

NYSE Amex: AUMN
TSX: AUM

discover build operate

DISCOVER • BUILD • OPERATE





TO OUR SHAREHOLDERS...

Golden Minerals emerged in March of 2009 with a clean capital structure, an exciting portfolio of exploration assets, a meaningful revenue stream and a talented team of employees dedicated to creating value from our abundant mineral resources. During the year we significantly expanded our resource at the El Quevar project in Argentina and completed a number of transactions to lay the foundation for our continued success.



We conducted an aggressive drill campaign at our flagship El Quevar project, located in the mining friendly Salta Province of northern Argentina. Over 38,000 meters of diamond core have been drilled to date which verified the high grade characteristics of the deposit and resulted in a 300% increase to an indicated and inferred resource in the Yaxtché zone of 43 million ounces included within 3.1 million tonnes at an average grade of 438 grams per tonne. The Yaxtché deposit remains open to the west, east and up and down dip. Definition drilling continues at the Yaxtché deposit and drilling has commenced on two more of the thirteen potentially mineralized zones identified to date. We have received the necessary permits to drive an underground decline which will allow us to confirm the mine model, collect bulk samples for metallurgical testing and to confirm underground mining methods, all in support of a feasibility study that is scheduled to be completed during the fourth quarter of 2010.

In addition to our El Quevar project, we continued to advance other promising projects from our portfolio of over 30 exploration properties. We conducted a drilling program at our Panuco Project in the state of Zacatecas, Mexico, with encouraging results including 1.7 meters assaying 1.6 kilograms of silver. During 2009 we also completed surface exploration activities with favorable results at our La Pinta project, located adjacent to Goldcorp's Peñasquito Mine, and at our Matehauapil project. Both projects are located in Zacatecas State in Mexico. We plan drill programs at both projects, in addition to further drilling at Panuco, in 2010. We also plan to drill our Palca project in Peru this year.

We successfully completed an initial private placement of common stock with The Sentient Group, a private equity fund manager with investments in quality mining and energy assets, closing on the transaction in early January 2010 and netting \$5.5 million of proceeds. Also in early January 2010 we acquired the remaining 35% ownership interest in the Yaxtché zone at the El Quevar project from Hochschild Mining Plc, giving us a 100% controlling interest in what appears to be an emerging mineral district.

Golden Minerals common stock was listed on the Toronto Stock Exchange during 2009 and on the NYSE Amex during the first quarter of 2010 in conjunction with our first public offering of common stock and an additional private placement with The Sentient Group. A total of 4.6 million new shares of Golden Minerals were distributed resulting in a net \$35 million of funding for our important projects. Listings on these major exchanges and our equity raise should help us to achieve our goals, while still maintaining a clean capital structure with no debt, no hedging and limited warrants.

We ended 2009 with \$9 million in cash, no debt, and a revenue stream from the management of the San Cristóbal silver-zinc-lead mine in Bolivia for Sumitomo Corporation. We will continue to focus on maintaining a clean capital structure as we grow the company through discovering, building and operating high quality mineral properties.

From our top rate geologists in the field to our support staff in the office, each employee of Golden Minerals is keenly focused on delivering value to our shareholders. I thank all of our employees for their dedication and our shareholders for your support. We all look forward to working closely with you throughout 2010 and beyond as we grow our company and increase the value within our mineral portfolio.

A handwritten signature in black ink, appearing to read "J G Clevenger". The signature is fluid and cursive, written over a white background.

Jeffrey G. Clevenger
Chairman, President and Chief Executive Officer
Golden Minerals Company



GOLDEN MINERALS 2010 – DISCOVER. BUILD. OPERATE.



Vein breccia – Palca.

OVERVIEW OF GOLDEN MINERALS – Focused on Growth Through Precious Metals Exploration and Development

Golden Minerals is a unique mining company with a focus on exploration, development and operation of profitable mines. The company has a broad portfolio of mineral exploration projects, a strong balance sheet, revenues from mine management services and royalties, and an experienced management team with global experience.

Golden Minerals' business strategy is to discover, build and operate profitable precious metal mines. The company owns and controls a large number of exploration properties located primarily in high-potential mining districts in Latin America, including our 100%-controlled feasibility stage El Quevar Project in northern Argentina.

