



October 5, 2017

KOOTENAY ANNOUNCES CONTINUED HIGH-GRADE RESULTS FROM INFILL DRILL PROGRAM ON LA NEGRA OPERATED BY PAN AMERICAN SILVER CORP.

HIGHLIGHTS INCLUDE: 281 GPT SILVER OVER 48.7 METERS - 403 GPT SILVER OVER 31.80 METERS

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to announce the results of 13 infill drill holes recently completed by Pan American Silver Corp. (“**Pan American Silver**”) on its La Negra silver discovery, contained within the Promontorio Mineral Belt in Sonora, Mexico. The current definition drill program on La Negra is part of an option agreement between Kootenay and Pan American Silver that provides Kootenay with a series of work and cash commitments and a carried to production interest on La Negra.

Kootenay President and CEO James McDonald states, “We are very pleased with Pan American’s work and the continued high-grade results achieved from the current infill drill program on La Negra. Assays continue to support the grades and widths encountered in previous drilling, further demonstrating the consistency and continuity of the high-grade silver mineralization contained within the resource. We are excited and look forward to Pan American completing the remaining 1500 meters of the program and additional metallurgical work.”

Drill highlights from LN 17-73 to LN 17-85 include:

- **LN-74-17:** 306 gpt silver over 8.20 meters within 159 gpt silver over 34.30 meters and 597 gpt silver over 3.55 meters within 192 gpt silver over 17.10 meters
- **LN-76-17:** 3004 gpt silver over 1.95 meters, 2,146 gpt silver over 1.00 meter and 558 gpt silver over 5.35 meters within 281 gpt silver over 48.70 meters
- **LN-81-17:** 3018 gpt silver over 1.10 meters within 274 gpt silver over 21.00 meters and a separate interval of 388 gpt silver over 11.40 meters within 274 gpt silver over 21 meters
- **LN-82-17:** 1098 gpt silver over 8.85 meters within 403 gpt silver over 31.80 meters and a separate interval of 138 gpt silver over 29.25 meters
- **LN-83-17:** 674 gpt silver over 7.60 meters within 289 gpt silver over 38.70 meters and a separate interval of 236 gpt silver over 76.35 meters
- **LN-85-17:** 308 gpt silver over 12.15 meters within 174 gpt silver over 53.80 meters and a separate interval of 571 gpt silver over 5.35 meters

[Click to view: Drill plan and cross sections.](#)

A summary of the infill drilling within the mineralized zone is provided in the table below.

Drill hole	From	To	Interval	Silver gpt	Gold gpt	Copper ppm	Lead ppm	Zinc ppm	Breccia
LN-73-17	151.15	152.50	1.35	44	0.54	1381	2761	717	LN Bx Principal
	295.70	300.70	5.00	52	0.03	172	26	65	LN Bx Inferior
Inc.	295.70	297.45	1.75	96	0.03	282	31	91	LN Bx Inferior
LN-74-17	67.65	94.90	27.25	58	0.03	148	4193	325	LN Bx Principal
Inc.	74.65	75.40	0.75	388	0.17	775	8639	332	LN Bx Principal
Inc.	82.35	82.80	0.45	1014	0.26	3069	31900	3691	LN Bx Principal
	131.45	135.00	3.55	62	0.11	123	3189	165	LN Bx Principal
Inc.	134.20	135.00	0.80	101	0.06	251	1167	118	LN Bx Principal
	175.70	192.80	17.10	192	0.18	286	7061	231	LN Bx Inferior
Inc.	175.70	179.25	3.55	597	0.40	840	29289	415	LN Bx Inferior
Inc.	176.35	178.10	1.75	881	0.42	1252	37700	576	LN Bx Inferior

