



GOLDEN ARROW
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TSX Venture Exchange (TSX-V): **GRG**
Frankfurt Stock Exchange (FRA): **GAC (WKN A0B6XQ)**

NEWS RELEASE – August 29, 2014

Golden Arrow Reports Substantial Increase in Resources Following Recent 9,000 m Drill Program at the Chinchillas Silver Project

Vancouver, BC / TNW-Accesswire / August 29, 2014 / Golden Arrow Resources Corporation (TSX-V: GRG, FRA: GAC (WKN: A0B6XQ), “Golden Arrow” or the “Company”) is pleased to announce an updated NI 43-101 compliant resource estimate for the Chinchillas silver-lead-zinc project in Jujuy, Argentina. This updated resource incorporates additional drill results from the recently completed 37 hole 9,000 metre core drilling program.

Highlights of the Resource Estimate

- Indicated Resources of **95.9 million ounces silver equivalent (Ag Eq)** at 121.1g/t Ag Eq grade (24.6 million tonnes grading 91.3 g/t silver, 0.65% lead and 0.31% zinc at a 40g/t Ag Eq cut-off)
 - **Represents nearly a three-fold increase in indicated resources**
- Inferred Resource of **68.7 million ounces Ag Eq** at 97.1 g/t Ag Eq grade (22.0 million tonnes grading 56.9 g/t Ag, 0.61% Pb and 0.68% Zn at a 40g/t Ag Eq cut-off).
- Deposit still remains open to expansion
- New resources expected to positively impact the updated Preliminary Economic Assessment, underway

“With an approximate 60% increase in resources, Chinchillas is proving to be a deposit of significant size, and we believe it has a future as an important mining project,” stated Brian McEwen, VP Exploration and Development. *“The upcoming PEA will benefit from this increased resource and give us a better understanding of the mining potential. Furthermore, the deposit remains open in most directions and I am confident that our feasibility drill program will continue to expand the resource base.”*

A NI 43-101 Technical Report supporting disclosure of this mineral resource will be filed by Golden Arrow on SEDAR within 45 days of this press release. In addition, Golden Arrow is now working to update the Preliminary Economic Assessment (PEA) for the Chinchillas Project based on the new resources. This study is expected to be completed in the next sixty days and a corresponding NI 43-101 Technical Report including that information will then be filed by the end of the year.

Management is confident that the updated PEA will outline a compelling economic scenario to move the project forward. As such, the updated PEA will be followed by an infill drilling program to upgrade the resource categories and drill the deposit to its limits, and lead into a feasibility study.

The Chinchillas properties retain considerable promise for additional resources, particularly in the Chinchillas South area where recent drilling outlined a significant target potential. (See news release dated July 22, 2014.) A further 70% of the property areas have yet to see detailed exploration. Exploration will be conducted on these areas but will be secondary in focus to the advancement of the project towards production.

Chinchillas Geology Overview

The Chinchillas project is located in the prolific Bolivian silver–zinc–tin belt which extends into northern Argentina. Golden Arrow is earning a 100% interest in the project (details in GRG News Release dated August 3rd, 2011). Chinchillas is a Tertiary aged volcanic complex that has erupted through the Paleozoic basement schists. The resulting depression or basin, filled with volcanic tuffs and tuff breccias. Shallow disseminated silver, lead and zinc mineralization occurs in layers or “mantos” within the tuffs and breccias. A second style of silver, lead and zinc mineralization occurs in the structures and breccias in the Ordovician basement pelite and sandstone schists beneath.

Silver-lead-zinc mineralization included within the resource model occurs in four units which are differentiated based on host rock and geometry. The Silver Mantos and Socavon del Diablo zones are the upper tuff units in the western and eastern halves of the deposit respectively, with the Mantos Basement and Socavon Basement being the units hosted by the basement schists that lie generally beneath their respective tuff units.

Table 1. Mineral Resource Statement for the Chinchillas Project, August 29th, 2014.

