

September 16, 2020

## **GR Silver Mining Reports Drill Results at the Plomosas Silver Project**

### **Significant Near Surface Intervals, Including:**

**5.1 m @ 19.2 g/t Au and 18.0 m @ 554 g/t AgEq**

Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GRS LF) (“GR Silver Mining” or the “Company”) – is pleased to announce drill results from the Company’s recently announced surface core drilling program in the Plomosas Mine Area as well as results from the ongoing validation of historic drilling at its 100%-owned Plomosas Silver Project (“Plomosas Project”) in Sinaloa, Mexico.

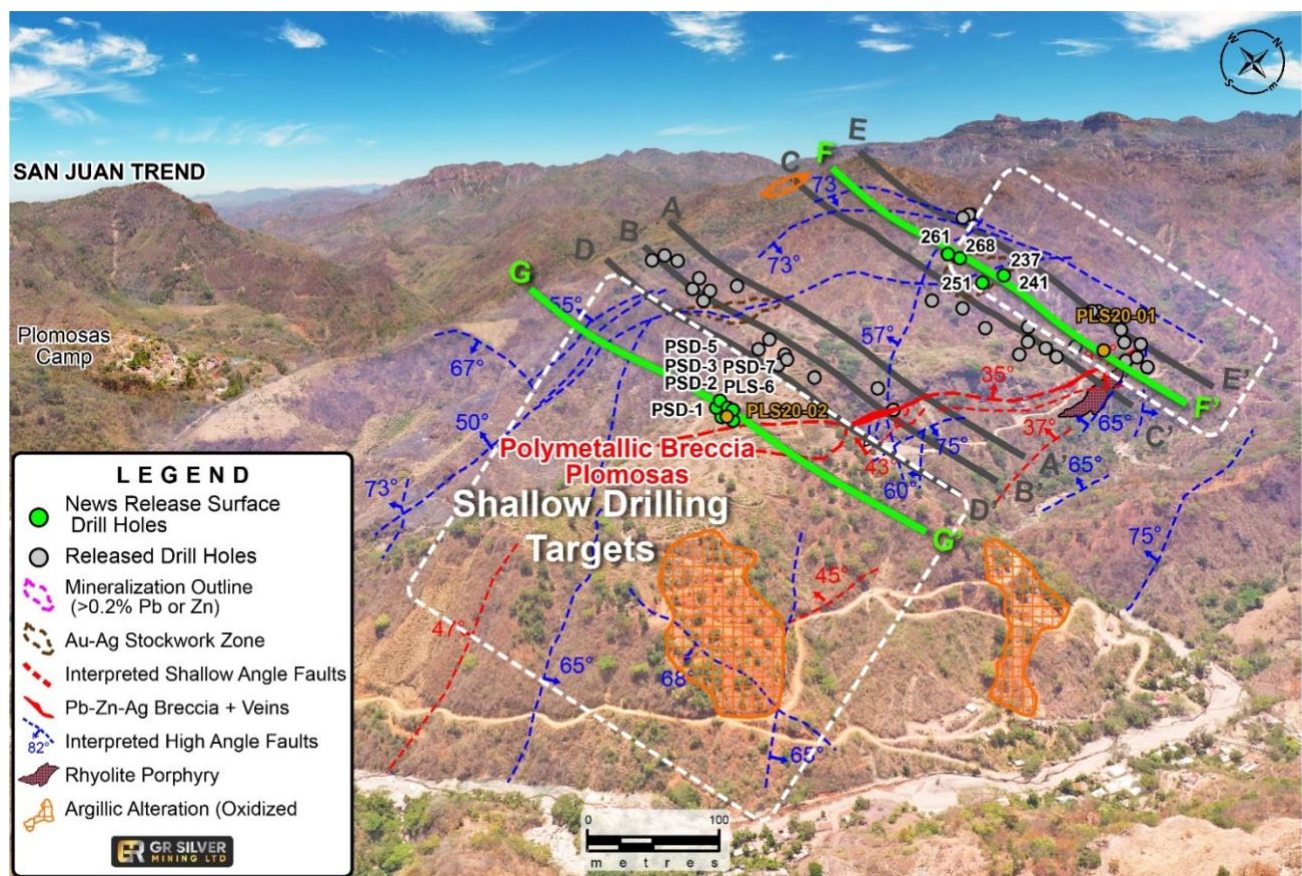
The initial two drill holes completed and released are in the Plomosas Mine Area, targeting expansion of the mineralization footprint along strike, and confirmation of attractive near surface mineralized zones. The results received confirm the presence of wide, shallow or near surface silver-gold-lead-zinc (polymetallic) veins and hydrothermal breccias. Our ongoing review and validation of historic data on the same sections indicates high grade silver and gold mineralization in low sulphidation epithermal veins outside of the polymetallic silver rich hydrothermal breccia zone. The drilling currently in progress has validated recent geological modelling, confirming near surface zones of wide Ag-Au-Zn-Pb mineralization. Recent access to historic workings near the area being drilled by the Company, together with historic and recently completed drill holes, is being integrated into a 3D model to support the expansion and potential delineation of near surface resources.

