



May 6, 2020

GR Silver Mining Provides an Update on Gold and Silver Exploration Results at the San Marcial Project

Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GLYXF) (“GR Silver Mining” or the “Company”) – is pleased to announce that ongoing exploration continues to confirm substantial gold and silver potential at the San Marcial Project (“San Marcial”) in Sinaloa, Mexico.

Exploration activities at San Marcial are aimed at expanding the Company’s existing NI 43-101 Mineral Resource of 36 Moz AgEq (Indicated) and 11 Moz AgEq (Inferred), as announced in February 2019 (News Release [February 7, 2019](#)). The resource is open at depth. In addition, the Company has continued to follow up on the eight drill targets identified by the Company over the past 12-18 months using systematic exploration, culminating in a surface drill program.

Recent San Marcial exploration highlights include:

- Purchase by the Company of three new drill rigs:
 - 1 x NW150 to drill up to 150 m depth
 - 2 x hand held portable rigs to drill up to 20 m depth
- Commencement of surface drill program testing the main targets using the NW150 rig
- Widening of 170 m underground tunnel complete; 100 m tunnel extension is underway
- 2,000 m underground resource expansion drill program upon completion of tunnel
- Litho-geochemical sampling program identified 2 km arcuate trend to the W and SW of the San Marcial resource, using Pb as a pathfinder
- Positive initial gold results from channel sampling at two new targets including **0.2 m at 28.94 g/t Au and 143 g/t Ag and 0.2 m at 6.81 g/t Au**
- Shallow drill testing of surface geochemical anomalies and structural targets with the two new portable rigs

GR Silver Mining President and CEO, Marcio Fonseca, commented, *“During the current global COVID-19 crisis, the health and safety of our team is top priority. The Company has implemented measures to adhere to government-imposed restrictions. Meanwhile, our project team from the local area has been able to progress some aspects of our exploration program using strict safety*

protocols. The recent purchase of our own surface drill rig allows us flexibility to advance the drill program at San Marcial with our own professionally trained local crew, in isolation in the field camp.

The Company is focused on increasing the resource inventory at San Marcial. Extension of the underground tunnel for drill access is advanced, which will allow the Company to drill test the down-dip extensions to the NI 43-101 resource later this year. High-grade silver results from previous drilling demonstrate that the resource is open at depth, with potential for expansion. The Company's newly purchased drill rig has now commenced a drilling program on our other eight gold-silver targets at San Marcial. The first target being tested is Chachalaca, where initial channel sampling encountered high-grade gold veins up to 0.2 m at 28.94 g/t Au and 143 g/t Ag.

Our personnel continue to extend the geochemical database covering the remainder of the 1,250 ha concession with a close-spaced litho-geochemical sampling program in search of new discoveries. A ring-type feature has been identified using lead geochemistry, extending at least 2 km from the resource area and is known as the Faisanes-Mariposa Trend. Follow up of geochemical anomalies – using trenching, channel-sampling and shallow drilling – has identified various zones of high-grade gold and silver. These anomalies will be assessed for potential follow up drilling."



Figure 1: San Marcial Tunnel – (a) Mapping/sampling and (b) Underground Development

1. SAN MARCIAL UNDERGROUND DRILL PROGRAM

As outlined in last year's financing announcement (News Release [November 7, 2019](#)), the Company has an underground drilling program (up to 2,000 m) planned for 2020 to test the depth extensions of the San Marcial NI 43-101 silver resource. The San Marcial resource has no previous underground mining history. However, an old tunnel was driven 170 m to intersect the breccia-hosted high-grade mineralization. Work has been completed by GR Silver Mining to widen the

existing tunnel to allow drill machinery to enter (Figure 1). Mapping and channel sampling of the high-grade breccia, where it cuts this new exposure, is currently underway.

Local experienced mining contractors are currently extending that tunnel a further 100 m to reach a point where a series of drill holes will test the deeper extensions of the resource. The resource is relatively shallow with the deepest high-grade silver intersections from drilling at approximately 220 m below surface. Results of the 2020 drill program will be incorporated into the San Marcial 3D resource model to assess the potential for underground development of a high-grade resource below the potentially open-pittable upper levels of the deposit.

On completion of the tunnel extension, the commencement of underground drilling will be subject to availability of our preferred third-party drill company, once COVID-19 restrictions are relaxed.

