METALSOURCE MINING LAUNCHES MAJOR STEP OUT PROGRAM WITH 1.1 KM NORTHERN TARGET TO TEST BROADER SCALE OF SILVER HILL

Phase 2 expands beyond Silver Hill proper as SH26-34 intersects approximately 20 metres of mineralization, including multiple massive sulphide intervals with assays pending, while surface mineralization and correlated IP anomalies strengthen the case for broader expansion

Vancouver, BC – October 07, 2026 - Metalsource Mining Inc. (CSE: MSM | OTCQB: MSMMF | Frankfurt: E9Z) ("Metalsource" or the "Company") is pleased to announce the commencement of Phase-2 Exploration Drilling at Silver Hill. Phase-2 exploration is designed to test a comprehensive dataset generated by the company from Q2 2026. Near-mine exploration drilling has fingerprinted Induced Polarization (IP) response to massive sulfides and new anomalies have been generated via rock chip sampling of available subcrop. Together, these results provide Metalsource with an increasingly robust technical framework to step beyond Silver Hill proper and begin testing the broader scale of the system.

Key Highlights

- **Major Exploration Expansion:** Phase 2 marks a transition from predominantly near mine drilling toward increasingly larger step outs and the systematic testing of previously undrilled targets beyond Silver Hill proper.
- **IP Signature Correlated With Known Mineralization:** Near mine drilling has established a positive correlation between key IP responses and known Silver Hill mineralization, providing an important targeting tool as exploration expands beyond the current drilling footprint.
- **Northern Targets Ready to Drill:** Multiple high priority IP anomalies approximately **1,120 metres north of Silver Hill** are ready for drill testing.
- **Surface Mineralization Adds Another Vector:** Gold, silver, lead and zinc mineralization identified in subcrop approximately 240 metres northeast of Silver Hill occurs on trend with northern IP anomalies, providing an additional geological vector for exploration.
- **Expanded Drilling Capacity:** Drilling production has tripled with the addition of a second rig and night shift, allowing one drill to continue expanding Silver Hill while the second tests targets along the broader trend.

Near-Mine IP Results Testing

Recent exploration drilling between SH26-05 and SH25-01 (near surface) established continuity of mineralization within a 100 square meter block of previously unexplored ground at Silver Hill. This work also tested IP data collected in the mine area. Results show there is a positive correlation between +25msec polarization and +2,000ohm-m conductivity with mineralization at Silver Hill. Polarization in this context represents the sulfides in the rock mass (Figure 1), while resistive rocks are interpreted to represent silicic alteration. This combination represents a meaningful target at Silver Hill, as demonstrated with the drilling results shown in Figure 2. SH26-34 (assay pending) intercepted approximately 20m of mineralization, including multiple intervals of massive sulfides

(Figure 1).

Surface Mineralization

Project geologists discovered gold-silver-lead-zinc mineralization in subcrop approximately 240m northeast of Silver Hill (Figure 4). The Initial interpretation is the mineralization is in the footwall of the main Silver Hill mineralization, on trend with northern IP anomalies. A drill pad designed to test the near surface extent of this anomaly has been built, with drilling anticipated

Dale Moore, HeadGeologist of Metalsource Mining, commented:

"The important development for us is that several independent datasets are beginning to converge. Drilling has established continuity within the known Silver Hill mineralization and has also helped us characterize the IP response associated with that mineralization. As we move outward, we are seeing prospective IP responses along trend, together with surface mineralization to the north, which gives us increasingly compelling targets to test. Historically, our drilling has concentrated primarily on areas where mineralization was already known. Phase 2 is fundamentally different. This next phase is designed to begin answering the larger question of just how extensive the Silver Hill system may be. We are now stepping beyond that footprint and testing previously undrilled targets to evaluate our current interpretation that the known Silver Hill mineralization may represent a smaller portion of a potentially broader mineralized system."in late Q4 2026 or Q1 2027".



