

First Majestic Silver to Acquire Gatos Silver in a \$970 Million Deal, Strengthening Silver Production Capacity

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In a significant development for the silver mining sector, [First Majestic Silver Corp.](#) (TSX: AG | NYSE: AG) has [announced](#) a friendly acquisition of [Gatos Silver Inc.](#) (NYSE: GATO | TSX: GATO) in a deal valued at approximately US\$970 million. The transaction, signed on September 5th, 2024, will see Gatos shareholders receive 2.55 shares of First Majestic for every Gatos share they hold. This acquisition is set to bolster First Majestic's standing as a major intermediate silver producer, combining both companies' assets to create a pro forma entity valued at nearly US\$3 billion.

Gatos Silver holds a 70% stake in the Los Gatos joint venture, which includes the Cerro Los Gatos underground silver mine located in Chihuahua, Mexico. Upon completion of the deal, Gatos shareholders will hold 38% of the combined entity on a fully diluted basis. The combined company is expected to enhance First Majestic's annual silver-equivalent production to 30-32 million ounces, which will include 15-16 million primary silver ounces, with all-in sustaining costs projected to be between \$18.00 and \$20.00 per silver-equivalent ounce.

First Majestic already operates silver mines in Mexico, including the San Dimas and Santa Elena Silver/Gold mines. With the addition of Gatos Silver's Cerro Los Gatos mine, the company aims to strengthen its silver production capacity. The acquisition is slated to close in early 2025, pending the

necessary regulatory and shareholder approvals, including clearance under Mexican anti-trust laws and approval for First Majestic shares on the TSX and NYSE.

MineralFunds.com Holdings Breakdown:

This acquisition has sparked interest among gold and precious metal funds, as detailed below. Funds are categorized based on whether they hold First Majestic Silver (the acquirer), Gatos Silver (the acquired), or both companies:

1. Funds Holding First Majestic Silver Only:

- Fidelity Select Gold
- Rydex Precious Metals Fund
- Mackenzie Precious Metals Fund
- Ninepoint Silver Equities Fund
- AuAg Silver Bullet
- Tocqueville Gold Fund
- ES Baker Steel Gold and Precious Metals

2. Funds Holding Gatos Silver Only:

- BAKERSTEEL Precious Metals Fund
- Sprott Gold Equity Fund
- DWS Invest Gold and Precious Metals
- STABILITAS Silber+Weissmetalle
- Ninepoint Gold & Precious Minerals
- Claresco Or et Metaux Precieux

3. Funds Holding Both First Majestic and Gatos Silver:

- Precious Metals UltraSector Profund
- Landolt Investment (Lux) SICAV – Gold

- DMS Charteris Gold & Precious Metals Fund
- Zenito Silver and Gold
- Plutos Gold Plus

These funds are poised to benefit from the expected synergy and production efficiencies resulting from the merger.

[Source: [MineralFunds.com](https://www.MineralFunds.com) – [MineralFunds.com](https://www.MineralFunds.com) provides comprehensive data on metal ETFs and gold & precious metal managed funds globally. For more information, visit their website for fund prices, performance data, and in-depth trade information.]

First Majestic Silver Announces Share Repurchase Program

First Majestic Silver has also [announced](#) a Normal Course Issuer Bid (NCIB), approved by the Toronto Stock Exchange, allowing the company to repurchase up to 10,000,000 of its common shares (3.32% of total outstanding shares) starting September 12, 2024. The company views this as an opportunity to enhance shareholder value by capitalizing on market conditions where the company's shares may be undervalued.

First Majestic Silver is a leading silver and gold producer in Mexico and the U.S., with an array of development projects including the Jerritt Canyon Gold project in Nevada.

For more details, visit www.firstmajestic.com.