A simple capital structure with no debt or hedging, a world class management team and a robust suite of assets combine to guide our focus for 2010 and beyond. By the end of 2010 we plan to have a feasibility study for construction and operation of a high grade silver mine at our 100% controlled El Quevar property in northwestern Argentina and we will have better measured the value of other prospective targets, primarily in Mexico, through drilling.

From the excitement surrounding the advancement of our 100%-owned El Quevar silver project to 'feasibility' stage, to the initiation of drilling at silver and gold prospects in Mexico and South America, Golden Minerals aims to build a foundation in 2010 that will pave the way for long term growth.

The information in this Annual Report to Stockholders was current as of March 30, 2010 and has been updated by subsequent press releases and filings with the United States Securities and Exchange Commission. Technical information contained in this Annual Report to Stockholders has been reviewed by the Company's Senior Vice President of Exploration, Robert Blakestad, M.Sc., P.Geo, L.P.G., a Qualified Person for the purpose of NI 43-101.

Forward-Looking Statements

The information in this Annual Report to Stockholders contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements include statements relating to our plans, expectations and assumptions concerning the El Quevar project, the timing and budget for exploration of our portfolio of exploration properties, our expected cash needs, and statements concerning our financial condition, operating strategies and operating and legal risks. Golden Minerals Company assumes no obligation to update this information. Additional risks relating to Golden Minerals Company may be found in the periodic and current reports filed with the United States Securities and Exchange Commission by Golden Minerals Company, including the Annual Report on Form 10-K for the year ended December 31, 2009.

Cautionary Note to U.S. Investors concerning Estimates of Indicated and Inferred Resources: The information in this Annual Report to Stockholders uses the terms "indicated resources" and "inferred resources" which are defined in, and required to be disclosed by, Canadian National Instrument NI 43-101 ("NI 43-101"). We advise U.S. investors that these terms are not recognized by the United States Securities and Exchange Commission (the "SEC"). The estimation of indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. U.S. investors are cautioned not to assume that indicated 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 minable, or will be upgraded into measured or indicated mineral resources. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations, however the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures. Accordingly, the information contained in this Annual Report to Stockholders may not be comparable to similar information made public by U.S. companies that are not subject to NI 43-101.

“GOLDEN MINERALS’ EXPLORATION EFFORTS IN 2010 ARE DOMINATED BY THE ADVANCED EXPLORATION ACTIVITIES AT OUR 100%-CONTROLLED EL QUEVAR HIGH GRADE SILVER DEPOSIT IN NORTHWESTERN ARGENTINA.”

CLEAN CAPITAL STRUCTURE – Debt Free Balance Sheet and Revenues

Golden Minerals has no debt and a clean capital structure with only a limited number of warrants issued to gain 100% control of our high grade El Quevar property. The company expects to receive approximately \$6 million in cash flow from its management services agreement with Sumitomo Corporation for operating the San Cristóbal Mine in Bolivia, and approximately \$1 million in royalty income during 2010.

Golden Minerals closed a public offering on March 24, 2010. The aggregate net proceeds to Golden Minerals from the sale of common stock in the public offering and in a private placement to The Sentient Group were approximately \$35.3 million after deducting underwriting discounts, commissions and estimated expenses.

GOLDEN MINERALS’ MANAGEMENT TEAM – Industry Leaders in Exploration, Mining Operations and Corporate Social and Environmental Responsibility

Golden Minerals’ management team is highly experienced and is led by a team of mining professionals with more than 160 years of combined experience in exploration, project development, construction and mine operations all over the world for leading mining companies including Cyprus Amax Minerals Company, Phelps Dodge Corporation, Inco Limited, Homestake Mining Company and Kinross Gold Corporation.

Proven Track Record of Corporate Social Responsibility

The management team at Golden Minerals takes its social responsibility to the communities in which we operate seriously. Golden Minerals is committed to setting the global standard for environmental stewardship and corporate social responsibility throughout the exploration, development, construction and operations at all of its properties.

Targeting Our Exploration Activities in 2010

Golden Minerals’ exploration efforts in 2010 are dominated by the advanced exploration activities at our 100%-controlled El Quevar high grade silver deposit in northwestern Argentina. Our 2010 exploration plans also call for drilling at other target areas within El Quevar. Additionally, we plan to drill several other promising prospects in Mexico and Peru.



Early exploration in Argentina.

