



## **GOLDEN MINERALS ANNOUNCES HECLA LEASE EXTENSION AND SANTA MARIA NI 43-101 FILING DETAILS**

**Golden, Colorado** - /PRNewswire/– **March 31, 2017** – Golden Minerals Company (NYSE MKT and TSX: AUMN) (“Golden Minerals”, “Golden” or “the Company”) announces that Minera Hecla S.A. de C.V. (“Hecla”) has exercised its right to extend the lease of Golden’s oxide mill in Durango State, Mexico for an additional 18 months, through December 31, 2018. Additionally, Golden announces its filing of the National Instrument 43-101 (“NI 43-101”) compliant mineral resource estimate for the Santa Maria silver and gold project, under slightly amended terms from those announced in February 2017.

### **Oxide Mill Lease**

Golden leased its then-vacant oxide mill to Minera Hecla S.A. de C.V., a wholly-owned subsidiary of Hecla Mining Company, in July 2015 for an initial period of 18 months. The lease agreement contained several lease extension options, and in the third quarter 2016 the lease was extended through June 2017. The 2016 extension included an agreement under which Hecla would construct, at its cost, certain tailings expansion facilities to accommodate Hecla’s increased use of tailings capacity. On March 24, 2017, Golden was notified of Hecla’s exercise of its option to extend the lease term through December 31, 2018. Tailings expansion work began earlier this year and is expected to be completed in April 2017. This lease has provided a source of revenue to the Company during a period in which Golden has not had active mining operations at its own properties. The lease provided approximately \$4.4 million in net cash flow to the Company in 2016, and at Hecla’s anticipated average 400 tonnes per day production rate, Golden anticipates net cash of approximately \$0.4 million per month or \$4.8 million annually, in 2017.

### **Santa Maria Mineral Resource Estimate and PEA Dated March 30, 2017**

On March 31, 2017, Golden Minerals intends to file on SEDAR the NI 43-101 compliant resource estimate and related Preliminary Economic Assessment (“PEA”) announced in February 2017, under slightly amended terms from those previously communicated. Due to an adjustment in the precise location of the claim, the updated property position results in an approximate 25 percent reduction to the previously announced inferred resource estimate, from a reported 160,000 tonnes to approximately 120,000 tonnes. Indicated resources are not affected by the adjustment and remain the same as previously communicated. The resource adjustment reduces the net present value of the project under the PEA by less than three percent, from \$6.4 million to \$6.3 million. The adjustment has not changed the Company’s belief that there is excellent potential for expansion of the Santa Maria project, and that such expansion could lead to



production beyond the initial three-year period considered in the PEA. Work continues at Santa Maria in support of potential expansion.

**Santa Maria Mineral Resource Estimate Dated March 30, 2017**

In conjunction with the PEA, the independent firm of Tetra Tech prepared an updated NI 43-101 compliant mineral resource estimate. Indicated and inferred mineral resource estimates as of March 30, 2017 are shown as follows:

Classification	Cutoff Grade Recovered AgEq g/t	Tonnes	Ag g/t	Au g/t	AgEq g/t	Ag toz (M)	Au toz (k)	AgEq toz (M)	Dilution%
Indicated	175	180,000	304	1.4	404	1.73	8.1	2.31	10%
Inferred	175	120,000	343	1.0	411	1.37	3.9	1.64	19%

Notes:

- (1) Mineral resources are reported as diluted Tonnes and grade;
- (2) Cutoff grade and Ag equivalent calculated using metal prices of \$17.30 and \$1,222 per troy ounce of Ag and Au, respectively, with a ratio of 70.6:1, the three year trailing average as of the end of December 2016;
- (3) Cutoff applied to diluted Ag equivalent blocks grades using recoveries of 90% and 80% Ag and Au, respectively;
- (4) Reported indicated mineral resources are equivalent to mineralized material under SEC Industry Guide 7, inferred mineral resource is not a recognized category under SEC Industry Guide 7; and
- (5) Columns may not total due to rounding.

**PEA Information**

The discounted cash flows in the PEA are provided post-tax and the PEA and updated resource is in compliance with NI 43-101 requirements. Tetra Tech is an independent engineering firm that served as principal author of the PEA prepared on behalf of the Company. Geoff Elson, PG is the independent Qualified Person from Tetra Tech who reviewed and approved the portions of this press release regarding mineral resources. Mark Horan, P.Eng of Tetra Tech is the independent Qualified Person who has reviewed and approved the portions of this press release regarding the results of the PEA. Dr. Deepak Malhotra of Resource Development Inc. is the independent Qualified Person who has reviewed and approved the metallurgical recoveries.

The PEA is preliminary in nature and includes inferred mineral resources that are considered to speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Standalone economics have not been undertaken for the indicated resources and as such no reserves have been estimated for the Project. There is no certainty that the



economic results described in the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

### **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.

### **Cautionary Note to U.S. Investors concerning Estimates of Mineral Resources**

This press release uses the terms “mineral resources”, “indicated mineral resources” and “inferred mineral resources” which are defined in, and required to be disclosed by NI 43-101. We advise U.S. investors that these terms are not recognized by the SEC. The estimation of measured resources and indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. Mineral resources are not mineral reserves, and U.S. investors are cautioned not to assume that mineral resources will be converted into reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically mineable, or will be upgraded into measured or indicated mineral resources.

### **Cautionary Statement regarding Mineralized Material**

“Mineralized material” as used in this press release, although permissible under the SEC’s Industry Guide 7, does not indicate “reserves” by SEC standards. We cannot be certain that any deposits at the Santa Maria project will ever be confirmed or converted into SEC Industry Guide 7 compliant “reserves”. Investors are cautioned not to assume that all or any part of the disclosed mineralized material estimates will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

### **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 regarding anticipated revenue from the Hecla lease and expectations regarding the tailings expansion, the Santa Maria PEA results (including cost estimates, development timing, expected cash flow and life of mine and production expectations), estimates of mineral resources for the Santa Maria project, and other expectations regarding the Santa



Maria project, including operating and exploration plans and expectations. These statements are subject to risks and uncertainties, including: lower than expected revenue from the oxide plant lease as a result of delays or problems at the third party's mine or the oxide plant, the reasonability of the economic assumptions at the basis of the 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; failure of mined material or veins mined to meet expectations; 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 SEC 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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