that described in forward-looking information, there may be other factors that cause its performance not to be as anticipated. Sierra neither intends nor assumes any obligation to update these statements containing forward-looking information to reflect changes in assumptions or circumstances other than as required by applicable law. There can be no assurance that forward-looking information will prove to be accurate as actual results and future events could differ materially from those currently anticipated. Accordingly, readers should not place undue reliance on forward-looking information.

This presentation uses the terms "measured resources", "indicated resources" and "inferred resources" as such terms are recognized under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") adopted by the Canadian Securities Administrators. Readers are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence and economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, or economic studies, except for a "preliminary assessment" as defined under NI 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

Americo Zuzunaga, FAusIMM CP (Mining Engineer) and Vice President of Corporate Planning is a Qualified Person and chartered professional qualifying as a Competent Person under the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

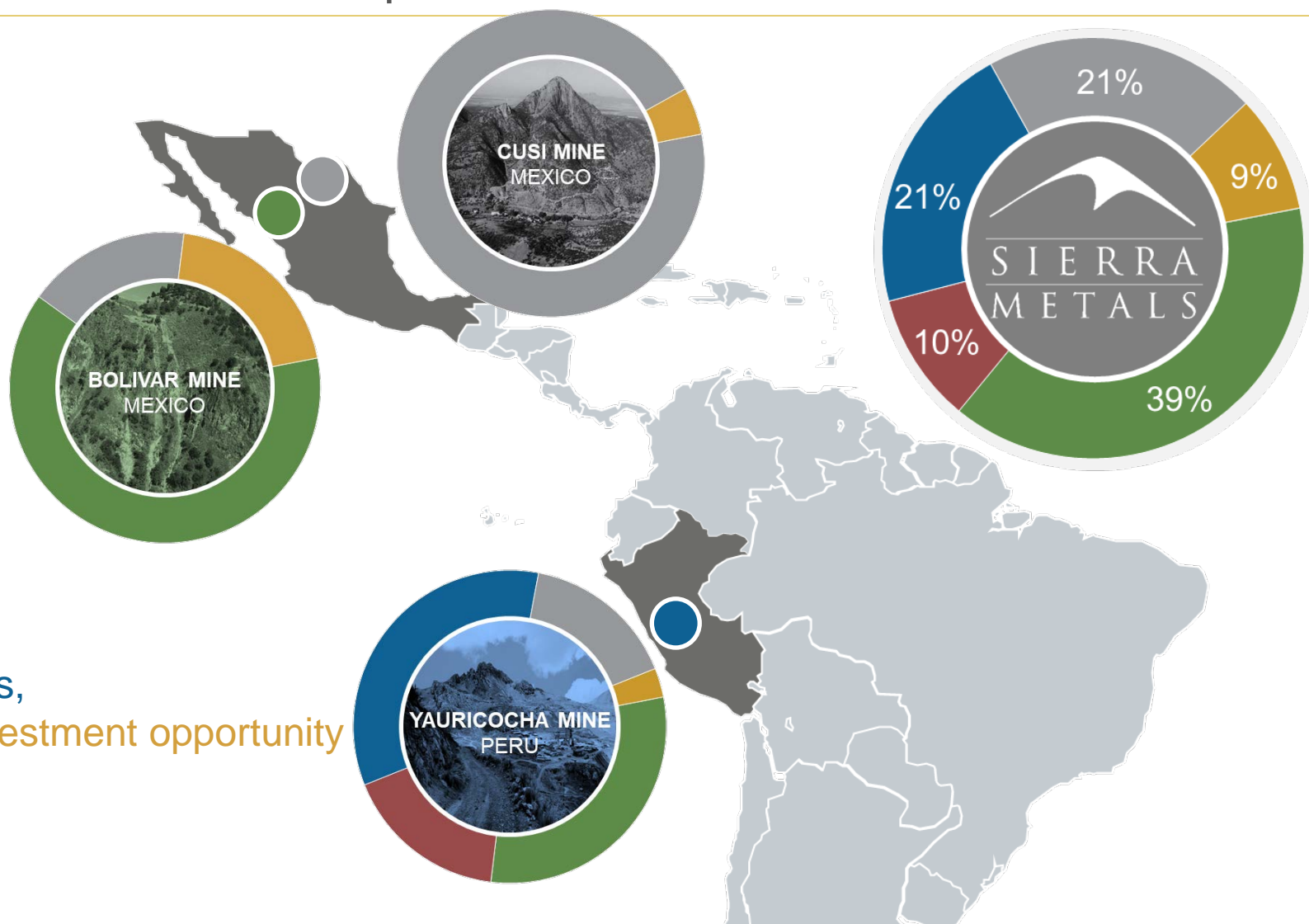
Augusto Chung, FAusIMM CP (Metallurgist), Vice President Special Projects and Metallurgy is a Qualified Person and chartered professional qualifying as a Competent Person on metallurgical processes.

Cautionary Note to U.S. Investors: While the terms "measured resources", "indicated resources", and "inferred resources" are defined in and required to be disclosed by NI 43-101 these terms are not defined under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of a mineral deposit in these categories will ever be converted into reserves. Accordingly, information concerning mineral deposits contained in or referred to in this presentation may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.



- The Company is focused on the wellbeing of our employees as well as the local communities near which we operate.
- The case counts in Peru and Mexico remain very high, as such the Company is taking all necessary precautions.
- Strict screening protocols in place including testing and quarantine of employees before they join active workforce rotation. Daily health monitoring of the active workforce.
- All mines are currently operating since being allowed to restart by the Peruvian and Mexican governments in June 2020 and have not incurred any further Covid-19 related shut downs to date.
- Screening measures have resulted in sub optimal employee headcount at mines but employees have worked at very efficiently levels.

Growing Diversified Producer with strong Copper and Precious Metals Exposure



3 mines,
2 countries,
1 solid investment opportunity

Copper

Silver

Gold

Zinc

Lead

*Pie charts reflect metals production as a percentage of revenue for the trailing 12-month period ending September 30, 2020

Why Invest?



Growing Diversified Producer with strong copper and precious metals exposure



Solid Balance Sheet to support growth and capital expenditure programs



Profitable and cash flow positive



Successful history of **building mineral resources** with excellent potential for further organic growth



Operating in well known and **established mining jurisdictions**



Experienced Management Team and Board of Directors focused on maximizing per share value

Corporate & Capital Structure



162.8 million shares outstanding

164.2 million shares fully diluted

(as of September 30, 2020)



US \$63.8 million cash on hand

(as of September 30, 2020)



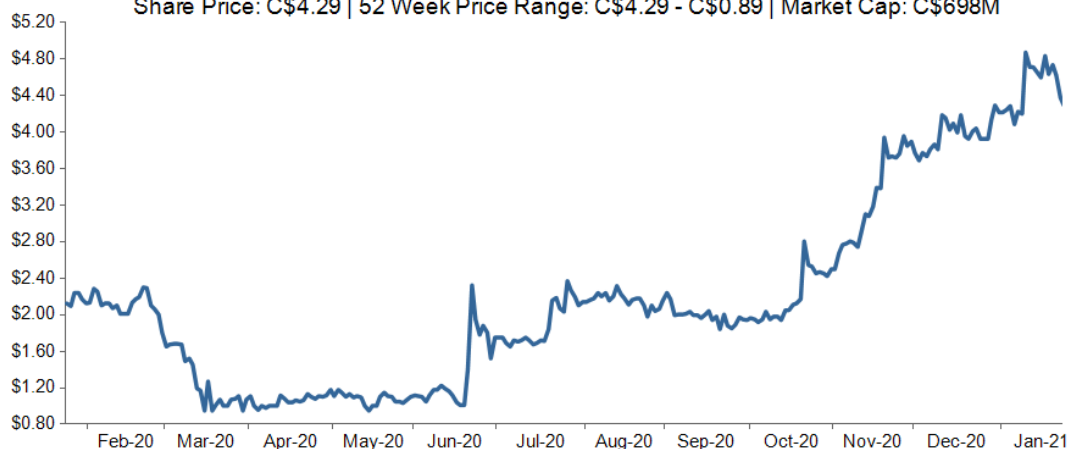
US \$35.6 million net debt

US \$99.4 million total debt

(as of September 30, 2020)

Sierra Metals 52 Week Share Price Performance (CAD)

Share Price: C\$4.29 | 52 Week Price Range: C\$4.29 - C\$0.89 | Market Cap: C\$698M



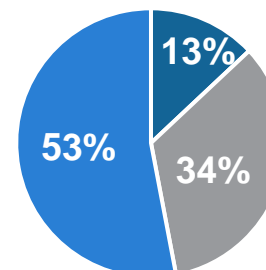
Source: FactSet as of January 25, 2021



Research Coverage



Jefferies



Major Shareholders:

Blackrock: 8%

Leon Cooperman: 5%

Management & Board of Directors: 34%

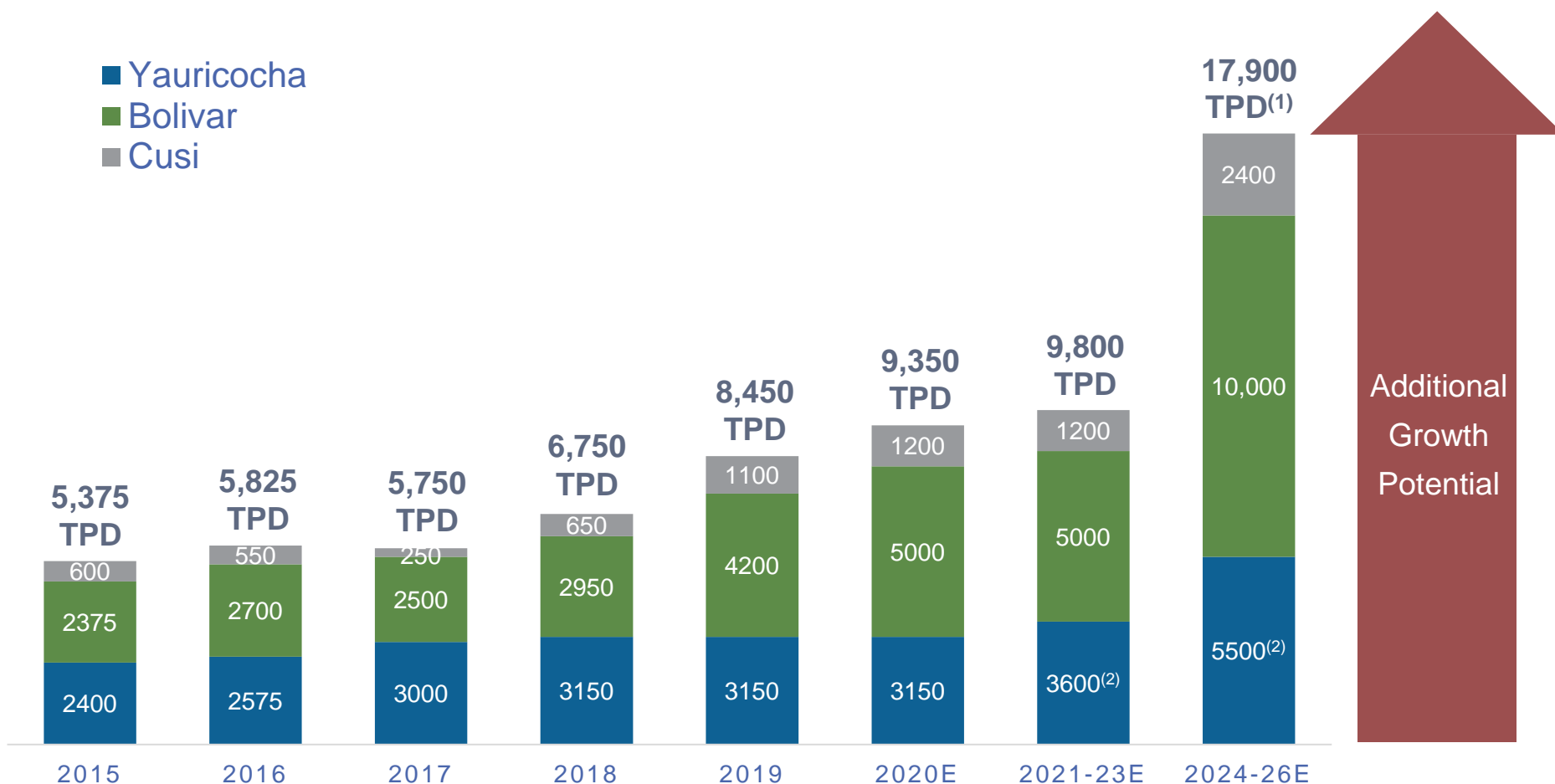
(*including Arias Resource Capital Fund at 27%)

Others/Retail: 53%

*Alberto Arias is a member of the Sierra Metals Board of Directors. As such, the Management and Board category includes Arias Resource Capital Fund.

Strategic Growth | Staged Production Increases

Tonnages Per Day (TPD) Capacity expected to be reached by year ends^{1,2}



1. Final output to be decided from planned PEA and PFS studies

2. Based on receipt of permits at Yauricocha in Peru

Expansion Outlook | Key Metrics of PEAs

2020 PRELIMINARY ECONOMIC ASSESSMENTS (PEAs)			
	Yauricocha Mine PERU	Bolivar Mine MEXICO	Cusi Mine MEXICO
TOTAL NET PRESENT VALUE (U.S.)	\$359M*	\$283M	\$81M
NPV OF EXPANSION	\$28.4M*	\$57.4M	\$28.1M
IRR OF EXPANSION	35.7%*	27.9%	46.8%
OPERATING COST	\$1.19/LB COPPER EQUIVALENT	\$1.16/LB COPPER EQUIVALENT	\$8.83/oz SILVER EQUIVALENT
MINE LIFE	12 YEARS	14 YEARS	13 YEARS
AVERAGE LIFE OF MINE GRADE	1.28% COPPER	0.72% COPPER	4.1 oz/t SILVER
INFERRED MINERAL RESOURCE	11.6M Tonnes +79% INCREASE	21.4M Tonnes +168% INCREASE	4.9M Tonnes +200% INCREASE

Yauricocha
Increasing Output to 5,500 TPD

Bolivar
Doubling Output to 10,000 TPD

Cusi
Doubling Output to 2,400 TPD

* Yauricocha PEA assumes 100% ownership.