- Directly South of Peñasquito
- Gold In Intrusive
- Gold Porphyry Target
- District Potential
- A World-Class Silver District
- Up To 1,000 g/t Silver

Golden Minerals' Key Assets

Golden Minerals has a robust pipeline of exploration projects in Mexico and South America, from early stage exploration projects to drill ready projects and one project (El Quevar) undergoing feasibility analysis.

Feasibility Stage Projects – Our feasibility stage project is the El Quevar (Argentina) property, which was advanced to feasibility stage following extensive exploration activity and detailed analysis over the past six years.

Drilling Stage Projects – We currently are planning a drilling program at four project locations:

- La Pinta (Mexico) – Silver, Gold and Base Metals
- Matehuapil (Mexico) – Silver, Gold and Base Metals
- Zacatecas (Mexico) – Silver, Gold and Base Metals
- Palca (Peru) – Silver, Gold and Base Metals

Target Delineation Stage Projects – Golden Minerals holds a portfolio of projects at which we have undertaken exploration activities to identify target zones for a drilling program. Our target delineation stage projects include:

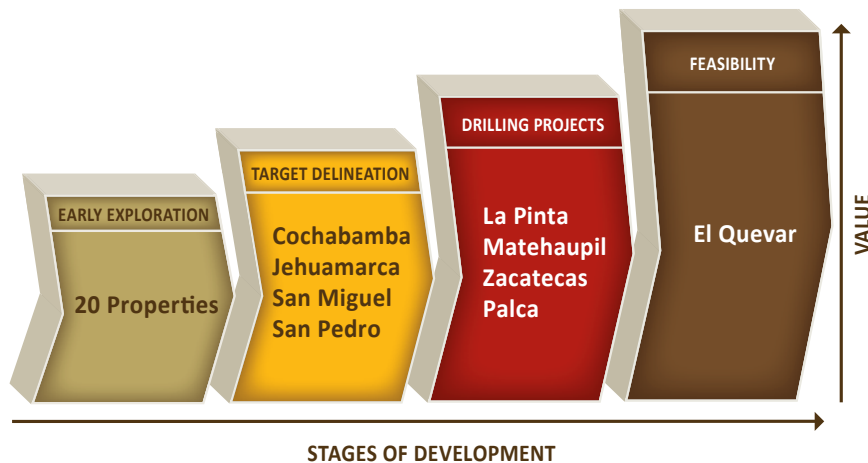
- Cochabamba (Peru) – Silver and Gold
- Jhuamarca (Peru) – Silver and Gold
- San Miguel (Mexico) – Silver, Gold and Base Metals
- San Pedro (Mexico) – Silver and Gold

Early Exploration Stage Projects – Golden Minerals has a portfolio of 20 projects in the early stage of exploration. The projects are located in Argentina, Peru, Mexico and Chile.



LEGEND

- ★ Feasibility
- Drilling
- ▲ Target Delineation
- Mining Services Agreement



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EASIBILITY STAGE PROJECT



Mineralized core – El Quevar.

El Quevar

El Quevar is located in Salta province, Argentina, about 300 kilometers by road north-west of the city of Salta. It lies at high elevation 3,800 to 6,130 meters above sea level in the Andean cordillera. The property consists of 20 mineral concessions, of which Golden Minerals owns or controls 100%.

From 2004 through December 2009 we have spent approximately \$12.8 million on exploration and related activities at El Quevar. More than 3,000 surface samples have been taken, a 75-person camp has been constructed and is operating at the site, and 201 diamond drill holes have been completed, representing approximately 40,400 meters of total drilling.

Our work has confirmed that the Yaxtché zone, one of 13 potential zones of mineralization discovered at El Quevar, has a total strike length that measures more than 2.2 kilometers and remains open laterally and up and down dip. An independent technical report (Canadian National Instrument 43-101) completed in January 2010 estimated that, using data from 156 drill holes and at a cutoff grade of 100 grams silver, there are 865,803 tonnes of indicated resources at an average silver grade of 412.4 grams per tonne and 2,215,759 tonnes of inferred resources at an average silver grade of 447.8 grams per tonne within the Yaxtché deposits.

A feasibility study is currently underway at El Quevar and is targeted for completion during the fourth quarter of 2010.

Our plans for El Quevar call for the construction of an underground exploration and development decline required to complete a feasibility study of the Yaxtché silver deposits. Underground exploration workings will include a ramp system that will intersect the ore zone at two locations 350 meters apart, along strike, at a depth of approximately 200 meters. Based on our prior exploration work at the site, we expect the underground drift to encounter at least two veins of mineralized material in the Yaxtché zone. Access to these ore horizons will allow us to verify our mineral model and mining methods and will provide bulk samples for further metallurgical testing.

