



December 15, 2020

## GR Silver Mining Reports Significant Drill Results at the Plomosas Silver Project:

- **4.2 m @ 778 g/t AgEq<sup>1</sup>**
- **16.0 m @ 254 g/t AgEq, including 4.0 m @ 429 g/t AgEq**
- **25.7 m @ 200 g/t AgEq**
- **7.3 m @ 800 g/t AgEq**
- **1.0 m @ 1,807 g/t AgEq**

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

Two underground drill holes (PLI20-01, PLI20-02) drilled by GR Silver Mining have confirmed attractive new mineralized zones in the footwall and hanging wall of previously mined areas in the Plomosas Mine Area. These areas were previously thought to be barren wall rock zones. The surface drill hole (PLS20-04), also drilled by the Company, has identified the presence of a wide polymetallic (lead-zinc) mineralized zone along strike from recently drilled areas, supporting ongoing surface work to expand shallow resources.

Our ongoing review and validation of historic data (SD-62 and SD-63) has confirmed the presence of Au-Cu rich mineralization in other levels of the Plomosas Mine Area (similar to the Zone 775 Discovery – see [News Release dated September 28, 2020](#)). In addition, the review has confirmed the presence of massive sulphide (sphalerite-galena) narrow veins in historic workings (PD-121) in the Plomosas Mine Area, presenting a new target for future underground drilling along strike and down dip.

The integration of current drilling results with sampling and validation of historic data, has proved to be a valuable tool to support ongoing resource modelling, identifying potential areas to delineate additional underground resources and near surface resources.

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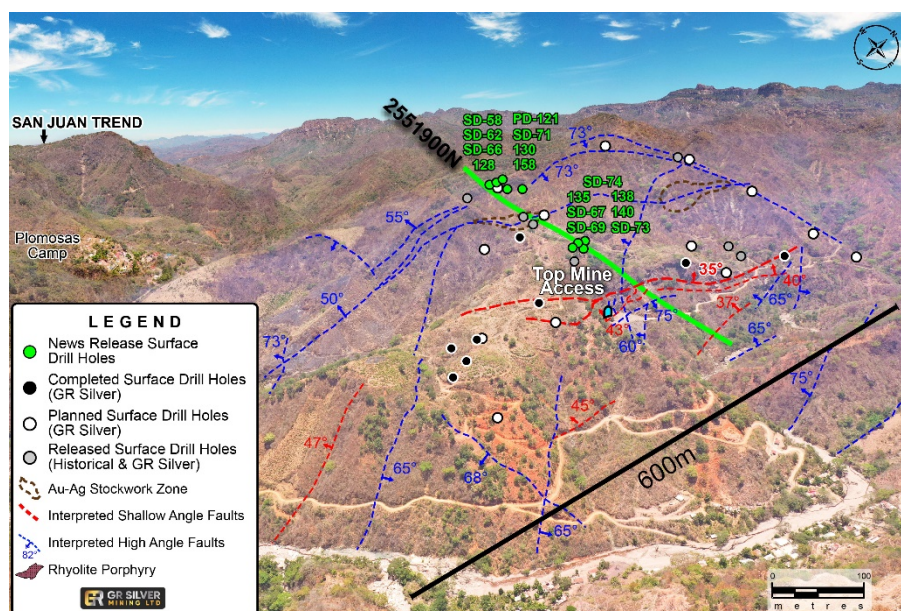
<sup>1</sup> AgEq is based on long term gold, silver, zinc, lead and copper prices of US\$1600 per ounce gold, US\$16.50 per ounce silver, US\$0.85 per pound zinc, US\$0.95 per pound lead and US\$3.00 per pound copper. The metallurgical recoveries are assumed as 90% Ag, 95% Au, 78% Pb, 70% Zn and 70% Cu.