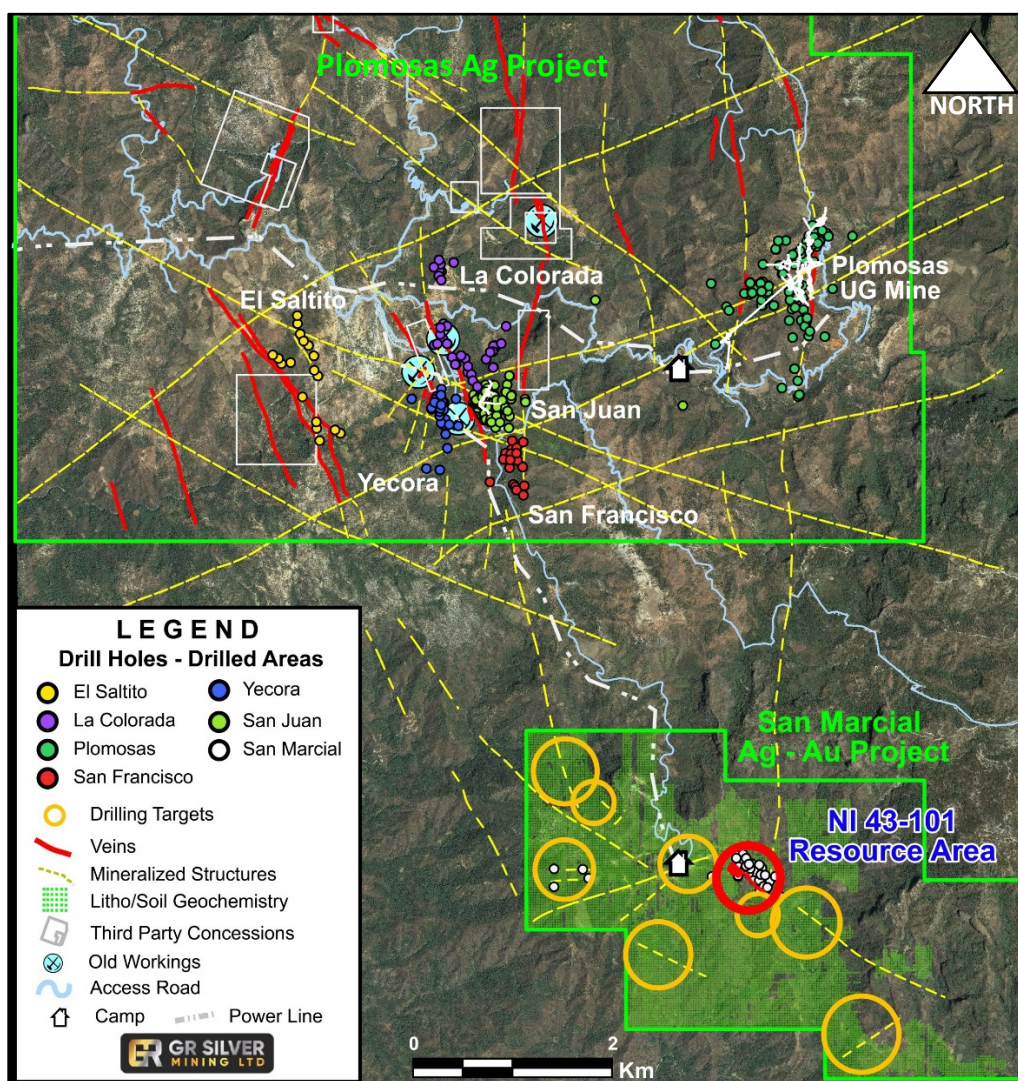


Figure 2: San Marcial Project – Location of Resource Area and Other Drill Targets

2. SURFACE DRILLING TARGETS

Since releasing the San Marcial NI 43-101 resource in February 2019, the Company has undertaken a systematic exploration program to investigate the remainder of the concession. The program initially involved soil sampling, a 25 m x 25 m litho-geochemical sampling program, geological mapping and channel sampling. The accumulated data generated at least eight drill-ready targets for both gold and silver (Figure 2).