Brownfield Exploration Plan | Aggressively Drilling to Increase and Replace Resources

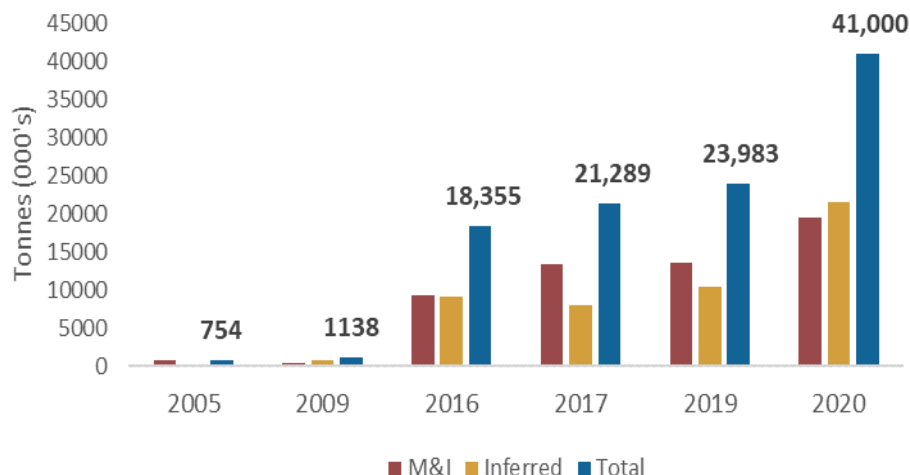
 History of Resource Growth and Replacement of Mined Tonnage at all three mines **28.8 million tonnes of Mineral Resources added in 2020**

Current Reserve Tonnage:

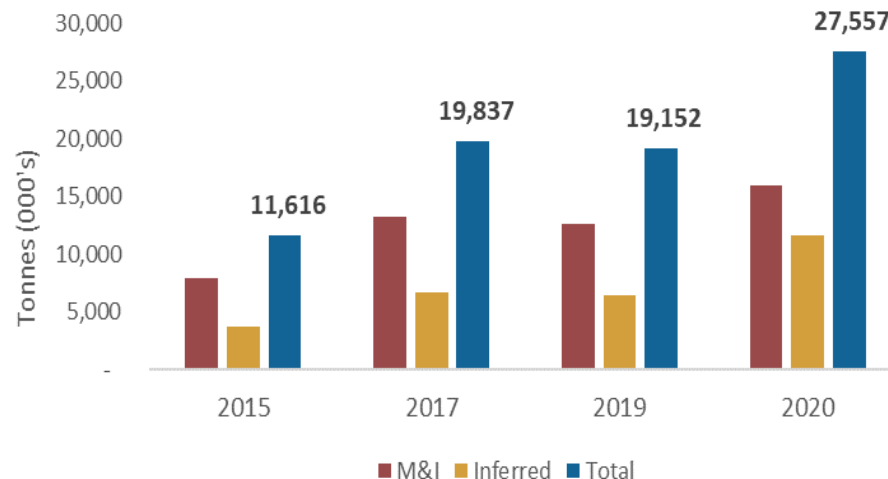
- Yauricocha: to be reported with upcoming Prefeasibility Study (PFS)*
- Bolivar: to be reported with upcoming PFS*
- Cusi: drilling continues to improve resource base. Maiden Mineral Reserves will be reported with upcoming PFS

*A PEA Technical Report was filed on November 5, 2020 for Bolivar and a PEA Press Release filed on November 18th for Yauricocha. In accordance with NI 43-101 Rules the Bolivar Mine and Yauricocha Mine Mineral Reserves cannot be stated here. They will be reported as part of the NI 43-101 Mineral Reserve Reports or Prefeasibility Studies expected in early Q2 2021.

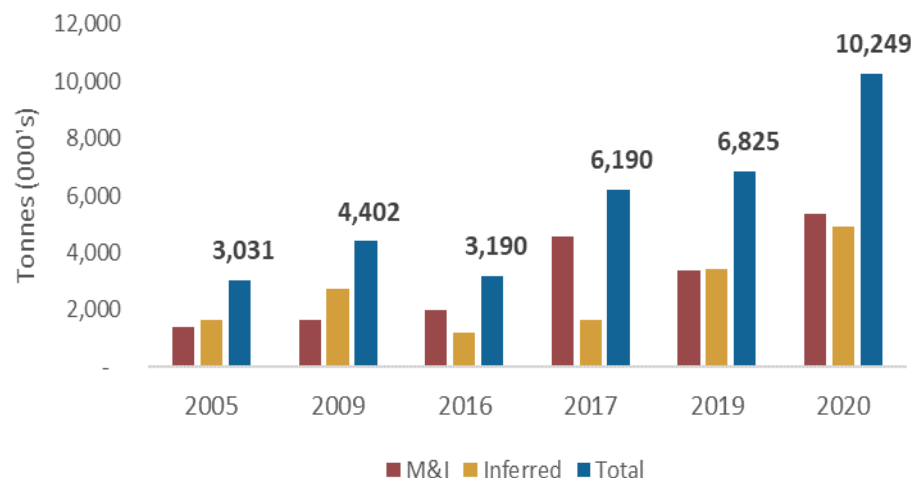
Bolivar Mineral Resource Tonnage



Yauricocha Mineral Resource Tonnage

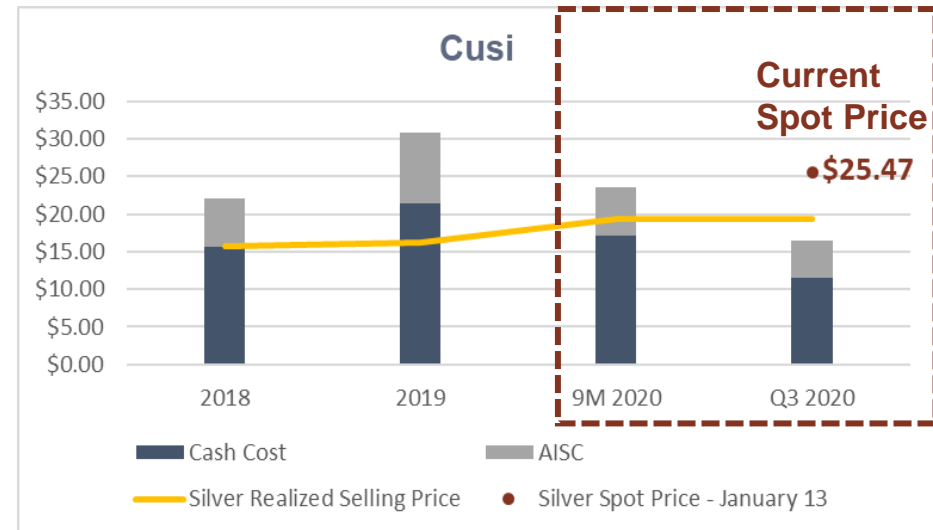
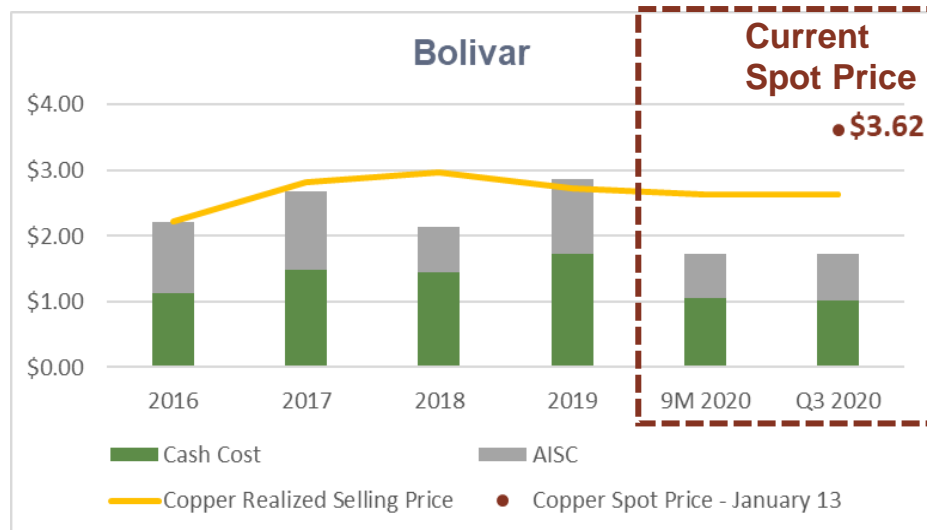
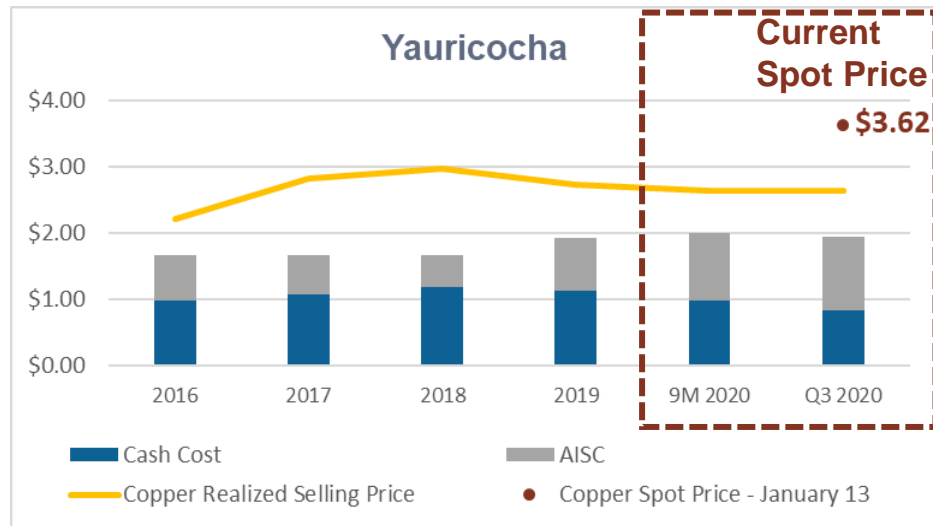


Cusi Mineral Resource Tonnage



Costs vs Realized Prices

- Increased production levels and improved efficiencies have helped lower costs on a per unit basis, which is expected to continue with further production increases
- Decreasing growth Capex expected as current mine expansions are completed, although substantial backlog in sustaining capex for 2021
- Costs remain below current realized selling prices at Yauricocha and Bolivar, with **Cusi's costs expected to be lower as productivity improves starting in H2 2020**. Any upside on metals pricing further improves profitability



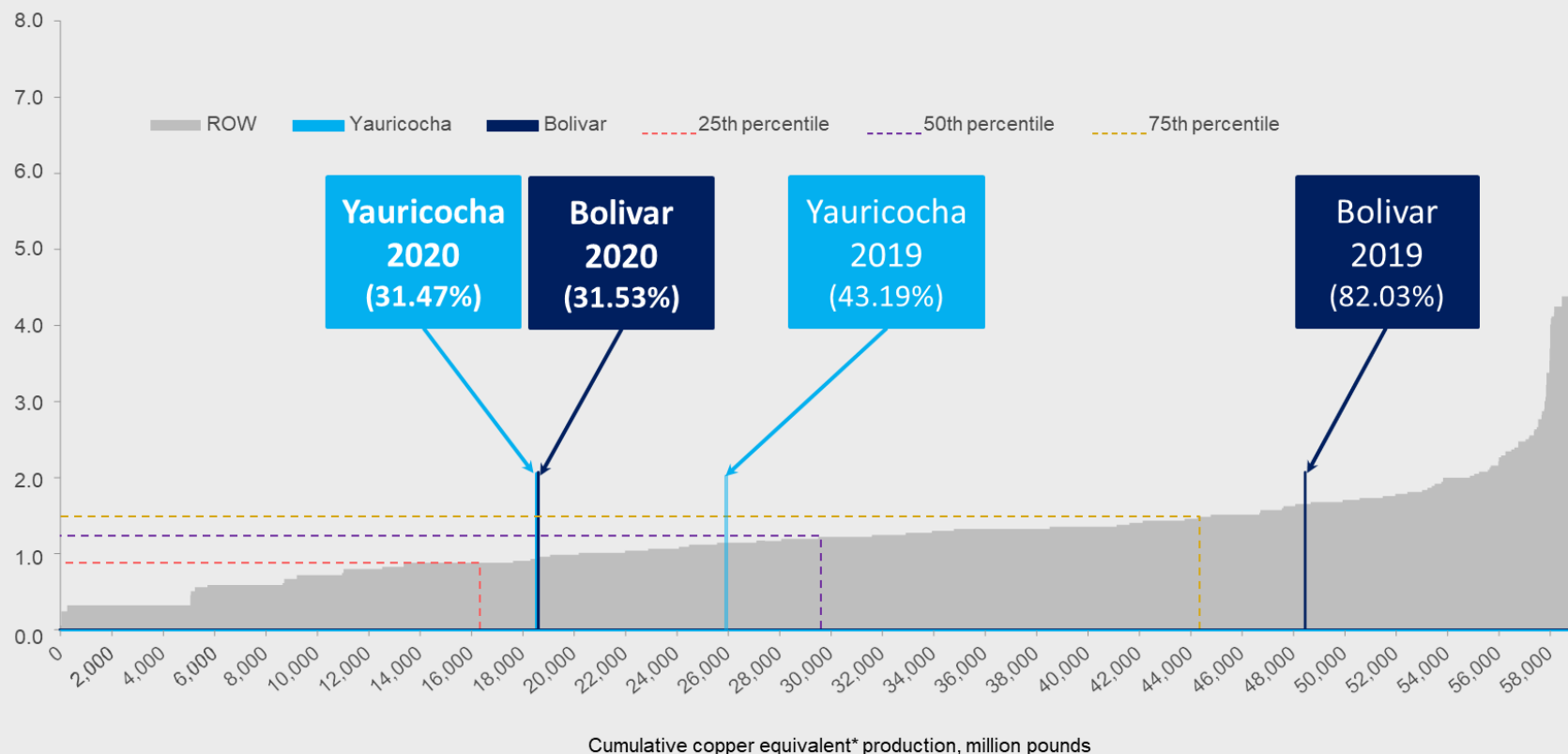
NOTE: Realized prices represent the average price realized by the company for a particular metal. Spot prices refer to the current price in the marketplace at which a particular metal can be bought or sold for immediate delivery.

CRU Report | Sierra Metals Operating Costs Benchmark



Prepared by CRU Consulting for Sierra Metals ('SM') to provide SM with copper industry cost curves, highlighting Yauricocha and Bolivar mines operations' relative position.

2020 Sierra Metals Cash Cost
\$/lb CuEq*



* Prices consideration for Cu-equivalent calculations 2020: Cu 2.60 US\$/lb, Zn 0.93 US\$/lb, Pb 0.82 US\$/lb, Ag 18.31 US\$/oz, Au 1,734 US\$/oz | 2019: Cu 2.73 US\$/lb, Zn 1.14 US\$/lb, Pb 0.91 US\$/lb, Ag 16.29 US\$/oz, Au 1,404 US\$/oz

1. CRU considered SM's guidelines in defining two cost metrics: Cash Cost expressed in US\$ per pound of equivalent copper production, All-in-sustaining Cost (AISC) expressed in
2. US\$ per pound of equivalent copper production
3. CRU considered SM's metal prices guidelines to recalculate the industry costs and as a comparative basis.
4. Note: all US\$ expressed in a yearly nominal basis.

