



**GOLDEN ARROW**  
RESOURCES CORPORATION



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TSX Venture Exchange (TSX-V): **GRG**  
Frankfurt Stock Exchange (FSE): **GAC**  
OTCQB Venture Market (OTCQB): **GARWF**

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**NEWS RELEASE – May 31, 2017**

## **Golden Arrow Completes Transaction to Form Joint Venture with Silver Standard for the Chinchillas Project**

**Vancouver, BC / Marketwired / May 31, 2017 / Golden Arrow Resources Corporation (TSX-V: GRG, FSE: GAC, OTCQB: GARWF), “Golden Arrow” or the “Company”**) is pleased to announce that the Company has completed the transaction with Silver Standard Resources Inc. (TSX – SSO; NASDAQ – SSRI, “Silver Standard”) and formed a joint venture called Puna Operations Inc. which combines the Chinchillas project with the producing Pirquitas operation. The joint venture is owned on a 75% / 25% basis by Silver Standard and Golden Arrow, respectively. Silver Standard will be the operator.

*“This news release cannot do justice to express the huge significance that the formation of Puna Operations Inc. has for Golden Arrow and our shareholders,” stated Joseph Grosso, Executive Chairman, President and CEO of Golden Arrow. “We are looking forward to play any role that best supports our partnership in the merged assets.”*

### **Transaction Highlights**

The full details of our Business Combination Agreement with Silver Standard dated September 30, 2015 for the formation of the joint venture were set out in our news release dated October 1, 2015. The following is a summary of the key provisions and benefits of the transaction:

- Creates a joint venture comprised of the Pirquitas operation and the Chinchillas property with Silver Standard and Golden Arrow holding 75% / 25% interest, respectively, with Silver Standard being the operator.
- Provides Golden Arrow an opportunity to fast-track development of the Chinchillas property, in a capital efficient manner, through use of the existing production facilities at the Pirquitas operation and establishment of common infrastructure.
- Near-term production from Chinchillas based on construction beginning in the third quarter of 2017, followed by ore delivery to the mill in the second half of 2018.
- Immediately benefits from existing infrastructure, operating capabilities and cash flow generated by the currently producing Pirquitas operation.
- Option exercise payment by Silver Standard to Golden Arrow of 25% of Pirquitas mine earnings less certain expenditures incurred since October 1, 2015 until April 30, 2017, C\$17.5 million of which was paid on closing. A final payment, representing the April 30, 2017 until closing shall be payable on or about June 21, 2017.
- A pre-feasibility study (“PFS”) has been completed for the development of Chinchillas, as detailed in Golden Arrow’s news release dated March 31, 2017. A copy of the PFS is available on the Company’s profile on SEDAR. The PFS contemplates a joint venture project requiring an initial investment of US\$81 million to develop a mine to deliver ore to the existing Pirquitas mill that has an operating life of eight

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years, producing an annual average of 8.4 million silver equivalent ounces. The supported National Instrument 43-101 technical report was filed on SEDAR on May 31, 2017.

- The joint venture will be managed and overseen by Silver Standard's proven operational management team with extensive mine construction and operational expertise.

### **Production Decision and Next Steps**

Based on and subject to the permitting process, construction at Chinchillas is anticipated to begin during the third quarter of 2017 with ore delivery to the Pirquitas mill expected in the second half of 2018. The permitting process continues to advance with positive support from the local communities and government authorities. The Chinchillas Environmental and Social Impact Assessment has been prepared and submitted to the Argentine regulatory authorities, and is in the consultation process. Work is in progress with local communities on social programs and understanding of the Chinchillas project as it advances to production.

### **Qualified Persons**

Except as otherwise set out herein, the scientific and technical information contained in this news release relating has been reviewed and approved by Brian McEwen, P.Geol., a Qualified Person under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Mr. McEwen is Vice President of Exploration and Development to the Company.

### **About Golden Arrow:**

Golden Arrow Resources Corporation is an exploration company with a track record of creating value by making precious and base metal discoveries and advancing them into exceptional deposits. Golden Arrow will earn production income from its 25% share of the Chinchillas-Pirquitas silver mining project, a joint venture with Silver Standard, with more than 8 years of planned production and upside potential. Golden Arrow is actively exploring its portfolio of 200,000 hectares of properties in Argentina, including the new Antofalla silver-gold-base metal project with similarities to Chinchillas.

### **About Grosso Group:**

Grosso Group Management Ltd. is a private management company founded in 1993, recognized as a leading pioneer of mineral exploration in South America. The group operates with the objective of creating investor value through the growth of the publicly listed member companies, which include: Golden Arrow Resources Corp., Blue Sky Uranium Corp., and Argentina Lithium & Energy Corp.

ON BEHALF OF THE BOARD

*"Joseph Grosso"*

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Mr. Joseph Grosso,  
Executive Chairman, President and CEO

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*This news release may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Readers are encouraged to refer to the Company's public disclosure documents for a more detailed discussion of factors that may impact expected future results. The Company undertakes no obligation to publicly update or revise any forward-looking statements.*

*The securities being offered have not been, nor will they be registered under the United States Securities Act of 1933, as amended, or state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. federal and state registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.*