



CORPORATE PRESENTATION

September 2017

POLYMETALLIC PRODUCER
with exciting
RESOURCE GROWTH POTENTIAL

TSX: SMT | NYSE AMERICAN: SMTS | BVL: SMT

Forward Looking Statements Disclaimer



Certain statements in this presentation constitute forward-looking information within the meaning of Canadian 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.

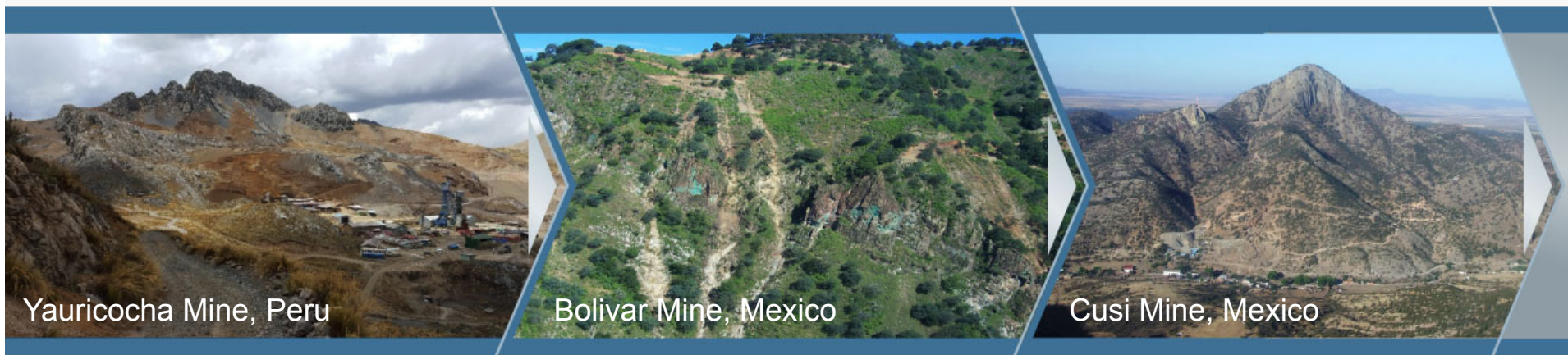
Although Sierra has attempted to identify important factors that could cause actual performance to differ materially from that described in forward-looking information, there may be other factors that cause its performance not to be as anticipated. Sierra neither intends nor assumes any obligation to 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.

Gordon Babcock B.Sc., P.Eng., is the qualified person as defined in NI 43-101 and Chief Operating Officer for Sierra Metals supervised the preparation of the operational scientific and technical information for Sierra Metals included in this presentation.

INVESTMENT HIGHLIGHTS

A Base and Precious Metal Growth Story



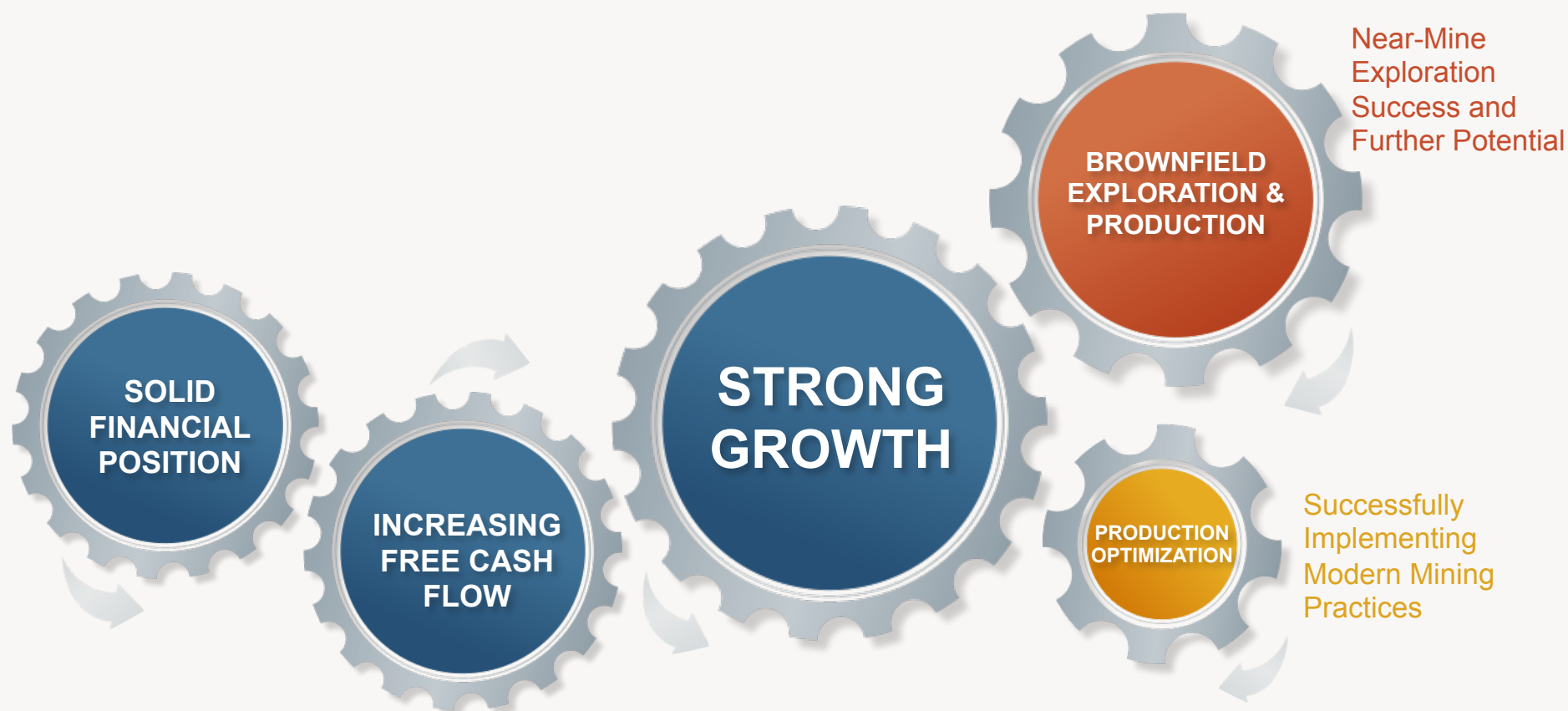
Yauricocha Mine, Peru

Bolivar Mine, Mexico

Cusi Mine, Mexico

INVESTMENT HIGHLIGHTS

A Base and Precious Metal Growth Story



Cash Position ¹	US\$31M
Undrawn Credit Facilities	US\$16M
Total Liquidity	US\$47M