Figure 1: Panoramic view of mineralization intercepted in SH26-34

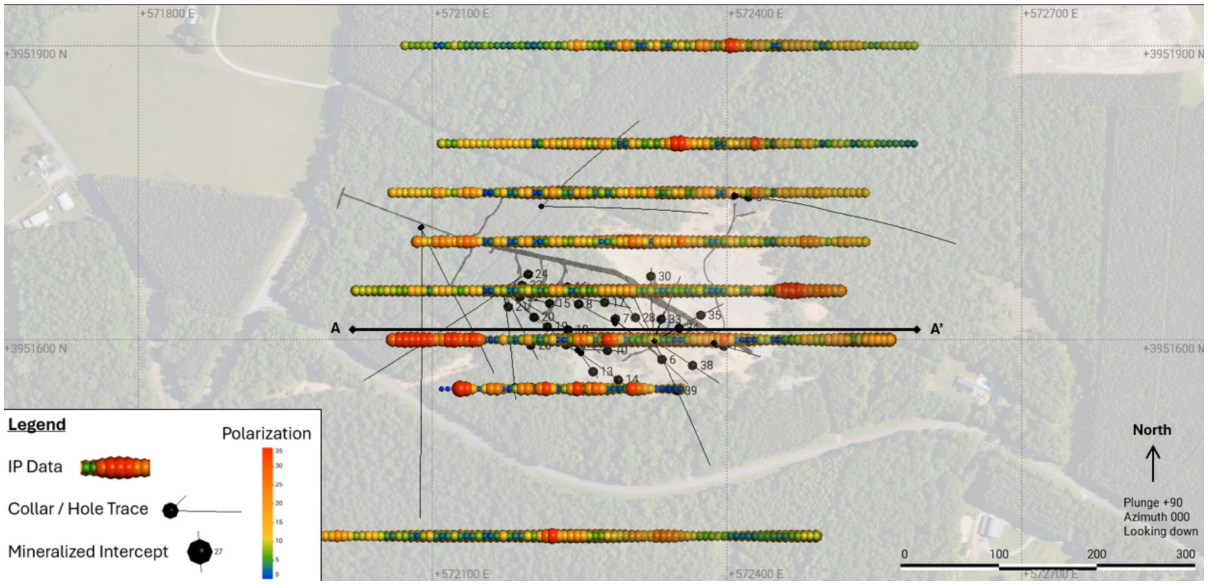


Figure 2: Plan view showing current drilling extent at Silver Hill.

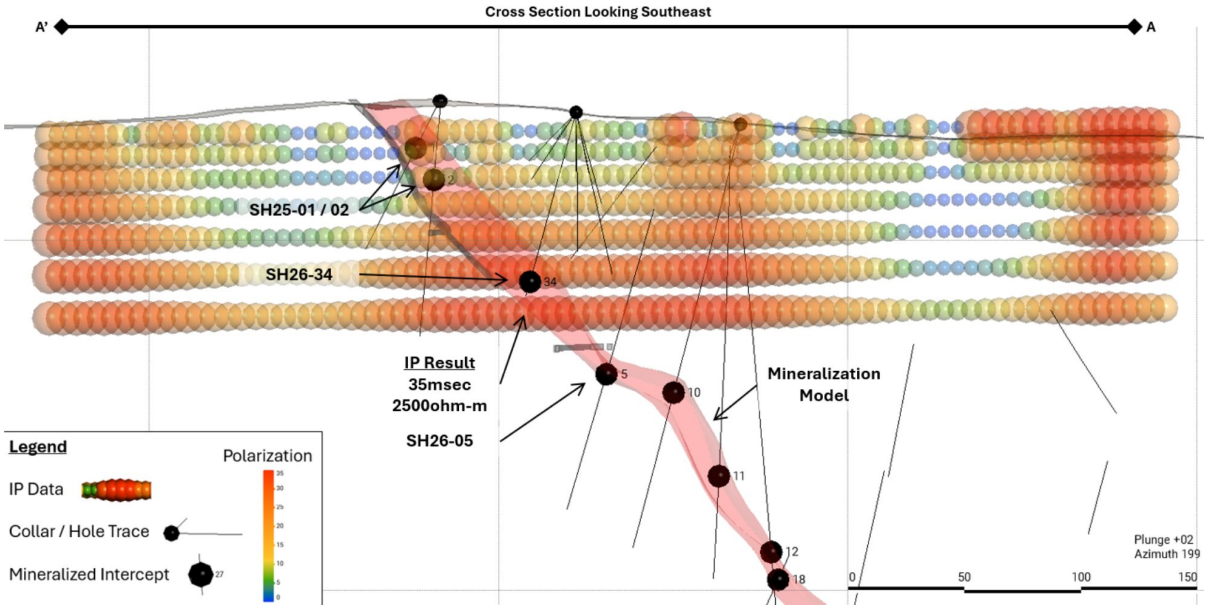


Figure 3: Cross section looking southeast (199°) showing mineralization relative to IP results. Note SH26-34 is adjacent IP result of 35msec (polarization) and 2500ohm-m (conductivity).

