



NEWS RELEASE – January 16, 2013

Drilling Significantly Expands Mineralized Zone Phase II Program Ongoing

Golden Arrow Resources Corporation (TSX-V: GRG, FRA: GAC (WKN: A0B6XQ), “Golden Arrow” or the “Company”) is pleased to announce initial results for the 6,500 metre Phase II drill program at its Chinchillas Silver Project in Jujuy, Argentina. Results for the first 7 drill holes at the Silver Mantos zone have greatly expanded the surface footprint of known silver-lead-zinc mineralization by a factor of 2.5 (from 9 to 23 hectares), as well as encountering new mineralization at depth.

“The results from the drilling program to date are very encouraging. We are encountering new mineralization from the exploration holes at depth and in the periphery of the area, the step out holes appear to be adding tonnages, and the infill holes are confirming earlier geological interpretations. With the metallurgical testing underway we will have an initial sense of the economics of the project in the coming months.” stated Brian McEwen, VP Exploration and Development.

Golden Arrow continues its aggressive exploration of the Chinchillas property. The Phase II drill program is ongoing, with additional infill and step-out drill holes pending from the Silver Mantos zone, as well as from the Socavon del Diablo zone located approximately 500 metres to the east. The Company anticipates incorporating these results into the initial NI 43-101 resource estimate for the property in the first half of the year. Metallurgical testing has been initiated to aid in the economic modeling of the project moving forward.

Drilling Summary

The Company’s Phase II drill program at Chinchillas includes up to 6,500 metres of drilling. Results from the program, along with the results from the previous 41 holes, will be used to define a NI 43-101 compliant silver-lead-zinc resource in the first half of 2013. To date, the Phase II program has had 18 holes drilled for a total of 2421 metres (up to CGA-61). The seven holes reported here are all from the Silver Mantos zone, and are a combination of infill and step-out to the known area of mineralization. A summary of Chinchillas drill highlights can be viewed at: <http://www.goldenarrowresources.com/i/maps/Drilling-Phase-II-JAN2013-Chinchillas.jpg>.

Table 1. Silver Mantos Target - Highlights of Drilling

Zone	HOLE	Goal	From (m)	To (m)	Length* (m)	Ag (g/t)	Pb (%)	Zn (%)
SILVER MANTOS	CGA-44	Infill	6	34	28	101.8	1.29	-
			39	40	1	75.0	1.49	1.67
			49	58	9	258.0	1.1	0.74
			69	75	6	70.0	-	-
			110	112	2	-	0.5	1.02
			172	188	16	72.9	-	-

Zone	HOLE	Goal	From (m)	To (m)	Length* (m)	Ag (g/t)	Pb (%)	Zn (%)		
	CGA-45	South Step-Out	46	48	2	54	-	0.6		
			102	105	3	29	-	1.0		
			120	135	15	233	2.67	1.31		
			135	142	7	35	0.58	1.2		
			144	146	2	344	3.44	1.01		
			151	155	4	149	2.64	-		
			159	162	3	110	-	-		
	CGA-46	Infill	54	67	13	40	-	-		
			78	89	11	126	1.69	0.61		
			89	99	10	38	0.89	-		
			99	105	6	200	2.82	0.9		
			105	168	63	67.8	0.62	-		
			<i>including</i>							
			157	160	3	230	4.15	-		
	CGA-47	North Step-Out	56	62	6	212	-	-		
			62	67	5	75	-	-		
			67	70	3	444	2.26	-		
			70	76	6	110	-	-		
			79	84	5	44	-	-		
	CGA-48	North Step-Out	15	18	3	32	0.9	0.50		
			21	29	8	77.7	2.23	1.56		
			36	39	3	41.9	-	-		
			63	71	8	41	-	-		
	CGA-49	North Step-Out	3	17	14	54	-	-		
			59	63	4	56	1.3	-		
	CGA-50	West Step-Out	25	31	6	28.2	-	-		
			69	70	1	49.1	-	-		
102			104	2	226.6	-	-			

(*Note: True widths have not yet been confirmed, pending completion of the geological model. Intercepts are believed to approximate true width.)

Table 2. Drill hole location and orientation data

Hole ID	Easting	Northing	Azimuth	Dip
CGA-44	3472735	7512340	0°	90°
CGA-45	3472652	7512236	0°	90°
CGA-46	3472578	7512358	0°	90°
CGA-47	3472882	7512543	90°	70°
CGA-48	3472891	7512485	0°	90°
CGA-49	3472938	7512458	0°	90°
CGA-50	3472686	7512507	0°	90°

The Silver Mantos zone is situated in the western third of the 1.5km wide Chinchillas maar diatreme basin. The zone was previously defined by 16 drill holes (12 completed by Golden Arrow) in an area of approximately 9 ha (300 m x 300 m). In the Silver Mantos zone, there are two and locally three mineralized layers or mantos ranging between 2 and 48 m thick, averaging 12 m in thickness. Mineralogical studies on Phase 1 drill core indicate that the silver occurs mostly in silver sulphosalts, boulangerite and tetrahedrite, that occur disseminated with galena and sphalerite in the volcanic tuffs.