6M Adjusted EBITDA ¹	US\$43M
Debt Position ¹	US\$66M
Net Debt Position ¹	US\$35M

CAPITAL Structure



Outstanding ¹	162.7 M
RSU ¹	1.5 M
Options ¹	Nil
Fully Diluted ¹	164.2 M

Recent Price ²	\$3.47
52 Week High ²	\$3.75
52 Week Low ²	\$1.70
Market Cap	C \$546.6 M US \$457.3 M

1. As at Sep 1, 2017
2. As at Sep 14, 2017 - Canadian Dollars, TSX Listing

Major Shareholders	
Arias Resource Capital	50%
Black Rock	10%
Ingalls & Snyder	5%
Omega Advisors	3%

Actions to address liquidity include:

- NYSE American listing (July 11, 2017)
- Major shareholder willing to dilute below 50%

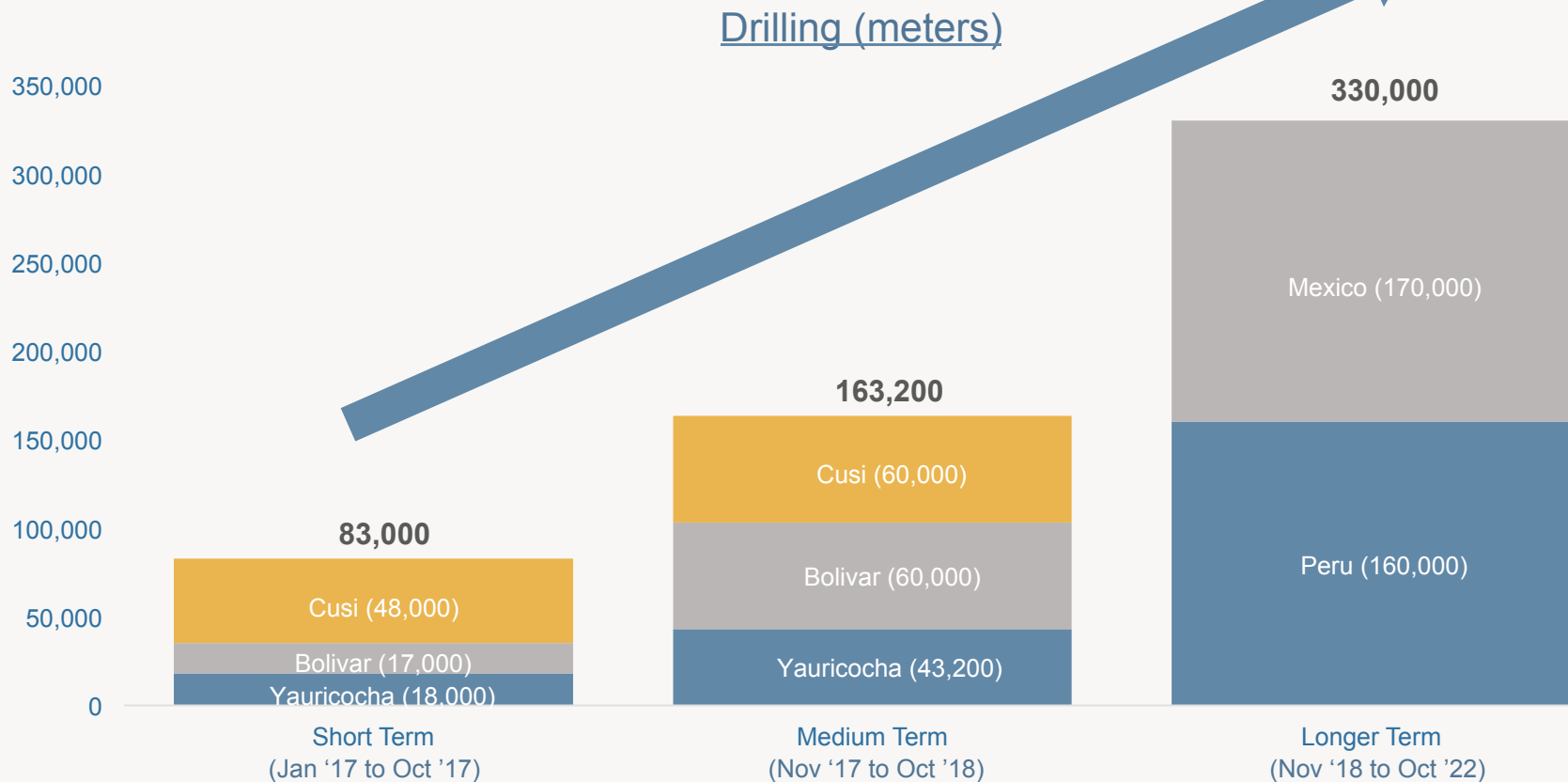
Research Coverage
H.C. Wainwright
Scotiabank

Brownfield Exploration Plan

Aggressively Drilling to Increase Resources



- ▶ Targeting increases in M&I resources through an aggressive exploration program on our target rich properties
- ▶ Q4-2017 Update of Technical Reports for all three Mines



Strategic Growth

Building Resources and Infrastructure for Increased Production



BROWNFIELD EXPLORATION INFRASTRUCTURE UPDATES

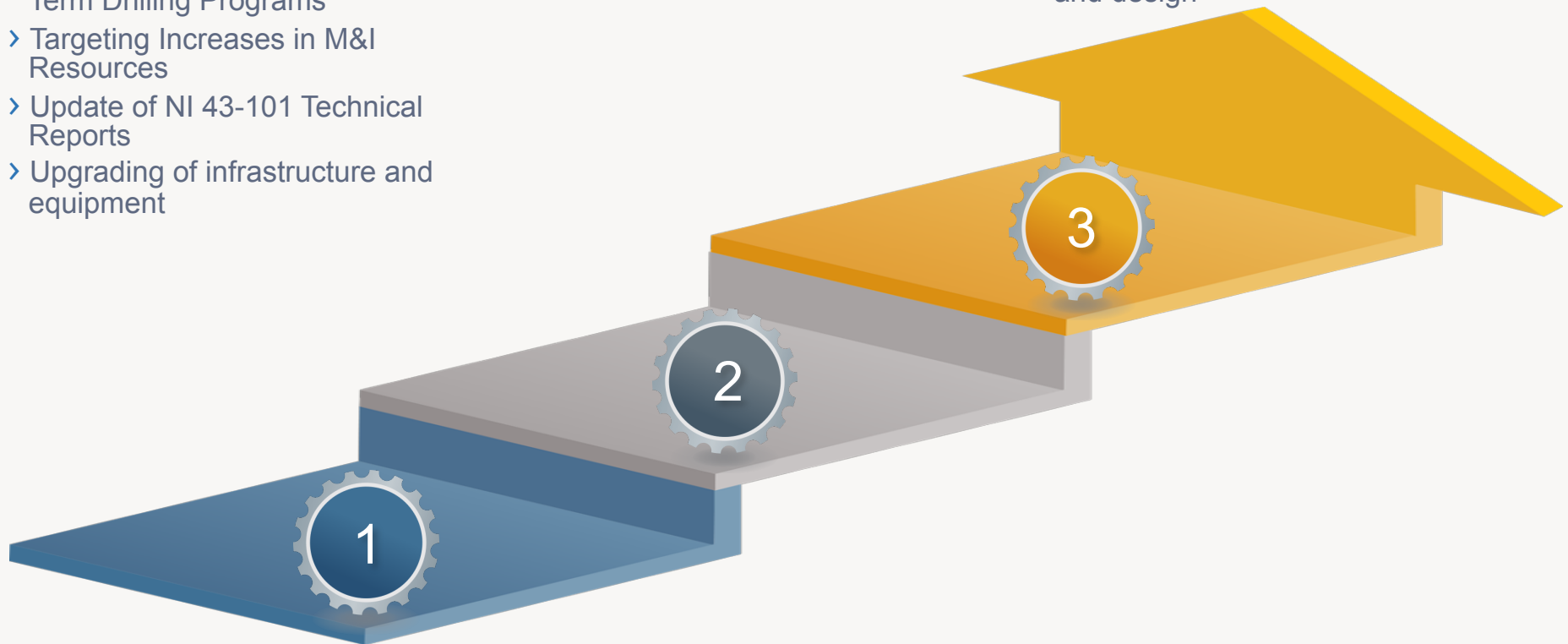
- › Exploration of Target Rich Properties
- › Short, Medium and Longer Term Drilling Programs
- › Targeting Increases in M&I Resources
- › Update of NI 43-101 Technical Reports
- › Upgrading of infrastructure and equipment

