



**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 – July 20, 2017**

## **Golden Arrow Chairman's Update on Corporate Plans**

**Vancouver, BC / Marketwired / July 20, 2017 / Golden Arrow Resources Corporation (TSX-V: GRG, FSE: GAC (WKN: A0B6XQ), OTCQB: GARWF), "Golden Arrow" or the "Company")** Subsequent to the formation of the joint venture with Silver Standard Resources Inc. (TSX: SSO; NASDAQ: SSRI; "Silver Standard"), which was announced on May 31, 2017, the joint venture, named **Puna Operations Inc. ("POI")**, has been formed to hold both the Chinchillas project and the Pirquitas project, which consists of the San Miguel open pit mine which ceased mining operations in January 2017 (the "**Pirquitas Pit**"), and the associated mineral processing facilities and tailings facility (the "**Pirquitas Operation**") in Argentina. POI is 75% owned and operated by Silver Standard, and owned 25% by Golden Arrow. For further details, please see the Company's press release dated May 31, 2017 (<https://goldenarrowresources.com/news/2017/golden-arrow-completes-transaction-to-form-joint-venture-with-silver-standard-for-the-chinchillas-project>). Now that the formation of the joint venture has been completed, I am pleased to update you on Golden Arrow's future business plans, as follows:

POI has an experienced technical and administrative team drawn from Silver Standard's mining staff, who have a proven track record over the past eight years of mining operations at Pirquitas. The oversight of POI's management will be provided by a board of directors comprised of three qualified individuals, who have over six decades of combined mining production experience. Two directors have been nominated by Silver Standard, and one director has been nominated by Golden Arrow, Mr. Alf Hills, P. Eng., who will represent the interests of Golden Arrow. For further details regarding Mr. Hills' experience and qualifications, please refer to the Company's press release dated May 1, 2017 (<https://goldenarrowresources.com/news/2017/golden-arrow-forming-team-for-joint-venture-05-01>).

The Pirquitas Operation continues to process stockpiled ore from the Pirquitas Pit, with 25% of the profits attributable to GRG. Chinchillas will be mined by conventional drill, blast, truck and loading open pit methods. A fleet of 35-tonne road haul trucks will transport ore approximately 42 kilometres to the Pirquitas Operation. Haul truck, loading equipment and drills at Pirquitas will be transferred to Chinchillas, allowing the project to leverage existing equipment and infrastructure for capital cost savings and an expected shorter time to production.

Chinchillas is undergoing the necessary permitting to enable development and ore supply to the Pirquitas Operation, which is projected to have a further operating life of at least 8 years with ore supplied from Chinchillas. Please see the Company's press release dated March 31, 2017 regarding the details of the prefeasibility study and mineral resource estimates for the Chinchillas project (<https://goldenarrowresources.com/news/2017/golden-arrow-announces-positive-pre-feasibility-study-for-the-chinchillas-project-joint-venture-with-silver-standard>), as well as the prefeasibility study filed on SEDAR under the Company's profile on May 15, 2017 at [www.sedar.com](http://www.sedar.com). Chinchillas is expected to supply the Pirquitas Operation with milling ore in the second half of 2018, and average annual silver equivalent production is anticipated to be 8.4 million ounces over an 8 year life of mine at a 4,000 tonne per day plant throughput. Golden Arrow's 25% share of average annual production will therefore be equal to 2.1M ozs of silver equivalent, representing total attributable after tax undiscounted cash flow of US\$66.75 million, according to the recently published prefeasibility study.

In fact, Golden Arrow has already received an option exercise payment of C\$17.8 million from Silver Standard, which represented 25% of the mine earnings generated by Pirquitas less certain expenditures incurred for the period from October 1, 2015 to May 30, 2017. The Company is in a favourable financial position to fund our 25% share of the projected capital expenditures for POI to develop the Chinchillas project.

It is also important to consider that only 75 hectares of the Chinchillas project has been explored to date in detail. The remaining 1,978 hectares of Chinchillas remains under or unexplored.

Silver Standard are currently working on a study which will include the integration/start-up plan for the opening (and closing) of mining operations at Chinchillas. Such study is expected to be completed shortly, to meet certain compliance requirements relating to the report submitted for the exploitation permit prepared by Silver Standard and presented by Golden Arrow to the provincial mining authority in Argentina. The mining authority has informed us that the exploitation permit for Chinchillas may be granted by the end of August, 2017.

Moving forward after the development of the Chinchillas project, Golden Arrow will focus its future business activities on acquiring prefeasibility stage, near producing or producing mineral projects, as well as royalty or equity interests in such mineral projects and, except as noted below, the Company does not intend to use ongoing cash flow to fund future exploration activities.

Golden Arrow's portfolio of exploration prospects in Argentina, covering up to 215,000 hectares, have been transferred to a newly incorporated, wholly-owned B.C. subsidiary called **B.A. Exploration Corp.** ("**BA Exploration**"), pending registration as a shareholder in Argentina. All future exploration will be conducted through BA Exploration, as a separate exploration division of Golden Arrow. A 3,000 metre drill program is planned at the Antofalla silver gold project set to commence in the fourth quarter of 2017 in Catamarca Province where initial results from soil sampling and surface surveys have been encouraging and the Company is also planning an exploration program for the Pescado gold project in San Juan Province.

Golden Arrow intends to fund BA Exploration's initial working capital requirements through a onetime seed private placement of up to C\$1.0 million. BA Exploration's operations are intended to become self-financing, with BA Exploration raising capital by way of equity financings, expected to commence with an initial public offering in the near future. Golden Arrow will retain a controlling share position in BA Exploration. As well, if BA Exploration is successful in outlining mineral resources on any particular project, BA Exploration intends to enter into discussions for joint ventures with major mining issuers on such specific projects.

Golden Arrow's management will continue to follow proven strategies that it has successfully used in the past to add value to its mineral property portfolio, and for the benefit of the shareholders of Golden Arrow.

The technical information contained in this press release has been reviewed and verified by Brian McEwen, P. Geol., VP Exploration and Development to the Company. Mr. McEwen is a "qualified person" as defined under National Instrument 43-101.

We welcome all comments and questions, and we will communicate periodically to provide updates on material developments.

#### **About Golden Arrow:**

Golden Arrow Resources Corporation is an exploration company earning production income. The Company has a successful track record of creating value by making precious and base metal discoveries and advancing them into exceptional deposits. Golden Arrow owns a 25% share of Puna Operations Inc., a joint venture operated by Silver Standard, with more than 8 years of forecast production and upside potential at the Pirquitas -Chinchillas silver mining project. Golden Arrow is actively exploring on its more than 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.

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Golden Arrow was recognized as a TSX Venture 50™ company in 2017. TSX Venture 50™ is a trademark of TSX Inc. and is used under license.

Respectfully submitted,

ON BEHALF OF THE BOARD

*“Joseph Grosso”*

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Mr. Joseph Grosso,  
Executive Chairman, President and CEO

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