The drilled area represents a highly prospective mineralized system incorporating multiple mineralization styles. The system is open for expansion along strike and down dip (see Figure 1). GR Silver Mining’s current underground drilling has identified the presence of high-grade narrow Ag-Au-Pb-Zn hydrothermal breccias, as well as multiple precious and base metal rich veinlets on the hanging wall of the Plomosas Fault. The hanging wall zone has defined a mineralized corridor ranging from 20 m to 50 m thick ([Link to Section](#)). The broad geometry of this structural corridor provides opportunity for delineation of high volume, bulk mineable style mineralization as part of the ongoing resource modelling process.

The review, sampling and validation of the historical data has also revealed Au-Cu rich zones and narrow massive sphalerite-galena veins in the vicinity of high-grade polymetallic (Au-Cu-Ag-Pb-Zn) sulphide-rich mineralization, which was discovered during initial underground channel sampling on the lower (775m RL) level of the Plomosas Mine.

**GR Silver Mining President and CEO, Marcio Fonseca, commented,** *“The assays resulting from GR Silver Mining’s current Plomosas drilling program continue to validate the presence of a large hydrothermal system at the Plomosas Mine Area. They have identified a wide mineralized corridor on the hanging wall of the Plomosas Fault with attractive precious and base metals grades. Our integration of the recent and historic drilling data continues to define new Au-Cu-Ag-Pb-Zn mineralized structures and is discovering several attractive, near surface Pb-Zn zones. The integration of all data for the first time in a 3D model, is a valuable exploration tool to maximize the opportunity to continue to drill and expand the footprint of the potential resource area.”*

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



Based on the recent underground and surface drilling results, GR Silver Mining has added another drill rig on site. The Company currently has five drill rigs operating at the Plomosas Project: three at the Plomosas Mine Area and two at the San Juan Area. The initial 4,500 m surface core drilling program (see [News Release dated July 15, 2020](#)), has been increased to 11,900 m, aiming to delineate a much larger initial resource footprint in both areas.

The Company has recently completed processing of an aeromagnetic and ground geophysical (IP) survey in both areas, with positive results identifying new anomalies in areas outside of the historic underground workings.

Table 1 summarizes the latest, most significant assay results for the Company’s drilling program.

**Table 1: Summary 2020 Surface-Underground Drill Hole Results - News Release December 15, 2020 (Plomosas Mine Area)**

<b>PLOMOSAS DRILLING PROGRAM 2020</b>											
Hole No.	Type	From (m)	To (m)	Drilled width (m)	Est. true width (m)	Ag g/t	Au g/t	Pb %	Zn %	Cu %	AgEq g/t
<b>PLI20-01</b>	<b>UG</b>	<b>0.0</b>	<b>16.0</b>	<b>16.0</b>	<b>16.0</b>	<b>30</b>	<b>0.01</b>	<b>1.3</b>	<b>2.8</b>		<b>254</b>
<b>includes</b>		<b>0.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>55</b>	<b>0.01</b>	<b>4.0</b>	<b>8.3</b>		<b>429</b>
<b>PLI20-02</b>	<b>UG</b>	3.4	35.4	32.0	32.0	18	0.30	1.0	1.7		130
<b>includes</b>		<b>3.4</b>	<b>7.6</b>	<b>4.2</b>	<b>4.2</b>	<b>107</b>	<b>1.70</b>	<b>6.6</b>	<b>9.6</b>	<b>0.2</b>	<b>778</b>

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, US\$0.95 per pound lead and US\$2.00 per pound copper. The metallurgical recoveries are assumed as 90% Ag, 95% Au, 78% Pb, 70% Zn and 70% Cu. “na” = no relevant assays. All numbers are rounded. Results are uncut and undiluted. UG: Underground Drill Hole, SURF: Surface Drill Hole

The review and validation of historic data is an important component of the upcoming resource modelling, due to its location on the surface and in the underground areas. The Company continues to release this historic information as validation is completed on site. Table 2 summarizes the most significant drill assay results for historic drilling data for this News Release.

