TSX-V: GRSL
OTCQB: GRSLF

**July 20, 2020**

# GR Silver Mining Announces Extension to the Plomosas Vein and Reports High-Grade Silver Drill Results

- **1,112 gpt AgEq[1] over 5.4m (1,096 gpt Ag, 0.3% Pb and 0.2% Zn) including 2,498 gpt AgEq over 2.0m (2,484 gpt Ag, 0.7% Pb and 0.3% Zn)**

**Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GRSLF) ("GR Silver Mining" or the "Company")** – is pleased to report drill results at its 100%-owned Plomosas Silver Project ("Plomosas Project"), Plomosas Mine Area, in Sinaloa, Mexico.

These drill results highlight high-grade silver mineralized zones in a 50 m step out from a previously released section of drill hole results at the Plomosas Mine Area (Figure 1) (see News Release dated May 13, 2020). They confirm continuity of the silver mineralized system for at least 500 m along strike. They also extend the continuity of both mineralization styles, Ag-Au low sulphidation epithermal veins and polymetallic high-grade Ag-Pb-Zn hydrothermal breccias, up to 700 m down dip below the surface (Figure 2).

The drill results confirm the prospectivity of near surface, multiple veins and hydrothermal breccia systems close to existing underground development, which will facilitate access for follow up in our upcoming drill program. Significantly, these drill holes also indicate the discovery of multiple subparallel mineralized systems below the current footwall of previously mined areas.

A large epithermal system is evident based on the most recently released set of drill results. The Company has initiated a shallow (100-150 m depth) surface drilling program aiming to confirm the mineralization footprint and the new high-grade vein discoveries along strike and down dip.

**GR Silver Mining President and CEO, Marcio Fonseca, commented**, *"The mineralized veins and hydrothermal breccias at the Plomosas Mine Area were originally interpreted to be confined only along the major Plomosas Fault, however our recent validation and integration of all drill results, underground structural mapping and sampling, supports the occurrence of additional mineralized veins outside of that major structure.*

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1. 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.

**GR Silver Mining Ltd.**
999 West Hastings St., 9th Floor
Vancouver, BC, V6C 2W2

**info@grsilvermining.com**
+1-604-202-3155

*These results illustrate the potential to expand Ag-Au mineralization along strike and down-dip, creating a much larger mineralized footprint for future resource estimation. Some of our recently released results are particularly impressive, not only for the thickness of the mineralization but also average grade, reporting intervals of 11.0 m at 1,235 gpt Ag and 5.4 m at 1,096 gpt Ag including 2.0 m @ 2,484 gpt Ag. The recent progress of the surface and underground exploration program suggests that these high-grade veins extend and are open down plunge. With further success, we anticipate that the high-grade multi-vein mineralization in the Plomosas Mine Area will add additional mineralized zones for future resource delineation".*