Over the past two months, the Company has acquired three new drill rigs:

- 2 x hand held portable drill rigs with the capacity to drill test new anomalies and veins down to 20 m depth
- 1 x compact man portable NW150 diamond drill rig with capacity to test our more advanced drill targets to a maximum of 150 m depth

As part of the Company's proposed 2020 surface drilling program, the NW150 diamond drill rig (Figure 3a) was recently purchased to provide a flexible and cost-effective drilling alternative to test targets generated at San Marcial. The NW150 commenced drilling at the Chachalaca target in the northwest of the San Marcial concession. Chachalaca is a gold target with shallow underground workings exposing flat-lying quartz veins, zones of stockwork and breccias (Figure 3b) over an area of 500 m x 150 m. Best channel sampling results to date include **0.2 m at 28.94 g/t Au and 143 g/t Ag** and **2.0 m at 3.48 g/t Au and 164 g/t Ag** (Table 1).

Table 1: Chachalaca Target – Best GR Silver Channel Sampling Results

SAMPLE	TARGET	EAST (m)	NORTH (m)	CHANNEL (m)	Au (g/t)	Ag (g/t)
14397-8	CHACHALACA	449,378	2,546,423	2.0	3.48	164
14400	CHACHALACA	449,385	2,546,421	0.4	6.74	43
14502	CHACHALACA	449,385	2,546,421	0.3	3.15	31
14503	CHACHALACA	449,390	2,546,451	0.5	1.01	32
14504	CHACHALACA	449,391	2,546,461	0.2	28.94	143

All numbers are rounded.



Figure 3: Chachalaca Target – (a) NW150 Diamond Rig and (b) a Swarm of Quartz Veinlets

To date, three shallow NQ-sized diamond holes have been completed at Chachalaca for a total of 136.5 m (Table 2 and Figure 4). The core from these holes is currently being processed by our geological team on-site in preparation for analysis. Targets currently in the program to be drill tested in coming months include (Figure 4):

- **Faisanes**
 - Possible extensions of the San Marcial silver resource to the NW
 - Follow up a high-grade gold intercept (**1m at 204.6 g/t Au**) from the Company's first drill hole SM-19-01 in 2019
- **Guacamayo**
 - Follow up extensions of the San Marcial silver resource to the SE
 - Test a key contact zone along strike with evidence of gold mineralization
- **Venados**
 - Follow up prospective gold zones
- **Mariposa**
 - Follow up prospective gold zones along the Faisanes-Mariposa Trend
 - Follow up a channel sample containing **0.2 m at 6.81 g/t Au**

