



FOR IMMEDIATE RELEASE

## **Silver Dollar Completes Compilation and Reinterpretation of Historical Exploration Data on the La Joya Silver Project in Durango, Mexico**

*Several new areas identified for follow up that demonstrate potential to host additional high-grade mineralization*

**VANCOUVER, BC – February 2, 2021 – Silver Dollar Resources Inc. (CSE: SLV) (OTCQB: SLVDF) (“Silver Dollar” or the “Company”)** is pleased to provide an overview of the results from the compilation and reinterpretation of all historical exploration data on the La Joya Silver property (the “Property”) located in Durango, Mexico (click [here](#) to see a video on the Property).

Highlights from database studies performed by technical advisors Tetra Tech Inc. include:

- Newly identified areas demonstrate the potential to host additional high-grade mineralization.
- Skarn hosted mineralization has similarities to a recent discovery in the area.
- Fault kinematic study highlights additional targets.
- Additional untested geophysical targets identified.
- Geochemical assessment of historical drilling data expands mineralization understanding.
- New 3D geological and mineralization model generation.

In advance of restarting drilling and exploration activities on the Property, Silver Dollar requested that Tetra Tech conduct comprehensive desktop studies of La Joya’s extensive historical database to identify additional areas of opportunity that exist on the Property. These studies included a detailed review of historical geophysical, geochemical, and regional exploration data, and detailed comparisons to nearby properties. Silver Dollar is pleased to report these studies have successfully identified several new highly prospective regions with the potential to host additional high-grade mineralization at La Joya. Findings of the various studies are summarized below:

### La Joya Mineralization

The skarn hosted mineralization at La Joya has geological and mineralization similarities to a major discovery Pan American Silver Corp. reported last year that is located east of the current La Colorada mine workings (see their news release of [August 4, 2020](#)).

The geological similarities between the recent discovery at La Colorada and the La Joya property include:

- La Joya is comprised of epithermal veins and mantos style (flat-lying layers) mineralization, which progresses into a garnet-pyroxene skarn, magmatic-hydrothermal breccia, proximal skarn, and an apparent overprinted Cu-Mo porphyry signature, which is nearly identical to the geology, alteration, and mineralization observed at La Colorada.
- Mineralization at La Joya is hosted in an extensive network of structural veins, similar to those discovered at La Colorada.
- La Joya may represent a stratigraphic analogue of La Colorada.



Figure 1: La Joya Silver Property location and area mines.

### Fault Kinematic Study Highlights Additional Targets

An in-depth review of historical geophysics allowed for a more detailed interpretation of regional faults. These regional faults were not considered during the previous modelling in 2012 and have provided more in-depth insights into where the La Joya deposit sits in a regional structural geology sense. This study has allowed the deposit's structural corridors to be better constrained and has identified a NE-SW trending controlling fault system that is a new target for mineralization. The analysis further highlighted the extensive local scale faulting that served as the conduit for the observed mineralization at the site. Additional structures have been identified onsite, which remain untested and represent additional high priority exploration targets.