FEASIBILITY & ENGINEERING STUDIES

- › Optimum plant size
- › Best technology to process new resources

CONSTRUCTION & OPERATION

- › Expansion and building of new mines and mills to grow production to the optimal size and design

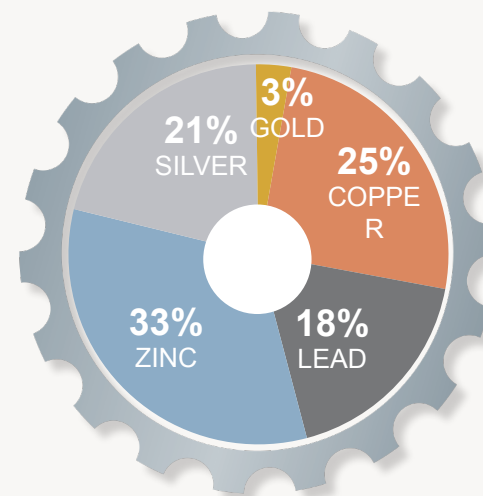


DIVERSIFIED

3 Projects in 2 Countries



Revenue Mix
(12 months ending Jun 30, 2017)



	YAUICIOCHA	BOLIVAR	CUSI
LOCATION	YAUYOS, PERU	CHIHUAHUA, MEXICO	CHIHUAHUA, MEXICO
OWNERSHIP	82%	100%	100%
STAGE	PRODUCTION	PRODUCTION	PRODUCTION / DEVELOPMENT
MINE TYPE	UG	UG	UG
MILL THROUGHPUT	2,800 TPD	2,800 TPD	600 TPD
METALS	Ag, Cu, Zn, Pb, Au	Cu, Ag, Au	Ag, Pb, Au, Zn
ADJUSTED EBITDA (2016)	\$34.3M ¹	\$5.1M	\$6.4M

TSX **SMT** | NYSE American **SMTS** | BVL **SMT**

1. Assumes 100% ownership of Yauricocha

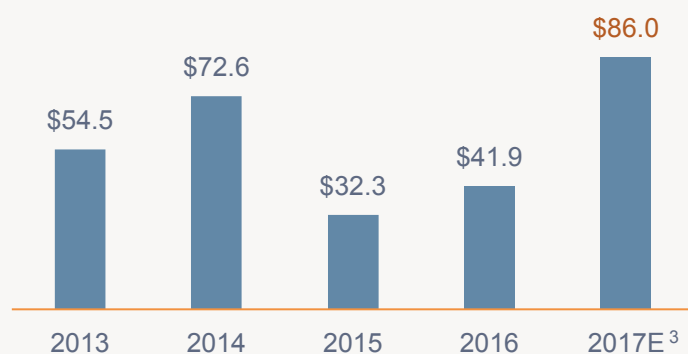
SOLID

Financial Position

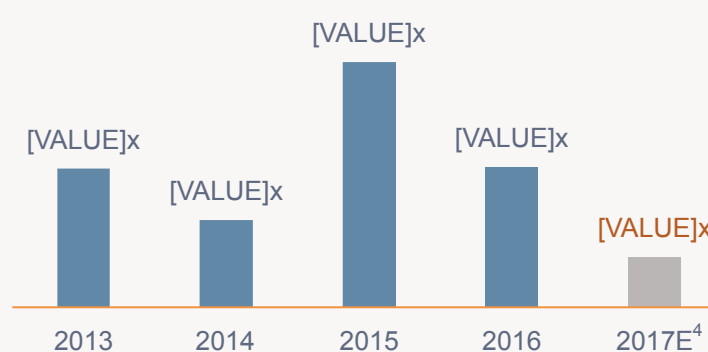


Figures in US (\$000's)	2013	2014	2015	2016	6M-2017
Revenue	143,538	172,614	134,052	143,180	103,089
Adjusted EBITDA ¹	54,502	72,597	32,317	41,887	42,981
Capex	(44,017)	(39,866)	(37,600)	(25,400)	(19,608)
Free Cash Flow	10,290	31,410	(5,125)	18,903	20,547
Cash and Cash Equivalents	44,930	41,273	25,102	42,145	31,121
Debt Outstanding	93,515	81,879	76,086	78,681	67,760
Net Debt ²	48,585	40,603	50,984	36,537	34,639

Adjusted EBITDA



Net Debt / Adj EBITDA



1. 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. 2. Consolidated debt minus total cash and cash equivalents. 3. 6M-2017 results have been annualized for FY 2017E. 4. Includes \$20M of Debt repayment in 2017.