**Table 2: Summary Surface-Underground Historic Drill Hole Results - News Release December 15, 2020  
(Plomosas Mine Area)**

<b>HISTORIC DRILLING DATA**</b>											
Hole No.	Type	From (m)	To (m)	Drilled width (m)	Est. true width (m)	Ag g/t	Au g/t	Pb %	Zn %	Cu %	AgEq g/t
SD-58	SURF	256.1	282.0	25.9	25.5	9	na	0.5	0.8	0.2	
<b>SD-62</b>	<b>SURF</b>	<b>307.2</b>	<b>332.9</b>	<b>25.7</b>	<b>25.3</b>	<b>31</b>	<b>0.12</b>	<b>0.8</b>	<b>1.4</b>	<b>1.3</b>	<b>200</b>
SD-66	SURF	271.0	273.4	2.4	2.4	7	1.63	0.2	2.5	na	
		297.8	308.2	10.4	10.4	12	0.27	2.2	1.4	na	
		318.0	345.8	27.9	27.8	17	0.12	0.7	0.9	na	
		351.4	366.9	15.5	15.4	17	1.19	0.6	1.1	na	
<b>SD-67</b>	<b>SURF</b>	<b>84.6</b>	<b>91.8</b>	<b>7.3</b>	<b>6.1</b>	<b>115</b>	<b>1.04</b>	<b>11.3</b>	<b>5.4</b>	<b>0.7</b>	<b>800</b>
		99.9	107.2	7.3	6.1	11	0.10	0.6	2.7	na	
SD-69	SURF	96.6	111.9	15.3	15.0	59	0.13	0.3	0.6	0.4	125
<b>SD-71</b>	<b>SURF</b>	<b>133.4</b>	<b>137.3</b>	<b>4.0</b>	<b>3.9</b>	<b>297</b>	<b>na</b>	<b>3.9</b>	<b>0.2</b>	<b>na</b>	<b>436</b>
<b>SD-74</b>	<b>SURF</b>	<b>74.4</b>	<b>84.2</b>	<b>9.8</b>	<b>7.0</b>	<b>106</b>	<b>0.86</b>	<b>11.2</b>	<b>2.8</b>	<b>0.4</b>	<b>680</b>
		102.8	142.5	39.7	39.1	13	0.16	0.8	1.2	na	
158	UG	0.0	7.0	7.0	6.8	21	0.32	2.9	2.4	na	219
<b>PD-121</b>	<b>UG</b>	<b>47.5</b>	<b>48.5</b>	<b>1.0</b>	<b>0.9</b>	<b>72</b>	<b>2.80</b>	<b>27.5</b>	<b>18.5</b>	<b>na</b>	<b>1,807</b>

\*\* Drilling Program completed by Grupo Mexico

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, US\$0.95 per pound lead and US\$2.00 per pound copper. The metallurgical recoveries are assumed as 90% Ag, 95% Au, 78% Pb, 70% Zn and 70% Cu. "na" = no relevant assays. All numbers are rounded. Results are uncut and undiluted. UG: Underground Drill Hole, SURF: Surface Drill Hole

The Company continues to review and sample attractive new zones of mineralization in historical holes that were previously un-sampled. This has identified new mineralized zones providing additional surface and underground targets for the current drill program at the Plomosas Mine Area. Table 3 highlights sampling of historical holes related to the current News Release.

