



GOLDEN ARROW
RESOURCES CORPORATION

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

NEWS RELEASE May 25, 2016

Golden Arrow Initiates Next Phase of Drilling in Pre-Development Program at Chinchillas Silver Project, Argentina

Vancouver, BC / Marketwired / May 25, 2015 / Golden Arrow Resources Corporation (TSX-V: GRG, FRA: GAC (WKN: A0B6XQ), “Golden Arrow” or the “Company”) is pleased to announce that it has commenced a 6,500 metre Phase VI drilling and exploration program at the Chinchillas silver project in Jujuy Province, Argentina. The drill program will focus on exploration and condemnation drill holes, as well as infill holes as necessary.

The previous Phase V, 15,000 metre, drill program was successful in converting a significant portion of the resources within the high grade Silver Mantos area to the measured and indicated categories required for prefeasibility or feasibility level engineering. (See Golden Arrow New Release, April 12th 2016.) The Phase V and VI drill programs are part of the Chinchillas Project pre-development activities, funded by Silver Standard Resources Inc. (TSX:SSO;NASDAQ:SSRI, “Silver Standard”), which are being undertaken to evaluate the feasibility of creating a combined mining business with Silver Standard’s Pirquitas mine, as announced October 1st, 2015.

Paul Benson, President and CEO of Silver Standard commented in *The Northern Miner*, dated May 18th, 2016, “So far the studies demonstrate that Chinchillas would make quite a simple open pit that could carry the life of Pirquitas into the next decade.”

Prior to commencing the Phase VI drill program, the team completed mapping and trenching of several prospective areas to define the drill targets. Drilling has started in the Chinchillas South target area, which extends from the main Chinchillas deposit approximately 1.5 kilometres to the south. The area has been previously tested by only eight drill holes in the Phase III and Phase V drill campaigns. Results included multiple intercepts of silver, lead and zinc in most holes, such as: 69 g/t silver, 1.1% lead and 1.9% zinc over 15 metres in CGA-272W, including 165 g/t silver, 2.0% lead and 3.6% zinc over 3 metres; and 15 metres averaging 181 g/t silver, 1.1% lead in CGA-113 (see news releases dated March 3rd, 2016 and May 29th, 2014).

Brian McEwen, Vice President, Exploration and Development, commented, “Results to date indicate that we could be looking at a much bigger mineralizing system than we originally envisioned. This next phase of drilling along with recently completed exploration program will test the true potential outside of the main Chinchillas area.”

Field work will continue and may include additional geophysical surveys in areas of the property not previously covered.

Engineering, metallurgical, and environmental studies continue by Silver Standard as part of the business combination option pre-development activities. (See news release dated October 1st 2015.)

Qualified Persons

The technical information in this news release has been reviewed and approved by Brian McEwen, P.Geol., VP Exploration and Development of the Company. Mr. McEwen is a Qualified Person as defined in National Instrument 43-101, and has reviewed and approved the contents of the news release.

About Golden Arrow:

Golden Arrow Resources is a Vancouver-based exploration company focused on creating value by making precious and base metal discoveries and advancing them into exceptional deposits. The Company is currently focused on its Chinchillas Silver Project located in the mining-friendly Province of Jujuy, Argentina. Exploration has progressed rapidly since the acquisition of the project in late 2011. The innovative transaction announced October 1st 2015, positions the Company to maximize shareholder value by fast-tracking Chinchillas to production and becoming a 25% owner of the Piriquitas silver mine.

ON BEHALF OF THE BOARD

“Joseph Grosso”

Mr. Joseph Grosso
Executive Chairman, President, CEO and Director

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. Statements concerning mineral resource estimates and the interpretation of drill results may also constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the Chinchillas project is developed. These statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following: assumptions made in the Chinchillas Mineral Resource Estimate, including geological interpretation, grade, recovery rates, silver, zinc and lead price assumptions and operating costs; the availability of financing for exploration and development activities, including Silver Standard Resources Inc. (“SSRI”) meeting certain milestones and exercising its election to proceed with the transactions contemplated under the Business Combination Agreement dated September 30, 2015 among the Company, SSRI and certain other parties; the Company’s ability to attract and retain skilled staff; the Chinchillas project development schedule; the exchange rates of the Canadian dollar and United States dollar to the Argentine peso; market competition; ongoing relations with impacted communities; and general business and economic conditions.

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 the transactions contemplated by the Business Combination Agreement; 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, including as recommended in the Chinchillas Mineral Resource Estimate; 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 project 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; and risks related to the Chinchillas project 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 drill results from the Chinchillas project 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 other than as required under applicable law.

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.