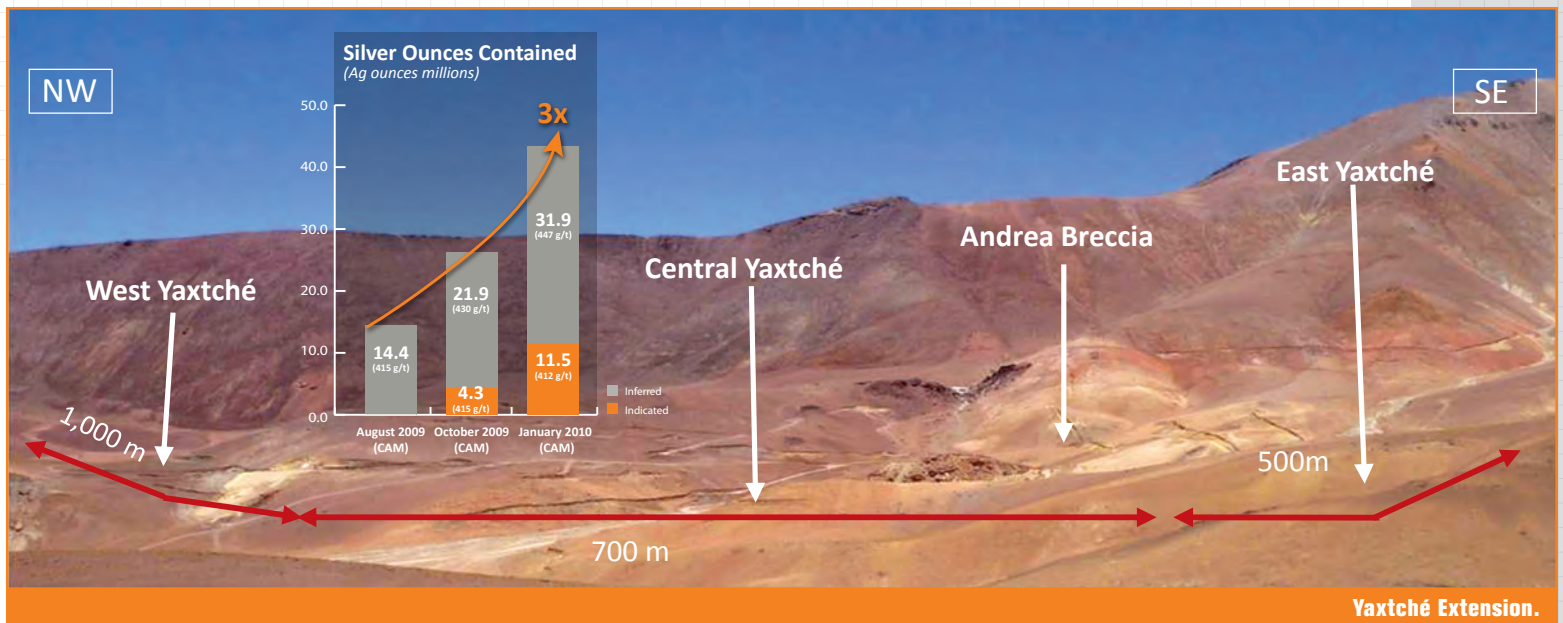
EL QUEVAR

- Feasibility stage project
- Silver district potential
- 100% ownership
- Pro-mining country and province
- High grade resource
- Numerous targets untested



Camp at El Quevar.

“ THE COMPANY HAS
ADVANCED EL QUEVAR
TO FEASIBILITY STATUS. ”



Following the feasibility study, should the determination be made to advance El Quevar to an active mining operation, El Quevar offers several advantages that could contribute to the overall success of the entire project, including excellent existing infrastructure and strong governmental support:

- A high pressure gas line crosses the concessions and is located within 20 kilometers of the project site;
- A high tension power line is located approximately 40 kilometers from the site;
- There is no local community in the vicinity of the discovery that might be affected by the construction or operation of a mine at El Quevar;
- A skilled mining workforce is available;
- Golden Minerals’ camp is 10 kilometers west of the property, is currently operating and will accommodate 75 workers with room for future expansion;
- The company has obtained all required permits to conduct the planned exploration activities at El Quevar, including the underground decline, and an Environmental Impact Assessment and baseline studies to support development of El Quevar are currently underway.