**Table 3: Summary Sampling Results Historical Core - News Release December 15, 2020 (Plomosas Mine Area)**

SAMPLING OF AVAILABLE UN-SAMPLED CORE***										
Hole No.	Type	From (m)	To (m)	Drilled width (m)	Est. true width (m)	Ag g/t	Au g/t	Pb %	Zn %	AgEq g/t
PLI16-03	UG	148.9	152.8	4.0	3.9	17	0.04	0.1	0.2	
PLI16-04	UG	280.9	301.7	20.9	20.2	4	0.06	0.1	0.2	

\*\*\* Drilling Program completed by First Majestic

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, US\$0.95 per pound lead and US\$2.00 per pound copper. The metallurgical recoveries are assumed as 90% Ag, 95% Au, 78% Pb, 70% Zn and 70% Cu. "na" = no relevant assays. All numbers are rounded. Results are uncut and undiluted. UG: Underground Drill Hole, SURF: Surface Drill Hole

The Plomosas Mine Area has a series of surface outcrops representing quartz stockwork veining and locally hydrothermal breccias hosted in a Tertiary bimodal volcanic (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. 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 vein infill. Late-stage quartz Ag-Au epithermal veining is commonly observed overprinting Ag-Pb-Zn mineralization in the hydrothermal breccias. Table 4 provides collar coordinates for the drill holes presented in this News Release.

**Table 4: Drill Hole Locations – News Release December 15, 2020 (Plomosas Mine Area)**

Hole No.	East (m)	North (m)	RL (m)	Azimuth	Dip	Depth (m)
PLI20-01	451155	2551911	753	270	-30	90
PLI20-02	451155	2551911	753	270	-75	112
128	451061	2551906	751	0	-90	100
130	451044	2551898	759	80	-55	85
135	451420	2551881	927	90	-80	88
138	451421	2551881	927	90	-55	69
140	451422	2551881	927	90	-35	65
158	451157	2551921	766	270	30	117
PD-121	451063	2551905	753	90	-50	85
SD-58	451108	2551881	1036	270	-83	282
SD-62	450993	2551881	1018	90	-85	350
SD-66	450990	2551858	1010	0	-90	377
SD-67	451405	2551868	1011	0	-90	111
SD-69	451408	2551891	1010	270	-74	112
SD-71	450993	2551881	1018	270	-62	143
SD-73	451408	2551891	1011	270	-83	410
SD-74	451405	2551868	1011	90	-74	151
PLI16-03	450913	2551886	705	180	-75	242.6
PLI16-04	450913	2551885	705	183	-51	352.1

All numbers are rounded.

GR Silver Mining 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 Company's San Marcial Silver Project in the southeast of Sinaloa State, Mexico.

The March 2020 acquisition of the Plomosas Silver Project included 563 historical and recent drill holes from both surface and underground locations. These drill holes represent an extensive database allowing the Company to advance towards resource estimation and potential project development in the near future.

The Company has commenced an 11,900 m drilling program with surface holes focused on expanding known mineralization along strike in two initial areas, the Plomosas Mine Area and the San Juan Area. Underground drilling included in the program will target the extension of recent polymetallic discoveries at the lowest level (775 m RL, or ~250 m below surface) of the Plomosas Mine Area and six low sulphidation epithermal veins at San Juan Area. Both areas will be the subject of NI 43-101 resource estimations following completion of this drill program.

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\$30 million of previous capital investments. The previous owners invested approximately US\$18 million in exploration, including extensive geophysics and geochemistry programs.

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 remain under-explored.

In addition to the resource potential at Plomosas, a review of the existing drill hole database, geophysical surveys and geochemical data covering most of the concession, has defined 16 new exploration targets from which 11 have high priority for future exploration programs.

## **SAN MARCIAL PROJECT**

San Marcial is a near-surface, high-grade silver-lead-zinc open pit-amenable project, which contains a 36 Moz AgEq (Indicated) and 11 Moz AgEq (Inferred) NI 43-101 resource estimate. The company recently completed over 320 m of underground development in the San Marcial Resource Area, from which underground drilling is planned to expand the high-grade portions of the resource



down dip. The Company recently discovered additional mineralization in the footwall, outside of the existing resource, and will also be drilling this area. 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.

Recent exploration has identified silver and gold mineralization 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 on the footwall of the NI 43-101 resource.

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](mailto:info@grsilvermining.com)

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

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