



November 12, 2020

GR Silver Mining Discovers New Gold and Silver Mineralization in the Footwall of the San Marcial Silver Resource, Providing Support for Future Resource Expansion

- **3.8 m @ 2,184 g/t Ag, 0.8 % Pb and 2.9 % Zn**
- **2.7 m @ 1.48 g/t Au, including 0.6 m @ 5.87 g/t Au**
- **2.5 m @ 1.43 g/t Au, including 1.0 m @ 3.34 g/t Au**
- **0.9 m @ 1,452 g/t Ag, 1.5 % Pb and 9.0 % Zn**

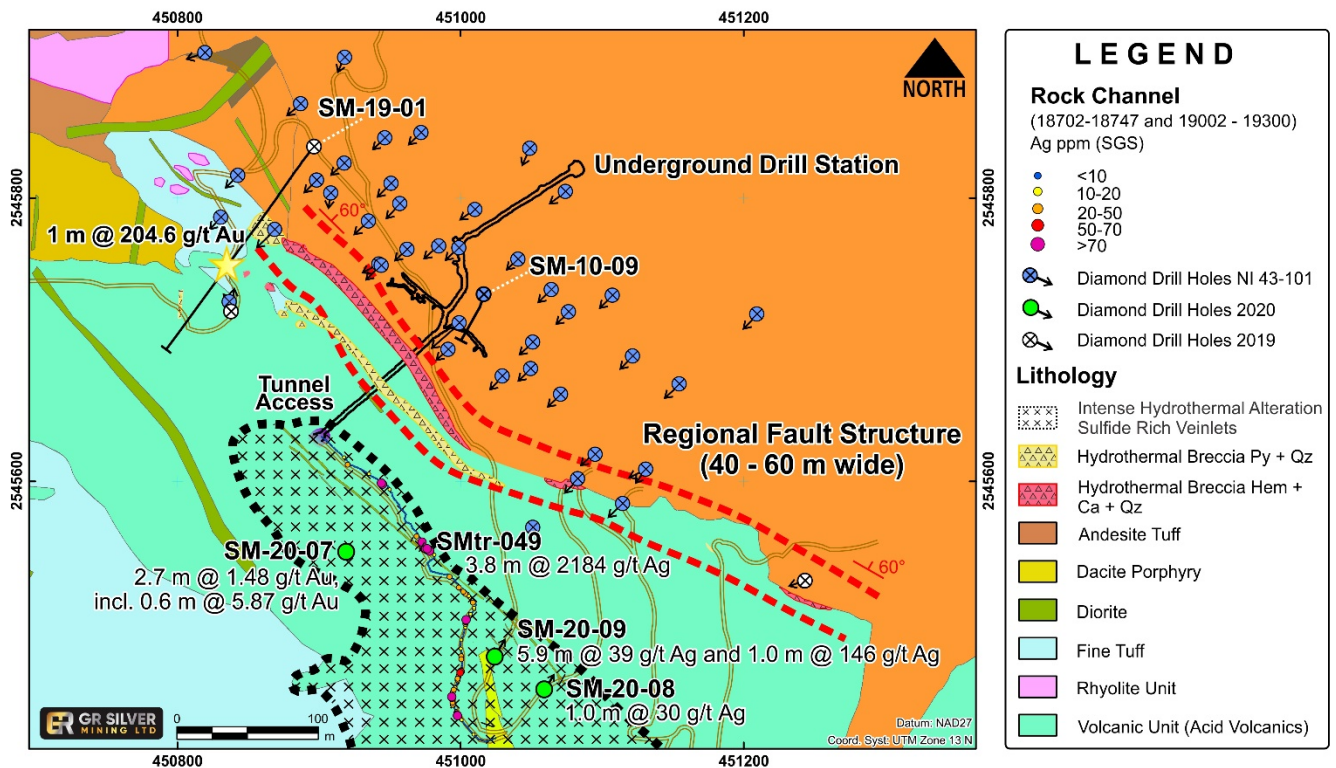
Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GRSLF) (“GR Silver Mining” or the “Company”) – is pleased to announce new high grade silver and gold mineralization located in the footwall adjacent to the NI 43-101 resource at the San Marcial Silver Project (“San Marcial Project”) in Sinaloa, Mexico. These positive results support the potential for future expansion of the resource.