PRODUCTION

2017 Production & Costs vs Guidance



6M-2017 Production				
Mine	Yauricocha	Bolivar	Cusi	Total
Copper Eq. (M lb) ¹	36.6	9.9	2.6	49.1
Silver Eq. (M oz) ¹	4.3	1.2	0.3	5.8

2017 Guidance			2016 Actual
	Low	High	
Copper Eq. (M lb) ¹	98.6	115.1	79.4
Silver Eq. (M oz) ¹	11.5	13.5	12.0

6M-2017 Costs		
	Cash Costs per Equivalent Oz / Lb Sold	AISC ^{1,2} per Equivalent Oz / Lb Sold
Yauricocha (Ag Eq Oz)	\$7.39/oz	\$10.60/oz
Bolivar (Cu Eq Lb)	\$1.14/lb	\$1.89/lb
Cusi (Ag Eq Oz)	\$10.82/oz	\$22.72/oz

2017 Cost Guidance			2016 Actual AISC ^{1,2}
	Cash Costs per Equivalent Oz / Lb Sold	AISC ^{1,2} per Equivalent Oz / Lb Sold	
Yauricocha (Ag Eq Oz)	\$9.58/oz	\$12.29/oz	\$13.11/oz
Bolivar (Cu Eq Lb)	\$1.08/lb	\$1.74/lb	\$2.28/lb
Cusi (Ag Eq Oz)	\$10.90/oz	\$19.66/oz	\$20.41/oz

1. 2017 Silver equivalent ounces and copper equivalent pounds were calculated using the following prices: \$19.50/oz Ag, \$2.28/lb Cu, \$0.85/lb Pb, \$0.1.05/lb Zn, \$1,369/oz Au
2. All-In-Sustaining-Costs (AISC) include treatment and refining charges, selling costs, g&a and sustaining capex

Yauricocha Mine



In Continuous Operation Since 1948 (69 Years)

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	2,800 tpd
Annual Production	7.0 M oz Silver Equivalent
Concentrates	Polymetallic Circuit Lead, Copper and Zinc cons
	Lead Oxide Circuit Lead Oxide con
	Copper Oxide Circuit Copper Oxide con
Reserve Life	4.3 years+ Open
Deposit Type	High-temperature, carbonate-replacement deposit
Exploration	Significant Upside Potential

	Tonnes M	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag Eq (g/t)	Ag Eq (M oz)
P&P	3.8	61.1	0.84	1.15	2.92	0.62	331	40.3
M&I*	7.9	60.8	1.12	0.94	2.70	0.67	339	85.7
Inf	3.7	49.1	1.33	0.58	1.86	0.53	292	35.1

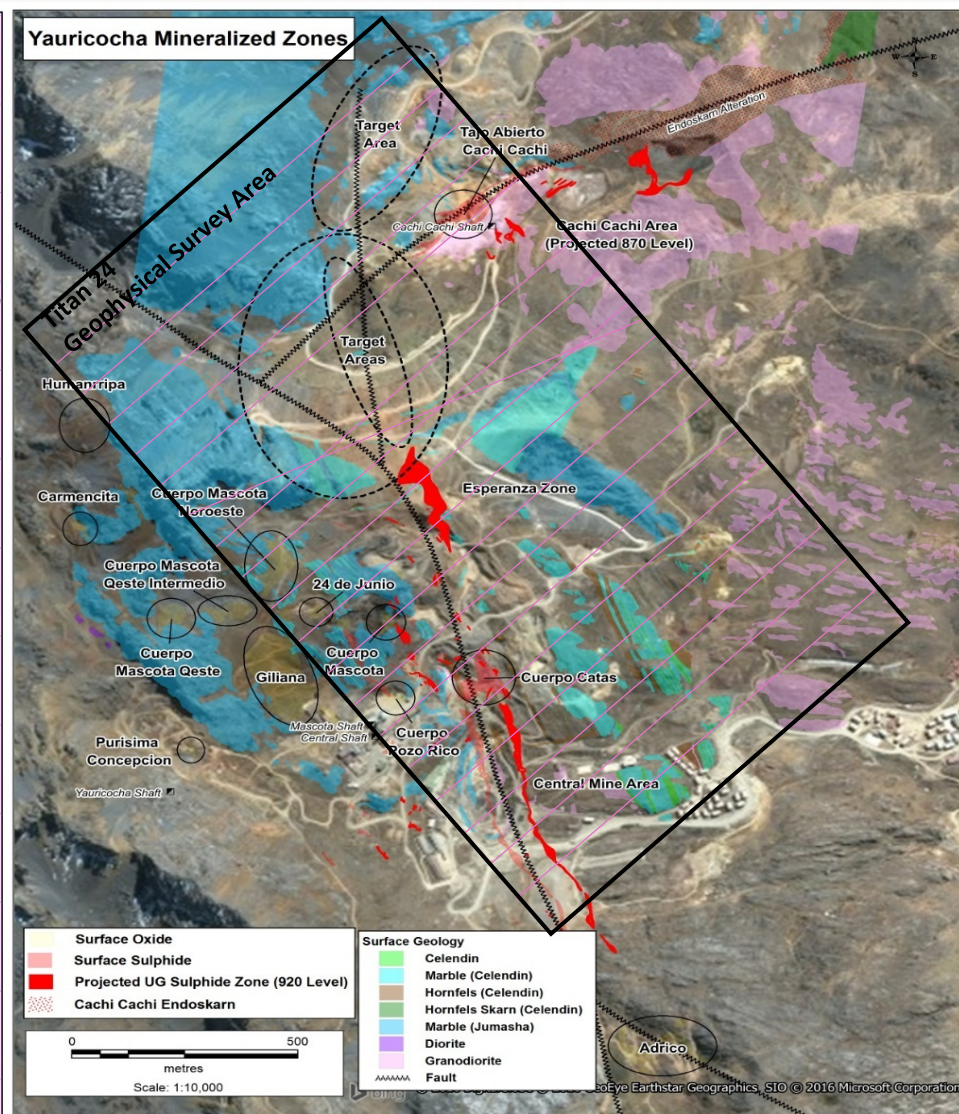
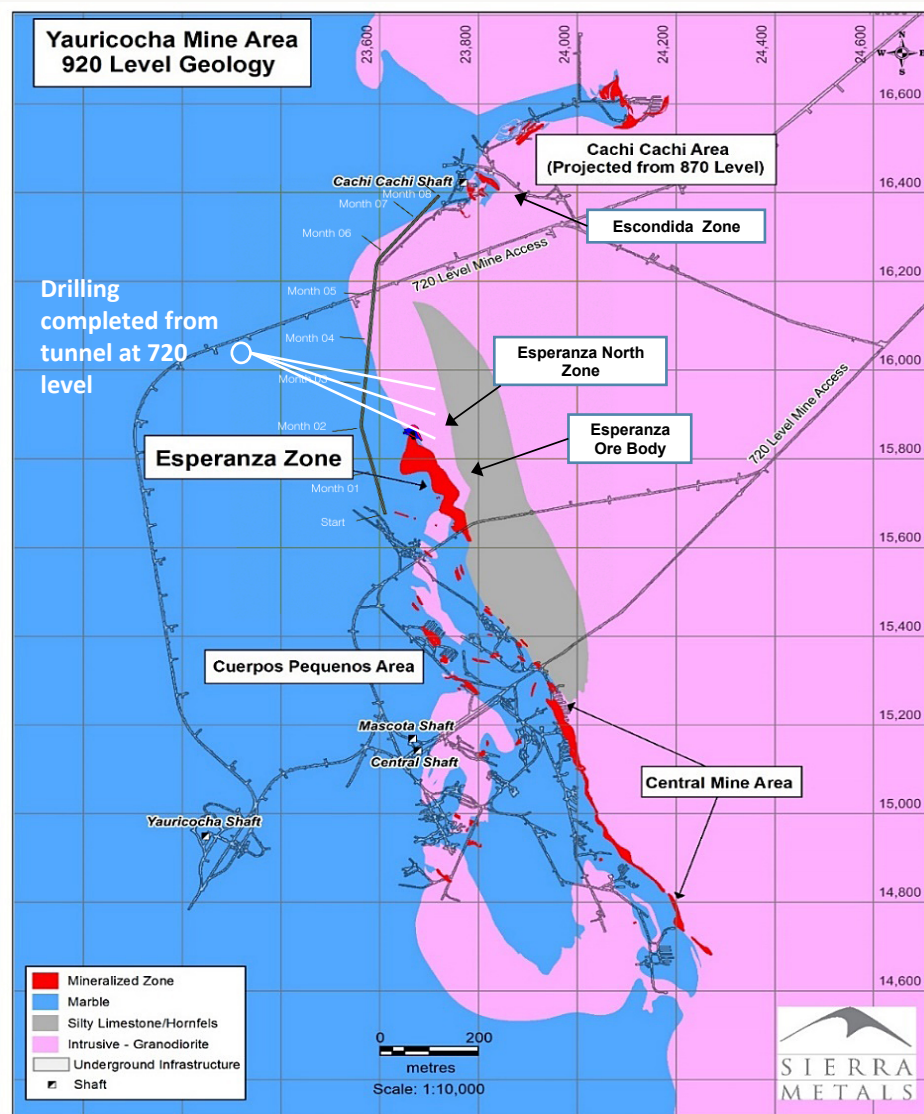
*Includes P&P