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

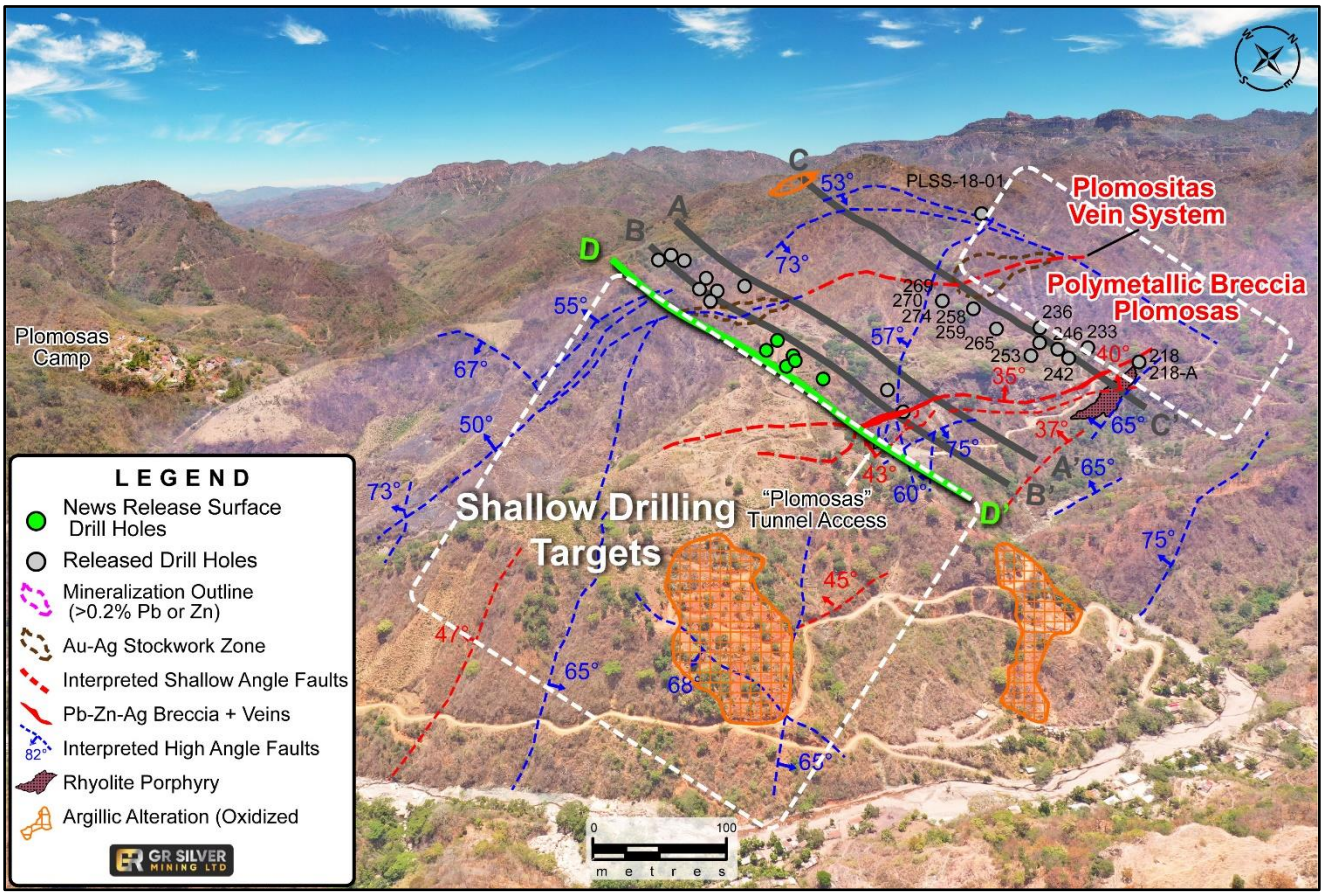

**Figure 2: Geological Cross Section – D - D' at the Plomosas Mine Area (looking