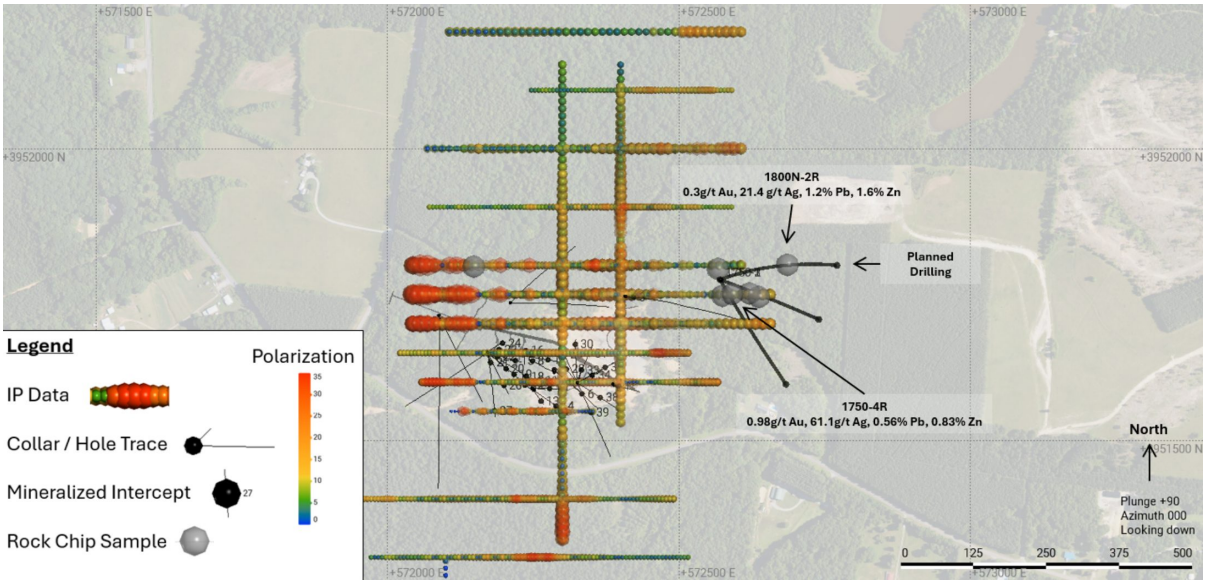


Figure 4: Plan view showing the location of surface mineralization relative to Silver Hill.

Easting	Northing	Elev. (m)	Sample ID	Au (g/t)	Ag (g/t)	Pb (ppm)	Zn (ppm)	Cu (ppm)
572686	3951801	226	1800N-2R	0.33	21.4	12,050	16,050	310
572567	3951794	213	1800N-6R	0.39	9.8	253	3,200	588
572148	3951798	229	1800N-25R	0.19	3.0	365	648	116
572575	3951748	222	1750N-3R	0.12	4.2	557	2,550	284
572591	3951751	231	1750N-4R	0.98	61.1	5,600	8,390	688
572621	3951752	228	1750N-5R	0.03	12.4	6,820	12,600	6
572637	3951746	223	1750N-6R	0.00	0.1	32	163	3

Table 1: Table of results showing rock chip assays from surface sampling of subcrop north of Silver Hill.

Northern IP Anomalies

Multiple prospective IP anomalies along the Silver Hill trend meet the threshold for targeting given the fingerprinting work discussed above. North of Silver Hill approximately 1,120m, multiple high-priority IP targets exist, and are ready to drill. Figure 5 shows the location of planned drilling relative to Silver Hill. Figure 6 shows a cross section of the anomaly with planned drill hole traces.

Increased Drill Production

Drilling production at Silver Hill has tripled, with the addition of a second drill rig, and a night shift. Drill 1 will remain focused on increasing the scale of mineralization at Silver Hill, while Drill 2 will focus on testing on trend targets.

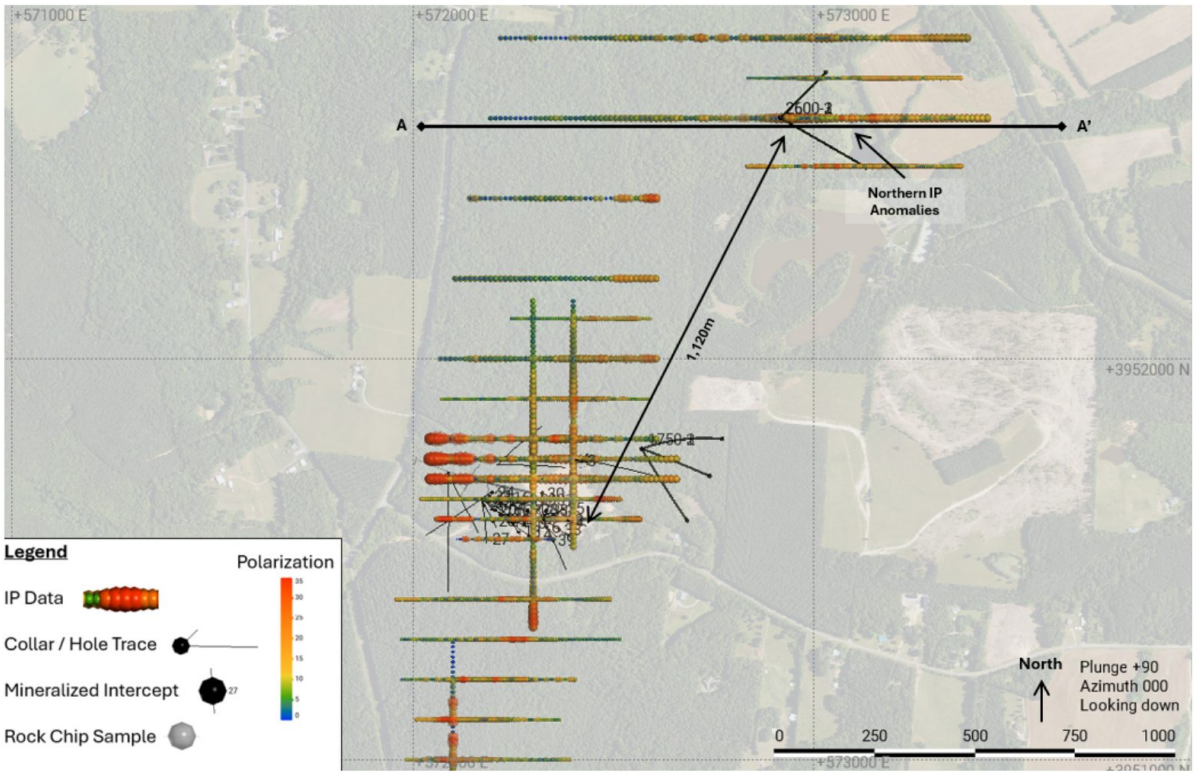


Figure 5: Plan view showing the location of planned exploration drilling designed to test northern IP anomalies.

