



GOLDEN MINERALS PROVIDES BUSINESS UPDATE

GOLDEN, CO, August 9, 2017 (GLOBE NEWSWIRE) -- Golden Minerals Company ("Golden Minerals", "Golden" or "the Company") (NYSE American and TSX: AUMN) is pleased to share a business update, including:

- New property acquired expanding the footprint of the Santa Maria project holdings
- 2,000 meters drilling planned to test the strike extension of the Santa Maria vein system
- Manager of Operations hired for Mexico
- Results from Celaya project show, in three of seven holes recently drilled, intercepts of quartz vein material carry gold and silver grades that are within the range of economic interest
- New option agreement recently announced with Hecla to extend the lease of the oxide processing plant at the Company's Velardena Properties

Golden Minerals President and Chief Executive Officer Warren M. Rehn commented, "With nearly \$5 million in the bank and a steady income stream projected from the lease of our oxide plant, Golden Minerals is poised to re-emerge as a silver producer in Mexico. We are continuing exploration at our Santa Maria project with excellent potential for additional resources along the strike of the vein system on our newly acquired ground. We are very pleased that Ing. Martinez has joined our team, adding his extensive operational expertise and Mexico experience. Our sulfide mill in Velardena remains in excellent condition, ready to operate, and Ing. Martinez will be evaluating potential operating scenarios for near term production either from our Velardena mines or other nearby sources. And finally, the recent drilling success at our Celaya project bodes well for the future as our partner continues drill testing."

Santa Maria

Golden Minerals has recently acquired three additional claims totaling approximately 77 hectares on strike and downdip along the Santa Maria vein system. The additional ground adds significantly to the expansion potential of the existing deposit, which will be tested in an upcoming drill program. Golden plans to begin a 2,000 meter, 10 hole drill program from surface in the third quarter 2017. The Company has the right to acquire the three additional claims by paying \$0.7 million over four years with an initial payment of \$50,000 on signing and \$30,000 in six months. Golden Minerals has received the permit necessary for step-out drilling on strike along the Santa Maria vein. The Company has also completed the environmental study necessary to obtain the permit to operate the Santa Maria underground mine under the general plan presented in the Santa Maria preliminary economic assessment ("PEA").



In March 2017, the PEA was completed by the engineering firm Tetra Tech, prepared pursuant to Canadian National Instrument 43-101, based on an updated estimate of mineralized material. The PEA presents a base case assessment of developing Santa Maria's mineral deposit. The PEA contemplates a 38-month underground mining operation at a mining rate of 200 tonnes per day using a combination of cut and fill and other mining techniques, and custom milling at a local third-party flotation mill. Based on the assumptions in the PEA, the Company believes there is potential to develop a small mining operation at Santa Maria.

Manager of Operations Hired

Golden is pleased to announce that Ing. Telesforo Martinez Patino has joined the Company as Manager of Operations in Mexico. Mr. Martinez will serve as general manager at Velardena, and will additionally direct and support other mining operations the Company may develop in Mexico.

Mr. Martinez has more than 30 years of mining experience, most recently serving as General Manager at Fresnillo PLC's San Julian mine located on the Chihuahua/Durango state border in Mexico. Mr. Martinez has also held leading operational roles in Mexico for companies including Capstone, Endeavour Silver and Pan American Silver.

Celaya

Celaya is a 5,600 hectare silver and gold project located in Guanajuato State, Mexico approximately 10 kilometers east of Plata Latina's Naranjillo silver and gold discovery and 45 kilometers southeast of the historic Guanajuato District. In the third quarter 2016, Golden Minerals entered into an earn-in agreement with a subsidiary of Electrum Global Holdings L.P. ("Electrum"), through which Electrum may acquire up to a 60 percent interest in the property by incurring exploration expenditures of \$0.5 million in the first year and \$2.5 million in the first three years of the agreement.

Electrum has met the first year's earn-in spending requirement. Additionally, during the second quarter 2017 Electrum received drilling results related to an ongoing drilling program. Results to date from 5,600 meters drilled in seven holes show intercepts of epithermal quartz vein mineralization with grades for gold, silver, lead and zinc that warrant further drill testing. In three of the seven holes, intercepts of quartz vein material carry gold and silver grades that are within the range of economic interest, if sufficient volumes can be found in a configuration amenable to exploitation.



Oxide Mill Lease at Velardena

On August 2, 2017, the Company further cemented its strategic relationship with Hecla Mining Company (“Hecla”) when it granted Hecla an option to extend the lease of Golden’s oxide plant for an additional period of up to two years, ending no later than December 31, 2020, in exchange for a \$1.0 million cash payment and the purchase of \$1.0 million or approximately 1.8 million shares of the Company’s common stock. Hecla must exercise the option to extend the lease no later than October 3, 2018. Fixed fees and volume-related charges for use of the plant will remain the same as under the current lease, and Hecla has the right to terminate the lease for any reason with 120 days’ notice.

This lease is expected to provide Golden with a continuous stream of cash for the next three-plus years, which will enable Golden to continue its work on other exploration and development projects including identifying a viable ore source for the now-idled sulfide mill at Velardena. During the first six months of 2017, Golden reported a net operating margin of approximately \$2.3 million from the lease.

About Golden Minerals

Golden Minerals is a Delaware corporation based in Golden, Colorado. The Company is primarily focused on acquiring and advancing mining properties in Mexico with emphasis on areas near its Velardena processing plants.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, and applicable Canadian securities legislation, including statements relating to expectations regarding future cash flow from the oxide plant lease, general expectations regarding the Celaya property, including expectations for exploitation, expectations related to our Santa Maria property, including the PEA results (including life of mine and production expectations) and future drilling plans and operational expectations, expectations regarding the potential future use of our sulfide mill, and general expectations regarding the Company’s financial outlook. These statements are subject to risks and uncertainties, including lower than anticipated revenue from the oxide plant lease as a result of delays or problems at the third party’s mine or the oxide plant, earlier than expected termination of the lease or other causes, the reasonability of the economic assumptions at the basis of the Santa Maria PEA, changes in interpretations of geological, geostatistical, metallurgical, mining or processing information and interpretations of the information resulting from future exploration, analysis or mining and processing experience, new information from drilling programs or other exploration or analysis, unexpected variations in mineral grades, types and metallurgy, fluctuations in silver and gold metal prices, increases



in costs and declines in general economic conditions, and changes in political conditions, in tax, royalty, environmental and other laws in Mexico, and financial market conditions. Golden Minerals assumes no obligation to update this information. Additional risks relating to Golden Minerals may be found in the periodic and current reports filed with the Securities and Exchange Commission by Golden Minerals, including the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

For additional information please visit <http://www.goldenminerals.com/> or contact:

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