to the NW)**

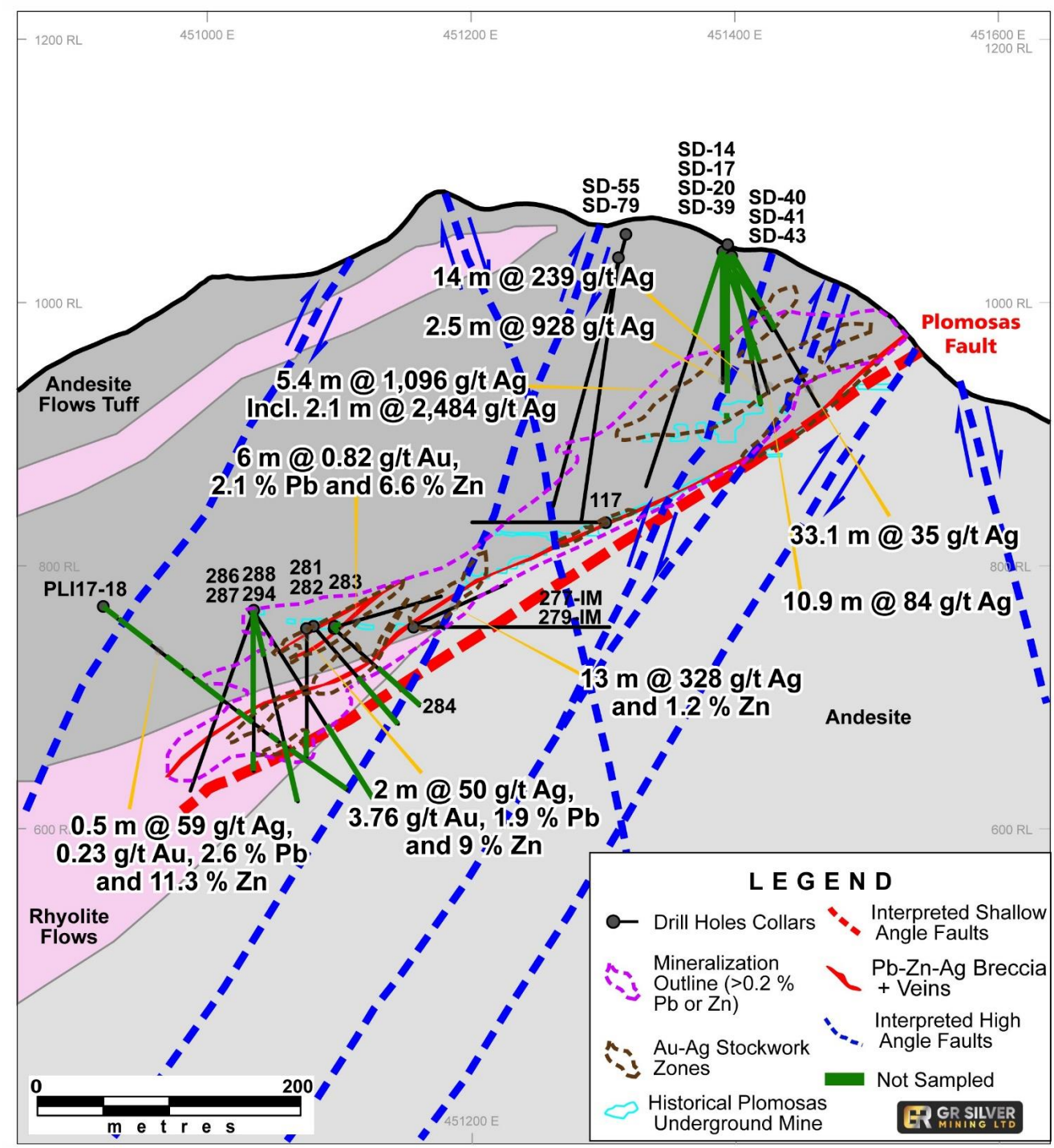


Table 1 summarizes the most significant drill assay results for this group of holes released for the Plomosas Mine Area.