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



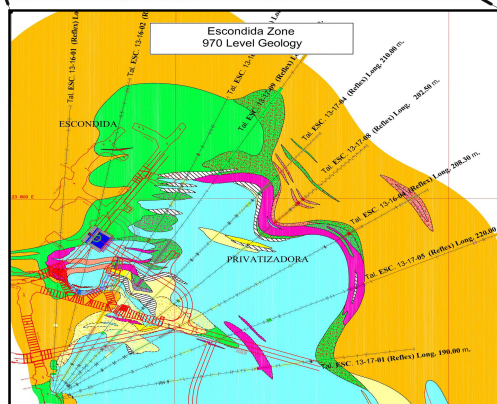
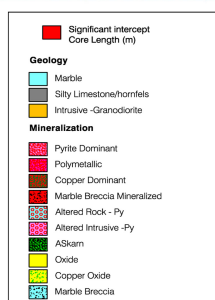
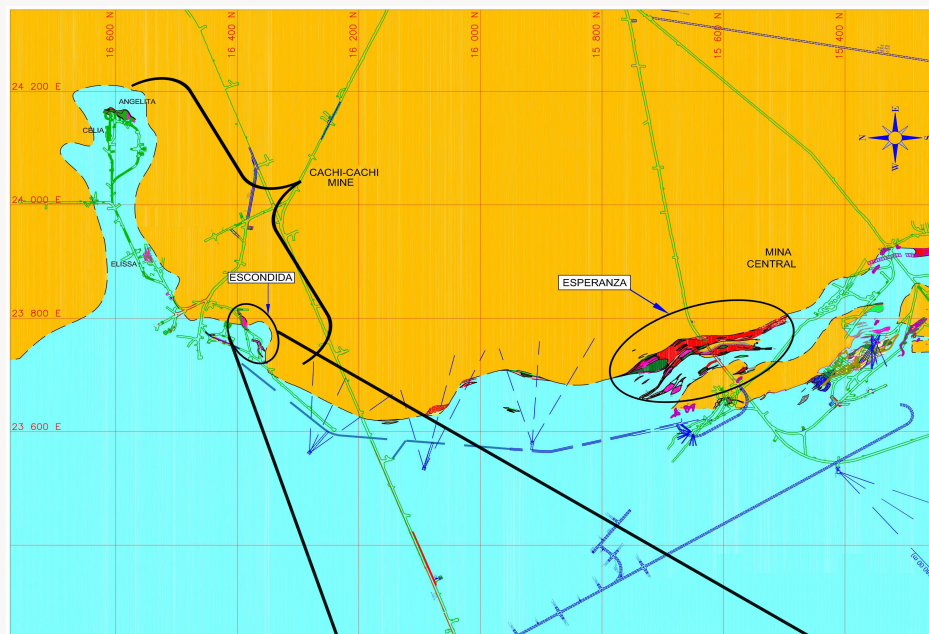
Esperanza Zone Discovery

Exploration Success at Yauricocha



Escondida Zone Discovery

Exploration Success at Cachi-Cachi Mine at Yauricocha



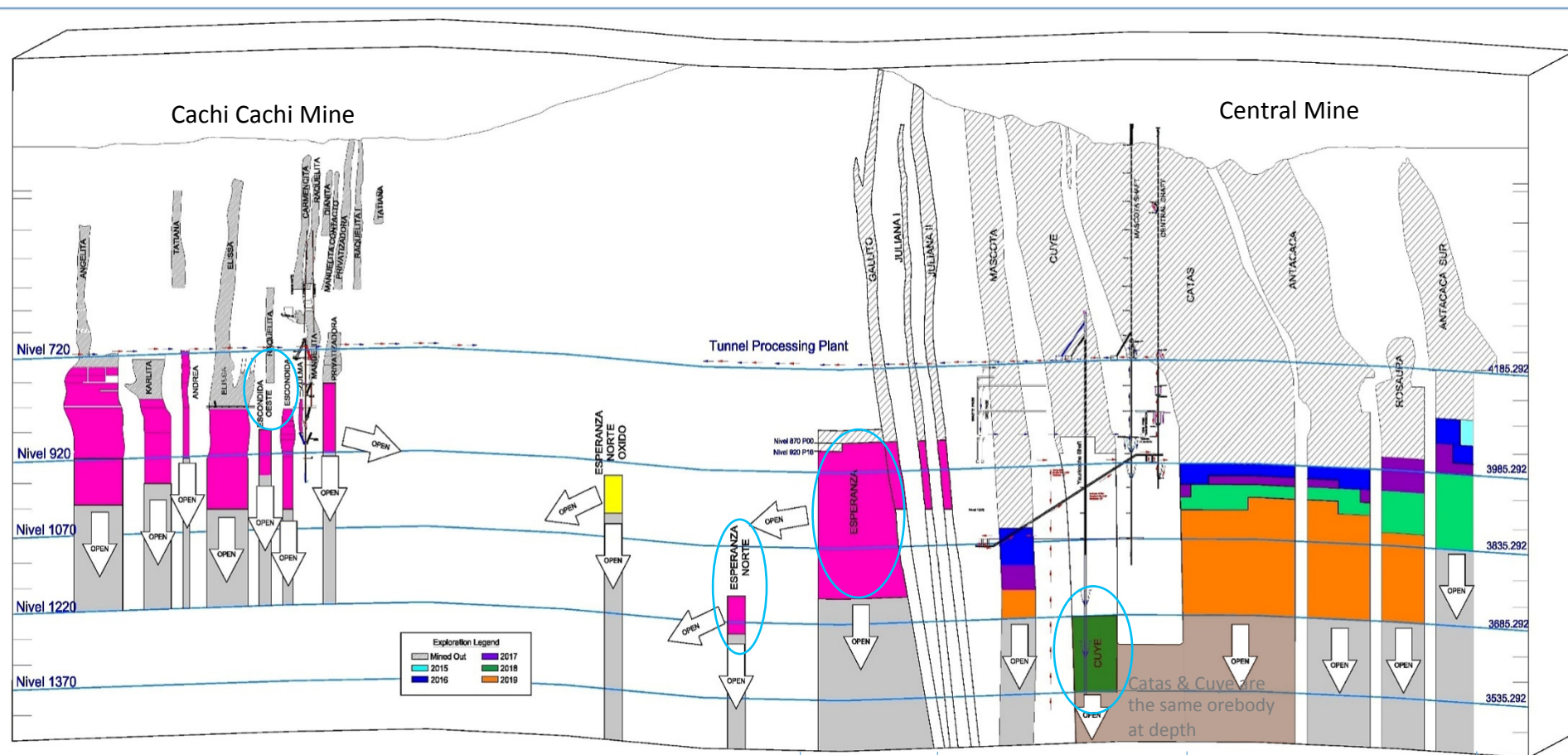
- › The Escondida Zone is the largest deposit found at Cachi-Cachi. Its high grade Zinc potential will contribute additional mineral resources, near current operations in the short-term
- › The new discovery has a strike length of over 300 meters, the largest orebody historically found at Cachi-Cachi
- › Drilling at depth has delineated wide extensions of skarn/polymetallic mineralization over 30 meters wide
- › Location of the discovery extends the foot print of the Cachi-Cachi mine to over one kilometer in the direction of Esperanza and Yauricocha's central mine zone, highlighting the exploration potential of the Yauricocha fault between Cachi-Cachi and Esperanza

Recent Drilling Highlights Include:

Hole No.	Ag (gpt)	Pb (%)	Cu (%)	Zn (%)	Au (gpt)	Width (m)
ESC 17-01	94	3.41	0.01	7.91	0.23	over 7.6
ESC 17-05	104	5.83	0.09	10.59	0.71	over 3.8
ESC 17-05	86	7.42	0.07	13.79	0.20	over 3.8
ESC 17-09	40	1.00	0.05	11.69	0.64	over 5.5
ESC 17-10	10	0.04	0.02	5.05	0.20	over 30.2

Yauricocha Mine

Longitudinal Section



Cuerpos Chicos/Cuerpos Pequenos

- Average width: 1-5 Meters
- NSR of Rock: \$300/tonne
- The areas continue to be defined as part of the definition drilling program

Esperanza Area

- Average width: 15-20 Meters
- NSR of Rock: \$150-160/tonne

Central Mine Area

- Average width: 6-8 Meters
- NSR of Rock: \$60-80/tonne

BOLIVAR MINE



Year over year production tonnage increases

MEXICO-BOLIVAR MINE

Bolivar Copper Mine



Ownership	100%
Size	15,217 Hectares
Commodities	Copper, silver, gold
Operation	Underground mine: room and pillar
Mill throughput	2,800 tpd
Annual Production	21.2 M Lbs Copper Equivalent
Concentrates	Copper with silver and gold by-product credits
Reserve Life	5 years+ Open
Deposit Type	Copper-zinc skarn
Exploration	Significant Upside Potential

	Tonnes M	Ag (g/t)	Cu (%)	Au (g/t)	Cu Eq (%)	Cu Eq (M lb)
Prob	7.3	17.5	0.85	0.31	1.18	112.1
Ind*	9.3	18.1	0.90	0.30	1.23	252.9
Inf	9.1	17.9	0.86	0.33	1.20	239.8