The drilling completed to date, together with recently announced results, has delineated a 700 m long mineralized system (Figure 1), consisting of multiple veins. It demonstrates the presence of, not only the polymetallic Pb-Zn-Ag rich hydrothermal breccia hosted on the N-S oriented low angle Plomosas Fault, but also a series of high angle, low sulphidation vein and stockwork systems, commonly on the hanging wall or cross cut by the former hydrothermal breccias.

The mineralized zones reported in this news release represent multiple mineralization styles, including wide, polymetallic Pb-Zn-Ag rich hydrothermal breccias, high grade Au in low sulphidation veins/stockworks and narrow high grade Ag low sulphidation veins. The definition of wide zones, or high grade zones close to the surface, represents a new opportunity for future shallow drilling along strike, aiding potential resource definition.

**GR Silver Mining President and CEO, Marcio Fonseca, commented,** *“First assay results have now been received from GR Silver Mining’s own drilling program at Plomosas. We continue to encounter evidence of a large hydrothermal system at the Plomosas Mine Area with the identification of wide mineralized intervals or high grade zones representing multiple mineralization styles and events. Our 3D integration of the recent and historic drilling data has proved valuable in defining the Pb-Zn-Ag mineralized zones, as well as the discovery of several attractive near surface Ag-Au-Pb-Zn zones. The recent recommissioned access to the Plomosas underground mine, together with surface access provide a unique opportunity to guide our surface and underground drilling program in the upcoming months, aiming at further discoveries and delineation of a resource in the area.”*

**Figure 1: Drone Image of the Plomosas Mine Area (looking to the NW) - Drill Hole Location Map**



GR Silver Mining is currently advancing its surface drilling program on the two areas marked on Figure 1. The Company recently completed the integration of a previous ground geophysical survey (IP) in the area and has advanced its program of underground mapping and sampling.

The initial 4,500 m surface core drilling program is expected to continue through 2020 and has a dual focus: shallow drilling (up to 150 m below surface) to expand the known mineralized zones along

strike at the Plomosas Mine and San Juan-La Colorada Areas, and follow-up drilling on several new high-grade Au-Ag low sulphidation epithermal vein occurrences at Yecora and El Saltito (see [news release dated July 15, 2020](#)).

The planned drill sites on the Plomosas Project are located in the Plomosas Mine Area and San Juan Trend areas where historic drilling was completed by previous owners, however GR Silver Mining have outlined un-drilled areas with additional multiple epithermal veins along strike and at shallow depth.

In addition to drill testing the areas with historic drill holes at the Plomosas Project, the Company will also commence initial reconnaissance and surface exploration on 11 priority targets identified as displaying potential for new discoveries.

Table 1 summarizes the most significant drill assay results for this set of drill holes released for the Plomosas Mine Area.

**Table 1: Summary Surface Drill Hole Results - News Release September 16, 2020 (Plomosas Mine Area)**

<b>SURFACE DRILLING PROGRAM 2020</b>									
<b>Hole No.</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Drilled width (m)</b>	<b>Est. true width (m)</b>	<b>Ag g/t</b>	<b>Au g/t</b>	<b>Pb %</b>	<b>Zn %</b>	<b>AgEq g/t</b>
<b>PLS20-01</b>	<b>8.0</b>	<b>16.5</b>	<b>8.5</b>	<b>6.0</b>	<b>85</b>	<b>0.4</b>	<b>1.1</b>	<b>0.6</b>	<b>177</b>
<b>includes</b>	<b>11.5</b>	<b>15.0</b>	<b>3.5</b>	<b>2.5</b>	<b>172</b>	<b>0.9</b>	<b>2.7</b>	<b>1.4</b>	<b>387</b>
<b>PLS20-02</b>	<b>72.4</b>	<b>98.1</b>	<b>25.7</b>	<b>22.3</b>	<b>48</b>	<b>0.1</b>	<b>0.3</b>	<b>0.6</b>	<b>85</b>
	101.0	149.0	48.0	41.6	na	na	0.1	0.5	
<b>includes</b>	<b>139.0</b>	<b>146.9</b>	<b>7.9</b>	<b>6.8</b>	<b>na</b>	<b>na</b>	<b>0.4</b>	<b>1.4</b>	