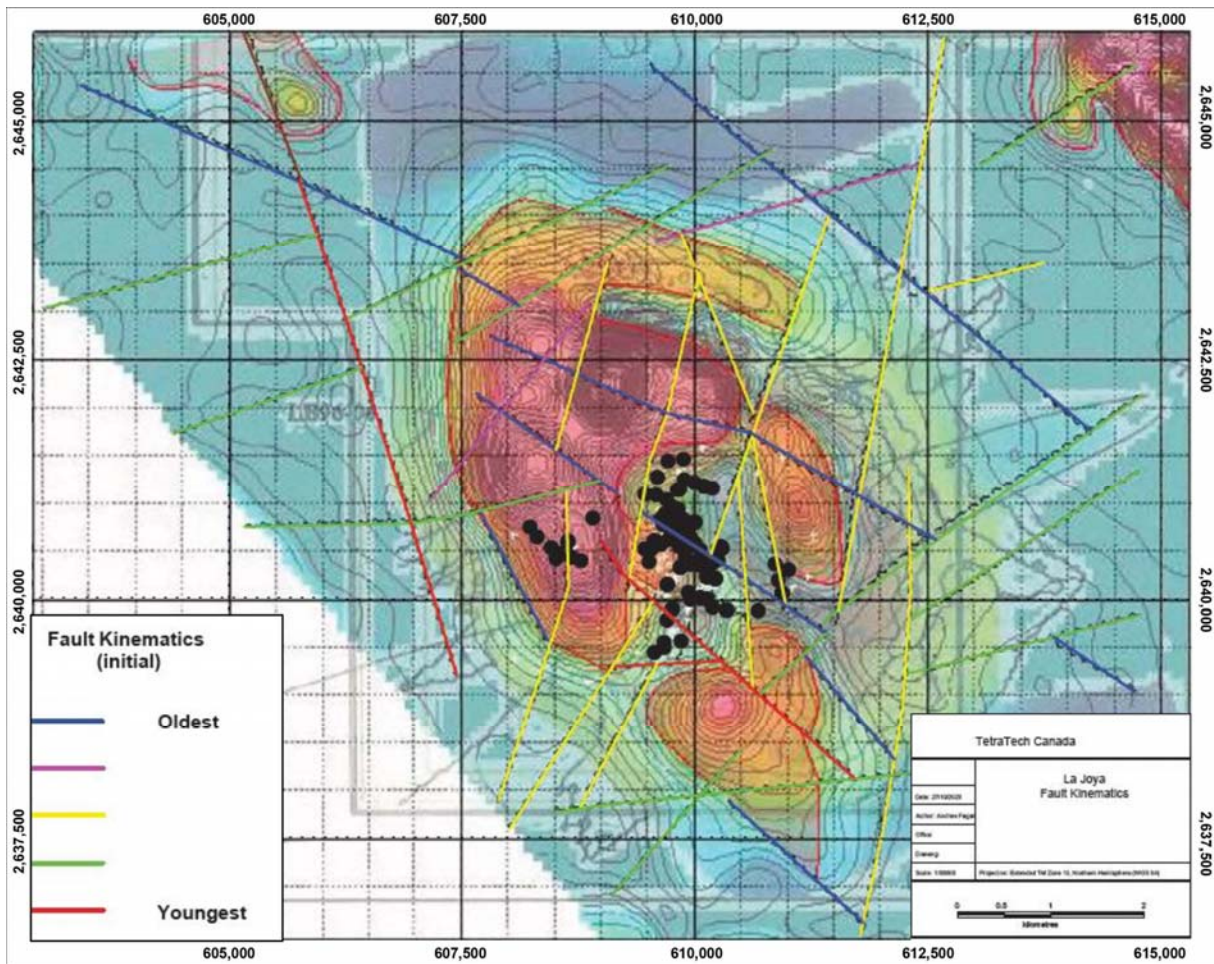


Figure 2: Faults are coloured based on projection from the magnetic and gravity datasets.

### Additional Untested Geophysical Targets Identified

A detailed review of the historical geophysical database discovered high-quality electromagnetic (EM) and induced polarization (IP) data. When the data was compared against the historical drilling database, multiple EM conductors were identified which have not been historically tested and represent significant exploration targets. A substantial gravity anomaly has also been identified to the south of the current extent of drilling the La Joya property. The source of this gravity anomaly remains unexplained and it will be the focus of additional work moving forward.

### Geochemical Assessment of Historical Drilling Data Expands Mineralization Understanding

Tetra Tech undertook a detailed review of the historical drilling and assay database using Reflex's ioGAS™ software, an advanced software that utilizes a wide range of quantitative tools to gain additional insight into the database. The ioGAS study identified the subtle geochemical signatures of the numerous geological units onsite to allow for more accurate modelling and spatial relationships. The geochemical modelling also successfully defined a unique “chemical signature” of the mineralization hosting mantos units. These unique mantos signatures were then used in Seequent Leapfrog Geo 3D software to re-constrain and model the sub-horizontal mantos previously identified and modelled.

The historical 2013 Preliminary Economic Assessment (PEA) completed by previous operators did not utilize this advanced geochemical signature analysis technique during previous modeling efforts. As such, the assessment of the drill data in ioGAS provided Tetra Tech a secondary, and updated check on the interpretations and models developed for the historical PEA.

### New 3D Geological and Mineralization Model Generation

An updated geological and mineralization model was generated using Leapfrog Geo 3D to create a detailed geologic model that can be used in supporting future resource studies and developing high priority drill targets for exploration campaigns. This work synthesized the extensive geochemical, structural, and geophysical studies into a more comprehensive model. Additionally, through the aid of the ioGAS studies, the geological database underwent re-interpretation allowing for more accurate modelling of the geological units present on site and the remodeling of mineralization. As a result, the updated model was able to identify the following:

- Mineralized mantos units appear to be more continuous than previously modelled.
- Higher grade mineralization appears to correlate to where the mantos intersect specific structures.
- High-grade structural oreshoot potential identified, which have yet to be drill tested and represent a high priority target.
- High-grade mineralization within the skarn also appears to be associated with local inflections (possible fault offsets) of the underlying intrusion. These inflections have not entirely been drill tested and represent additional high-grade mineralization potential.