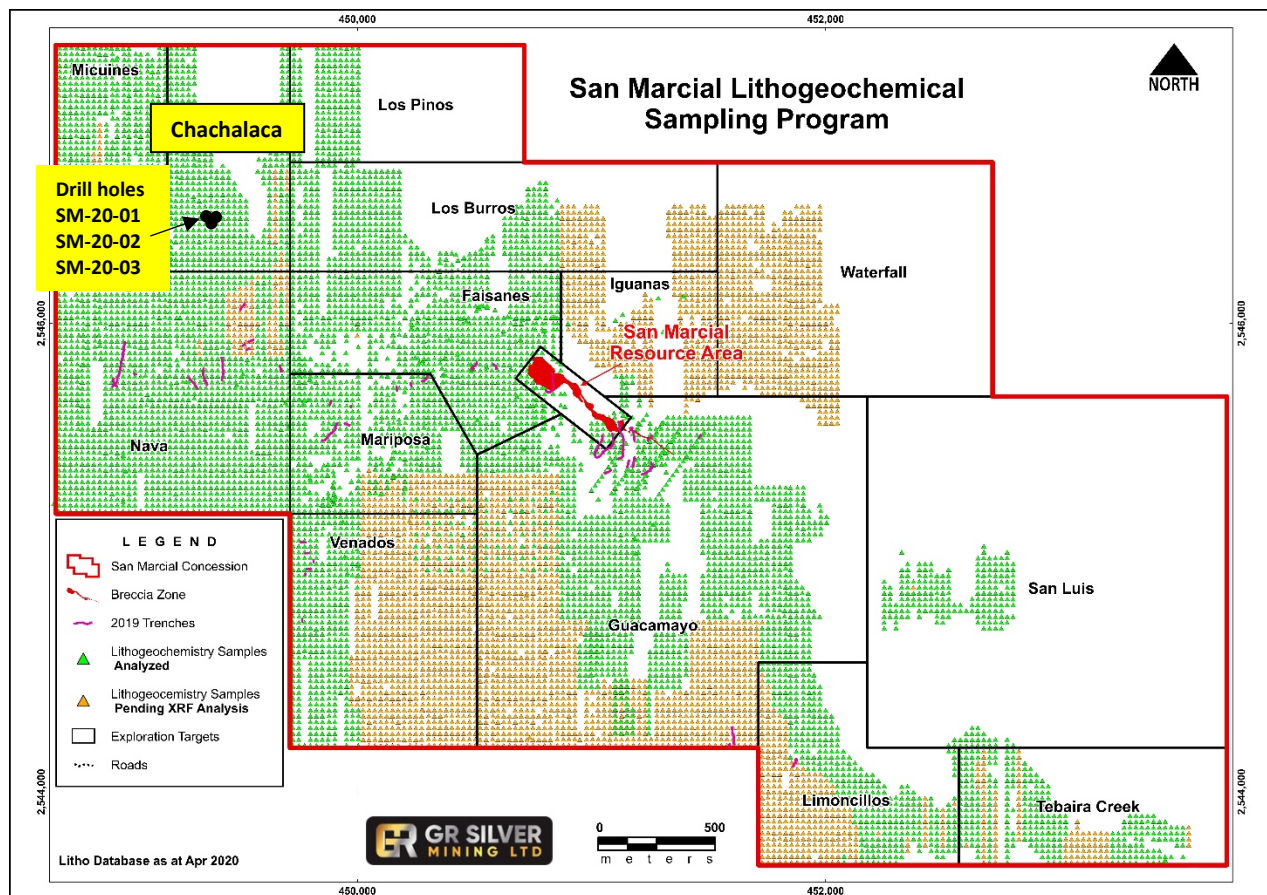


Figure 4: San Marcial Targets – Litho-geochemical Sampling Coverage and 2020 Drill Holes

Table 2: San Marcial Regional Drilling Program (NW150 rig)

HOLE ID	TARGET	EAST (m)	NORTH (m)	AZIMUTH (deg)	ELEVATION (m)	DIP	DEPTH (m)
SM-20-01	CHACHALACA	449,405	2,546,459	0	820	-90°	54.0
SM-20-02	CHACHALACA	449,374	2,546,415	0	830	-90°	51.0
SM-20-03	CHACHALACA	449,357	2,546,462	340	782	-50°	31.5

All numbers are rounded.

3. SHALLOW SURFACE DRILLING

As a follow up to the litho-geochemistry sampling program, GR Silver Mining is testing areas of interest with shallow surface drilling. The Company has acquired two small portable drill rigs that utilize 41 mm diamond core bits to drill down to between 10 and 15 m from surface (Figure 5). These rigs can quickly and economically provide 3D understanding of anomalous areas as defined by the geological team. To date, six holes (total 48.9 m) have been drilled at the SW end of the Faisanes-Mariposa trend, while seven holes have been completed at Chachalaca (total 64.2 m). These drill holes are being logged and processed by our technical team.



Figure 5: Portable Drill Rig

4. LITHO-GEOCHEMICAL SAMPLING

Since releasing the San Marcial NI 43-101 resource in February 2019, a key component of the Company's exploration strategy has been its litho-geochemical sampling program. This entails sampling of in situ rock at surface on a 25 m x 25 m grid across the concession. These samples are prepared and analyzed by portable XRF equipment at our on-site facility, with strict QA/QC protocols – a significant cost-saving compared to commercial analyses. Importantly, the 12,000 samples collected to date by the Company (Figure 4) have led to a comprehensive geochemical and lithological database with multi-element results, covering more than 60% of the concession, and importantly, the main mineralized trends.

One of the key pathfinder elements in the litho-geochemical program at San Marcial is lead (Pb). GR Silver Mining has discovered an important arcuate anomalous trend within the Pb results that stretches almost 2 km from the NW extremity of the San Marcial Resource Area (Faisanes) to the SW through the Mariposa target (Figure 6). This corridor is one of the focuses of our field team – this large ring-shaped feature could indicate a large buried system within this volcanic

environment. Initial assessment of the target areas generated by the litho-geochemical sampling is undertaken using mapping and channel sampling.

Channel sampling of veins in shallow workings at the Mariposa target have returned encouraging gold results including **0.2 m at 6.81 g/t Au** and **0.6 m at 3.82 g/t Au**. Also, in a channel closer to the Faisanes target, a recent sample returned an intersection of **4 m at 0.42 g/t Au**.