Consolidated Production vs Guidance

2021 Production Guidance ²		
(000's)	Low	High
Copper (M lb)	44.1	48.4
Silver (M oz)	4.3	4.6
Gold (oz)	10,691	11,720
Zinc (M lb)	101.4	109.2
Lead (M lb)	31.9	34.3
Copper Eq. (M lbs)¹	130.0	141.0
Silver Eq. (M ozs)¹	16.1	17.5

2020 Actual Production	
(000's)	2020 A
Copper (M lb)	44.3
Silver (M oz)	3.5
Gold (K oz)	13.8
Zinc (M lb)	81.9
Lead (M lb)	33.0
Copper Eq. (M lbs)¹	118.2
Silver Eq. (M ozs)¹	16.1

2021 Cash Costs and All-In Sustaining Costs Guidance by Mine^{2,3,4}

	Yauricocha	Bolivar	Cusi
Cash Costs per Eq. Unit Sold	\$0.96-\$1.03/lb	\$1.00-\$1.07/lb	\$13.37-\$14.08/oz
AISC Costs per Eq. Unit Sold ²	\$1.89-\$1.98/lb	\$1.92-\$2.05/lb	\$21.43-\$22.46/oz

2021 Consolidated CAPEX Guidance⁴ – \$78 million

2021 Total EBITDA Guidance^{2,4,5}

- between \$155 and \$170 million (consensus)
- between \$170 and \$185 million (spot)

1. Copper equivalent pounds and silver equivalent ounces were calculated using quarterly realized metal prices. See Appendix.
2. Please note guidance assumes no further shutdowns or work stoppages as a result of the COVID-19 pandemic and is based solely on what management expects the Company's operations can produce in 2021.
3. All-In Sustaining Costs (AISC) include treatment and refining charges, selling costs, g&a and sustaining capex.

4. Analyst consensus prices at the end of 2020 were: \$25.15/oz Ag, \$3.12/lb, Cu, \$1.09/lb Zn, \$0.90/lb Pb, \$1,936/oz Au:
5. Spot prices used to estimate EBITDA: \$24.89/oz Ag, \$3.52/lb Cu, \$1.26/lb Zn, \$0.92/lb Pb, \$1,856/oz Au

Solid Financial Position



Figures in US (\$000's)	2017	2018	2019	Q3-2020	9M-2020
Outstanding Shares	162,812,764	164,087,921	162,115,379	162,810,554	
Revenue	205,118	232,371	229,038	73,211	170,670
Net Income (Loss)	(860)	18,814	4,431	17,531	15,816
Adjusted EBITDA ¹	81,034	89,756	65,257	37,186	65,855
Cash Generated from Operating Activities ²	54,469	61,903	39,587	32,492	47,172
Capex	(51,607)	(49,315)	(54,621)	(8,495)	(22,956)
Free Cash Flow ³	2,862	12,588	(15,034)	23,997	24,216
Cash From (Used in) Financing Activities	(21,091)	(14,459)	36,162	(886)	(3,208)
Net Cash Flow ⁴	(18,229)	(1,871)	21,148	23,103	20,866
Cash and Cash Equivalents	23,878	21,832	42,980	63,846	

All figures as reported in Sierra's MD&A for the relevant period.

1. Adjusted EBITDA comprised of revenue less operating expenses before interest expense (income), property, plant and equipment amortization and depletion, foreign exchange variations, non-recurring provisions, share-based payments expense, and income taxes. 2. Cash Generated from Operating Activities – includes the movement from period to period in working capital items including trade and other receivables, prepaid expenses, cash taxes paid, deposits, inventories, trade and other payables and the effects of foreign exchange rates on these items. See Appendix for reconciliation. 3. Free Cash Flow represents cash flow generated from operating activities less capex. See Appendix for reconciliation. 4. Net Cash Flow represents free cash flow less cash flow used in financing activities less effect of foreign exchange rate changes on cash and cash equivalents.

Yauricocha Mine



In Continuous
Operation Since
1948 and Still
Growing



Peru | Yauricocha Polymetallic Mine

Ownership	82%
Size	18,000 Hectares
Commodities	Silver, lead, zinc, copper, gold
Operation	Underground mine: sub-level caving & cut and fill
Mill throughput Capacity	3,150 TPD increasing to 3,600 TPD in 2021
2020 Production	75.1 M lbs Copper Equivalent
Concentrates	Copper, Zinc and Lead concentrates with gold and silver by-products
Deposit Type	High-temperature, carbonate-replacement deposit



	Tonnes M	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Zn Eq (%)	Zn Eq (M lb)
Measured & Indicated	15.9	44	1.18	0.62	2.22	0.53	6.06	2,128
Inferred	11.6	28	1.40	0.31	0.95	0.45	4.75	1,219

(1) A PEA press release was filed on November 18, 2020. In accordance with NI 43-101 Rules the Yauricocha Mine Mineral Reserves are not valid after its issuance and have been removed. They will be reported as part of an NI 43-101 Mineral Reserve Report or Prefeasibility Study expected in early Q2 2021

Details of the mineral resource estimates for Yauricocha are presented in the Appendix.

Peru | Yauricocha Production & Costs

Production	2017	2018	2019	Q4-2020	FY-2020
Tonnes processed ¹	1,023,491	1,106,649	1,116,919	311,946	1,117,860
Tonnes per day	2,924	3,162	3,191	3,565	3,194
Copper Eq (M lbs)²	69.0	69.3	78.4	18.4	75.1

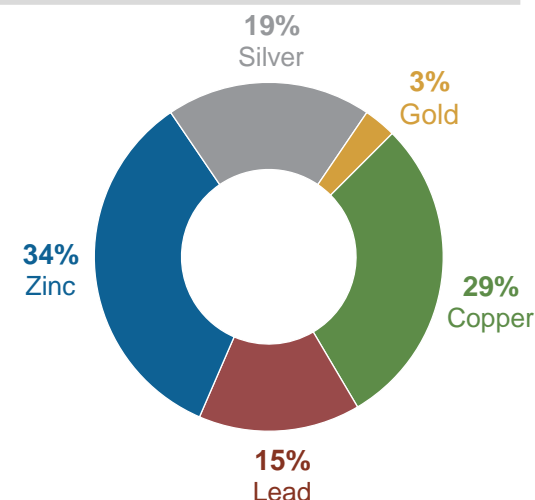
Financial Summary	2017	2018	2019	Q3-2020	9M-2020
Revenue (\$000's)	\$154,153	\$168,657	\$155,983	\$44,580	\$101,703
Net Income (Loss)	\$17,958	\$34,938	\$20,151	\$10,039	\$8,446
Adjusted EBITDA (\$000's) ³	\$74,815	\$79,524	\$60,219	\$23,593	\$39,214
Cash Cost per tonne processed	\$62.42	\$63.23	\$70.87	\$50.09	\$55.75
Cash Cost per Zn Eq pound sold	\$0.50	\$0.52	\$0.46	\$0.30	\$0.36
All-in Sustaining Cost per Zn Eq pound sold ⁴	\$0.78	\$0.73	\$0.79	\$0.70	\$0.73
Cash Cost per Cu Eq pound sold⁵	\$1.07	\$1.18	\$1.12	\$0.82	\$0.97
All-in Sustaining Cost per Cu Eq pound sold^{4,5}	\$1.66	\$1.66	\$1.91	\$1.93	\$2.00

All figures as reported in Sierra's MD&A for the relevant period. 1. Metric tonnes 2. Copper equivalent pounds were calculated using quarterly realized metal prices. Copper equivalent figures will change based on metal prices used each quarter in the equivalent metal calculations. See Appendix for quarterly realized metal prices for the last 14 quarters. 3. Adjusted EBITDA includes adjustments for depletion and depreciation, interest expenses and other finance costs, interest income, share-based compensation, Foreign Exchange (gain) loss and income taxes. 4. All-in Sustaining Costs include Treatment and Refining Charges, Selling Costs, G&A Costs and Sustaining Capex. 5. The Yauricocha Mine is trending towards copper as its main product as a percentage of both Revenue and Net Smelter Royalty. As such copper figures are reported in addition to zinc.

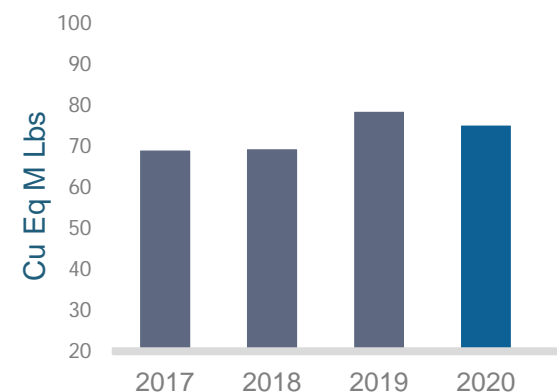


REVENUE MIX

(three months ending September 30, 2020)



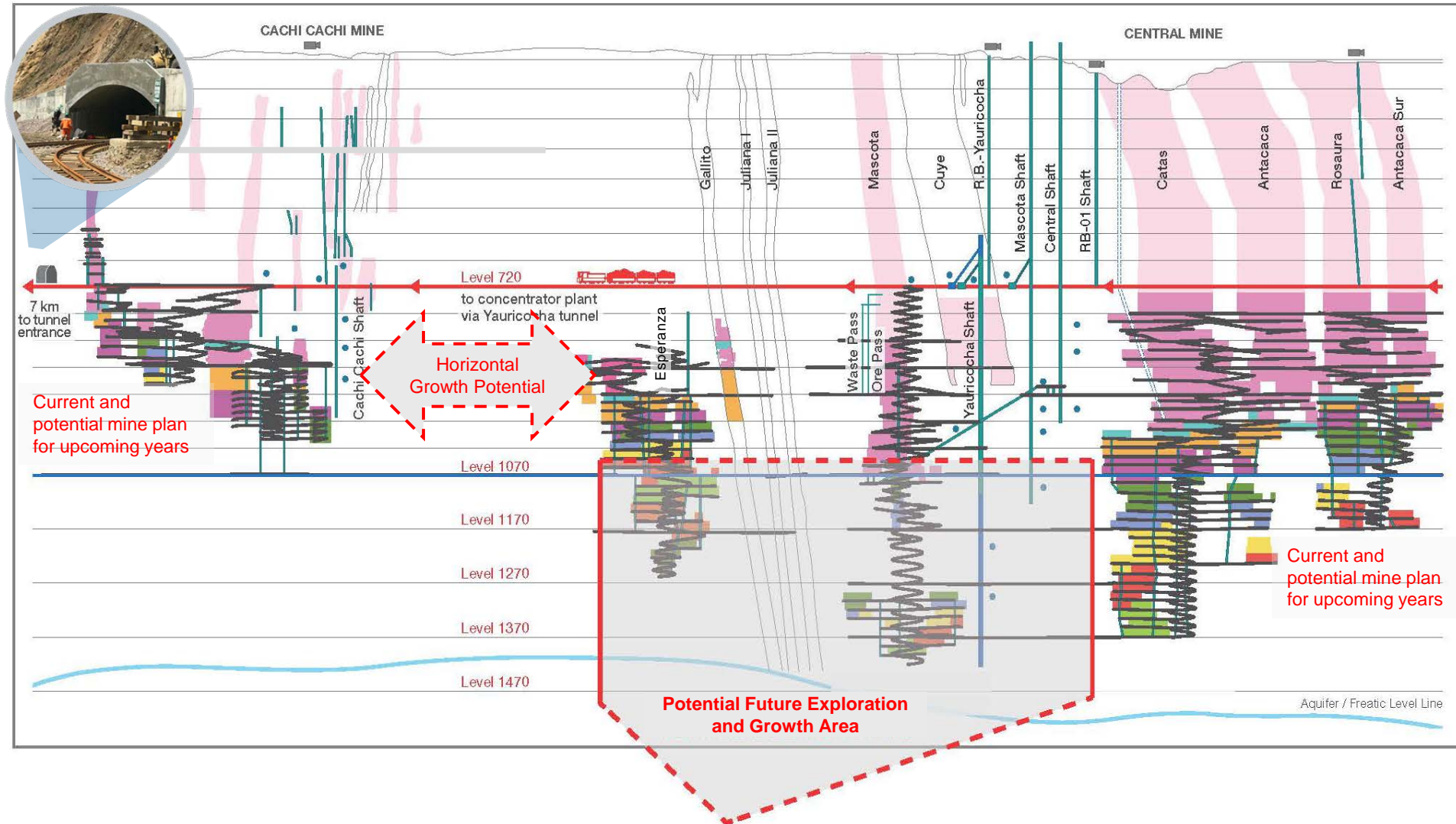
COPPER EQUIVALENT PRODUCTION (M LBS)