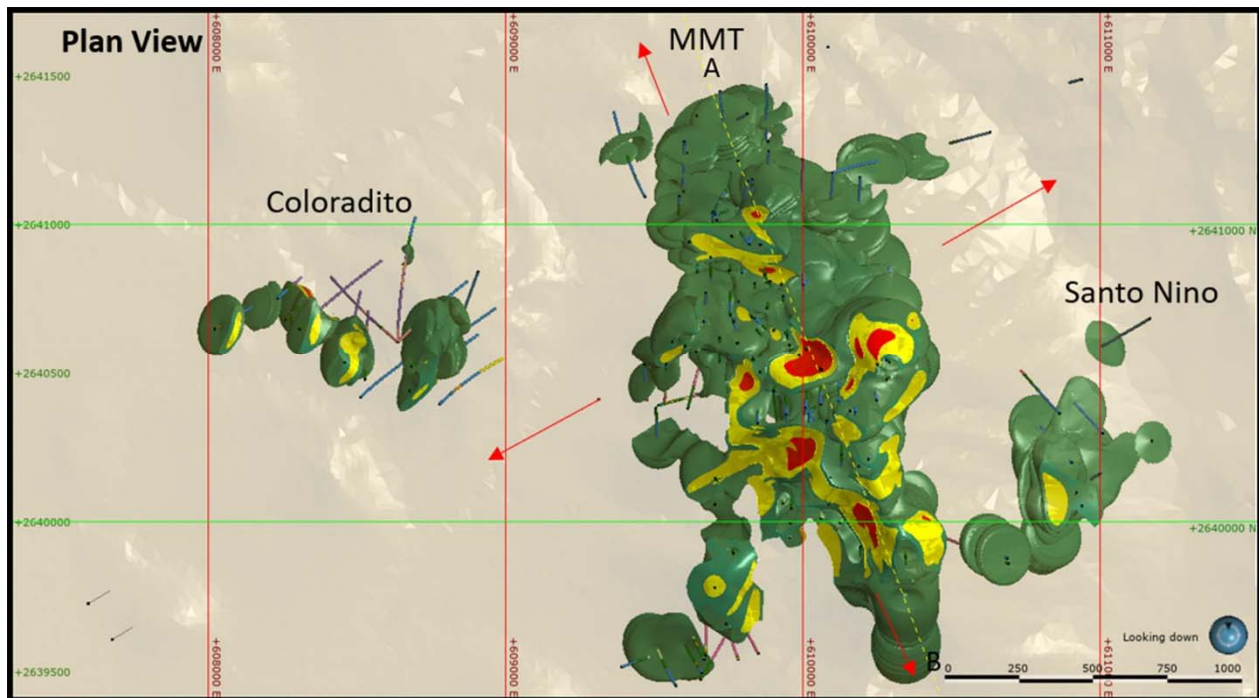


Figure 3: Mantos grade models in plan view. Zones remain open in all directions.