These new gold prospects are in addition to the high-grade channel sampling results reported in 2019 from the Nava target (News Releases [May 7, 2019](#) and [July 10, 2019](#)).

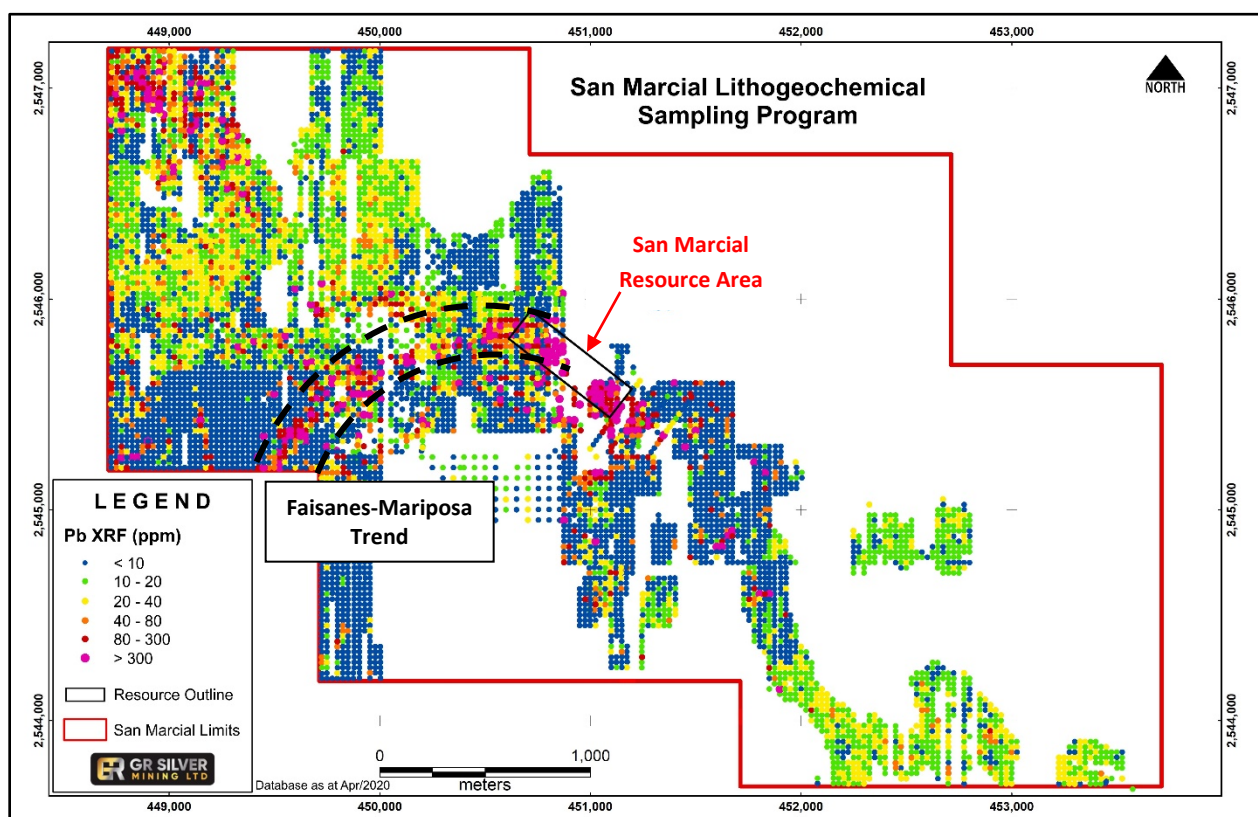


Figure 6: San Marcial – Litho-geochemical Results (Pb) and Faisanes-Mariposa Trend

Qualified Person

The scientific and technical data contained in this News Release related to the Plomosas Project was reviewed and/or prepared under the supervision of Marcio Fonseca, P.Geo.

Quality Assurance Program and Quality Control Procedures (“QA/QC”)

Gold and silver assay results in this release are generated by a third-party laboratory. GR Silver Mining has implemented QA/QC procedures which include insertion of blank and standard samples in all sample lots sent to SGS de México, S.A. de C.V. laboratory facilities in Durango, Mexico, for sample preparation and assaying. For every sample with results above Au>10 ppm or Ag >100 ppm (over limits), these samples are re-analyzed by SGS de Mexico in Durango. The analytical methods are: 4-acid Digest and Inductively Coupled Plasma Optical Emission Spectrometry with Lead Fusion Fire Assay with gravimetric finish for silver above over limits. For gold assays the analytical methods are Lead Fusion and Atomic Absorption Spectrometry Lead Fusion Fire Assay and gravimetric finish for gold above over limits.