**Table 1: Summary Drill Hole Results - News Release July 20, 2020 (Plomosas Mine Area)**

| Hole No. | Hole Type | From (m) | To (m) | Drilled width (m) | Est. true width (m) | Ag g/t | Au g/t | Pb % | Zn % | AgEq g/t |
|---|---|---|---|---|---|---|---|---|---|---|
| SD-14 | SURF | 102.0 | 105.4 | 3.4 | 2.8 | 123 | na | na | 0.1 | |
| SD-17 | SURF | 81.0 | 84.7 | 3.7 | 3.5 | 169 | na | na | 0.1 | |
| SD-17 | SURF | 93.4 | 107.4 | 14.0 | 13.2 | 239 | na | 0.1 | 0.3 | 252 |
| includes | | 98.7 | 105.3 | 6.6 | 6.2 | 362 | na | 0.2 | 0.5 | |
| SD-20 | SURF | 93.3 | 126.4 | 33.1 | 32.6 | 35 | na | 0.1 | 0.2 | |
| SD-39 | SURF | 79.0 | 84.4 | 5.4 | 4.4 | 161 | na | na | 0.1 | 168 |
| SD-39 | SURF | **96.3** | **98.8** | **2.5** | 2 | **928** | **na** | **0.1** | **0.2** | **935** |
| SD-40 | SURF | 101.5 | 112.4 | 10.9 | 10.7 | 84 | na | 0.1 | 0.2 | |
| SD-41 | SURF | 61.1 | 65.7 | 4.6 | 4.6 | 39 | 0.1 | 0.1 | 0.2 | |
| SD-43 | SURF | **106.0** | **111.4** | **5.4** | 2.7 | **1,096** | **na** | **0.3** | **0.2** | **1,112** |
| includes | | **106.0** | **108.0** | **2.0** | 1 | **2,484** | **na** | **0.7** | **0.3** | **2,498** |
| SD-43 | SURF | 118.0 | 123.0 | 5.0 | 2.5 | 234 | na | 0.0 | 0.1 | 240 |
| **SD-55** | SURF | **173.0** | **175.3** | **2.3** | 1.6 | **19** | **na** | **1.7** | **5.3** | |
| SD-79 | SURF | 205.8 | 213.7 | 7.9 | 5.1 | 6 | na | 0.6 | 0.7 | |
| 117 | UG | 6.3 | 9.3 | 3.0 | 1.3 | 191 | na | 1.1 | 0.9 | 254 |
| 117 | UG | 20.5 | 21.4 | 0.9 | 0.4 | 375 | na | 3.0 | 2.1 | 536 |
| 277-IM | UG | 26.5 | 30.5 | 4.0 | 3.1 | 103 | 0.1 | 0.8 | 1.4 | 172 |
| 279-IM | UG | 25.3 | 38.3 | 13.0 | 10 | 328 | 0.2 | 0.5 | 1.2 | 397 |
| **281** | UG | **8.0** | **11.0** | **3.0** | 3 | **16** | **0.3** | **1.2** | **2.9** | |
| **281** | UG | **14.0** | **18.0** | **4.0** | 4 | **27** | **0.2** | **1.4** | **3.8** | |
| 281 | UG | 44.0 | 48.0 | 4.0 | 4 | 12 | 0.1 | 1.6 | 2.7 | |
| **282** | UG | **2.0** | **4.0** | **2.0** | 1.9 | **20** | **0.4** | **1.9** | **5.0** | |
| **282** | UG | **6.0** | **8.0** | **2.0** | 1.9 | **50** | **3.8** | **1.9** | **9.0** | **745** |
| **283** | UG | **14.0** | **20.0** | **6.0** | 3 | **18** | **0.8** | **2.1** | **6.6** | |
| 283 | UG | 78.0 | 80.0 | 2.0 | 1 | 185 | 0.8 | 1.5 | 2.1 | 377 |
| 284 | UG | 38.5 | 40.5 | 2.0 | 2 | 18 | 0.2 | 5.9 | 3.2 | |

| Hole No. | Hole Type | From (m) | To (m) | Drilled width (m) | Est. true width (m) | Ag g/t | Au g/t | Pb % | Zn % | AgEq g/t |
|---|---|---|---|---|---|---|---|---|---|---|
| 286 | UG | 103.0 | 105.0 | 2.0 | 2 | 4 | 0.1 | 0.1 | 2.4 | |
| 287 | UG | 96.0 | 101.0 | 5.0 | 4.8 | 7 | 0.2 | 1.9 | 1.9 | |
| 288 | UG | 76.8 | 80.8 | 4.0 | 3.5 | 9 | 0.4 | 0.5 | 2.7 | |
| 294 | UG | 51.7 | 52.7 | 1.0 | 0.6 | 18 | 0.2 | 0.6 | 3.0 | |
| PLI17-18 | UG | 51.9 | 55.3 | 3.4 | 3.3 | 15 | 0.1 | 0.5 | 3.4 | |
| **includes** | | **53.4** | **53.9** | **0.5** | 0.5 | **59** | **0.2** | **2.6** | **11.3** | **480** |
| PLI17-18 | UG | 119.4 | 124.5 | 5.1 | 5 | 147 | 0.9 | 0.1 | 0.2 | 244 |