Drilling at El Quevar.

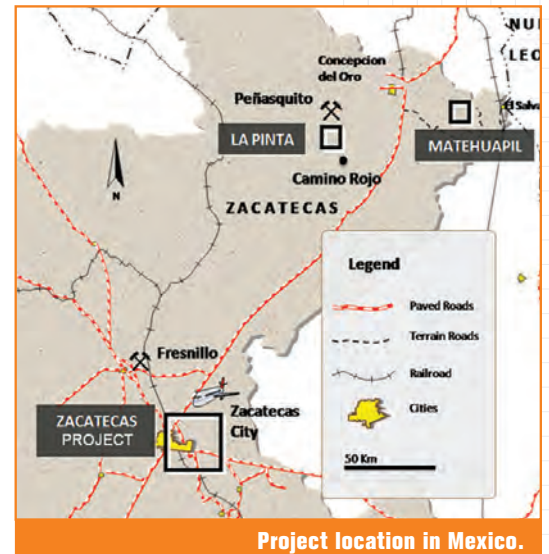
2010 calls for further mapping, sampling and drilling of at least four drilling stage projects in Mexico and Peru.

DRILLING STAGE PROJECTS

The company's plan for 2010 calls for further mapping, sampling and drilling of at least four drilling stage projects in Mexico and Peru. The four drilling stage projects are summarized below.

Zacatecas Project

There is a rich history of precious metals mining in the world class Zacatecas silver mining district in central Mexico. Golden Minerals' Zacatecas project is a 14,900-hectare, 100%-controlled silver/gold/base metals prospect. Access is good to the Zacatecas properties. Existing roads lead to the site, which is within 10 kilometers of the city of Zacatecas.



Exploration to date indicates 30 kilometers of veins containing silver-gold mineralization. The company has identified four high grade vein targets for further drill testing in 2010: Muleros, El Cristo, San Manuel-San Gil, and Pánuco. Our exploration activities lead us to believe that each of the four target areas has significant potential for discovery of high grade silver with associated base metals and gold.

Muleros Target

Located in the northern part of the Zacatecas Mining District, the Muleros target covers an area of roughly 1,800 meters by 2,400 meters, where four sub-parallel epithermal veins outcrop. The veins are composed of quartz and calcite, and contain silver mineralization associated with minor antimony, lead and zinc.

From 2006 to the present, we have taken approximately 1,100 surface samples from outcrops and trenches. The grades in the veins range from 0.1 to 2.87 grams per tonne gold, and from 5 grams per tonne to 793 grams per tonne silver, with anomalous values in base metals over widths ranging from 0.3 to 1.3 meters.

At Muleros, we have drilled 37 diamond drill holes totaling approximately 6,800 meters. There were two stages of drilling. The first program was carried out with a total of approximately 3,800 meters distributed over 31 short bore holes at a vertical depth of about 100 meters from the surface. Shallow drill holes at Muleros returned up to 400 grams per tonne silver over one meter. The second program was carried out with a total of approximately 3,000 meters distributed over six boreholes. These holes were deeper tests (over 300 meters in length). Results from this drilling returned narrow intercepts of silver mineralization of up to 450 grams per tonne over one meter.



Core samples from Muleros.

ZACATECAS

- A world-class silver district
- Up to 1,000 g/t silver

El Cristo Target

The El Cristo target area covers a surface area of approximately 800 meters by 2,000 meters, where five sub-parallel epithermal quartz-calcite veins outcrop. These veins correspond to the northwestern extension of the Vetagrande vein system.

From 2006 to October 2008, we took approximately 1,017 surface samples from outcrops and trenches. These samples have returned from 0.01 to 1.1 grams per tonne gold and 9 to 580 grams per tonne silver, with anomalous values in copper, lead and zinc. The total length of the outcropping veins and their respective offshoots is approximately 8,000 meters.