<b>HISTORIC DRILLING DATA</b>									
<b>Hole No.</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Drilled width (m)</b>	<b>Est. true width (m)</b>	<b>Ag g/t</b>	<b>Au g/t</b>	<b>Pb %</b>	<b>Zn %</b>	<b>AgEq g/t</b>
PLS-3	74.2	88.3	14.1	12.2	46	na	0.1	0.2	55
	<b>98.8</b>	<b>103.9</b>	<b>5.1</b>	<b>4.4</b>	<b>16</b>	<b>19.2</b>	<b>0.1</b>	<b>0.1</b>	<b>1,986</b>

HISTORIC DRILLING DATA									
Hole No.	From (m)	To (m)	Drilled width (m)	Est. true width (m)	Ag g/t	Au g/t	Pb %	Zn %	AgEq g/t
PLS-6	77.5	80.7	3.2	3.2	74	0.2	0.2	0.3	87
237	136.8	145.8	9.0	4.5	na	na	0.4	1.0	
241	51.0	51.7	0.8	0.6	163	0.3	0.6	0.7	232
251	58.0	59.1	1.1	06	136	na	0.9	1.1	251
	119.3	123.7	4.4	2.5	na	1.8	0.1	na	
<b>261</b>	<b>206.5</b>	<b>226.5</b>	<b>20.0</b>	<b>15.3</b>	<b>na</b>	<b>1.2</b>	<b>na</b>	<b>na</b>	
268	163.0	168.9	5.9	4.5	73	0.3	0.2	0.4	127
<b>315</b>	<b>21.0</b>	<b>39.0</b>	<b>18.0</b>	<b>16.9</b>	<b>321</b>	<b>0.9</b>	<b>2.7</b>	<b>1.9</b>	<b>554</b>
<b>318</b>	<b>36.0</b>	<b>50.0</b>	<b>14.0</b>	<b>9.0</b>	<b>30</b>	<b>1.7</b>	<b>1.3</b>	<b>2.0</b>	<b>318</b>
<b>PSD-1</b>	<b>77.8</b>	<b>101.5</b>	<b>23.7</b>	20.5	<b>81</b>	<b>na</b>	<b>na</b>	<b>na</b>	
PSD-2	75.0	88.7	13.7	11.9	44	na	0.1	0.3	
	93.6	100.8	7.2	6.2	na	na	0.3	1.0	
	121.7	132.6	10.9	9.4	na	0.3	0.2	1.1	
PSD-3	95.1	108.0	12.9	11.2	na	na	0.4	0.5	
PSD-5	84.3	91.3	7.0	7.0	32	na	na	na	
PSD-7	63.3	65.6	2.4	2.2	83	na	na	na	
	75.5	96.6	21.0	19.3	27	na	na	na	
	109.7	125.0	15.3	14.0	na	na	0.2	0.4	
PSD-11	89.3	103.3	14.0	13.8	37	na	na	na	
SD-83	61.3	66.7	5.5	5.2	18	na	0.1	0.2	

\*AgEq is based on long term gold, silver, zinc and lead prices of US\$1600 per ounce gold, US\$16.50 per ounce silver, US\$0.85 per pound zinc and US\$0.95 per pound lead. The metallurgical recoveries are assumed as 90% Ag, 95% Au, 78% Pb and 70% Zn. "na" = no relevant assays. All numbers are rounded. Results are uncut and undiluted. UG: Underground Drill Hole, SURF: Surface Drill Hole

The drill holes in this news release were generated by a core drilling campaign initiated by the Company in Q3/2020 (PLS20-01 and PLS20-02), and historical drill holes completed by Grupo Mexico. Neither of the drill sets were previously released.