The new mineralization has been identified in channel sampling along newly constructed road access to the underground tunnel which has been expanded for the planned underground drill sites (Figure 1). This new mineralization has been tested with initial shallow drill holes, which tested the 3D continuity of the host structures at short distances from the road and close to the surface. The new road cuts have exposed a new section of the footwall zone of the NI 43-101 resource, in areas previously defined as non-mineralized, discovering evidence of pervasively altered rocks with intense silicification, veining and associated wide, silver and gold mineralized zones.

The area is currently being mapped in detail, with additional geochemical investigation to define the geometry and continuity of the mineralized system along strike and down dip (Figure 2). The position of the road outcrops relative to the orientation of mineralized structures meant that some samples were taken sub-parallel to the mineralization, and the approximate true widths are noted in Table 1. The initial set of three drill holes are oriented sub perpendicular to the structures and mineralized zones, however a follow-up deeper drilling program is being envisaged by the Company to fully define the dimensions of the mineralized system.

GR Silver Mining President and CEO, Marcio Fonseca, commented, “The Company has taken advantage of new outcrops of fresh rock resulting from the construction of a new road access to the San Marcial Tunnel. The exposure of a wide hydrothermally altered, silicified and sulfide rich zone revealed high grade silver and gold mineralization in the footwall area adjacent to the Resource Area, that has the potential to add to the San Marcial NI 43-101 resource estimate. We have validated a number of these mineralized zones with shallow diamond drill holes. It is significant in that the precious metals mineralization is hosted within a potentially wide zone with evidence of hydrothermal features such as silicification and sulfide rich veining similar to our high grade gold result from the 2019 drilling program that returned 1m at 204.6 g/t Au, approximately 140 m to the northwest of the tunnel, and also outside the NI 43-101 Resource Area. Additional work is ongoing in this area to follow up on the encouraging results to date.”

Figure 1: San Marcial – Gold and Silver Exploration Results in Lower Acid Volcanic Zone



Mineralization along the new access road consists of high-grade silver and, locally, gold bearing quartz-sphalerite-galena veinlets that entered fracture-controlled fluid pathways along contacts with and within intercalated acid volcanics. The host rock is moderately quartz-sericite altered, with variable amounts of disseminated and stringer pyrite, sphalerite and galena. The nature and

frequency of the veinlets is currently being studied, though the Company believes that these veinlets could potentially increase in frequency and possibly coalesce with depth. Alteration is characterized in some sections by intense silicification, implying a large hydrothermal system, potentially wider than the mineralized zones.

Significant results from channel sampling along the new road, which provides access to the underground development at the San Marcial Tunnel, include the following mineralized zones (Table 1).

Table 1: Channel Sampling Results from the New Road leading to the San Marcial Tunnel

Channel	From (m)	To (m)	Sampled Length (m)	Approx. True Width (m)	Au g/t	Ag g/t	Pb %	Zn %
SMtr-049	35.4	50.8	15.4	11.5	0.02	37	0.1	-
including	35.4	37.4	2.0	1.2	0.02	83	0.1	-
and	46.9	50.8	3.9	2.7	0.04	57	0.2	-
	61.3	69.3	8.0	7.5	0.02	39	-	-
	72.3	73.3	1.0	0.7	1.91	4	-	-
	78.3	79.3	1.0	0.6	0.01	30	-	-
	88.3	91.3	3.0	2.7	0.15	10	-	-
	101.3	105.3	4.0	2.6	0.07	60	-	-
	105.3	112.3	7.0	5.2	0.27	10	-	-
including	105.3	107.3	2.0	1.3	0.56	18	-	-
	124.5	125.5	1.0	0.3	0.03	48	-	-
	132.6	133.6	1.0	0.3	0.02	50	-	-
	177.0	180.8	3.8	0.2	0.03	2,184	0.8	2.9
	188.8	189.7	0.9	0.2	0.04	1,452	1.5	9.0
	240.6	242.6	2.0	0.2	0.01	80	0.1	0.1

* “-” = assays <0.1%. All numbers are rounded. Results are uncut and undiluted. True sample widths are approximate due to complexity of structural orientations.