San Manuel-San Gil Target

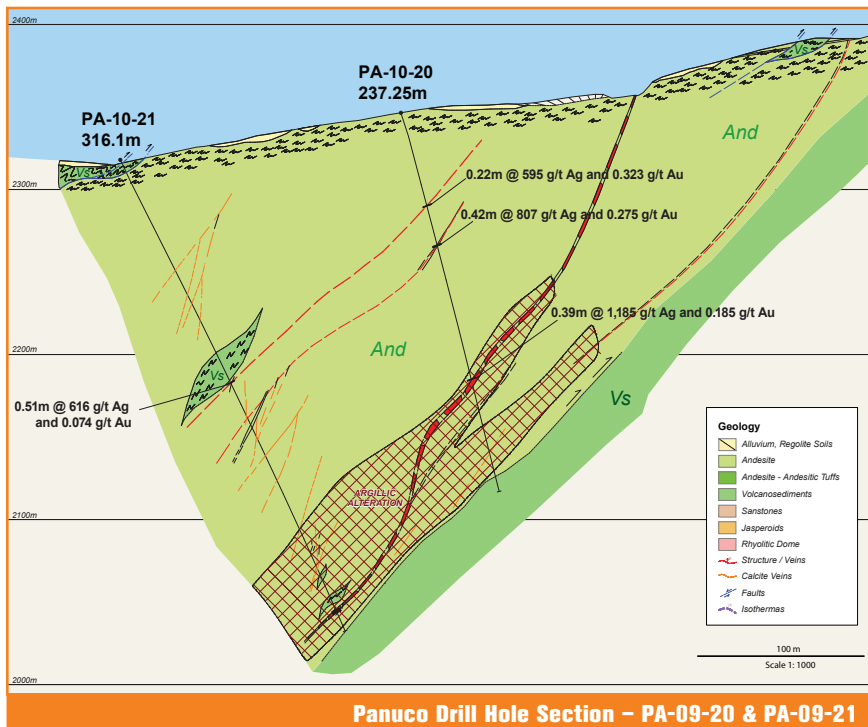
Located in the central portion of the Zacatecas Mining District, the San Manuel-San Gil target area covers 8 square kilometers, where sub-parallel epithermal veins and alteration zones outcrop.

We have taken 167 chip-channel samples that have returned trace to 1.36 grams per tonne gold, 1 to 536 grams per tonne silver, and highly anomalous values in copper, lead (up to 3.62%) and zinc (up to 9.8%).

We carried out a geochemical soil sampling program in an area measuring 4.2 kilometers by 2 kilometers with east-west lines every 100 meters and samples every 50 meters. A total of 785 samples were taken. The strongest anomaly in silver, gold and copper is located in the southeastern portion of the area.

Pánuco Target

In the Pánuco target area, surface samples returned up to 600 grams per tonne silver and 2.5 grams per tonne gold. A 2,000 meter drill program was completed, returning values of up to 1,600 grams per tonne silver and 1.27 grams per tonne gold.



The Pánuco target area is located in the northeastern part of the Zacatecas district about 10 kilometers east of the Muleros area and is comprised of two main veins hosted in volcanic and sedimentary rocks that outcrop for an aggregate of about 5 kilometers in a northwesterly direction. Vein widths range from one to three meters. Several small pits indicate mining of high-grade silver from oxidized surface rocks during Colonial times. There has been no modern exploration at Pánuco. We have mapped the area in detail and collected approximately 400 samples from the veins and wall rocks. We have completed a first phase drill program consisting of 24 diamond core holes totaling about 5,852 meters.

La Pinta Project

The La Pinta property is located in northeastern Zacatecas state in central Mexico about 13 kilometers southwest of Concepción del Oro and 6 kilometers south of Goldcorp's Peñasquito mine. The project has more than 35,000 hectares that are owned or controlled 100% by Golden Minerals.

Large fragments of the altered intrusive are found as float over an area of approximately 2,000 meters by 500 meters. Sampling of this material has returned highly anomalous levels of arsenic and up to 3.3 grams per tonne gold. Elsewhere on the property, scattered outcrops of the Caracol Formation indicate areas of brecciation and pyritic mineralization that has anomalous levels of arsenic and zinc with as much as 72 grams per tonne silver. Outcrops of the various sedimentary units of Cretaceous age show additional evidence of potential mineralization, including calcite and quartz veining, pyrite and iron oxides after pyrite.

We have completed a detailed ground magnetic survey over the central area of interest. This survey indicates a low-level anomaly that is in part coincident with the area of intrusive float and we interpret this as indicating that an altered intrusive rock may be present under the alluvium or intruding the sedimentary rocks in this area. We are preparing to conduct a drill test in the second quarter of 2010.

Matehuapil Project

The Matehuapil Project is also located in northeastern Zacatecas state in central Mexico. Significant projects in the region surrounding Matehuapil include the Peñasquito Mine, the Concepción del Oro district and the new Camino Rojo discovery. The project currently includes two concessions totaling approximately 12,100 hectares, and we have a joint venture agreement with Almaden Minerals Ltd. under which we may earn a 60% interest in the properties by making certain payments to Almaden and conducting work programs over a six year period. We have applied for additional property in the area that will be owned solely by Golden Minerals.

The project has potential for the discovery of silver and base metal-rich veins and replacement deposits, including carbonate replacement deposits similar to the famous Santa Eulalia and Naica deposits found farther north. In addition to these types of deposits, we have identified an area of altered intrusive and sedimentary rocks that contain significant amounts of gold. This area, called Rabioso, is located in the northwest portion of the Matehuapil concession and contains an exposure of oxidized altered intrusive rock cut by numerous fractures and veinlets. Sampling of this area has indicated that gold values in the range of 0.1 grams per tonne to 19.9 grams per tonne are present over an exposed area of the intrusive of approximately 250 meters by 800 meters and are also found in the adjacent altered sedimentary rocks to a lesser degree. Our work has included trenching and the excavation of pits to obtain material for analysis and the compilation of detailed geological information. This work has indicated that the possibility of a large disseminated gold deposit exists at the Rabioso target.

Palca Project

The Palca project is located in the Puno province in southern Peru and is distinguished by an extensive series of veins aggregating more than 10 kilometers in length containing silver, gold and base metals in locally significant amounts. We have a 100% interest in the project, which has approximately 4,800 hectares. Sampling has returned silver values up to 400 grams per tonne, gold values to 4.5 grams per tonne, lead values up to 20% and zinc up to 21% in selected samples. There has been some limited production from one of the veins, but little modern exploration has been conducted.



Palca vein.

LA PINTA

- Directly south of Peñasquito
- Gold in intrusive

MATEHAUJIL

- Gold porphyry target
- District potential

PALCA

- High-grade polymetallic veins
- Significant size potential

Board of Directors

Jeffrey G. Clevenger
Chairman, President and
Chief Executive Officer
Golden Minerals Company
Age 60

W. Durand Eppler
Partner
Sierra Partners, LLC
Age 56

Ian Masterton-Hume
Sentient Asset Management Australia
PTY Limited
Australia
Age 59

Kevin R. Morano
Managing Principal
KEM Capital LLC
Age 56

Terry M. Palmer
Principal
Marrs, Sevier & Company LLC
Age 65

David H. Watkins
Executive Chairman
Atna Resources Ltd.
Age 65

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investor.relations@goldenminerals.com

Website: www.goldenminerals.com

Annual Meeting

Thursday, May 27, 2010
9:00 a.m.
Courtyard by Marriott
Denver West/Golden
14600 W. 6th Avenue Frontage Road
Golden, CO 80401

Unit Conversion Table

1 troy ounce = 31.103 grams
1 (short) ton = 0.907 (metric) tonnes
1 (metric) tonne = 2,204.62 pounds
1 troy ounce per (short) ton = 34.286
grams per (metric) tonne
1 foot = 0.305 meters
1 mile = 1.609 kilometers
1 acre = 0.405 hectares

Stock Transfer Agent

Questions regarding your shareholder
account should be addressed to:
Olympia Trust Company
Corporate & Shareholder Services
120 Adelaide Street West
Suite 920
Toronto, ON M5H 1T1

Phone: (416) 364-8081
Toll free: (800) 727-4493
Fax: (416) 364-1827

Contact Person: Lisa Clarkin (ext. 442)

Market Information

Our common stock trades on the NYSE
Amex Stock Exchange under the symbol
'AUMN' and on the Toronto Stock
Exchange under the symbol 'AUM'.

Independent Accountants

PricewaterhouseCoopers LLP
1670 Broadway, Suite 1000
Denver, CO 80202

COMPANY HIGHLIGHTS

- Extensive precious metals exploration portfolio
 - High-grade, feasibility-stage El Quevar silver project
 - District potential
 - Focused on 4 drilling-stage precious metals exploration projects
- Properties located in pro-mining jurisdictions
- Top management team with exceptional breadth of experience
 - Leverage ability to discover, build and operate mining projects
 - Management Services Agreement at San Cristóbal
- Private equity endorsement
- Clean capital structure
 - No debt
 - No hedging
 - Existing cash flow stream



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