

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

GR Silver Mining Ltd.
Suite 900 – 999 West Hastings Street
Vancouver, BC V6C 2W2

Item 2. **Date of Material Change**

December 7, 2020.

Item 3. **News Release**

A news release dated and issued December 7, 2020, at Vancouver, British Columbia, through CNW Group and SEDAR.

Item 4. **Summary of Material Change**

GR Silver Mining reports 15,147 g/t silver concentrate grade after processing underground bulk sample from the San Juan Area

Item 5. **Full Description of Material Change**

See news release, a copy of which is attached hereto.

Item 6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

Item 7. **Omitted Information**

Not applicable.

Item 8. **Executive Officer**

Marcio Fonseca, President & CEO
Telephone: 1.604.202.3155

Item 9. **Date of Report**

December 8, 2020.



December 7, 2020

GR Silver Mining Reports 15,147 g/t Silver Concentrate Grade After Processing Underground Bulk Sample from the San Juan Area

Vancouver, BC – GR Silver Mining Ltd. (TSXV: GRSL, FRANKFURT: GPE, OTCQB: GRSLF) (“GR Silver Mining” or the “Company”) – is pleased to report positive preliminary metallurgical test work results after processing a 2,700 tonne bulk sample excavated from the San Juan Area underground development - San Juan Vein & Breccia (“Bulk Sample”) at the Plomosas Silver Project (Figure 1), Sinaloa, Mexico.

The Bulk Sample was sent for off-site processing, generating 27 tonnes of high-grade silver-gold concentrate. The Bulk Sample was excavated from a zone representative of the Ag-Au-Pb-Zn hydrothermal breccia in the upper levels of the underground development, to initiate preliminary metallurgical test work on the San Juan Area. The historical San Juan underground development has no history of previous production and is currently being drilled by the Company.

Figure 1: Sampling - Loading - Transportation of Bulk Sample – San Juan Area



The 2,700 t Bulk Sample was transported off site to a third party owned 262 tpd processing plant to conduct the metallurgical test work. The plant is located 3 km from mine site and consists of a crusher, grinding to P80% - 74 microns, and two stages of flotation cleaning. Standard flotation reagents were applied. The bulk sampling test work was completed free from the use of lime or cyanide.

GR Silver Mining President and CEO, Marcio Fonseca, commented, *“We are very encouraged with the results of the initial bulk sampling of the San Juan Breccia, which has indicated that a high-grade silver-gold concentrate can be produced using standard grind and flotation processing technology. Our current focus continues to advance surface and underground drilling with five diamond core rigs at the Plomosas Silver Project. We are also carrying out preliminary metallurgical studies to investigate potential metallurgical flow sheets, aiming to achieve high-value final concentrate products from the areas being drilled.”*

The Bulk Sample was intended to investigate the continuity of the mineralization along strike on the upper level and assess the initial metallurgical response of this type of mineralization to a standard processing flow sheet. Six veins have already been identified as making up the San Juan Area and the 2,700 t Bulk Sample represents just a discrete portion of one of those veins.