Lead results reported in this release are generated (along with a broad suite of other elements) by use of hand held portable XRF (pXRF) equipment (two units owned by the Company). The specific models are both NITON XL3t 955 ULTRA. GR Silver Mining has implemented QA/QC procedures which include insertion of CRM (blank and standard) samples in all sample lots tested by pXRF in the Company’s facilities in Rosario, Mexico. The NITONs utilize a default setting, without calibrations, with QC checked weekly and established protocols for QA. Every 3 months the parameters for QC are reviewed and adjusted, according to each CRM performance. The NITON XRF analyses of the litho-geochemical program, while qualitatively reliable, should not be relied upon as there are inherent uncertainties in XRF analyses. Laboratory assay results provide a more accurate and reliable grade estimate of the samples, and are used in later stage follow up programs.

ABOUT GR SILVER MINING LTD.

GR Silver Mining Ltd. (GRSL.V) is a Mexico-focused company engaged in cost-effective silver-gold resource expansion on its key assets which lie on the eastern edge of the Rosario Mining District, Sinaloa, Mexico.

Plomosas Silver Project

GR Silver Mining owns 100% of the Plomosas Silver Project located near the historic mining village of La Rastra, within the Rosario Mining District. The Project is a past-producing asset where only one mine, the Plomosas silver-gold-lead-zinc underground mine, operated from 1986 to 2001. The Project has an 8,515-hectare property position and is strategically located within 5 km of the San Marcial Silver Project in the southeast of Sinaloa State, Mexico. The Plomosas Project comprises six areas with an average of 100 surface and underground drill holes in each area, geophysical and geochemical data covering most of the concession, and the delineation of 16 exploration/drilling targets.

The 100% owned assets include all facilities and infrastructure including: access roads, surface rights agreement, water use permit, 8,000 m of underground workings, water access, 60 km - 33 KV power line, offices, shops, 120-person camp, infirmary, warehouses and assay lab representing approximately US\$30m of previous capital investments. The previous owners invested approximately US\$18 million in exploration.

The silver and gold mineralization on this Project display the alteration, textures, mineralogy and deposit geometry characteristics of a low sulphidation epithermal silver-gold-base metal vein/breccia mineralized system. Previous exploration was focused on Pb-Zn-Ag-Au polymetallic shallow mineralization, hosted in NW-SE structures in the vicinity of the Plomosas mine. The E-W portion of the mineralization and extensions for the main N-S Plomosas fault remains under-explored. The Plomosas Silver Project has more than 500 recent and historical drill holes in six areas – Plomosas Mine, San Juan, La Colorada, Yecora, San Francisco and El Saltito. These drill holes represent an extensive database allowing the Company to advance towards resource estimation and potential project development in the near future.

San Marcial Project

San Marcial is a near-surface, high-grade silver-lead-zinc open pit-amenable project. GR Silver Mining is currently expanding its NI 43-101 resource estimate at the San Marcial Project, which contains 36 Moz AgEq (Indicated) + 11 Moz AgEq (Inferred), by defining new high-grade gold and silver targets along the project's 6 km mineralized trend. GR Silver Mining is the first company to conduct exploration at San Marcial in over 10 years. The NI 43-101 resource estimate (San Marcial Project – Resource Estimation and Technical Report) was completed by WSP Canada Inc. on March 26, 2019.

Plomosas and San Marcial collectively represent a geological setting resembling the multimillion-ounce San Dimas Mining District which has historically produced more than 620 Moz silver and 11 Moz gold over a period of more than 100 years.

Other Projects

GR Silver Mining's other projects are situated in areas attractive for future discoveries and development in the same vicinity of Plomosas and San Marcial in the Rosario Mining District.

Mr. Marcio Fonseca
P. Geo, President & CEO
GR Silver Mining Ltd.

For Further Information:
Contact: +1 (604) 202 3155
Email: info@grsilvermining.com

[Facebook](#) [LinkedIn](#) [Twitter](#)

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this press release.

Disclaimer for Forward-Looking Information

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. Such statements and information reflect the current view of the Company. Risks and uncertainties may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.