*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 drill campaign completed by First Majestic Silver Corp. ("First Majestic") in 2017 (PLI17-08), and historical drill holes completed by Grupo Mexico. Both drill sets were not previously released. They are part of an extensive surface and underground diamond core drilling database, which GR Silver Mining continues to consolidate and validate. The Company recently announced a surface drilling program (see News Release dated July 15, 2020) which aims to expand the mineralization footprint along strike, which will lead to the first 3D geological model and resource estimation at the Plomosas Mine Area.

Table 2 lists the drill hole intervals previously not sampled ("NS") for this group of released holes. The Company is investigating these 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 |
|---|---|---|
| PLI17-18 | 15.05-45.55 | NS |
| PLI17-18 | 87.75-115.0 | NS |
| PLI17-18 | 171.15-209.7 | NS |

All numbers are rounded. NS - Core not assayed by First Majestic

**Table 3: Drill Hole Locations – News Release July 20, 2020 (Plomosas Mine Area)**

| Hole No. | East (m) | North (m) | RL (m) | Az. | Dip | Depth (m) |
|---|---|---|---|---|---|---|
| 117 | 451290 | 2551683 | 818 | 270 | 0 | 101.5 |
| 281 | 451079 | 2551741 | 753 | 90 | -49 | 98.3 |
| 282 | 451074 | 2551718 | 753 | 0 | -90 | 99.5 |
| 283 | 451095 | 2551738 | 752 | 90 | 16 | 84.2 |
| 284 | 451095 | 2551738 | 751 | 90 | -42 | 87.0 |
| 286 | 451050 | 2551683 | 752 | 102 | -57 | 170.1 |
| 287 | 451050 | 2551683 | 752 | 120 | -75 | 149.9 |
| 288 | 451050 | 2551683 | 752 | 180 | -83 | 122.9 |
| 294 | 451050 | 2551683 | 752 | 246 | -69 | 146.6 |
| 277-IM | 451155 | 2551658 | 752 | 90 | 0 | 149.0 |
| 279-IM | 451155 | 2551658 | 753 | 90 | 24 | 76.8 |
| PLI17-18 | 450939 | 2551785 | 751 | 100 | -38 | 209.7 |
| SD-14 | 451394 | 2551708 | 1043 | 0 | -90 | 110.5 |
| SD-17 | 451397 | 2551731 | 1034 | 90 | -60 | 114.9 |
| SD-20 | 451397 | 2551731 | 1034 | 0 | -90 | 131.4 |
| SD-39 | 451390 | 2551738 | 1037 | 90 | -72 | 99.8 |
| SD-40 | 451390 | 2551738 | 1037 | 90 | -58 | 113.2 |
| SD-41 | 451390 | 2551738 | 1037 | 270 | -72 | 71.2 |
| SD-43 | 451390 | 2551738 | 1037 | 0 | -90 | 187.6 |
| SD-55 | 451311 | 2551761 | 1032 | 270 | -82 | 201.8 |
| SD-79 | 451317 | 2551716 | 1050 | 270 | -75 | 213.7 |

All numbers are rounded.

The Plomosas Mine Area drill results continue to demonstrate the continuity of higher-grade precious and base metals mineralization along strike, expanding the footprint of the low sulphidation epithermal system for approximately 500 m. The high grades encountered, Ag-Pb-Zn and Ag, occur in an area with multiple deep-rooted fault systems and are confirming the presence

of unmined near surface high-grade mineralized zones for upcoming drilling follow-up.

**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 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.

**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.

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

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