Figure 2: Drone Image of the San Juan Area – Location of Underground Sampling

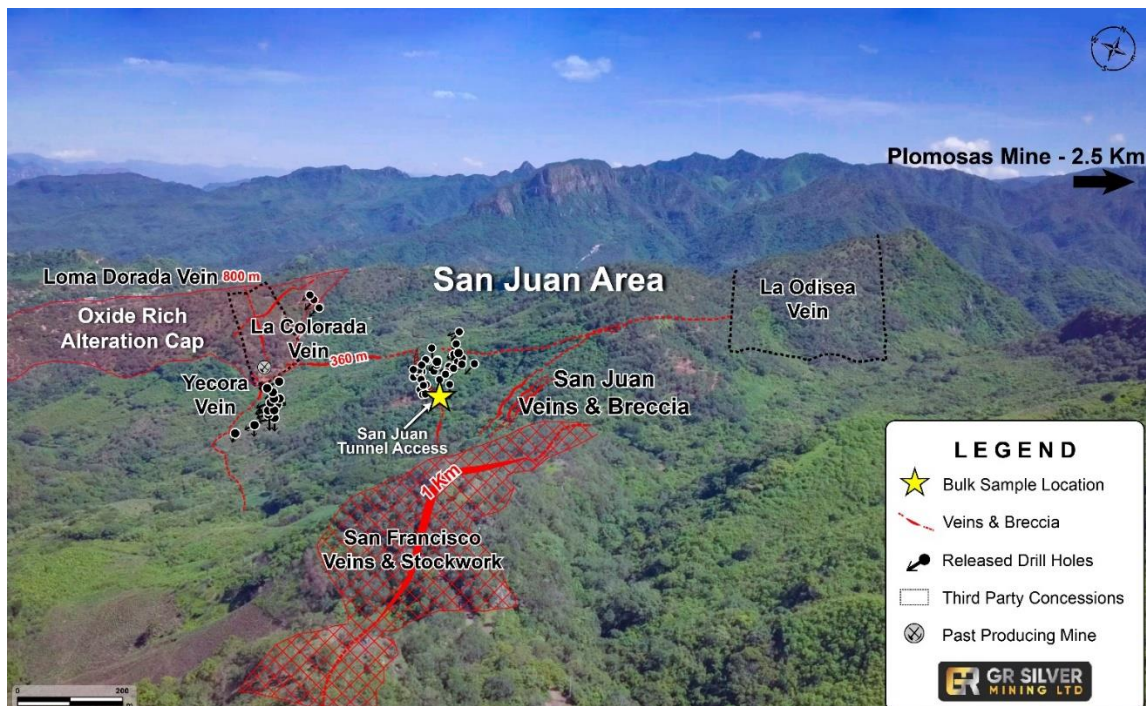


Table 1 summarizes assay results processed at the SGS Laboratory in Durango, Mexico for 16 samples from the concentrate product.

Table 1: Concentrate Samples Assay Results - News Release December 7, 2020

Concentrate Sample No.	Sample Weight (kg)	Ag g/t	Au g/t
19382	1.42	15,189	48.6
19383	1.24	15,184	45.5
19384	1.31	15,254	46.2
19385	1.23	15,620	45.8
19386	1.15	15,197	44.4
19387	0.88	15,029	45.8
19389	1.36	15,549	46.0
19390	1.60	15,090	44.7
19391	1.43	15,068	48.0
19393	1.43	14,956	45.4
19394	1.03	15,011	44.6
19395	1.49	14,975	47.1
19396	1.58	15,447	46.1
19397	1.66	14,947	49.2
19398	1.50	14,930	45.5
19400	1.46	14,964	44.6
Weighted Average	21.77**	15,147	46.2

* All numbers are rounded. Results are uncut and undiluted. In calculating a weighted average, each number in the data set is multiplied by each sample's predetermined weight before the final calculation is made. ** Total combined sample weight (kg) of 16 samples collected from 27 tonnes of wet concentrate produced at off-site plant.

The Company believes that the successful results of the preliminary metallurgical test work on the Bulk Sample, provide valuable information and inputs towards defining a metallurgical flow sheet for future developments at the Plomosas Silver Project. The current drilling program will continue to provide additional key data for both metallurgical testing and resource definition.

Qualified Person

The scientific and technical data contained in this News Release related to the Plomosas Project was reviewed and/or prepared under the supervision of Marcio Fonseca, P.Geo. He has approved the disclosure herein.

Quality Assurance Program and Quality Control Procedures (“QA/QC”)

The Company has implemented QA/QC procedures which include insertion of blank and standard samples in all sample lots sent to SGS de México, S.A. de C.V laboratory facilities in Durango, Mexico, for sample preparation and assaying. The analytical methods are 4-acid Digest and Inductively Coupled Plasma Optical Emission Spectrometry with Lead Fusion Fire Assay with gravimetric finish for silver above over limits (>100 g/t). For gold assays the analytical methods are Lead Fusion and Atomic Absorption Spectrometry Lead Fusion Fire Assay and gravimetric finish for gold above over limits (>10 g/t). SGS de Mexico S.A de C.V, Durango, Mexico was informed in advance that all these samples were representative of a metal concentrate and they were treated as containing overlimit concentration of silver and gold. As such, samples were assayed using only a Lead Fusion Fire Assay and gravimetric finish for both silver and gold.

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 from 1986 to 2001. 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 has commenced an 11,900 m 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 polymetallic 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 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 and gold mineralization on this Project display the alteration, textures, mineralogy and deposit geometry characteristics of a low sulphidation epithermal silver-gold-base metal vein/breccia mineralized system. Previous exploration was focused on Pb-Zn-Ag-Au polymetallic shallow mineralization, hosted in NW-SE structures in the vicinity of the Plomosas mine. The E-W portion of the mineralization and extensions for 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, which contains a 36 Moz AgEq (Indicated) and 11 Moz AgEq (Inferred) NI 43-101 resource estimate. 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. The NI 43-101 resource estimate (San Marcial Project – Resource Estimation and Technical Report) was completed by WSP Canada Inc. on March 18, 2019 and amended on June 10, 2020.

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.

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 silver and 11 Moz gold over a period of more than 100 years.

OTHER PROJECTS

GR Silver Mining's other projects are situated in areas attractive for future discoveries and development in the same vicinity of Plomosas and San Marcial in the Rosario Mining District.

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

For Further Information: Contact:
+1 (604) 202 3155
Email: info@grsilvermining.com

[Facebook](#) [LinkedIn](#) [Twitter](#)

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