GR Silver Mining Ltd. Announces Upsize to Bought Deal Financing

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VANCOUVER, April 7, 2021 - GR Silver Mining Ltd. (TSXV: GRSL) (FRANKFURT: GPE) (OTCQB: GRSLF) ("GR Silver Mining" or the "Company") - is pleased to announce that it has amended the terms of its previously announced offering of units of the Company. Under the amended terms of the Offering (as defined below), Beacon Securities Limited (the "Lead Underwriter"), as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters (collectively, the "Underwriters"), has agreed to purchase, on a "bought deal" private placement basis, 17,000,000 units ("Units") at a price of $0.59 per Unit (the "Issue Price") for aggregate gross proceeds to the Company of $10,030,000 (the "Offering"). Each Unit will consist 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 will be exercisable to acquire one common share for a period of 24 months following closing of the Offering at an exercise price of $0.74 per share.

The Warrants may be accelerated by the Company, at its sole option, at any time after the closing date of the Offering provided that the volume-weighted average closing price of the common shares of the Company on the TSX Venture Exchange is greater than or equal to $1.30 for a period of 60 consecutive trading days, by giving notice to the holders thereof and, in such case, the Warrants will expire at 4:00pm (Toronto time) on the earlier of: (i) the 30th day after the date on which such notice is given by the Company in accordance with the terms of the Warrants, and (ii) the actual expiry date of the Warrants.

The Company has granted the Underwriters an option, exercisable by the Lead Underwriter on behalf of the Underwriters, to purchase up to an additional 2,550,000 Units, for additional gross proceeds of up to $1,504,500, exercisable in whole or in part at any time up to 48 hours prior to the closing date of the Offering.

The Company intends to use the net proceeds of the Offering for working capital and general corporate purposes.

The Offering is expected to close on or about April 27, 2021 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities. All securities issued under the Offering will be subject to a hold period in Canada expiring four months and one day from the closing date of the Offering.

In connection with the Offering, the Underwriters will receive: (i) a cash commission of 7.0% of the gross proceeds of the Offering; and (ii) that number of non-transferable compensation options (the "Compensation Options") as is equal to 7.0% of the aggregate number of Units sold under the Offering. Each Compensation Option is exercisable into one common share of the Company at the Issue Price for a period of 24 months from the closing date of the Offering.

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 a 600 tpd crush milling flotation circuit from 1986 to 2001, producing approximately 8 million ounces of silver, 73 million pounds of lead and 28 million pounds of zinc.

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 is carrying out a 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 Au-rich 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 the 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-gold mineralization on this Project displays the alteration, textures, mineralogy and deposit geometry characteristics of a low sulphidation epithermal silver-gold-base metal mineralized vein/breccia system. Previous exploration was focused on polymetallic (Pb-Zn-Ag-Au) shallow mineralization, hosted in NW-SE structures in the vicinity of the Plomosas mine. The E-W portion of the mineralization and extensions of 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. The Company filed a National Instrument 43-101 ("NI 43-101") report entitled "San Marcial Project Resource Estimation and Technical Report, Sinaloa, Mexico" having an effective date of March 18, 2019 and an amended date of June 10, 2020 (the "Report"), which contains a 36 Moz AgEq (Indicated) and 11 Moz AgEq (Inferred) resource estimate. The Report was prepared by Todd McCracken and Marcelo Filipov of WSP Canada Inc. and is available on SEDAR. 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.

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 area. 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 Ag and 11 Moz Au over a period of more than 100 years.

La Trinidad Project

The La Trinidad Project was acquired in March 2021. While La Trinidad has been the focus of artisanal mining activity over many decades, commercial operations began late in the 20th century. Anaconda Minerals Corp. was first to drill the project in the mid-late 1980s. After initially taking up an option on the Project in 1993, Eldorado Gold Corp. then commenced an open pit gold mine at La Trinidad in 1995, known as the Taunus Pit, with ore being processed via a heap leach operation. The mine operated until 1998, producing approximately 52,000 ounces of gold[1].

Exploration undertaken by Oro Gold from 2006 identified additional resources below the Taunus Pit and operations recommenced late in 2014. Gold output from the heap leach pads continued until late 2019 for a total cumulative production by Oro Gold of 112,000 oz gold[2,3]. In addition to La Trinidad, the portfolio acquired by GR Silver Mining includes an extensive regional database of geological, geochemical and geophysical information resulting from historical exploration expenditure by Oro Gold of more than CDN$18.6 million since 2006.

Cimarron Project

Cimarron is another advanced stage project that was acquired along with the La Trinidad Project in March 2021 and is located 40 km to the NW of La Trinidad. A number of targets have been identified at Cimarron including Calerita, El Prado, Huanacaxtle, Betty and Veteranos, however Calerita is the only target to have been drilled to date. The near surface historical Inferred Resource at the Calerita prospect contains 3.7 Mt at 0.65 g/t Au for approximately 77,000 oz of gold[4], which is considered to be open along strike and down dip.

Whilst the 2011 resource is considered by GR Silver Mining to be a historical resource, the Company considers the resource estimate as being relevant and reliable, considering a lack of significant additional exploration work since its release. A key parameter in the historical resource is the usage of a US$1,200/oz gold price compared to a much higher current spot gold price. A Qualified Person (QP) would be required to review the historical resource report and make recommendations in order to verify and upgrade it to a current resource. A QP has not done sufficient work to classify the historical estimate as current mineral resources. The Company is not treating the historical estimate as a current mineral resource. The company plans to re-assess the work completed by previous owners and define the feasibility of additional drilling, aiming at identifying additional near-surface mineralization.

Other Projects

GR Silver Mining's other projects are situated in areas attractive for future discoveries and development in the same vicinity of Plomosas, La Trinidad and San Marcial in the Rosario Mining District. Following the acquisition of Marlin, GR Silver Mining controls a concession portfolio of over 1,000 km^2, two previously producing mines fully permitted for future developments and a total combined 75 km of structures with field evidence of 24 Ag-Au veins in historic old workings.

Mr. Marcio Fonseca
P. Geo, President & CEO
GR Silver Mining Ltd.

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[1] Refer to Marlin Gold Mining Ltd. (Marlin) NI 43-101 News Release dated February 1, 2013

[2] Refer to Marlin MD&A Releases dated 30 April 2015, 29 April 2016, 1 May 2017, 30 April 2018, 29 August 2018

[3] Refer to Mako Mining Corp. MD&A Releases dated 28 August 2019, 29 April 2020

[4] Refer to Marlin NI 43-101 News Release dated March 18, 2011
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