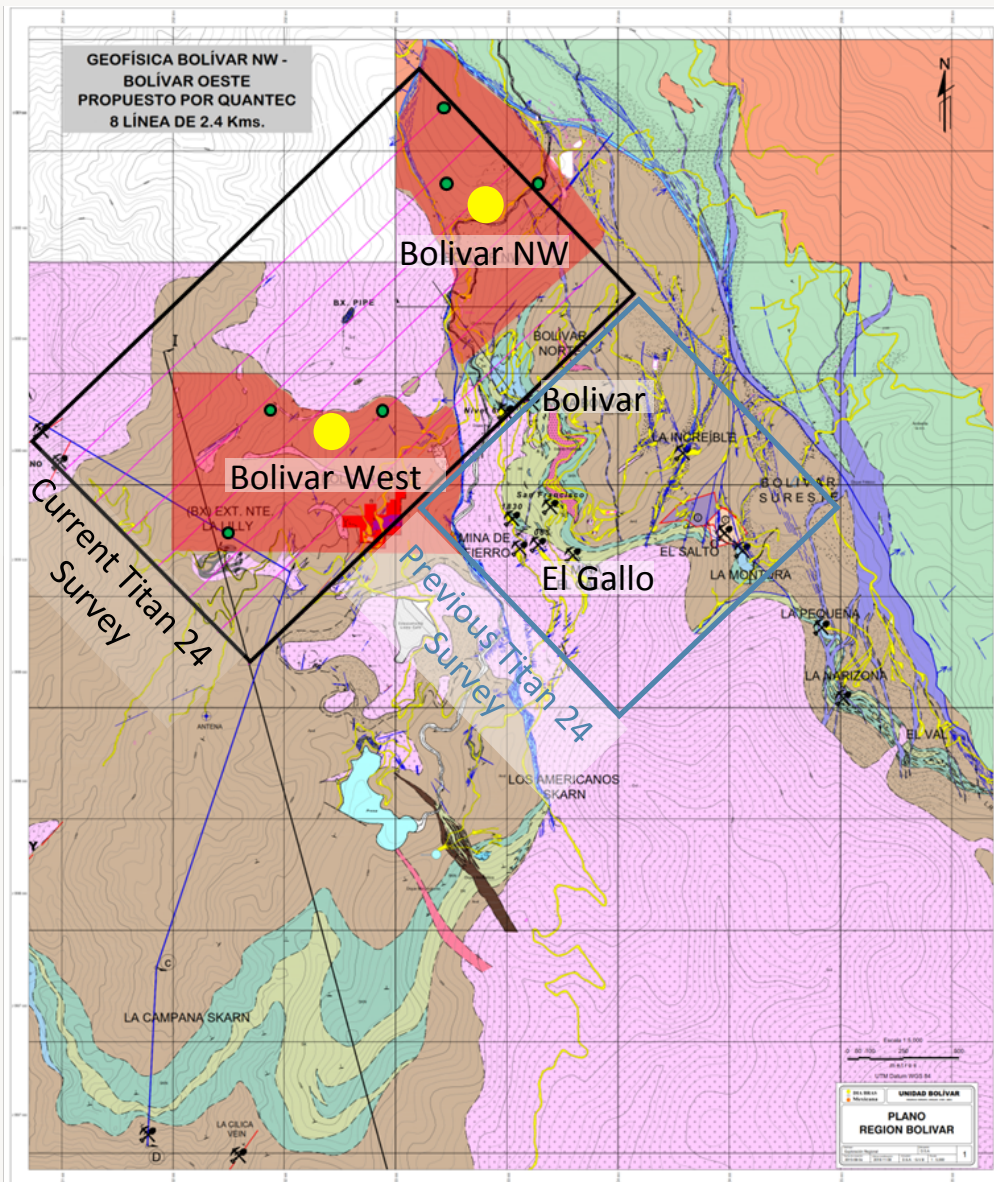
*Includes Probable

Details of the reserve & resource estimates for Bolivar are presented in the Appendix.



MEXICO-BOLIVAR MINE

Bolivar Northwest and Bolivar West Targets



- › Titan 24 Geophysical Survey Completed on Bolivar West and Northwest Areas resulting in 24 anomalies and 8 high value drill targets
- › 17,000 Meters of drilling program taking place in 2017 with the majority occurring at Bolivar West where high grade copper intercepts have occurred
- › 28 holes (12,300 meters), recently completed which provided the Company with good Copper, Zinc and Silver grades. This detailed drill data will be used to update the current resources at the Bolivar mine in Q4 2017
- › Average grade of 2.55% copper equivalent with an average true width of 9.1 meters, which is significantly above Bolivar's current resource grade and current head grades.
- › Bolivar West still has further potential resource growth prospects and remains open to the northeast.

CUSI MINE



MEXICO-CUSI MINE

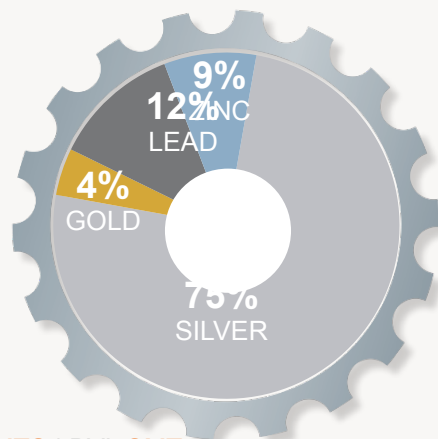
Cusi Silver Mine



Ownership	100%
Size	11,671 Hectares
Commodities	Silver, zinc, lead, gold
Operation	Underground mine in development; cut and fill
Mill throughput	600 tpd
Annual Production	1.1 M Oz Silver Equivalent
Concentrates	Lead and Zinc concentrates with significant silver
Deposit Type	High-grade, low sulphidation epithermal deposit
Exploration	Significant Upside Potential

Revenue Mix

For the 12 months ending Mar 31, 2017



	Tonnes M	Ag (g/t)	Pb (%)	Zn (%)	Au (g/t)	Ag Eq (g/t)	Ag Eq (M oz)
Ind	2.0	237.1	0.53	0.53	0.16	283	18.1
Inf	1.2	305.3	0.51	0.64	0.14	354	13.7

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



MEXICO-CUSI MINE

Cusi Fault

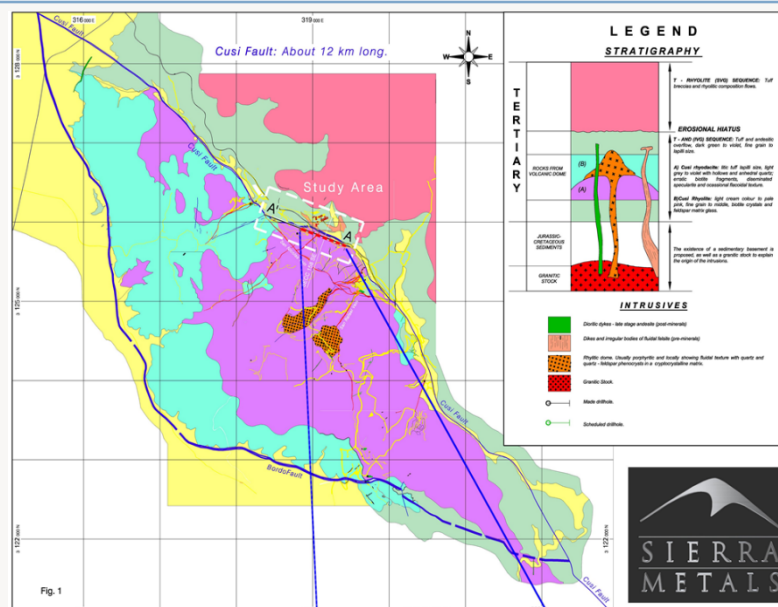


- › The Cusi Fault is a 64 kilometer regional structure
- › 12 kilometers of the Cusi Fault which contains the Santa Rosa de Lime Zone lie within the Sierra Metals' property boundaries