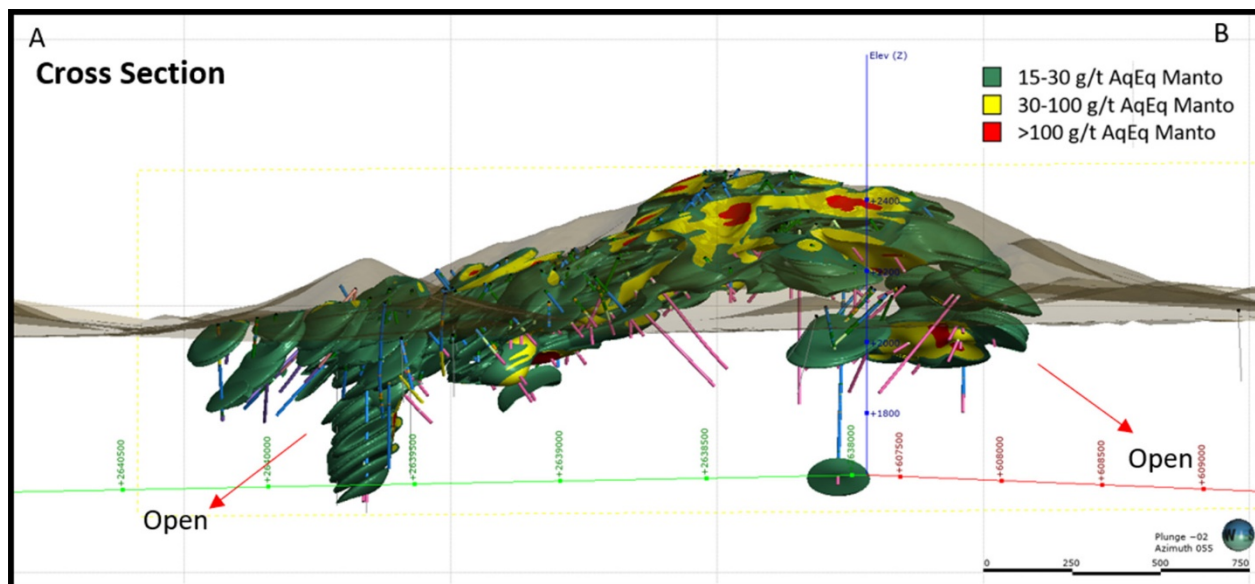


Figure 4: Mantos grade models in cross-sectional view. Zones remain open in all directions.

“We believe La Joya is a sleeping giant as this comprehensive geological exercise has given us a fresh perspective on the exploration potential of the Property,” said Mike Romanik president of Silver Dollar. “The desktop studies using the latest exploration software have identified several new untested targets that we are in the process of prioritizing for follow up this year.”

#### About the La Joya Project:

Silver Dollar has an exclusive right to acquire up to a 100% interest in the La Joya property (the “Property”). Under the terms of the definitive agreement between Silver Dollar and First Majestic (see news release of [August 10, 2020](#)), Silver Dollar has been granted an exclusive option to acquire an initial 80-per-cent interest and, if exercised, a second option to acquire an additional 20-per-cent interest for an aggregate 100-per-cent interest in the Property. Located in the southeastern portion of Durango State in the Mexican Silver Belt, the Property consists of 15 mineral concessions totalling 4,646 hectares and hosts the main mineralized trend (MMT), Santo Nino and Coloradito deposits.

First Majestic acquired the Property as part of its acquisition of SilverCrest Mines Inc. (SilverCrest) in 2015. A total of 182 historical drill holes, totalling ~51,600 metres (m), have been completed on the property to date. This includes 125 holes, totalling ~36,041 m, drilled by SilverCrest between 2010 and 2014. In 2012, a historical inferred mineral resource estimate for silver-copper-gold (Ag-Cu-Au) and for tungsten-molybdenum (W-Mo) mineralization was calculated from 78 SilverCrest drill holes (25,812.65 m) and 11 validated historical drill holes (4,272.63 m). Silver Dollar has not completed the necessary data verification and work required to update the historical mineral resource estimate and does not rely upon it as being current.

The Property is situated approximately 75 kilometres directly southeast of the state capital city of Durango in a prolific mineralized region with past-producing and operating mines including Grupo Mexico's San Martin Mine, Industrias Penoles's Sabinas Mine, Pan American Silver's La Colorada Mine, and First Majestic's La Parrilla and Del Toro Silver Mines. Access and infrastructure near the property are considered excellent with a highway and power lines nearby.



Cam Norton, P.Geo., of Tetra Tech Canada Inc., is the independent “Qualified Person” as defined in National Instrument 43-101, who has reviewed and approved the technical content in this press release.

### **About Silver Dollar Resources Inc.**

Silver Dollar Resources Inc. is a mineral exploration company focused on creating shareholder value by finding and developing economic precious and base metal deposits. Having completed its initial public offering in May 2020, the Company trades on the Canadian Securities Exchange under the symbol "SLV" and on the OTCQB under “SLVDF”. Silver Dollar’s projects are located in two of the prolific mining jurisdictions in the world and include the advanced exploration and development stage La Joya Silver Project in Durango, Mexico, and the discovery-stage Pakwash Lake and the Longlegged Lake properties in the Red Lake Mining District of Ontario, Canada. The Company has an aggressive growth strategy and is actively reviewing projects in mining-friendly jurisdictions internationally for potential acquisition.

For additional information: contact investor relations, you can download our latest presentation by clicking [here](#) and you can follow us on Twitter by clicking [here](#).

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ON BEHALF OF THE BOARD

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### **Forward-Looking Statements:**

This news release may contain “forward-looking statements” that involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.