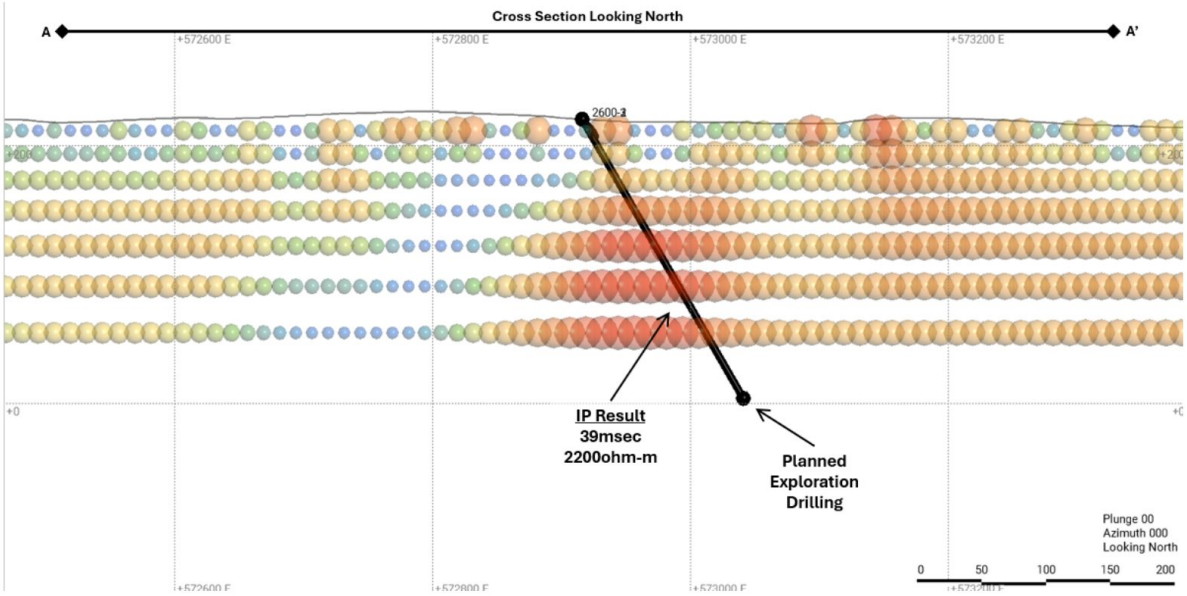


Figure 6: Cross section looking north showing IP anomaly relative to planned exploration drilling.

Joe Cullen, CEO of Metalsource Mining, commented:

"This is the exploration phase we've been building toward all year. Drilling has given us increasing confidence in the grade and continuity at Silver Hill, while the convergence of drilling, surface mineralization and geophysics is giving us compelling targets well beyond the area explored to date. These targets remain untested, but the evidence gives

us the confidence to become increasingly aggressive with our exploration.

“For nearly 200 years, Silver Hill has largely been understood through the historic mine and the mineralization immediately surrounding it. Phase 2 begins asking a much bigger question: what is the true scale of this system, and how far does it extend to the north and south? With two drills turning and multiple high priority targets ahead of us, we’re now positioned to begin answering that question.”

What's Next

- **Increasingly Larger Step Outs:** Metalsource plans to progressively increase the scale of step out drilling to the north and south, moving beyond the current footprint to test how far the Silver Hill system may extend.
- **Testing the Broader Trend:** Phase 2 will begin systematically testing high priority targets beyond Silver Hill proper, including previously undrilled IP anomalies farther along trend. The objective is to determine whether the known Silver Hill mineralization forms part of a broader mineralized system.
- **Expanding the Northern Exploration Front:** Follow up drilling is planned around the newly identified surface mineralization northeast of Silver Hill, while additional northern targets will be prioritized as geological, geophysical and drilling information continues to converge.
- **Accelerating With Two Drills:** Expanded drilling capacity allows Metalsource to pursue two objectives simultaneously: continue growing the known Silver Hill system while advancing increasingly aggressive exploration into new target areas.
- **Multiple Assays Pending:** Results remain outstanding from several completed holes, providing a continued pipeline of near term exploration data. This includes SH26-34, which visually intersected approximately 20 metres of mineralization containing multiple intervals of massive sulphides, with assays required to determine grade.

Why This Matters to Investors

Phase 2 marks a significant evolution in the Silver Hill story. Exploration to date has built confidence in the grade, continuity and geological character of the known system. That work has also established an increasingly strong geological and geophysical framework for targeting beyond the current drilling footprint, where surface mineralization and multiple high priority IP anomalies provide compelling targets across previously untested ground.

The opportunity now is scale. With drilling production tripled, Metalsource can continue expanding Silver Hill proper while simultaneously testing new targets farther along trend. These targets remain untested and only drilling will determine their significance, but the convergence of drilling, surface sampling and geophysics provides a strong technical basis for the next phase of exploration. We have built confidence in what we know at Silver Hill. Now it is time to test how much larger the system could become.

Metalsource QA/QC protocols are maintained through the insertion of certified reference material (standards), blanks, and duplicates within the sample stream. The drill core is cut in half with a diamond saw, with one half placed in sealed bags and shipped to the laboratory and the other half retained on site. Chain of custody is maintained from the drill to the submittal into the laboratory preparation facility.

Analytical testing is performed by ALS Geochemistry (Reno, NV) and ALS Canada (Vancouver, BC). The entire

sample is crushed to 70% passing 2mm mesh, with a 250 gram split pulverized to 85% passing minus 75 micron. A four-acid digest is performed on 0.25g of sample to quantitatively dissolve most geological materials. Analysis is performed with a combination of ICP-AES and ICP-MS and fire assay.

The exploration results described herein are preliminary in nature and are insufficient to define a mineral resource. Further drilling is required to determine the continuity, geometry, and grade distribution of mineralization. At the time of this release analytical results remain pending.

*Metal values used in AgEq calculations are from the 200-day moving average values from 2/6/2026, and all values are in USD. PAu= $124.5/g, PAg= $1.58/g, PCu= $4.9/lbs, PPb=$0.90/lbs, PZn=$1.11/lbs, 0.00220462262 = grams-to-pounds conversion factor, 22.0462262 = pounds per tonne for 1% metal. Metal recoveries used in the AgEq calculation are Au: 95.5%, Ag: 92.9%, Pb: 89.2%, Zn: 93.8% and Cu 90.8%. These recovery values are derived from batch metallurgical testing used to estimate recoveries of Silver Hill ores, completed in 1988. Individual metal values in the results table are composited values and not factored by recovery. Metal recoveries are applied to their respective component of the AgEq calculation only.

$$\text{AgEq (g/t)} = \text{Ag (g/t)} + \text{Au (g/t)} \times P_{Au}/P_{Ag} + \text{Cu (ppm)} \times 0.00220462262 \times P_{Cu}/P_{Ag} + \text{Pb (\%)} \times 22.0462262 \times P_{Pb}/P_{Ag} + \text{Zn (\%)} \times 22.0462262 \times P_{Zn}/P_{Ag}$$

Qualified Person

All scientific and technical information has been reviewed and approved by Darcy Vis, B.Sc., P.Geo., President of Tripoint Geological Services Ltd., a contractor of the Company, and a Qualified Person as defined under National Instrument (“NI”) 43-101 – Standards of Disclosure for Mineral Projects.

Silver Hill Project

Located in the Carolina Terrane, the property is underlain by volcaniclastic and volcano-sedimentary rocks predominantly of Neoproterozoic and Cambrian age. Current interpretations suggest this terrane is an extension of the Avalon Terrane. The property is 1,225 acres located in Davidson County, North Carolina. As the first significant discovery and first silver-producing mine in America, the property is supported by an extensive historic dataset, including drillhole data, underground mapping, historic dumps and underground chip samples. Currently known mineralization extends to 550m from surface, in a steeply trending series of lenses, which remain open in multiple directions.

Byrd-Pilot Mountain Project

The Byrd-Pilot Mountain Project is located in central North Carolina within the Carolina Terrane. Initial USGS surveys in the 1980s identified the area as a potential host for a porphyry gold-copper system. Subsequent exploration demonstrated broad gold mineralization in soils, trenches, and shallow RC drilling, coincident with strong self-potential anomalies. Geology shows intense quartz-sericite-pyrite alteration, high-sulfidation signatures, and high-alumina minerals (like Haile and Brewer deposits to the south), suggesting potential for a large epithermal or porphyry-related gold system. Geologic modelling of currently identified mineralization indicates an east-west trend open in multiple directions, with oxidation noted down to a depth of 30m. No drilling has tested the Meridian discovery zone since those 1980s campaigns, leaving potential for significant resource expansion through work commitments of the agreement.

About Metalsource Mining Inc.

Metalsource Mining Inc. is a U.S.-focused precious and critical metals exploration company advancing the Silver Hill Project in North Carolina, widely recognized as America's first silver mine. A historically producing mining district dating back to 1839, Silver Hill produced silver, gold, lead and zinc during the formative years of the American mining industry and remains one of the most historically significant mining assets in the United States.

The Company is focused on aggressively expanding known mineralization and testing the broader potential of the Silver Hill system through systematic drilling, geological modelling and modern exploration techniques.

Metalsource Mining
America's First Silver Mine. Modern Exploration. Historic Opportunity.

For further information, please contact:
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