Yauricocha Mine | Production Growth and Brownfield Exploration Opportunities

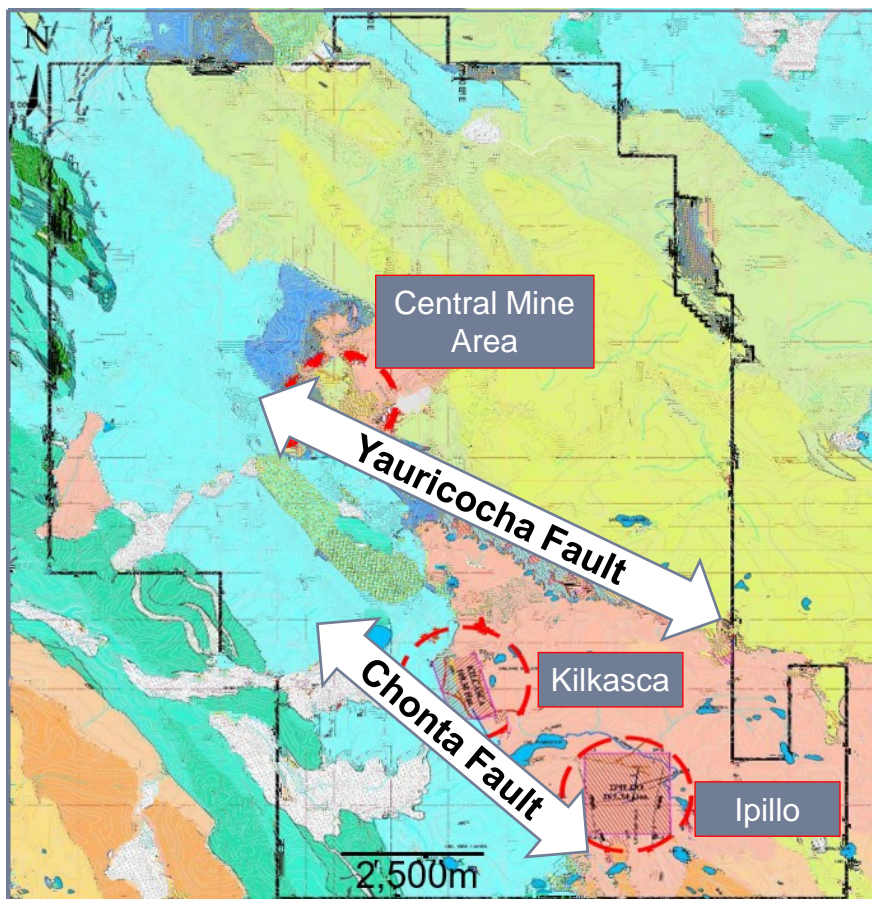
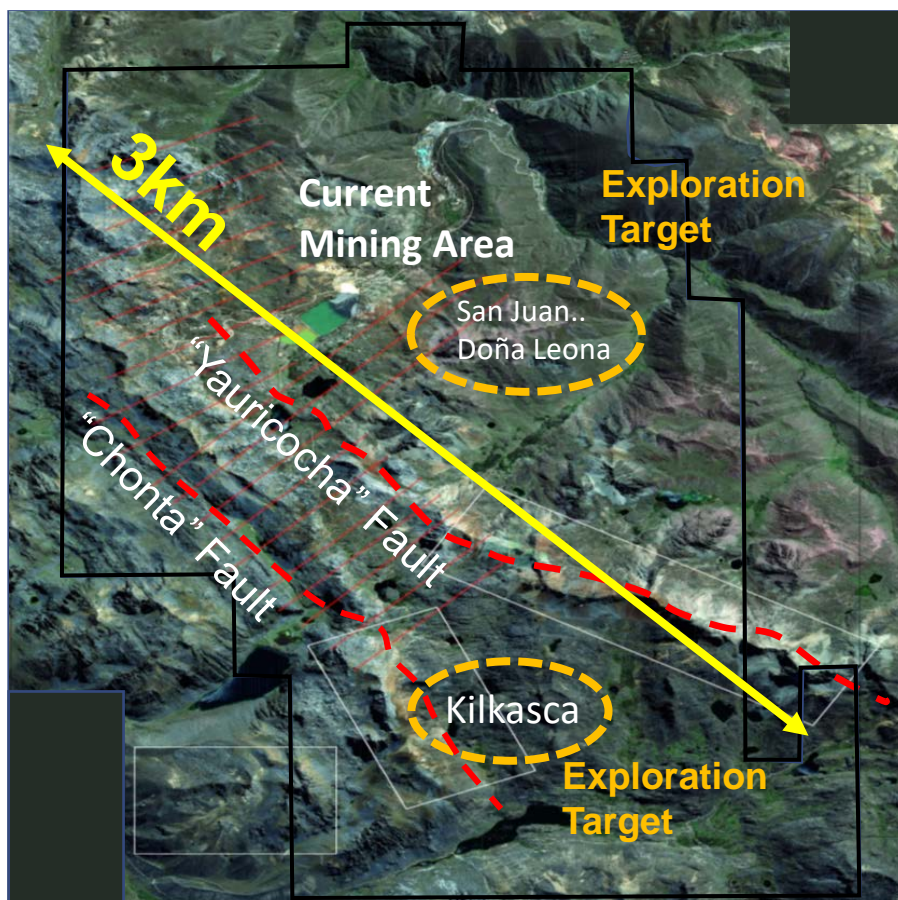


As a result of **continued exploration**, wider zones with significantly higher metal grades have been discovered, which may provide the **potential for greater amounts of metals produced**.



Yauricocha Mine | Future Exploration Opportunities

- Geophysics completed identifying future targets
- Current brownfield exploration and drilling focused on the Central Mine and surrounding areas which are only a small portion of the total land package
- Land Package: 180 km² (18,000 Hectares)



Bolivar Mine



New Geological
Discoveries Supporting
Metal Production
Increases

Mexico | Bolivar Copper Mine

Ownership	100%
Size	15,217 Hectares
Commodities	Copper, silver, gold
Operation	Underground mine: Long-hole mining
Mill throughput Capacity	5,000 TPD
2020 Production	35.8 M lbs Copper Equivalent
Concentrates	Copper with silver and gold by-product credits
Deposit Type	Copper skarn



	Tonnes M	Ag (g/t)	Cu (%)	Au (g/t)	Cu Eq (%)	Cu Eq (M lb)
Indicated ⁽²⁾	19.4	15.1	0.77	0.21	0.95	407
Inferred	21.4	14.2	0.78	0.21	0.96	453

(1) A PEA Technical Report was filed on November 5, 2020. In accordance with NI 43-101 Rules the Bolivar Mine Mineral Reserve are not valid after its issuance and have been removed. They will be reported as part of an NI 43-101 Mineral Reserve Report or Prefeasibility Study expected in early Q2 2021

(2) Details of the mineral resource estimates for Bolivar are presented in the Appendix.

Mexico | Bolivar Mine Production & Costs

Production	2017	2018	2019	Q4-2020	FY-2020
Tonnes processed ¹	887,237	1,031,750	1,269,697	383,607	1,480,588
Tonnes per day	2,535	2,948	3,628	4,384	4,230
Copper Eq (M lbs)²	18.3	21.3	27.2	8.1	35.8

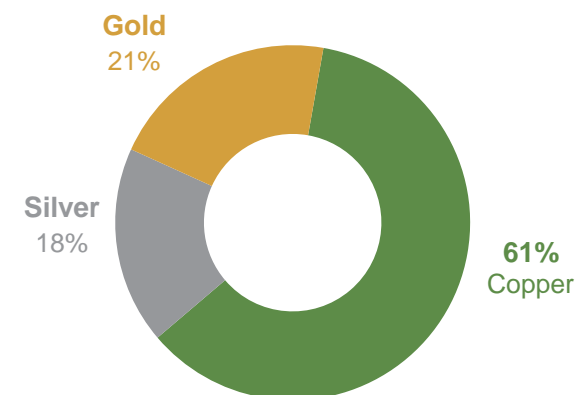
Financial Summary	2017	2018	2019	Q3-2020	9M-2020
Revenue (\$000's)	\$44,949	\$52,451	\$60,402	\$23,308	\$58,654
Net Income (Loss)	\$(3,230)	\$(3,593)	\$(3,417)	\$9,224	\$17,307
Adjusted EBITDA (\$000's) ³	\$11,900	\$10,984	\$5,511	\$12,702	\$29,346
Cash Cost per tonne processed	\$24.94	\$27.71	\$29.42	\$21.50	\$23.50
Cash Cost per Cu Eq pound sold	\$1.49	\$1.44	\$1.73	\$1.01	\$1.06
All-in Sustaining Cost per Cu Eq pound sold⁴	\$2.68	\$2.13	\$2.86	\$1.72	\$1.72

All figures as reported in Sierra's MD&A for the relevant period. 1. Metric tonnes 2. Copper equivalent pounds were calculated using quarterly realized metal prices. Copper equivalent figures will change based on metal prices used each quarter in the equivalent metal calculations. See Appendix for quarterly realized metal prices for the last 14 quarters. 3. Adjusted EBITDA includes adjustments for depletion and depreciation, interest expenses and other finance costs, interest income, share-based compensation, Foreign Exchange (gain) loss and income taxes. 4. All-in Sustaining Costs include Treatment and Refining Charges, Selling Costs, G&A Costs and Sustaining Capex.

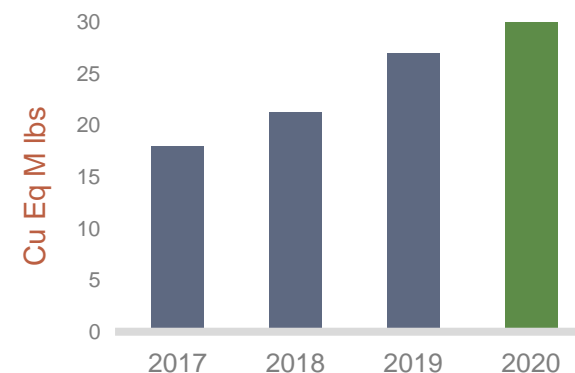


REVENUE MIX

(Three months ending September 30, 2020)

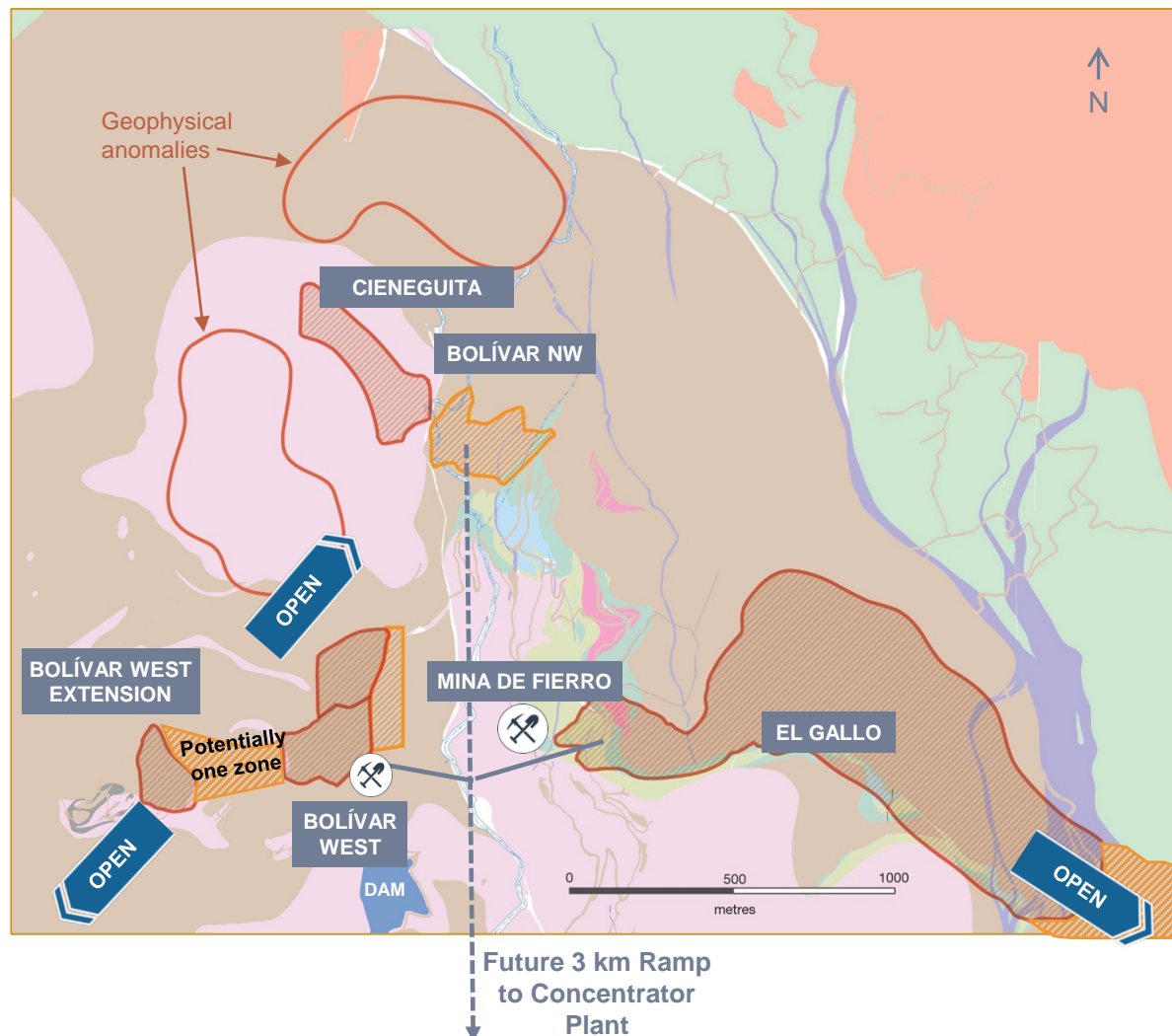


COPPER EQUIVALENT PRODUCTION (M LBS)



Mexico | Bolivar Northwest and Bolivar West Targets

- Discovery of the Bolivar West Extension, with similar characteristics and within close proximity to the Bolivar West structure. Average in situ grade of **2.09% copper equivalent** with an average true width of 8.2 meters.
- Bolivar West has an average in situ grade of **2.55% copper equivalent** with an average true width of 9.1 meters, which is significantly above El Gallo's current head grades.
- Throughput in 2020 to be 60% from Mina de Fierro (El Gallo) and 40% from Bolivar West.
- Developing Ramps to Bolivar Northwest and Cineguita to include these zones in future mill feed.
- Drilling on Geophysical anomalies continuing in H2 2020



Cusi Mine



An Established
And **Highly**
Prospective Silver
District



Mexico | Cusi Silver Mine


Ownership	100%
Size	11,671 Hectares
Commodities	Silver, zinc, lead, gold
Operation	Underground mine in development; sub-level and long hole mining
Mill throughput Capacity	1,200 TPD in 2020
2020 Production	1 M Oz Silver Equivalent
Concentrates	Lead and Zinc concentrates with significant silver
Deposit Type	High-grade, low sulphidation epithermal deposit



	Tonnes M	Ag (g/t)	Pb (%)	Zn (%)	Au (g/t)	Ag Eq (g/t)	Ag Eq (M oz)
Measured	0.85	213	0.26	0.30	0.06	231	6.3
Indicated	4.5	176	0.54	0.63	0.13	212	30.7
Inferred	4.9	146	0.43	0.69	0.18	183	28.8

Details of the mineral resource estimates for Cusi are presented in the Appendix.

Mexico | Cusi Mine Production & Costs

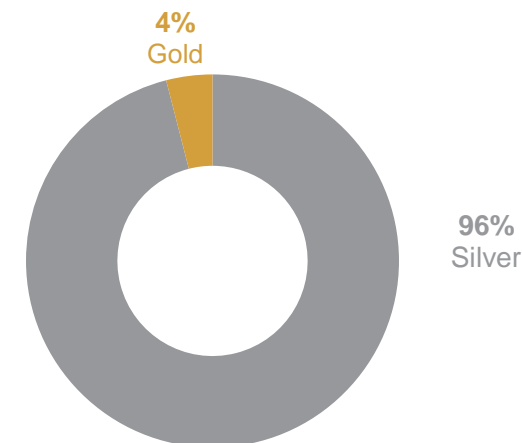
 The Cusi Mine remained in care and maintenance during Q2 2020 but was restarted during Q3 2020 in late July.

Production	2018	2019	Q4-2020	FY-2020
Tonnes processed ¹	186,889	285,236	82,683	230,429
Tonnes per day	534	815	945	658
Silver Eq (K ozs)²	813	1,029	383	998

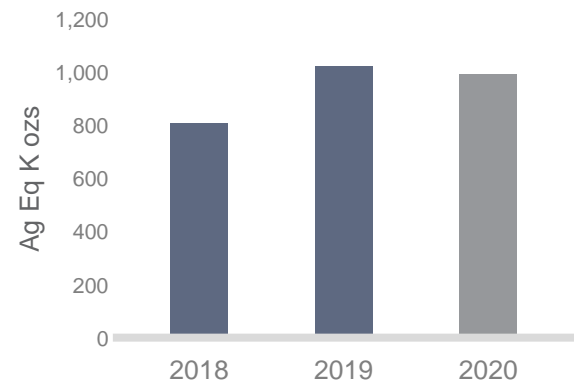
Financial Summary	2018	2019	Q3-2020	9M-2020
Revenue (\$000's)	\$11,263	\$12,653	\$5,323	\$10,313
Net Income (Loss)	\$(1,228)	\$(748)	\$1,588	\$(3,971)
Adjusted EBITDA (\$000's) ³	\$2,792	\$3,729	\$1,761	\$128
Cash Cost per tonne processed	\$64.25	\$63.61	\$57.31	\$68.85
Cash Cost per Ag Eq ounce sold	\$15.71	\$21.38	\$11.56	\$17.20
All-in Sustaining Cost per Ag Eq ounce sold⁴	\$22.09	\$30.89	\$16.47	\$23.54

All figures as reported in Sierra's MD&A for the relevant period. 1. Metric tonnes 2. Silver equivalent ounces were calculated using quarterly realized metal prices. Silver equivalent figures will change based on metal prices used each quarter in the equivalent metal calculations. See Appendix for quarterly realized metal prices for the last 14 quarters. 3. Adjusted EBITDA includes adjustments for depletion and depreciation, interest expenses and other finance costs, interest income, share-based compensation, Foreign Exchange (gain) loss and income taxes. 4. All-in Sustaining Costs include Treatment and Refining Charges, Selling Costs, G&A Costs and Sustaining Capex.

 **REVENUE MIX**
(Three months ending September 30, 2020)

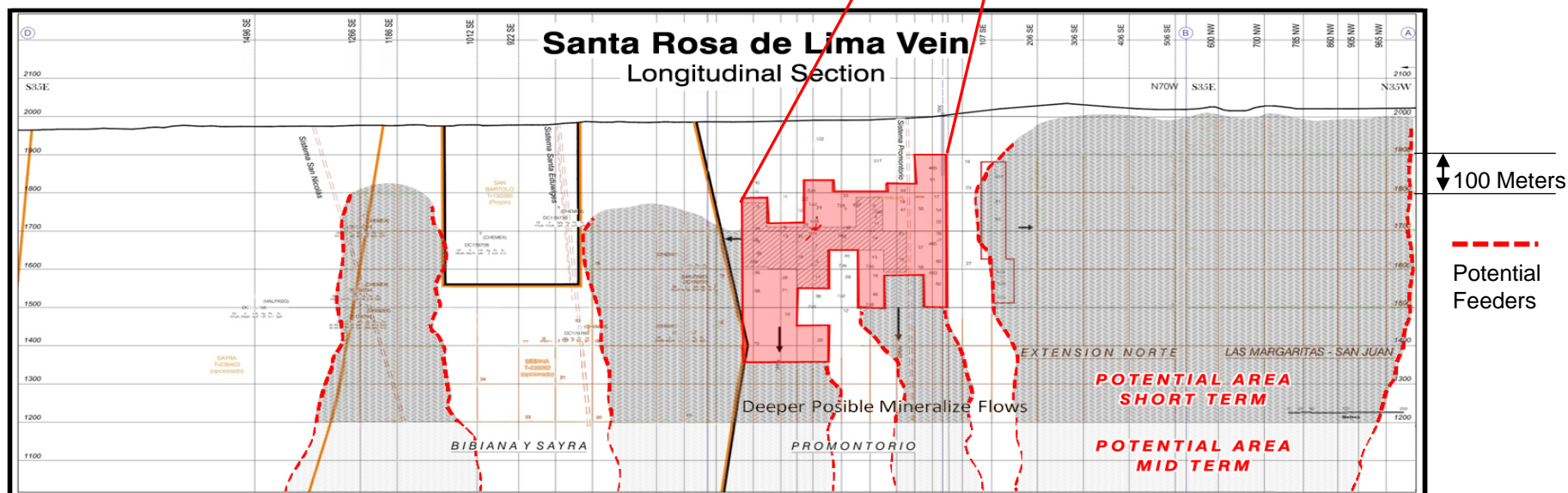
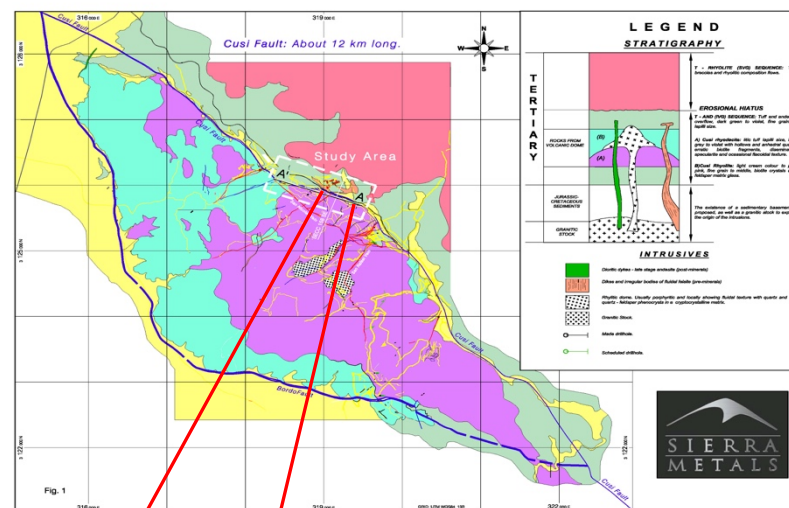


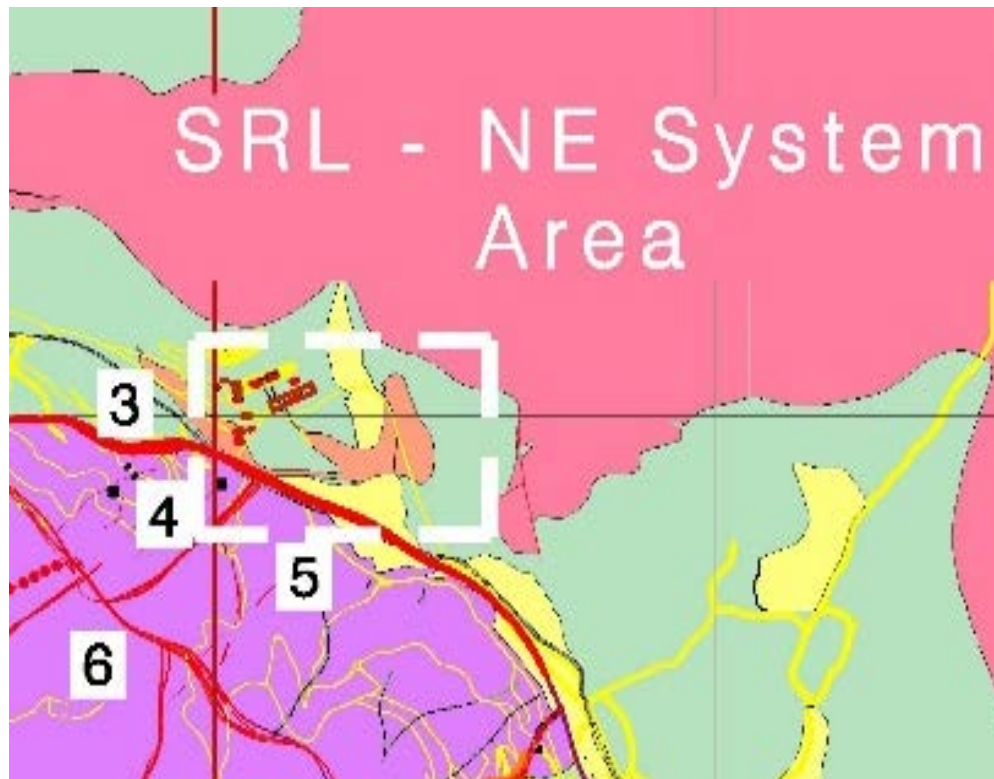
 **SILVER EQUIVALENT PRODUCTION (K OZ)**



Mexico | Cusi Mine Santa Rosa de Lima Zone

- The 2017 Cusi drilling program on the SRL zone totalled 29,500 meters – with an average in situ grade of the intercepts of 372 g/t AgEq and an average true width of 3.8 meters
- Step out drilling extends silver mineralization beyond the Santa Rosa de Lima zone with similar high-grade characteristics
- Zone extended from 1.0 km to 1.7 km all within the 12 km structure running inside Sierra Metals property boundary
- NI 43-101 Mineral Resource published Dec 2017





- 3. Santa Rosa de Lima Zone
- 4. Promontorio Zone
- 5. Veta Grande Zone
- 6. San Nicolas Zone

✿ The new **high-grade silver vein system** was discovered as a result of a combination of mine development work in recent months and confirmatory drilling includes true widths of:

- 17.45 m @ 428 g/t silver (464 g/t AgEq)
- 9.35 m @ 304 g/t silver (327 g/t AgEq)
- 8.75 m @ 303 g/t silver (322 g/t AgEq)
- 4.90 m @ 1,140 g/t silver (1,163 g/t AgEq)

✿ The Company has plans to drill an additional 1,000 meters to better understand the extension of the zone at depth and to Northeast.

✿ This mineralized zone is made up of multiple veins extending over 300 meters in length which are in proximity to the existing operations.

Investment Highlights | Why Invest In Sierra Metals?



Contact Information



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Corporate Office

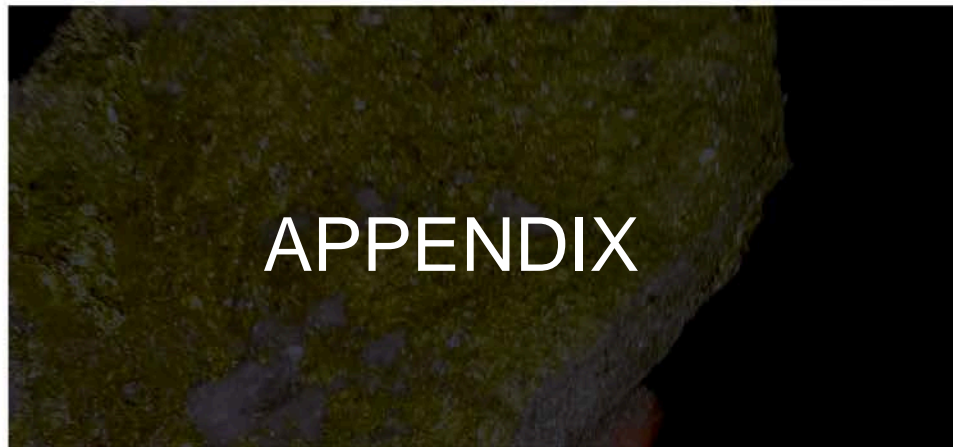
161 Bay Street
Suite 4260
P.O. Box 200
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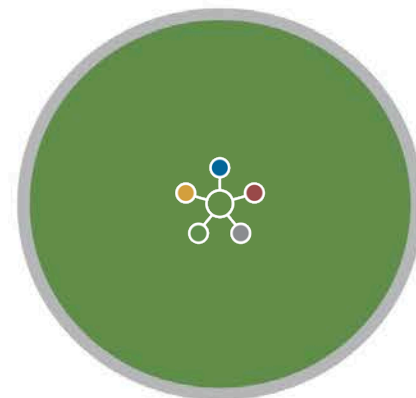
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www.sierrametals.com



SMT TSX
SMT BVL
SMTS NYSE AMERICAN



Mexico | Country Wide Growth Potential with over 90,000 hectares of mining concessions



Expansion Outlook | Summary of PEAs



Yauricocha Increasing Output to 5,500 TPD

Bolivar Doubling Output to 10,000 TPD

Cusi Doubling Output to 2,400 TPD

- ✓ After-tax Net Present Value (NPV): **US\$359 Million** at an 8% discount rate
- ✓ Incremental benefit of increasing the production to 5,500 TPD from 3,780¹ TPD is estimated to have an after tax NPV (@8%) of US\$28.4 million, and IRR of 35.7%
- ✓ Net After-tax Cash Flow: US\$527 Million
- ✓ Life of Mine & Sustaining Capital Cost: US\$234.9 Million
- ✓ Total Operating Unit Cost: US\$42.25/tonne and US\$1.19/lb copper equivalent cash cost
- ✓ Average LOM Grades of Silver 34.2 g/t (1.1 oz/t), Copper 1.28%, Gold 0.42 g/t (0.01 oz/t), Zinc 1.71% and Lead 0.48%
- ✓ Copper Price Assumption US\$3.05/lb
- ✓ Mine Life: 12 years based on updated Mineral Resource Estimate
- ✓ Life of Mine Copper Payable Production: 424 million lbs, Silver 13.1 million ozs, Gold 41.6 thousand ozs, Zinc 549 million lbs, Lead 169 million lbs

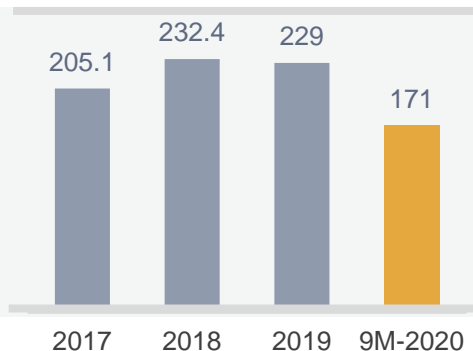
- ✓ After-tax Net Present Value (NPV): **US\$283 Million** at an 8% discount rate
- ✓ Incremental benefit of increasing the production to 10,000 TPD from 5,000 TPD is estimated to have an after tax NPV (@8%) of US\$57.4 million, and IRR of 27.9%
- ✓ Net After-tax Cash Flow: US\$521 Million
- ✓ Life of Mine & Sustaining Capital Cost: US\$317 Million
- ✓ Total Operating Unit Cost: US\$19.77/tonne and US\$1.16/lb copper equivalent cash cost
- ✓ Plant Processing Rate after expansion: 10,000 tonnes per day (TPD)
- ✓ Average LOM Copper Grade 0.72%
- ✓ Copper Price Assumption US\$3.05/lb
- ✓ Mine Life: 14 years based on updated Mineral Resource Estimate
- ✓ Life of Mine Copper Payable Production: 583 million lbs

- ✓ After-tax Net Present Value (NPV): **US\$81 Million** at an 8% discount rate
- ✓ Incremental benefit of increasing the production to 2,400 TPD from 1,200 TPD is estimated to have an after tax NPV (@8%) of US\$28.1 million, and IRR of 46.8%
- ✓ Net After-tax Cash Flow: US\$134 Million
- ✓ Life of Mine & Sustaining Capital Cost: US\$91 Million
- ✓ Total Operating Unit Cost: US\$35.24/tonne and US\$8.83/oz silver equivalent cash cost
- ✓ Plant Processing Rate after expansion: 2,400 tonnes per day (TPD)
- ✓ Average LOM Grades for Silver 127.2 g/t (4.1 oz/t) Gold 0.12 g/t, Zinc 0.48% and Lead 0.34%
- ✓ Silver Price Assumption US\$20/oz
- ✓ Mine Life: 13 years based on updated Mineral Resource Estimate
- ✓ Life of Mine Silver Payable Production: 33.4 million ozs

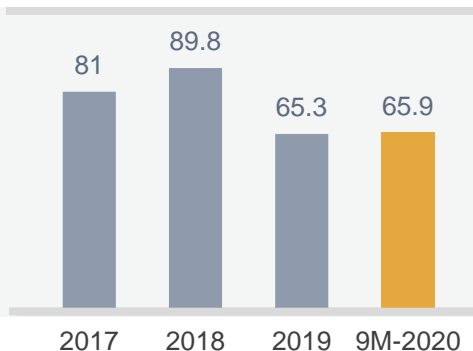
⁽¹⁾ 3,780 TPD represents expected upcoming expansion to 3,600 TPD plus a 5% overallotment allowance. (expected in Q12021)

Historical | Financial Performance

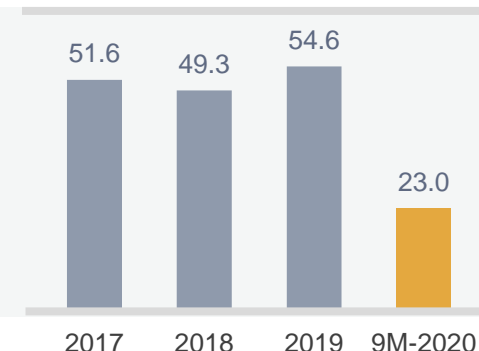
 Revenue (\$M)



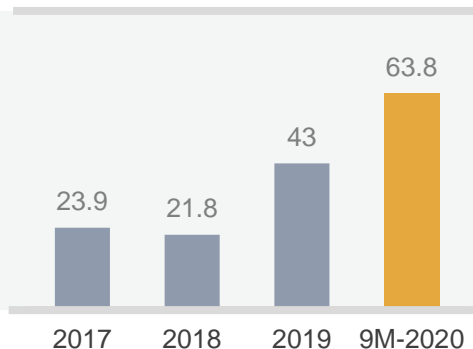
 Adjusted EBITDA



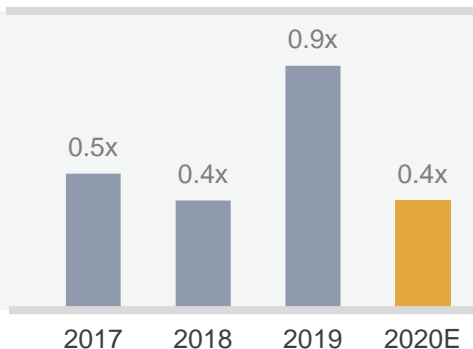
 CAPEX (\$M)



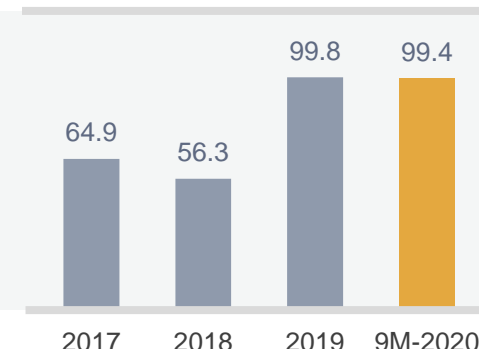
 Cash and Cash Equivalents (\$M)



 Net Debt/Adjusted EBITDA (\$M)²



 Debt (\$M)



All figures as reported in Sierra's MD&A for the relevant period.

- Adjusted EBITDA includes adjustments for depletion and depreciation, interest expenses and other finance costs, interest income, share-based compensation, Foreign Exchange (gain) loss and income taxes.
- 2020 Estimate assumes annualized rate for Adjusted EBITDA at 9M-2020.

Consolidated Debt | Breakdown

Estimated as of September 30, 2020	Senior Secured Corporate Credit Facility With BCP (US\$100M)
Balance Outstanding (USD)	\$99.4M
Term (years)	6
Maturity Date	March 2025
Interest Rate	3M LIBOR + 3.15%
Payment Schedule	2-year grace period – Principal payments begin June 2021
Use of Proceeds	Capital Projects & Working Capital



Production | Production by Metal

2020 Production				
Mine	Yauricocha	Bolivar	Cusi	Total
Silver (M oz)	1.8	0.8	0.9	3.5
Copper (M lb)	19.7	24.6	-	44.3
Lead (M lb)	31.6	-	1.4	33.0
Zinc (M lb)	81.9	-	-	81.9
Gold (oz)	4,292	8,860	619	13,771

Yauricocha Production	2017	2018	2019	2020
Tonnes processed ¹	1,023,491	1,106,649	1,116,919	1,117,860
Tonnes per day ¹	2,924	3,162	3,191	3,194
Silver oz (000's)	1,653	1,563	1,799	1,803
Copper lbs (000's)	11,719	16,741	20,059	19,726
Lead lbs (000's)	27,934	26,520	34,548	31,605
Zinc lbs (000's)	75,151	76,761	81,083	81,868
Gold ounces	2,894	3,403	4,165	4,292
Copper Eq (M lbs)²	69.0	69.3	78.4	75,079

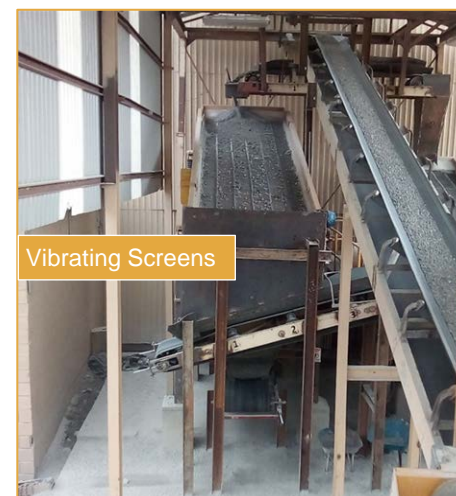
Bolivar Production	2017	2018	2019	2020
Tonnes processed ¹	887,237	1,031,750	1,269,697	1,480,588
Tonnes per day ¹	2,535	2,948	3,628	4,230
Silver oz (000's)	327	452	640	772
Copper lbs (000's)	15,056	17,227	19,830	24,536
Gold ounces	2,880	3,968	6,974	8,860
Copper Eq (M lbs)²	18.33	21.3	27.2	35,804

All figures as reported in Sierra's MD&A for the relevant period.

1. Metric tonnes
2. Silver equivalent ounces and copper equivalent pounds were calculated using quarterly realized metal prices.

Production | Production by Metal Cont'd

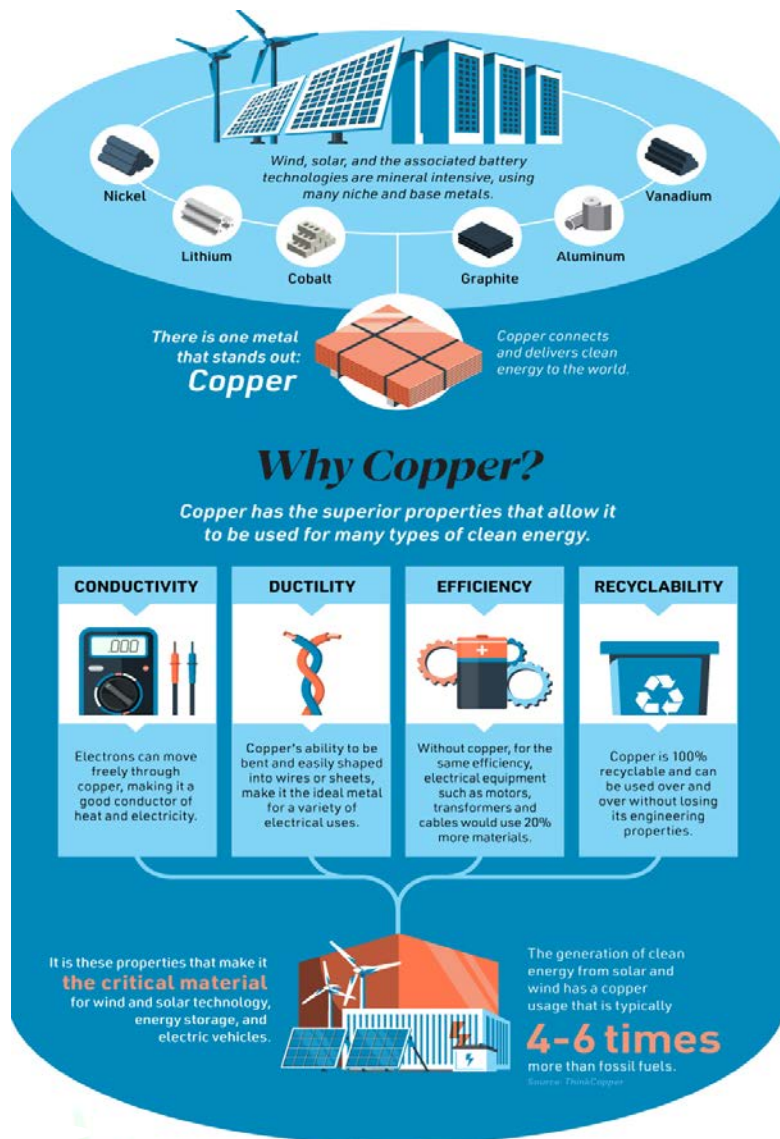
Cusi Production	2018	2019	2020
Tonnes processed ¹	186,889	285,236	230,429
Tonnes per day ¹	534	815	658
Silver oz (000's)	700	936	890
Lead lbs (000's)	1,194	904	1,367
Zinc lbs (000's)	71	-	-
Gold ounces	372	493	619
Silver Eq (K ozs)²	813	1,029	998



All figures as reported in Sierra's MD&A for the relevant period.

1. Metric tonnes
2. Silver equivalent ounces and copper equivalent pounds were calculated using quarterly realized metal prices.

Why Copper?



WHY COPPER?

The red metal has **four key properties** that make it ideal for the clean energy transition.

Conductivity

Efficiency

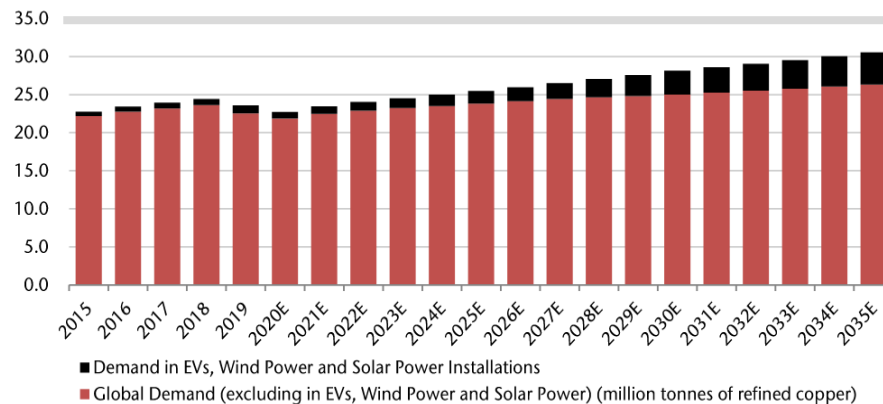
Ductility

Recyclability

It is these properties that make **copper the critical material** for wind and solar technology, energy storage, and electric vehicles.

It's also why, according to ThinkCopper, the generation of electricity from solar and wind uses **four to six times more copper** than fossil fuel sources.

GLOBAL COPPER DEMAND (million tonnes)



Jefferies Metals & Mining Research June 19, 2020

<https://javatar.bluematrix.com/sellside/EmailDocViewer?encrypt=c9186638-8df1-4a0b-bfcd-ea2d33bcddc&mime=html&co=Jefferies&id=michael.mcallister@sierrametals.com&source=mail>

Why Copper?

COPPER IN SOLAR

Solar power systems can **contain approximately 5.5 tons of copper per MW**. Copper is in the heat exchangers of solar thermal units as well as in the wiring and cabling that transmits the electricity in photovoltaic solar cells.

Navigant Research projects that 262 GW of new solar installations **between 2018 and 2027 in North America will require 1.9 billion lbs** of copper.

COPPER IN ENERGY STORAGE

There are many ways to store energy, but every method uses copper. For example, a **lithium ion battery contains 440 lbs of copper per MW and a flow battery 540 lbs of copper per MW**.

Copper wiring and cabling connects renewable power generation with energy storage, while the copper in the switches of transformers help to deliver power at the right voltage.

Across the United States, a total of 5,752 MW of energy capacity has been announced and commissioned.

COPPER IN WIND

A three-megawatt wind turbine **can contain up to 4.7 tons of copper** with 53% of that demand coming from the cable and wiring, 24% from the turbine/power generation components, 4% from transformers, and 19% from turbine transformers.

The use of copper significantly increases when going offshore. That's because **onshore wind farms use approximately 7,766 lbs of copper per MW, while an offshore wind installation uses 21,068 lbs of copper per MW**.

It is the cabling of the offshore wind farms to connect them to each other and to deliver the power that accounts for the bulk of the copper usage.

THE COPPER FUTURE

Advances in technologies create new material demands.

Therefore, it shouldn't be surprising that **the transition to renewables is going to create demand for many minerals** – and copper is going to be a critical mineral for the new era of energy.

COPPER IN ELECTRIC VEHICLES

Copper is at the heart of the electric vehicle (EV). This is because **EVs rely on copper for the motor coil** that drives the engine.

The more electric the car, the more copper it needs; a car powered by an internal combustion engine contains roughly 48 lbs, a hybrid needs 88 lbs, and a **battery electric vehicle uses 184 lbs**.

Additionally, the cabling for charging stations of electric vehicles will be another source of copper demand.

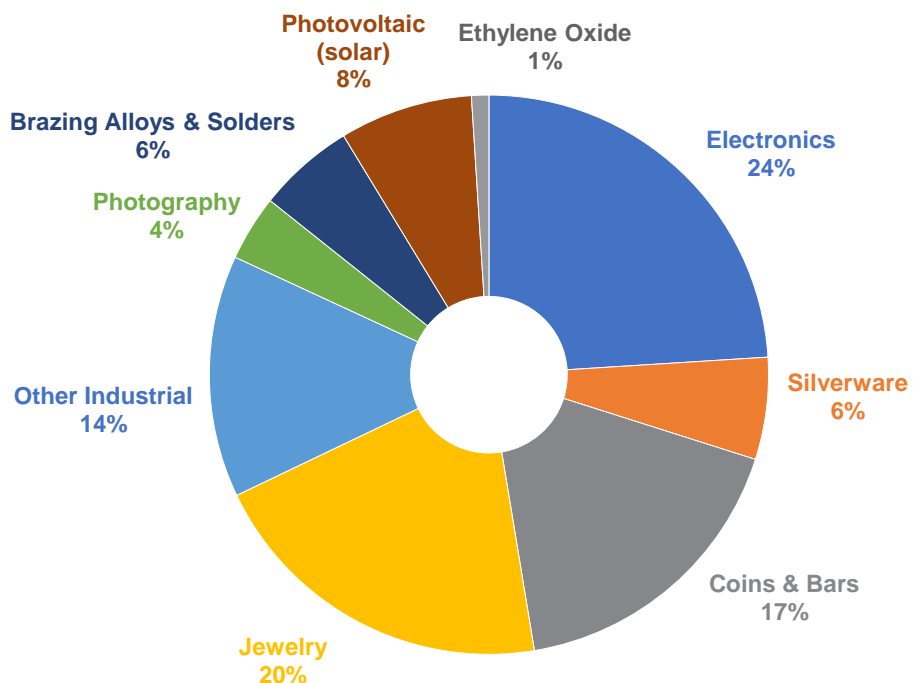
COPPER IN ANTIMICROBIAL APPLICATIONS

It has been shown that some common viruses with no vaccines are destroyed when they come into contact with copper. Recent studies also suggest that copper can significantly reduce the infectious properties of the coronavirus. Using copper alloys for common surface areas in hospitals, nursing homes, schools, subways, trains, buses, airplanes, restaurants, hotels, and beyond could significantly reduce the spread of infectious diseases, including the coronavirus.

Why Silver?

Silver is the most dynamic precious metal, with thousands of uses.

THE MANY USES OF SILVER



1,033.5 Moz
2018 Global Silver Demand

Silver as a versatile healing metal:

- ❖ Preventing Illness
- ❖ Water Purification
- ❖ Keeping Milk Cool
- ❖ Medicine
- ❖ Preventing Illness
- ❖ Healing Wounds

Silver as an industrial metal:

- ❖ Photography
- ❖ Computers
- ❖ Electronics
- ❖ Superconductors
- ❖ Water Purification
- ❖ Solar Panels

Silver in renewable energy:

- ❖ Silver demand will continue to grow due to its role in renewable energy, notably as a key component of solar photovoltaic cells.
- ❖ For every Gigawatt of solar power, approximately 2.8 million oz of silver is needed.

Consolidated | Reserve and Resource Table*



Resources - Measured and Indicated											Contained Metal							
		Tonnes (x1000)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	AgEq (g/t)	CuEq (%)	ZnEq (%)	Ag (M oz)	Cu (M lb)	Pb (M lb)	Zn (M lb)	Au (K oz)	AgEq (M oz)	CuEq (M lb)	ZnEq (M lb)
Yauricocha	Measured	4,904	56	1.13	0.83	2.59	0.59	-	-	6.71	8.8	122.2	89.4	280.1	93.5	-	-	725.2
	Indicated	11,020	38	1.20	0.52	2.05	0.50	-	-	5.77	13.6	291.1	126.7	498.9	178.0	-	-	1,403.0
	Measured & Indicated	15,924	44	1.18	0.62	2.22	0.53	-	-	6.06	22.4	413.3	216.2	779.0	271.5	-	-	2,128.2
Bolivar	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Indicated	19,352	15.1	0.77	-	-	0.21	-	0.95	-	9.4	328.7	-	-	127.8	-	406.9	-
	Measured & Indicated	19,352	15.1	0.77	-	-	0.21	-	0.95	-	9.4	328.7	-	-	127.8	-	406.9	-
Cusi	Measured	850	213	-	0.26	0.30	0.06	231	-	-	5.8	-	4.9	5.6	1.7	6.3	-	-
	Indicated	4,506	176	-	0.54	0.63	0.13	212	-	-	25.5	-	53.4	62.3	18.5	30.7	-	-
	Measured & Indicated	5,356	182	-	0.49	0.58	0.12	215	-	-	31.3	-	58.3	68.0	20.2	37.0	-	-
Total	Measured & Indicated	40,632	48	0.83	0.31	0.94	0.32				63.1	742.0	274.5	847.0	419.5	37.0	406.9	2,128
Resources - Inferred											Contained Metal							
		Tonnes (x1000)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	AgEq (g/t)	CuEq (%)	ZnEq (%)	Ag (M oz)	Cu (M lb)	Pb (M lb)	Zn (M lb)	Au (K oz)	AgEq (M oz)	CuEq (M lb)	ZnEq (M lb)
Yauricocha		11,633	27.5	1.40	0.31	0.95	0.45	-	-	4.75	10.3	357.9	79.3	242.5	167.4	-	-	1,219
Bolivar		21,387	14.2	0.78	-	-	0.21	-	0.96	-	9.8	368.3	-	-	145.6	-	453.0	-
Cusi		4,893	146.0	-	0.43	0.69	0.18	183	-	-	23.0	-	46.1	74.8	27.7	28.8	-	-
Total	Inferred	37,913	35.3	0.87	0.15	0.38	0.28				43.1	726.2	125.4	317.3	340.7	28.8	453.0	1,219

* See "cautionary note to US investors" on Disclaimers page

**A PEA Technical Report was filed on November 5, 2020 for Bolivar and a PEA Press Release filed on November 18th for Yauricocha. In accordance with NI 43-101 Rules the Bolivar Mine and Yauricocha Mine Mineral Reserves are not valid after these issuances and have been removed. They will be reported as part of the NI 43-101 Mineral Reserve Reports or Prefeasibility Studies expected in early Q2 2021.

Yauricocha Mine

The effective date of the Yauricocha mineral reserve and resource estimate is June 30, 2020. Details of the estimate are provided in the Company's November 18, 2020 press release and in the NI 43-101 technical report filed on SEDAR in December 2020. Zinc equivalency is based on the following metal price assumptions: US\$18.24/oz Ag, US\$3.05/lb Cu, US\$0.91/lb Pb, US\$1.06/lb Zn and US\$1,502/oz Au. Metallurgical recovery assumptions are variable between mineralization types, and are based on actual plant data for 2019. The average is (where recovered) 76% Ag, 75% Cu, 89% Pb, 89% Zn, 22% Au. The equivalency expression is designed to present an in-situ zinc equivalent, considering the recovered value of the other metals expressed in the value of zinc percent.

The equation

ZnEq =

$$\frac{((Ag * Ag\$ * Agrec) + (Cu * Cu\$ * Curec) + (Pb * Pb\$ * Pbrec) + (Zn * Zn\$ * Znrec) + (Au * Au\$ * Aurec))}{(Zn\$ * Znrec)}$$



Bolivar Mine

The effective date of the Bolivar mineral reserve and resource estimate is December 31, 2019. Details of the estimate are provided in the Company's October 20, 2020 press releases and in the NI 43-101 technical report filed on SEDAR in November 2020. Measured, Indicated and Inferred Resources include Proven and Probable Reserves. Copper equivalent is based on the following metal prices: US\$17.82/oz Ag, US\$3.08/lb Cu and US\$1,354 Au. Totals for Proven and Probable are diluted for internal waste. Metallurgical recovery assumptions are based on actual plant data for 2019 and are 78.6% Ag, 88% Cu, and 62.9% Au. The equivalency expression is designed to present an in-situ copper equivalent, considering the recovered value of the other metals expressed in the value of copper percent.

The equation

CuEq =

$$\frac{((Ag * Ag\$ * Agrec) + (Cu * Cu\$ * Curec) + (Au * Au\$ * Aurec))}{(Cu\$ * Curec)}$$



Cusi Mine

The effective date of the Cusi mineral resource estimate is Aug 31, 2020. Details of the estimate are provided in the Company's November 18, 2020 press release and in the NI 43-101 technical report filed on SEDAR on December 22, 2020. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Silver equivalency is based on the following metal price assumptions: US\$20.0/oz Ag, US\$0.91/lb Pb, US\$1.07/lb Zn and US\$1,541/oz Au. Based on the historical production information for Cusi, the metallurgical recovery assumptions are 87% Ag, 86% Pb, 51% Zn, 57% Au. The equivalency expression is designed to present an in-situ silver equivalent, considering the recovered value of the other metals expressed in the value of silver g/t.

The equation

AgEq =

$$\frac{((Ag * Ag\$ * Agrec) + (Pb * Pb\$ * Pbrec) + (Zn * Zn\$ * Znrec) + (Au * Au\$ * Aurec))}{(Ag\$ * Agrec)}$$

Historical | Realized Metal Prices

2018				2019				2020			
Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
\$ 16.75	\$ 16.36	\$ 14.85	\$ 14.63	\$ 15.57	\$ 14.88	\$ 17.28	\$ 17.42	\$ 16.57	\$ 16.59	\$ 24.89	\$ 24.30
\$ 3.14	\$ 3.12	\$ 2.79	\$ 2.77	\$ 2.85	\$ 2.75	\$ 2.63	\$ 2.69	\$ 2.53	\$ 2.40	\$ 2.97	\$ 3.32
\$ 1.15	\$ 1.09	\$ 0.94	\$ 0.89	\$ 0.94	\$ 0.85	\$ 0.94	\$ 0.92	\$ 0.80	\$ 0.76	\$ 0.85	\$ 0.89
\$ 1.56	\$ 1.38	\$ 1.14	\$ 1.16	\$ 1.23	\$ 1.20	\$ 1.06	\$ 1.07	\$ 0.93	\$ 0.89	\$ 1.08	\$ 1.22
\$ 1,334.00	\$ 1,296.00	\$ 1,206.00	\$ 1,238.00	\$ 1,305.00	\$ 1,323.00	\$ 1,481.00	\$ 1,506.00	\$ 1,585.00	\$ 1,722.00	\$ 1,916.00	\$ 1,859.00

2018				2019				2020			
3M 2018	6M 2018	9M 2018	FY 2018	3M 2019	6M 2019	9M 2019	FY 2019	3M 2020	6M 2020	9M 2020	FY 2020
\$ 16.75	\$ 16.56	\$ 15.99	\$ 15.65	\$ 15.57	\$ 15.23	\$ 15.91	\$ 16.29	\$ 16.57	\$ 16.58	\$ 19.35	\$ 20.59
\$ 3.14	\$ 3.13	\$ 3.02	\$ 2.96	\$ 2.85	\$ 2.80	\$ 2.74	\$ 2.73	\$ 2.53	\$ 2.46	\$ 2.63	\$ 2.80
\$ 1.15	\$ 1.12	\$ 1.06	\$ 1.02	\$ 0.94	\$ 0.90	\$ 0.91	\$ 0.91	\$ 0.80	\$ 0.78	\$ 0.80	\$ 0.83
\$ 1.56	\$ 1.47	\$ 1.36	\$ 1.31	\$ 1.23	\$ 1.22	\$ 1.16	\$ 1.14	\$ 0.93	\$ 0.91	\$ 0.97	\$ 1.03
\$ 1,334.00	\$ 1,315.00	\$ 1,279.00	\$ 1,269.00	\$ 1,305.00	\$ 1,314.00	\$ 1,370.00	\$ 1,404.00	\$ 1,585.00	\$ 1,654.00	\$ 1,742.00	\$ 1,771.00



All-in Sustaining Costs

The following tables provide detailed information on cost of sales, cash cost, and all-in sustaining cost per silver equivalent payable ounce, copper equivalent payable pound and zinc equivalent payable pound, taken from the Management Discussion and Analysis reports 2017, 2018, 2019, Three months and nine months ended September 30, 2020 (using realized metals prices).

CONSOLIDATED

CONSOLIDATED <i>(In thousand of US dollars, unless stated)</i>	Year Ended 2017	Year Ended 2018	Year Ended 2019	Three Months Ended 30-Sep-20	Nine Months Ended 30-Sep-20
Total Cash Cost of Sales	96,531	110,242	132,022	26,896	83,898
All-In Sustaining Cash Costs	160,834	157,418	218,914	54,897	155,255
Cost of Sales	100,979	115,180	135,192	29,247	88,638
Silver Equivalent Payable Ounces ('000's)	13,034	15,673	15,842	3,503	10,689
Cost of Sales per Silver Equivalent Payable Ounce (US\$)	7.75	7.35	8.53	8.35	8.29
Cash Cost per Silver Equivalent Payable Ounce (US\$)	7.41	7.03	8.33	7.68	7.84
All-In Sustaining Cash Cost per Silver Equivalent Payable Ounce (US\$)	12.34	10.04	13.82	15.67	14.51
Copper Equivalent Payable Pounds	79,222	82,992	95,087	29,382	78,651
Cost of Sales per Copper Equivalent Payable Pound (US\$)	1.27	1.39	1.42	1.00	1.13
Cash Cost per Copper Equivalent Payable Pound (US\$)	1.22	1.33	1.39	0.92	1.07
All-In Sustaining Cash Cost per Copper Equivalent Payable Pound (US\$)	2.03	1.90	2.30	1.87	1.97
Zinc Equivalent Payable Pounds	169,248	188,750	229,654	80,927	214,118
Cost of Sales per Zinc Equivalent Payable Pound (US\$)	0.60	0.61	0.59	0.36	0.41
Cash Cost per Zinc Equivalent Payable Pound (US\$)	0.57	0.58	0.57	0.33	0.39
All-In Sustaining Cash Cost per Zinc Equivalent Payable Pound (US\$)	0.95	0.83	0.95	0.68	0.73

YAURICOCHA

YAURICOCHA <i>(In thousand of US dollars, unless stated)</i>	Year Ended 2017	Year Ended 2018	Year Ended 2019	Three Months Ended 30-Sep-20	Nine Months Ended 30-Sep-20
Cash Cost per Zinc Equivalent Payable Pound & Copper Equivalent Payable Pound					
Total Cash Cost	63,890	69,976	79,155	15,936	44,926
Variation in Finished Inventory	(1,222)	(54)	(3,034)	(317)	3,583
Total Cash Cost of Sales	62,668	69,922	76,121	15,619	48,509
Treatment and Refining Charges	12,447	9,909	27,574	12,798	32,857
Selling Costs	4,156	4,382	4,746	1,377	3,573
G&A Costs	6,054	7,203	8,817	1,982	6,441
Sustaining Capital Expenditures	11,632	7,186	12,892	4,700	8,752
All-In Sustaining Cash Costs	96,957	98,602	130,150	36,476	100,132
Zinc Equivalent Payable Pounds	125,077	135,505	164,390	52,166	136,263
Copper Equivalent Payable Pounds	58,547	59,508	67,975	18,940	50,053
Cost of Sales	67,542	74,731	79,339	17,417	51,573
Cost of Sales per Zinc Equivalent Payable Pound (US\$)	0.54	0.55	0.48	0.33	0.38
Cash Cost per Zinc Equivalent Payable Pound (US\$)	0.50	0.52	0.46	0.30	0.36
All-In Sustaining Cash Cost per Zinc Equivalent Payable Pound (US\$)	0.78	0.73	0.79	0.70	0.73
Cost of Sales per Copper Equivalent Payable Pound (US\$)	1.15	1.26	1.17	0.92	1.03
Cash Cost per Copper Equivalent Payable Pound (US\$)	1.07	1.18	1.12	0.82	0.97
All-In Sustaining Cash Cost per Copper Equivalent Payable Pound (US\$)	1.66	1.66	1.91	1.93	2.00

All-in Sustaining Costs (Continued)