Resource Class/Zone	Tonnage (Mt)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (g/t)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)	AgEq (Moz)
Indicated Resources									
Silver Mantos	12.6	84.7	0.48	0.45	113.4	34.2	131.7	123.4	45.8
Mantos Basement	12.1	98.2	0.83	0.16	129.0	38.2	219.8	43.2	50.1
Total Indicated Resources	24.6	91.3	0.65	0.31	121.1	72.3	351.5	166.6	95.9
Inferred Resources									
Silver Mantos	6.2	60.1	0.59	0.62	97.8	11.9	80.3	83.7	19.4
Mantos Basement	5.3	98.8	0.85	0.11	128.8	16.7	98.9	13.1	21.8
Socavon del Diablo	7.3	27.3	0.44	1.13	76.2	6.4	70.3	182.8	17.9
Socavon Basement	3.2	49.9	0.62	0.72	91.6	5.2	44.6	51.3	9.6
Total Inferred Resources	22.0	56.9	0.61	0.68	97.1	40.2	294.1	390.9	68.7

Notes:

1. The AgEq formula used is $(Pb \times 39.187) + (Zn \times 39.187) + (Ag \times 1)$.
2. Totals may not add correctly due to rounding
3. A resource constraining shell was developed based on metal prices of US\$35.00/ounce silver, US\$2.00/pound zinc and US\$2.00/pound lead. Within that shell, the resource has been reported using a cutoff grade of 40 g/t Ag Eq. The cutoff was determined using operating costs of US\$16.00/tonne for processing, US\$9.00/tonne for G&A (US\$25.00/t total) with metal prices of US\$22.00/oz silver, US\$1.00/pound zinc and US\$1.00/pound lead, and a process recovery of 90%, based on the 2014 Preliminary Economic Assessment. (See reported filed on SEDAR dated January 20th, 2014 for details.) The pit slope used for the resource shell is 45 degrees.
4. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
5. The quantity and grade of reported Inferred resources are uncertain in nature and there has been insufficient exploration to classify these inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured category.

Table 2. Sensitivity of Resources to Cut-Off

Cutoff (g/t)	Tonnage (Mt)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (g/t)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)	AgEq (Moz)
Indicated Resources									
20	28.6	82.0	0.58	0.27	108.6	75.5	365.5	172.8	99.9
40	24.6	91.3	0.65	0.31	121.1	72.3	351.5	166.6	95.9
50	22.1	98.0	0.70	0.33	129.9	69.5	338.6	160.1	92.2
60	19.6	105.0	0.75	0.35	139.2	66.3	323.6	152.0	87.9
80	15.5	119.8	0.85	0.38	158.0	59.5	288.5	129.5	78.5
100	11.8	137.0	0.95	0.40	179.0	52.1	246.4	104.9	68.1
Inferred Resources									
20	29.8	44.7	0.50	0.62	79.4	42.8	326.8	405.5	76.1
40	22.0	56.9	0.61	0.68	97.1	40.2	294.1	330.9	68.7
50	18.1	64.9	0.68	0.71	108.2	37.8	270.2	285.4	63.1
60	15.2	72.5	0.74	0.73	118.4	35.5	248.8	246.2	58.0
80	10.8	87.8	0.87	0.76	138.4	30.5	207.0	180.6	48.1
100	7.6	104.7	1.00	0.74	159.0	25.6	167.5	124.9	38.9

Methodology and QA/QC

The resource estimation was based on data from 114 drill holes comprising a total length of 19,487 metres of drilling completed by the Company to the end of July 2014, as well as 7 holes comprising a total length of 2,220 metres of drilling completed by previous operators of the project.

The samples were collected and analyzed in accordance with industry standard practice. Analyses of the drill core were performed by Alex Stewart Assayers, in Mendoza, Argentina, an ISO 9001:2008 and ISO14001: 2004 certified laboratory. All samples were analyzed by method ICP-MA-39 that consists of a four acid digestion followed by ICP-OES detection. Silver results greater than 200 Ag g/t were re-analyzed by fire assay with a gravimetric finish on 50-gram samples. Lead and zinc results greater than 10,000 ppm were re-analyzed by a 3 acid digestion and ICP-OES detection. A quality assurance/quality control (QA/QC) program following industry standard practices was incorporated with the assay program. It consisted of blank, duplicate and standard samples inserted into the drill core sample sequence sent to the laboratory for analysis.