A 3.8 m long sample, taken along the length of a narrow hydrothermal breccia revealed individual mineralized values of up to **1 m at 3,033 g/t Ag**, with associated 0.6 % lead and 4.0 % zinc. The 0.2 m wide (approximate true width) breccia contact zones, located on either side of the 1.0 m wide dike, are an indication of a series of structurally controlled pathways permitting the mobilization

of mineralized fluids.

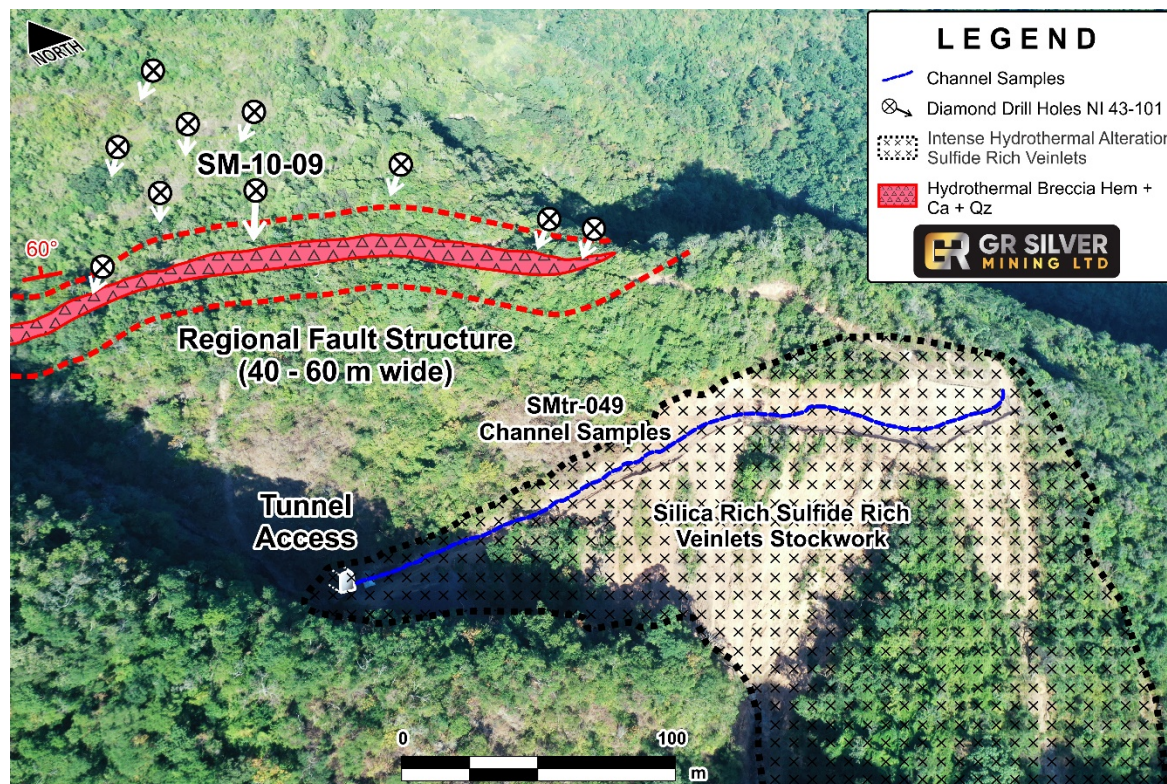
Of the historic drill holes completed in the San Marcial Resource Area, only one hole - SM-10-09, was drilled deep enough below the main San Marcial breccia to encounter this footwall zone at depth, and is significant due to the high silver grades obtained in a similar quartz breccia contact of the dacite host rock with an intrusive dike. The results (Table 2) illustrate the continuity of the hydrothermally altered system and significant mineralization at depth.

Table 2: Significant results from the end of hole SM-10-09 – Breccia/dike contact mineralization
(Results previously released. See [News Release dated 18 September, 2018](#))

Drill Hole	From (m)	To (m)	Length (m)	Ag g/t	Au g/t
SM-10-09	188.0	235.0	47.0	4.7	0.2
	280.0	286.0	6.0	139	0.04
including	285.0	286.0	1.0	501	0.08
	286.0	295.0	9.0	Dike - No Significant Mineralization	
	295.0	299.0	4.0	120	0.1

All numbers are rounded. Results are uncut and undiluted

Figure 2: Drone Image - Road Sampling – NI 43-101 Resource Area



Three diamond drill holes (Figure 1) have recently been completed to test this footwall dacite zone, which targeted quartz vein and quartz vein breccia contact zones at relatively shallow depth. The quartz veins were found to occur in the footwall of the NI 43-101 resource. High grade gold results of up to **2.7 m at 1.48 g/t gold (Au)** including **0.6 m at 5.87 g/t Au** (Table 3), were reported from this drilling. The results revealed continuity of the mineralization at depth, with higher grades revealed at the contact zones, as well as continuity of lower, though significant, grades between these zones.

Hole **SM-20-07** (Table 4) was drilled vertically to test a sulphide rich structurally controlled zone on surface, 46 m from the road channel samples. This hole successfully tested the target and revealed significant fluid pathway gold and silver mineralization along the contact with strong alteration and mineralization through most of the drill hole. Some of the most important intervals, including a number of high grade gold intervals, are illustrated as follows (Table 3).

Table 3: Significant assay results from drill holes SM-20-07, 08 and 09.

Drill Hole	From (m)	To (m)	Length (m)	Au g/t	Ag g/t
SM-20-07	4.5	4.95	0.45	0.16	57
	12.55	15.5	2.95	0.43	10
including	13.5	13.93	0.43	1.70	7
	21.5	24.0	2.5	1.43	2
including	23.0	24.0	1.0	3.34	3
	41.5	44.2	2.7	1.48	8
including	42.5	43.1	0.6	5.87	12
	75.4	77.6	2.2	0.53	7
including	77.15	77.6	0.45	1.30	2
SM-20-08	13.5	14.0	0.5	0.26	5
	17.0	18.0	1.0	0.02	30
SM-20-09	0.0	1.5	1.5	0.03	33
	13.6	19.5	5.9	0.03	39
incl	13.6	14.6	1.0	0.09	42
and	18.5	19.5	1.0	0.03	146
	22.85	25.3	1.45	0.45	8

All numbers are rounded. Results are uncut and undiluted. True widths are approximate due to complexity of structural orientations.

Holes **SM-20-08** and **SM-20-09** (Table 4) were drilled at locations southeast from the tunnel (Figure 1), and higher up the ridge. Both holes were drilled to test contacts between a mafic dike and the volcanic rock. In both cases, and similar to hole SM-20-07, significant mineralization was encountered both at the contact, as well as throughout the volcanic rocks.

It is important to note that the sequence of volcanic rocks hosting the elevated gold results in the footwall below the San Marcial Resource in SM-20-07, is the same stratigraphic position as the high-grade gold result announced by the Company from the 2019 drill program (SM-19-01) which returned **1 m at 204.6 g/t Au** (see [News Release dated 30 July, 2019](#)), approximately 234 m to the northwest.

Table 4: Drill Hole Locations – News Release November 12, 2020 (San Marcial Road Access Area)

Hole No.	East (m)	North (m)	RL (m)	Azimuth	Dip	Depth (m)
SM-20-07	450,919	2,545,550	818	0	-90	100.5
SM-20-08	451,059	2,545,453	894	30	-70	30.0
SM-20-09	451,024	2,545,476	900	30	-45	30.0

All numbers are rounded. Datum: UTM NAD 27, Zn 13

Future Drilling Program

The footwall of the NI 43-101 resource is where the Company is currently integrating all data, aiming to study un-tested areas close to the current mineralization with the potential to expand the San Marcial Resource. Future drilling will further test this footwall zone, while providing information on the orientation, continuity and grade of mineralization at depth.

Channel Sample Protocols

Channel samples from SMtr-049 were collected with a rock saw, typically on 1 m continuous intervals. The samples were then sent to the SGS Laboratory in Durango for assay.

Channel lengths were measured along the trench commencing at the southern end. Approximate true thicknesses were calculated using field assumptions of the orientation of the mineralization.

Channel composites were calculated with a minimum composite width of 1 m and a grade cut-off of 30 g/t Ag or 0.10 g/t Au. i.e. no intercepts were reported that averaged less than 30 g/t Ag or 0.10 g/t Au.

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.

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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