MEXICO-CUSI MINE

Ore Value Growth via Brownfield Exploration

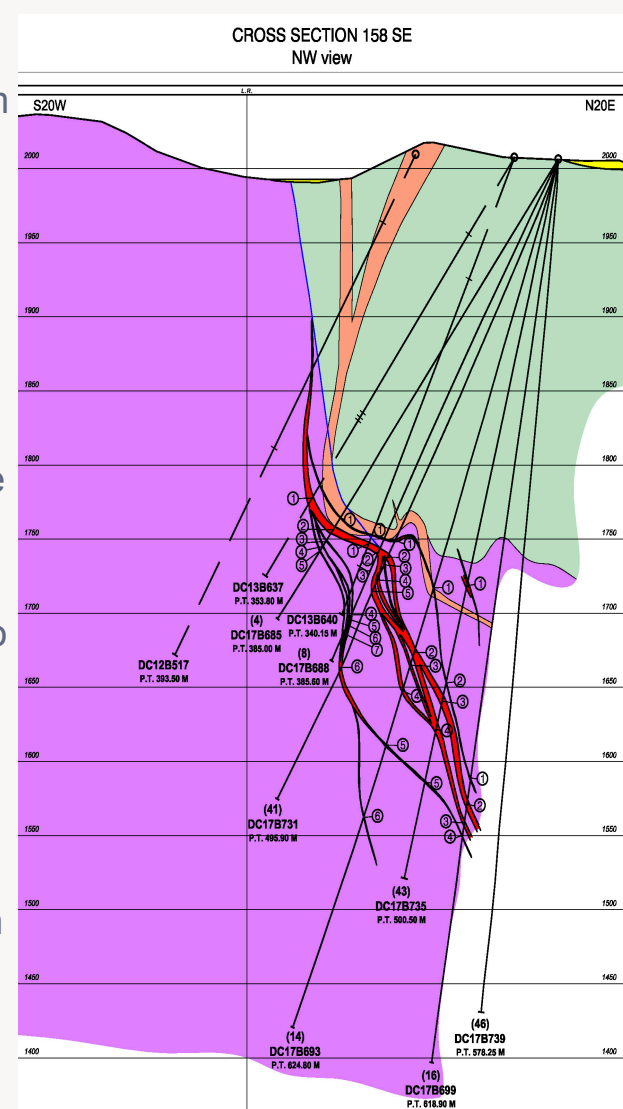
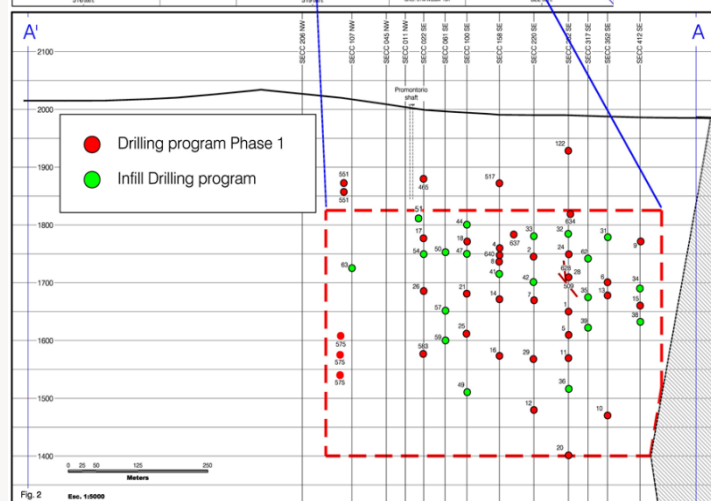


Average grade of the intercepts for entire program of 29,500 meters is 372 g/t Eq. silver with Average true width of 3.8 meters.

Step out drilling extends silver mineralization beyond the Santa Rosa de Lima zone with similar high-grade characteristics.

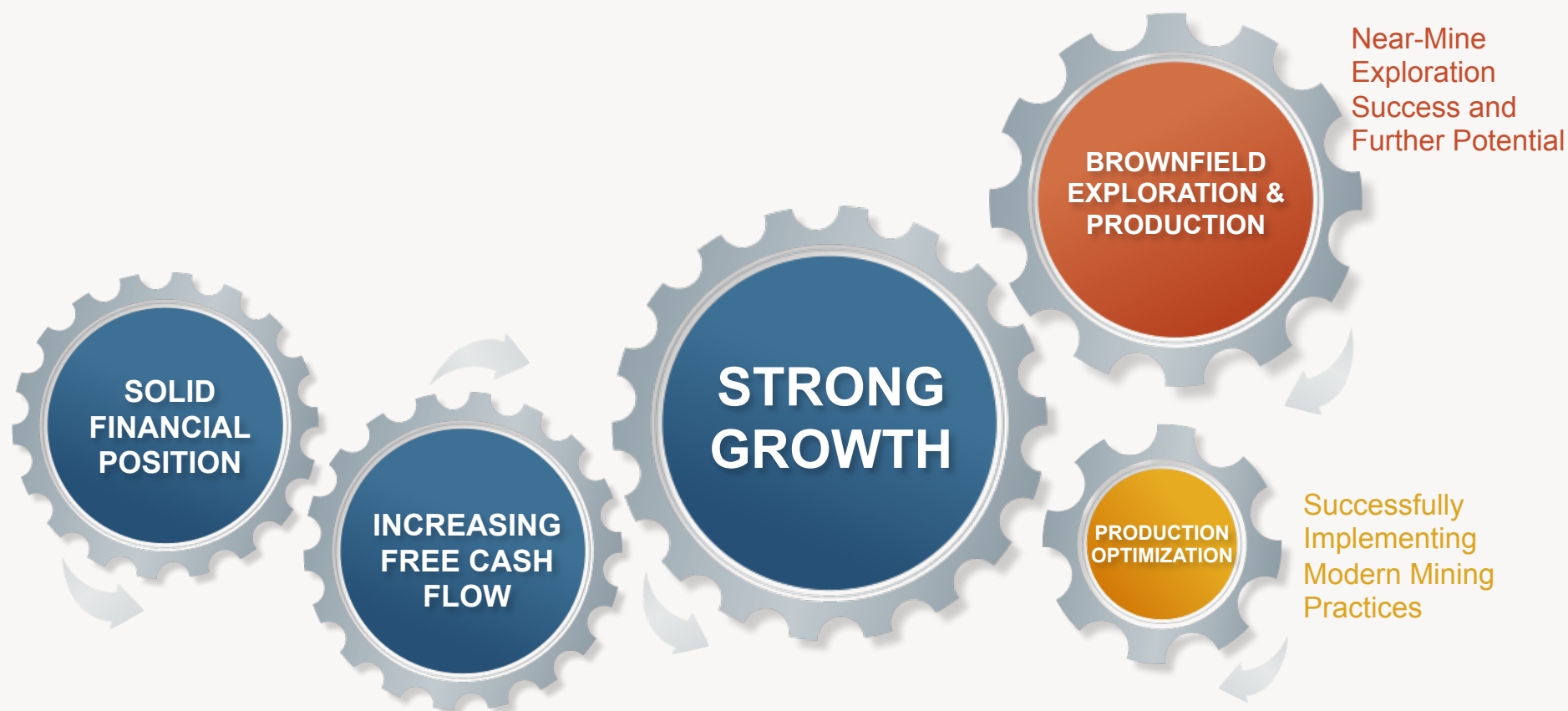
Zone extended from 1 km to 1.7 km all within the 12 km structure running inside Sierra Metals property boundary.

Data from total drill program on the zone of 29,500 meters will be incorporated into a new mineral resource for the Cusi Mine in Q4.



INVESTMENT HIGHLIGHTS

A Base and Precious Metal Growth Story



Cash Position ¹	US\$31M
Undrawn Credit Facilities	US\$16M
Total Liquidity	US\$47M

6M Adjusted EBITDA ¹	US\$43M
Debt Position ¹	US\$66M
Net Debt Position ¹	US\$35M

1. As at June 30, 2017 per financial statements filed on SEDAR.