The August 28th, 2014 mineral resource estimate for the Chinchillas Project was prepared by Kyle Howie, MAIG, in consultation with Bruce Davis, FAusIMM of BD Resource Consulting Inc and Bruce Smith, MAusIMM. The mineral resource estimate uses drill hole sample assay results and the interpretation of a geologic model that relates to the spatial distribution of silver in the deposit. Interpolation characteristics were defined based on the geology, drill hole spacing and geostatistical analysis of the data. Block grade estimates were done using Ordinary Kriging (OK) with a block size measuring 5 metres long, 5 metres wide and 5 metres high. Resources are classified initially based on geological interpretation, then further according to their proximity to sample data locations and are reported, as required under NI 43-101, according to the CIM Definition Standards for Mineral Resources and Mineral Reserves. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The quantity and grade of reported Inferred resources are uncertain in nature and there has been insufficient exploration to classify these inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured category.

A NI 43-101 Technical Report supporting disclosure of this mineral resource will be filed by Golden Arrow on SEDAR within 45 days of this press release.

Qualified Persons

The resource estimate and associated information in this news release was prepared by independent consultants to the Company, Kyle Howie, B.Sc., MAIG and Bruce Davis, Ph.D. FAusIMM of BD Resource Consulting Inc., and consultant Bruce Smith, M.Sc., MAusIMM CP(Geo). The contents of the news release has been reviewed and approved by Brian McEwen, P.Geol., VP Exploration and Development to the Company. Mr. Davis, Mr. Howie, Mr. Smith and Mr. McEwen are Qualified Persons as defined in National Instrument 43-101.

About Golden Arrow:

Golden Arrow is a Vancouver-based explorer focused on identifying, acquiring and advancing precious and base metal projects in Argentina with the goal of achieving a world class discovery. The main focus is on advancing the flagship Chinchillas Silver Project located in Jujuy, Argentina. Golden Arrow will continue to execute its strategy to leverage the Company's exploration exposure by attracting partners to fund work on its other high quality mineral projects. Golden Arrow is a member of Grosso Group, a management company specialized in resource exploration, and working in Argentina where it is highly regarded and trusted since 1993.

ON BEHALF OF THE BOARD

“Joseph Grosso”

Mr. Joseph Grosso, Executive Chairman, President and CEO

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FORWARD-LOOKING STATEMENTS

This news release contains “forward-looking statements” within the meaning of Canadian securities legislation. Such forward-looking statements concern the Company’s anticipated results and developments in the Company’s operations in future periods, planned exploration and development of the Chinchillas project, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on expectations of future performance as outlined in the Resource Estimate and PEA, including silver, lead and zinc production and planned work programs at Chinchillas. Statements concerning reserves and mineral resource estimates may also constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the Chinchillas property is developed and, in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation: risks related to precious and base metal price fluctuations; risks related to fluctuations in the currency markets (particularly the Argentinean peso, Canadian dollar and United States dollar); risks related to the inherently dangerous activity of mining, including conditions or events beyond our control, and operating or technical difficulties in mineral exploration, development and mining activities; uncertainty in the Company’s ability to raise financing and fund the development of the Chinchillas project pursuant to the PEA; uncertainty as to actual capital costs, operating costs, production and economic returns, and uncertainty that development activities will result in a profitable mining operation at Chinchillas; risks related to mineral resource figures being estimates based on interpretations and assumptions which may result in less mineral production under actual conditions than is currently estimated and to diminishing quantities or grades of mineral resources as properties are mined; risks related to governmental regulations and obtaining necessary licenses and permits; risks related to the business being subject to environmental laws and regulations which may increase costs of doing business and restrict our operations; risks related to the Chinchillas property being subject to prior unregistered agreements, transfers, or claims and other defects in title; risks relating to inadequate insurance or inability to obtain insurance; risks related to potential litigation; risks related to the global economy; risks related to the Chinchillas property being located in Argentina, including political, economic, social and regulatory instability. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. The Company’s forward-looking statements are based on beliefs, expectations and opinions of management on the date the statements are made. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

The information provided in this news release addresses the Chinchillas Resource Estimate and is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

We advise U.S. investors that the SEC’s mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties.