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GR Silver Mining Completes \$9,153,000 Bought Deal Financing

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Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GLYXF) (“GR Silver Mining” or the “Company”) – is pleased to announce that it has completed its previously announced bought deal private placement (the “Offering”) of an aggregate of 33,900,000 units of the Company (the “Units”) at a price of \$0.27 per Unit (the “Issue Price”) for gross proceeds of \$9,153,000, which included the exercise of the underwriters’ option in full. Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.40 per share for a period of 12 months from the closing date of the Offering.

The Offering was led by Beacon Securities Limited as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters including Raymond James Ltd., Canaccord Genuity Corp., and Pollitt & Co. Inc. (collectively, the “Underwriters”).

The Company intends to use the net proceeds of the Offering to fund resource expansion and drilling at the Plomosas and San Marcial projects in Sinaloa, Mexico, and for working capital and general corporate purposes.

The Offering constituted a related party transaction within the meaning of Multilateral Instrument 61-101 (“MI 61-101”) as First Majestic Silver Corp. (TSX: FR, NYSE: AG), an existing major shareholder of the Company, subscribed for an aggregate of 4,000,000 Units. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by the insider does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

In connection with the Offering, the Underwriters received a cash commission totaling \$636,660 and an aggregate of 2,358,000 non-transferable broker warrants (the “Broker Warrants”). Each Broker Warrant is exercisable into one common share of the Company at the Issue Price for a period of 12 months from the closing date of the Offering.

All securities issued under and in connection with the Offering are subject to a hold period in Canada expiring October 19, 2020.

GR Silver Mining President and CEO, Marcio Fonseca, commented: “With the closing of this oversubscribed bought deal financing, GR Silver Mining now has a solid cash position on its balance sheet, placing the Company in a strong position to continue drilling activities in the Plomosas and San Marcial Project. The Company now intends to bring additional drill rigs to the sites to continue drilling not only on the 6 areas with recent and historical drill holes but also in the multiple targets with evidence of epithermal veins inside both projects. The Company has been operating safely in the last 3 months carrying out surface and underground exploration activities at both projects, in accordance with Mexican authorities guidelines, with no impact of the COVID-19 at its operations in Mexico”.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About GR Silver Mining Ltd.

GR Silver Mining Ltd. 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 drilling at the San Marcial Project, which contains 36 Moz AgEq (Indicated) + 11 Moz AgEq (Inferred), exploring recently defined 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 18, 2019 and amended on June 10, 2020.

Plomosas and San Marcial collectively represent a geological setting resembling the multimillion-ounce San Dimas Mining District which has historically produced more than 600 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.

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