The drilling from holes CGA-44 through 50 successfully expanded the footprint of mineralization at the Silver Mantos zone to 480 x 480 metres, and provided the first indications of deeper mineralization in the basement rocks, with depths of up to 188 metres.

Drill hole CGA-44 was the first infill hole to target the basement of the volcanoclastic sequence. Drilling intercepted the pelites and sandstones of the Ordovician basement at 187 metres depth. Analysis identified the deepest mineralization found to date at Silver Mantos: 73 g/t Ag at the basement contact between 172 and 188 metres. The hole was terminated at 199 meters.

Holes CGA-45 tested the southern extent of mineralization, and based on the mineralization encountered at CGA-44, this hole and infill hole CGA-46 in the southwest were also drilled to the basement units. At CGA-45 the basement contact is at 121 metres and at hole CGA-46, 89 metres. Both holes intercepted significant silver-lead-zinc intervals at the contact and at greater depths, in fractured pelites with veinlets of sulphides.

The northern extension of mineralization was tested by holes CGA-47 through 49 and confirmed the continuity of the mantos in this direction. Similarly, hole CGA-50 tested and confirmed a northwestern extension.

The zone remains open to expansion in all directions, and in addition to infill drilling, the remaining Phase II program in this area will continue to test for new mineralization to the north and south, as well as at depth.

Metallurgical Testing

The company has engaged Inspectorate Exploration & Mining Services to complete a metallurgical test program of samples from Chinchillas. Samples from three possibly different ore types have been submitted and results are expected in four to six weeks. The program is under the direction of John Fox of Laurion Inc. John is an experienced metallurgist with extensive experience in optimizing silver recovery from both flotation and leach operations, including working at Silver Standard's Pirquitas operation which is located 30kms from Chinchillas.

About the Chinchillas Project

The Chinchillas project is located in the prolific Bolivian silver-zinc-tin belt which extends into northern Argentina. Golden Arrow has the option to earn a 100% interest in the Chinchillas (details in GRG News Release dated August 3rd, 2011). The Company believes that Chinchillas has the potential to host a large silver-zinc-lead deposit. Chinchillas is a Tertiary aged maar diatreme volcanic complex that has erupted through the Paleozoic basement schists. The resulting depression or basin, filled with volcanic breccias and tuffs is approximately 1.5km in diameter. Mineralization occurs within the basin, hosted in favorable volcanic tuff units, hydrothermal breccias and along faults and structural zones as well as on the margins of the basin within footwall schists and across the schist volcanic contacts. The mineralization occurs mostly as disseminations, veinlets and matrix filling. The Chinchillas project geology is most similar to the San Cristobal Mine in Bolivia where low grade Ag-Zn-Pb mineralization is mined from an open pit within a similar diatreme breccia environment. San Cristobal mine has estimated reserves (June 30, 2011) of 285 million tonnes, grading 1.41% Zn, 0.48% Pb, and 53.0 g/t Ag or 484 million ounces of silver, 4Mt zinc and 1.3 Mt lead¹.

Qualified Person

The technical information contained in this release has been prepared by Bruce Smith, Chartered Professional MAusIMM Geologist and Golden Arrow's Exploration Manager and has been reviewed by Brian McEwen, P.Geol., VP Exploration and Development, both Qualified Persons as defined in National Instrument 43-101.

Methodology and QA/QC

Analyses of the drill core were performed by Alex Stewart Assayers, in Mendoza, Argentina, an internationally recognized assay service provider. All samples were analyzed by method ICP-MA-39 that consists of a four acid digestion followed by ICP-OES detection. Silver results >200 Ag g/t were re-analyzed by fire assay with a gravimetric finish on 50-gram samples. Lead and zinc results >10,000 ppm were re-

analyzed by a 3 acids and ICP-OES detection. The Company followed industry standard procedures for the work carried out on the Chinchillas Project, with a quality assurance/quality control (QA/QC) program. Blank, duplicate and international standard samples were inserted into the drill core sample sequence sent to the laboratory for analysis. Golden Arrow detected no significant QA/QC issues during review of the data.

⁽¹⁾ San Cristobal Mine reserves were obtained from the San Cristobal website <http://www.minerasancristobal.com>. The mine is owned and operated by Sumitomo Corporation. The reserves are believed to be reliable.

About Golden Arrow:

Golden Arrow is a Vancouver-based explorer and prospect generator focused on identifying, acquiring and advancing precious and base metal projects in Argentina with the goal of achieving a world class discovery. The core focus will be on advancing its flagship Chinchillas Silver Project located in Jujuy, Argentina. Golden Arrow has a strong treasury which will allow the company to drill its Chinchillas Silver Project over the coming months with the aim of publishing the first NI43-101 resource calculation on Chinchillas in the first half of 2013. Golden Arrow will continue to execute its strategy to leverage the Company's exploration exposure by attracting partners to fund work on its other high quality mineral projects. Golden Arrow is a member of Grosso Group, a management company specialized in resource exploration, and working in Argentina where it is highly regarded and trusted since 1993.

ON BEHALF OF THE BOARD

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