BOLIVAR

BOLIVAR (In thousand of US dollars, unless stated)	Year Ended 2017	Year Ended 2018	Year Ended 2019	Three Months Ended 30-Sep-20	Nine Months Ended 30-Sep-20
Cash Cost per copper equivalent payable pound					
Total Cash Cost	22,127	28,593	37,353	8,825	25,784
Variation in Finished inventory	4,342	(1,026)	713	(311)	206
Total Cash Cost of Sales	26,468	27,567	38,066	8,514	25,990
Treatment and Refining Charges	4,695	4,233	6,603	1,447	4,995
Selling Costs	2,777	3,419	4,007	1,045	3,104
G&A Costs	2,577	3,651	4,035	1,013	4,015
Sustaining Capital Expenditures	11,054	2,011	10,288	2,466	4,156
All-In Sustaining Cash Costs	47,572	40,881	62,999	14,485	42,260
Copper Equivalent Payable Pounds	17,747	19,183	22,054	8,438	24,581
Cost of Sales	27,418	33,168	44,721	8,596	26,298
Cost of Sales per Copper Equivalent Payable Pound (US\$)	1.54	1.73	0.84	1.02	1.07
Cash Cost per Copper Equivalent Payable Pound (US\$)	1.49	1.44	0.72	1.01	1.06
All-In Sustaining Cash Cost per Copper Equivalent Payable Pound (US\$)	2.68	2.13	1.19	1.72	1.72

CUSI

CUSI (In thousand of US dollars, unless stated)	Year Ended 2017	Year Ended 2018	Year Ended 2019	Three Months Ended 30-Sep-20	Nine Months Ended 30-Sep-20
Cash Cost per silver equivalent payable ounce					
Total Cash Cost	7,659	12,008	18,144	4,002	10,173
Variation in Finished inventory	(264)	745	(309)	(1,239)	(774)
Total Cash Cost of Sales	7,396	12,753	17,835	2,763	9,399
Treatment and Refining Charges	2,412	1,498	1,775	503	1,257
Selling Costs	610	750	987	158	499
G&A Costs	566	802	886	201	541
Sustaining Capital Expenditures	5,323	2,132	4,282	311	1,167
All-In Sustaining Cash Costs	16,306	17,934	25,765	3,936	12,863
Silver Equivalent Payable Ounces (000's)	481	812	834	239	546
Cost of Sales	6,019	7,281	11,132	3,234	10,767
Cost of Sales per Silver Equivalent Payable Ounce (US\$)	12.51	8.97	13.35	13.53	19.70
Cash Cost per Silver Equivalent Payable Ounce (US\$)	15.37	15.71	21.38	11.56	17.20
All-In Sustaining Cash Cost per Silver Equivalent Payable Ounce (US\$)	33.90	22.09	30.89	16.47	23.54

The following tables provide detailed information on cost of sales, cash cost, and all-in sustaining cost per silver equivalent payable ounce, copper equivalent payable pound and zinc equivalent payable pound, taken from the Management Discussion and Analysis reports 2017, 2018, 2019, Three months and nine months ended September 30, 2020 (using realized metals prices).

Consolidated Statement of Cash Flows

<i>(in thousands of US dollars, unless stated)</i>	Year End 2017	Year End 2018	Year End 2019	Three Months Ended 30-Sep-20	Nine Months Ended 30-Sep-20
Cash flows from operating activities					
Net income (loss) from operations	(860)	25,840	9,417	19,490	18,043
Adjustments for:					
Items not affecting cash:					
Depletion, depreciation and amortization	58,236	31,349	36,084	10,965	29,264
Share-based compensation	1,198	1,542	1,174	199	465
Loss on disposals and write-offs	-	-	1,072	3	956
Change in supplies inventory reserve	-	1,730	238	-	-
Revisions in estimates of decommissioning liability at closed mine	-	-	144	-	-
Interest expense and other finance costs	3,726	3,634	5,055	1,278	3,664
Net Realizeable value adjustment to inventory	-	-	-	-	1,216
Loss on spin out of Plexmar net assets	4,412	-	-	-	-
NRV Adjustment to inventory	2,106	1,110	-	-	-
Current income tax expense	23,416	25,432	17,416	7,439	11,532
Deferred income tax recovery (recovery)	(13,068)	908	(4,888)	(770)	1,668
Unrealized derivative gains	-	-	-	(712)	(712)
Unrealized foreign currency exchange gain (loss)	619	(1,397)	647	(40)	650
Operating cash flows before movements in working capital	79,785	90,148	66,359	37,852	66,746
Net changes in non-cash working capital items	(7,899)	2,447	(3,680)	(3,298)	(11,677)
Decommissioning liabilities settled	(1,423)	(1,163)	(914)	(29)	(272)
Income taxes paid	(15,994)	(29,529)	(22,178)	(2,033)	(7,625)
Cash generated from operating activities	54,469	61,903	39,587	32,492	47,172
Cash flows used in investing activities					
Capital Expenditures	(51,607)	(49,315)	(54,621)	(8,495)	(22,956)
Cash used in investing activities	(51,607)	(49,315)	(54,621)	(8,495)	(22,956)
Cash from (used in) financing activities					
Proceeds from issuance of notes payable	14,750	10,000	-	-	-
Proceeds from issuance of loans, net of transaction costs	15,000	15,000	99,814	-	-
Repayment of loans and credit facilities	(44,516)	(33,810)	(56,193)	-	-
Loans interest paid	(2,953)	(2,766)	(4,615)	(886)	(3,208)
Dividends paid to non-controlling interest	(3,372)	(2,883)	-	-	-
Cash paid to repurchase shares	-	-	(2,844)	-	-
Cash (used in) financing activities	(21,091)	(14,459)	36,162	(886)	(3,208)
Effect of foreign exchange rate changes on cash and cash equivalents	(38)	(175)	20	(8)	(142)
Increase (decrease) in cash and cash equivalents	(18,267)	(2,046)	21,148	23,103	20,866
Cash and cash equivalents, beginning of year	42,145	23,878	21,832	40,743	42,980
Cash and cash equivalents, end of period	23,878	21,832	42,980	63,846	63,846

Proven and Experienced | Management Team



Luis Marchese

Chief Executive Officer

Mr. Marchese has over 25 years' experience in the mining sector. He spent the majority of his career with Anglo American, where he held progressive positions including that of Country Manager, Senior Advisor to the CEO and General Manager of the Quellaveco and Michiquillay Projects in Peru. Mr. Marchese's earlier operating experience also includes service with Hudbay in Canada. Recently, he was a Director to Compañía Minera San Ignacio de Morococha and an Alternate Director to Compañía Minera Poderosa. Mr. Marchese also served as President of Peru's Society of Mining, Oil and Energy from 2017 to 2019.

Gabriel Pinto

Vice President Sustainability and Corporate Affairs

Mr. Pinto is a forestry engineer with more than 20 years of experience in Environmental Management related to operations in the mining and hydrocarbons sector, as well as community relations, health, and safety. His was previously at Barrick Gold where he held various positions in its operations and was part of the corporate Audit team with activities in South America, Africa, and Oceania. He was also Permits Manager for Peru, and later assumed the position of Corporate Director. After that, he was the Latin American Regional Director for Safety, Health and Environment.

Ed Guimaraes

Chief Financial Officer

29 years experience in the mining industry, most recently in a consulting role and several Board directorships. Mr. Guimaraes joined Sierra Metals in 2014, previously he was with Aur Resources between 1995 and 2007, ultimately serving as Executive Vice-President, Finance and Chief Financial Officer, until its acquisition by Teck Resources. Prior to 1995, he worked in the Toronto mining group of PricewaterhouseCoopers.

Augusto Chung

CP (Metallurgist), Vice President, Special Projects and Metallurgy

Over 34 years metallurgical and mine management experience with a positive track record for increasing companies' output and company value. Mr. Chung was most recently with Rio Alto Mining as the Vice President of Projects. Prior to that he worked with Milpo, Barrick and Antamina and Southern Peru Copper.

Alonso Lujan

Vice President Exploration,
Country Manager Mexico

28 years international experience in mineral exploration with a positive track record for increasing companies' resources, output and company value. Mr. Lujan most recently spent 6 years with Mata-Trafigura as the General Manager. Prior to that he worked with Hochschild Mining and Minas de Bacis SA de CV.

Americo Zuzunaga

CP (Mining Engineer),
Vice President, Corporate Planning

Over 30 years of international experience in mining operations, mine and business planning, engineering studies (PEA, PFS, FS), Project Management and optimizing development. Mr. Zuzunaga was most recently at BISA as a Technical Studies Manager and previously worked at BHP Billiton in successive planning roles. Previously he has been employed with Antamina, Yanacocha and Southern Peru Copper. He has a MBA in Strategic Planning from CENTRUM, Business School of Pontificia Universidad Católica del Perú.

Mike McAllister

Vice President,
Investor Relations

16 years of experience working with public mining companies, the last 10 as a mining specialized investor relations and corporate development professional. Mr. McAllister joined Sierra Metals in 2015, previously he worked for Avion Gold which was Acquired by Endeavour Mining, Savary Gold, Alder Resources and Black Iron in their Investor Relations and Corporate Development programs. Previously Mr. McAllister worked at BMO Capital Markets in the Metals & Mining Group.

James León

Country Manager Peru,
General Manager, Yauricocha

Mr. James León is a Mining Engineer with more than 27 years of experience in mechanized mining operations. Prior to joining the Company, Mr. León worked with Buenaventura, where he held various positions until he was Regional Operations Manager. He holds a Masters Degree in Strategic Business Administration (MBA) from Pontificia Universidad Católica del Perú (PUCP) as well as a degree from the Management Development Program (PDD) of the University of Piura.

Experienced and Accomplished | Board of Directors



Jose Alberto Vizquerra-Benavides

Chairman & Director

Mr. Vizquerra is President and CEO of O3 Mining. The Young Mining Professionals recognized Mr. Vizquerra as one of their Young Mining Professionals of the he was Executive Vice President of Strategic Development for Osisko Mining. Mr. Vizquerra joined Osisko Mining from Oban Mining Corporation, where, he played a leading role in the combination of Oban, Corona Gold, Eagle Hill Exploration and Ryan Gold to form Osisko Mining. Before that, Mr. Vizquerra worked with Buenaventura and at the Red Lake gold mine in Ontario. Mr. Vizquerra is as a director of Osisko Mining and as an advisor to the boards of Discovery Metals Corporation and Palamina Resources. Mr. Vizquerra is an alumni of the General Management Program at the Wharton School of Business. He holds an MSc in Mineral Exploration from Queens University and is a Qualified Person pursuant to National Instrument 43-101.

Doug Cater

Director

Mr. Cater, a seasoned geologist with over 30 years of experience in the gold mining and exploration business and is currently and independent consultant. He previously served as Vice President, Exploration at Kirkland Lake Gold. He also serves as a Council member of the Association of Professional Geoscientists of Ontario (APGO), representing the Southwest Ontario district.

Luis Marchese

Chief Executive Officer

Mr. Marchese has over 25 years' experience in the mining sector. He spent the majority of his career with Anglo American, where he held progressive positions including that of Country Manager, Senior Advisor to the CEO and General Manager of the Quellaveco and Michiquillay Projects in Peru. Mr. Marchese's earlier operating experience also includes service with Hudbay in Canada. Recently, he was a Director to Compañía Minera San Ignacio de Morococha and an Alternate Director to Compañía Minera Poderosa.

Steven Dean

Director

Mr. Dean has extensive international experience in the mining industry and was formerly the Chairman & CEO of Atlantic Gold. Previously Mr. Dean was the President of Teck Cominco (now Teck Resources). Prior to joining Teck, he was a founding director of Normandy Poseidon Group (which became Normandy Mining) as well as founder of PacMin Mining.

Alberto Arias

Director

Mr. Arias has over 26 years of experience in the field of international mining finance. He is the founder and President of Arias Resource Capital Management LP ("ARCM"). Prior to ARCM, he was Managing Director & Head of Equity Research for Metals and Mining at Goldman Sachs and a former mining analyst at UBS.

Dionisio Romero Paoletti

Director

Mr. Romero is Chairman of the Board of Directors of Credicorp and Banco de Credito – BCP, Peru's largest bank, and has been the Chief Executive Officer of Credicorp (NYSE: BAP) since 2009. Mr. Romero is a graduate of Brown University with a degree in Economics and earned an MBA from Stanford University.

Ricardo Arrarte

Director

Mr. Arrarte has over 20 years' experience in management, operations, and consulting for mining companies. He has previously worked as Operations Manager of Hochschild Mining PLC's 4 silver mines in Peru, as CEO for Compania Minera Caudalosa SA, as Planning and Engineering Manager for Consorcio Minero Horizonte, as Engineering Consultant for Buenaventura Ingenieros SA - BISA, as Mine Manager for Fosfatos Del Pacifico. SA, and as Geology and Mine Central Manager for Cementos Pacasmayo SAA. Mr. Arrarte earned his Mining and Mechanical Engineering degrees from Pontificia Universidad Catolica Del Peru and his MBA from the George Washington University in Washington, D.C.

Koko Yamamoto

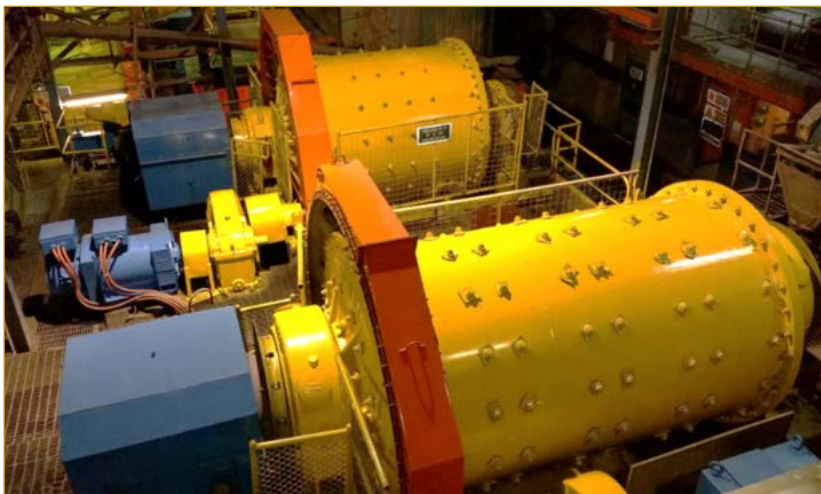
Director

Ms. Yamamoto is a CPA with over 19 years' experience and is a partner at McGovern, Hurley LLP. focused on assurance engagements for reporting issuers in the resource sector. She is involved in IPO's and private placements and M&A. She is currently a director for Largo Resources Inc. And the Chair of their Audit Committee. Ms. Yamamoto is registered as a panel auditor with IIROC, which enables her to conduct audits of investment dealers. Ms. Yamamoto obtained her CPA CA designation in 2001 and holds a Bachelor of Commerce from the University of British Columbia.

Alberto Beeck

Advisor to the Board

Alberto Beeck is an investor and entrepreneur who combines his time between businesses and social impact activities in the education sector. He is Managing Partner of Cranley Investments Holdings, Managing Partner of VH Properties, Chairman of Lumni and of Sin Limites. Mr Beeck serves on several boards and is a member of the board of trustees of Georgetown University.



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