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Kootenay Silver Drilling Intersects over 1,000 gpt Silver within Potential New High-grade Area at Columba Silver Project, Mexico

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to report the discovery of a potential new high-grade zone known as the East Block within the Columba Silver Project, located in Chihuahua State, Mexico. During expansion drilling east of the JZ Zone as part of the 2021 phase 3 drill program, Hole CDH-21-101 returned results indicative of high-grade areas on the Property seen in the F, B and D Veins and JZ zone. Phase 3 drilling is complete with 12 holes from the JZ Trap area, B and D Veins that remain to be reported. Further results will be released once final assays are received.

Drill Highlights to Hole CDH-21-101

- 459 gpt silver over 1.6 meters including
 - 1,190 gpt silver over 0.5 meters and
 - 127 gpt silver over 1.1 meters

Jim McDonald, CEO & President, states “Congratulations to our team for the outstanding geologic work leading to an exciting new area with high grade silver potential. This extension to the Columba veining occurs under the surface of an area which appears to be barren and adds to the numerous other high-grade zones and potential identified to date. We look forward to further testing of this exciting new area.

Detailed Drill Results – CDH-21-097 to CDH-21-101

Hole ID	From (meters)	To (meters)	Interval (meters)	Silver (gpt)	Pb (%)	Zn (%)	Geologic Intersection
CDH-21-097	98	100	2	33	0.047	0.05	Fault Zone
CDH-21-098	88.45	89.47	1.02	32	0.01	0.3	Fault Zone
CDH-21-099	126.41	127.58	1.17	61	0.011	0.08	Hydrothermal breccia
	207	209	2	30	0.031	0.04	Rhyolite some oxidation
CDH-21-100	No Significant Values						
CDH-21-101	208.5	210.1	1.6	459	0.23	4.00	Fault zone with tiny quartz stockwork (East Block)
including	208.5	209	0.5	1,190	0.588	3.93	
including	209	210.1	1.1	127	0.08	0.152	

Notes: Notes: All widths are drilled widths. At this time the true width is not yet known in this new area as more holes are needed. All silver composites rounded to the nearest whole number.

Links to [Cross Section of Hole CDH-21-101](#) and [plan map](#).

Mapping by Kootenay's geological team recognized that the Columba vein system continues further east across a fault which puts the system slightly deeper than previously considered. Five holes were drilled into this block to see if the narrow structures at surface with weak silver content contained significant quartz veining with grade deeper down. This is a pattern associated with several other veins found throughout the property. The deeper of the five holes hit high grade silver over 1,000 gpt indicating the East Block follows the mineral pattern confirmed elsewhere on the property where silver grades improve with depth. Four of the five drill holes hit silver mineralization, indicating good potential for expanding the size of the high-grade East Block area at Columba. Mapping showed a strike extension of 350 to 500 meters in four different parallel structures.

Additional drilling is required in the East Block to confirm the presence of a high-grade deposit. However, there is opportunity to significantly expand the size of the Project's impressive potential in a new and previously untouched area.

Qualified Persons

The Kootenay technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 (Standards of Disclosure for Mineral Projects) and reviewed and approved on behalf of Kootenay by James McDonald, P.Geo, President, CEO & Director for Kootenay, a Qualified Person.

About Kootenay Silver Inc.

Kootenay Silver Inc. is an exploration company actively engaged in the discovery and development of mineral projects in the Sierra Madre Region of Mexico and in British Columbia, Canada. Supported by one of the largest junior portfolios of silver assets in Mexico, Kootenay continues to provide its shareholders with significant leverage to silver prices. The Company remains focused on the expansion of its current silver resources, new discoveries and the near-term economic development of its priority silver projects located in prolific mining districts in Sonora, State and Chihuahua, State, Mexico, respectively.

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The information in this news release has been prepared as at August 25, 2021. Certain statements in this news release, referred to herein as "forward-looking statements", constitute "forward-looking statements" under the provisions of Canadian provincial securities laws. These statements can be identified by the use of words such as "expected", "may", "will" or similar terms.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Kootenay as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors, known and unknown, could cause actual results to be materially different from those expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. Except as otherwise required by law, Kootenay expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in Kootenay's expectations or any change in events, conditions or circumstances on which any such statement is based.

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investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

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