The area being drilled has a series of outcrops representing quartz stockwork veining and locally hydrothermal breccias hosted in a Tertiary volcanic bimodal andesitic-rhyolitic sequence commonly intruded by rhyolitic dykes. Structurally, the area is marked by a series of high angle NW trending faults which are commonly intersecting the N-S low angle Plomosas Fault, a common host structure for Ag-Au-Pb-Zn polymetallic hydrothermal breccias ([link to cross section 1 and cross section 2](#)). Alteration is mainly represented by a propylitic assemblage containing chlorite-epidote-quartz-pyrite and abundant specular hematite. Locally on surface, argillic alteration halos and large oxidized zones are observed, a result of previous accumulation of pyrite and other sulphides. The polymetallic mineralization is mainly represented by fine galena and sphalerite, common hematite-quartz cemented hydrothermal breccias and filling veins. Late stage quartz Ag-Au epithermal veining is commonly observed overprinting Ag-Pb-Zn mineralization in the hydrothermal breccias.

Table 2 lists the drill hole intervals previously not sampled (“NS”) for this group of released holes. The Company continues to investigate previous unsampled intervals for evidence of mineralization in the core that warrants additional sampling and assaying.

Additionally, Table 3 provides collar coordinates for the drill holes presented in this news release.

**Table 2: Plomosas Mine Area - Drill Hole Intervals Not Sampled (Intervals greater than 20m)**

Hole No.	From-To (m)	Sampling
PLS-3	0.00 m to 74.2m	NS
PLS-6	0.00 m to 59.1 m	NS
237	0.00 m to 18.95 m	NS
241	0.00 m to 18.05 m	NS
251	0.00 m to 24.35 m	NS
261	0.00 m to 152.15 m	NS
268	0.00 m to 99.45 m	NS
PSD-11	0.00 m to 89.3 m	NS
SD-83	0.00 m to 61.3 m	NS

All numbers are rounded. NS - Core not assayed

**Table 3: Drill Hole Locations – News Release September 16, 2020 (Plomosas Mine Area)**

Hole No.	East (m)	North (m)	RL (m)	Azimuth	Dip	Depth (m)
PLS20-01	451,586	2,552,252	940	270	-60	150.85
PLS20-02	451,486	2,551,539	986	0	-90	165.0
PLS-3	451,490	2,551,532	977	0	-90	105.85
PLS-6	451,490	2,551,532	977	90	-70	169.6
237	451,483	2,552,240	958	330	-65	201.2
241	451,502	2,552,207	959	308	-70	85.3
251	451,484	2,552,184	975	308	-60	160.25
261	451,404	2,552,189	1,010	308	-67	291.9
268	451,418	2,552,210	1,005	308	-70	255.05
315	451,282	2,552,218	795	45	-90	84.3
318	451,282	2,552,218	795	326	-53	71.65
PSD-1	451,474	2,551,541	980	270	-81	145.5
PSD-2	451,474	2,551,541	980	90	-86	260.15
PSD-3	451,477	2,551,538	980	90	-71	251.7
PSD-5	451,477	2,551,538	980	53	-50	214.0
PSD-7	451,477	2,551,538	979	53	-80	131.8
PSD-11	451,431	2,551,511	977	55	-70	379.85
SD-83	451,488	2,551,509	985	55	-80	316.2

All numbers are rounded.

The Company believes that the Plomosas Mine Area is part of a much larger low sulphidation epithermal system as indicated by field evidence along 1.0 km of strike length, where only 400 m of that strike had previously been drilled. This represents an opportunity for the Company's current surface drilling program to continue discovering new mineralized zones close to the surface.



## **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. He has approved the disclosure herein.

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

The Company 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 Ag >100 ppm (over limits), these samples are submitted directly by SGS de Mexico to SGS Canada Inc at Burnaby, BC. 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.

The recent drill holes completed by First Majestic from 2016 to 2018, followed QA/QC protocols reviewed and validated by GR Silver Mining, including insertion of blank and standard samples in all sample lots sent to First Majestic’s Laboratorio Central facilities in La Parilla, Durango, for sample preparation and assaying. Additional validation and check assays were performed by an independent laboratory at SGS de México, S.A. de C.V. facilities in Durango, Mexico. The analytical methods applied for these recent holes for Ag and Au assays comprised of Fire Assay with Atomic Absorption finish for samples above Au >10ppm and Ag >300ppm and Gravimetric Finish. Pb and Zn were analyzed using Inductively Coupled Plasma Optical Emission Spectrometry. GR Silver Mining has not received information related to the Grupo Mexico QA/QC and assay protocols and at this stage is considering the information historic for news release purposes.

## **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, 16 new exploration targets from which 11 have high priority for future exploration programs.

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. In August 2020, GR Silver Mining commenced its drilling program in the area to investigate extensions to known mineralization and to guide new discoveries, part of a planned resource estimation in 2021.

## **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) and 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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