Drill hole	From	To	Interval	Silver gpt	Gold gpt	Copper ppm	Lead ppm	Zinc ppm	Breccia
	212.05	246.35	34.30	159	0.14	277	544	155	LN Bx Inferior
Inc.	238.15	246.35	8.20	306	0.28	574	909	274	LN Bx Inferior
Inc.	238.15	239.20	1.05	487	0.14	835	1062	368	LN Bx Inferior
Inc.	243.85	246.35	2.50	487	0.29	1034	896	402	LN Bx Inferior
Inc.	245.30	246.35	1.05	507	0.36	1127	1057	325	LN Bx Inferior
LN-75-17	29.00	40.15	11.15	325	0.04	286	4068	78	LN Bx Principal
Inc.	30.50	35.50	5.00	588	0.04	370	4731	83	LN Bx Principal
Inc.	31.75	33.15	1.40	979	0.05	1129	4074	59	LN Bx Principal
	61.55	62.95	1.40	346	0.12	613	11900	432	LN Bx Principal
LN-76-17	73.20	121.90	48.70	281	0.08	399	2590	175	LN Bx Principal
Inc.	75.35	77.30	1.95	3004	0.43	885	1486	221	LN Bx Principal
Inc.	76.40	77.30	0.90	3143	0.46	742	1197	190	LN Bx Principal
Inc.	93.05	94.05	1.00	2146	0.34	3395	28800	438	LN Bx Principal
Inc.	104.35	105.65	1.30	474	0.45	2260	12300	809	LN Bx Principal
Inc.	116.55	121.90	5.35	558	0.11	851	387	248	LN Bx Principal
Inc.	117.65	118.95	1.30	642	0.15	1052	645	349	LN Bx Principal
Inc.	120.65	121.90	1.25	1029	0.15	1448	417	312	LN Bx Principal
LN-77-17	47.55	53.25	5.70	30	0.09	125	5933	188	LN Bx Principal
LN-78-17	46.10	47.70	1.60	42	0.01	71	224	379	LN Bx Principal
LN-79-17	34.45	45.65	11.20	34	0.01	108	1665	212	LN Bx Principal
Inc.	43.60	44.25	0.65	66	0.01	61	224	76	LN Bx Principal
LN-80-17	1.25	43.55	42.30	45	0.01	85	3365	93	LN Bx Principal
Inc.	6.00	2205	16.05	72	0.01	115	2512	108	LN Bx Principal
Inc.	6.00	9.95	3.95	167	0.01	118	866	214	LN Bx Principal
Inc.	8.00	9.95	1.95	211	0.01	146	1152	220	LN Bx Principal
LN-81-17	33.00	36.60	3.60	101	0.13	330	6545	566	LN Bx Principal
	46.10	48.00	1.90	83	0.01	216	13531	4118	LN Bx Principal
	72.55	73.75	1.20	156	0.06	298	1643	149	LN Bx Principal
	93.45	94.95	1.50	234	0.07	489	8396	140	LN Bx Principal
	117.20	138.20	21.00	274	0.09	528	736	175	LN Bx Principal
Inc.	122.85	124.15	1.30	832	0.18	1209	1873	362	LN Bx Principal
Inc.	129.15	129.95	0.80	739	0.13	1173	837	279	LN Bx Principal
Inc.	136.45	137.55	1.10	3018	0.60	5612	2382	1055	LN Bx Principal
	158.50	205.40	46.90	137	0.13	200	535	88	LN Bx Inferior
Inc.	159.40	170.80	11.40	388	0.09	617	51	211	LN Bx Inferior
Inc.	159.40	161.25	1.85	1261	0.18	1936	87	534	LN Bx Inferior
Inc.	159.95	161.25	1.30	1458	0.20	2234	95	599	LN Bx Inferior
LN-82-17	45.40	74.65	29.25	138	0.11	210	11245	272	LN Bx Principal
Inc.	46.75	47.80	1.05	1111	0.22	901	32700	377	LN Bx Principal
Inc.	57.60	62.45	4.85	242	0.24	417	18535	280	LN Bx Principal
Inc.	62.00	62.45	0.45	463	0.98	976	22300	462	LN Bx Principal
	107.90	139.70	31.80	403	0.13	706	676	221	LN Bx Principal
Inc.	128.75	137.60	8.85	1098	0.26	1515	388	365	LN Bx Principal
Inc.	128.75	130.30	1.55	2102	0.29	3635	1391	909	LN Bx Principal

Drill hole	From	To	Interval	Silver gpt	Gold gpt	Copper ppm	Lead ppm	Zinc ppm	Breccia
Inc.	136.90	137.60	0.70	3759	0.46	3622	84	717	LN Bx Principal
LN-83-17	52.50	128.85	76.35	236	0.10	401	1627	163	LN Bx Principal
Inc.	72.75	74.55	1.80	1112	0.15	1733	3644	375	LN Bx Principal
Inc.	100.40	106.95	6.55	1248	0.31	2234	1405	423	LN Bx Principal
Inc.	100.40	101.85	1.45	3581	0.60	5890	2045	1029	LN Bx Principal
	174.40	213.10	38.70	289	0.16	491	1180	225	LN Bx Inferior
Inc.	184.75	187.40	2.65	553	0.20	948	1695	274	LN Bx Inferior
Inc.	195.30	202.90	7.60	674	0.10	1192	514	338	LN Bx Inferior
Inc.	199.50	200.90	1.40	1330	0.14	2375	614	451	LN Bx Inferior
	231.05	238.10	7.05	61	0.02	72	1809	136	LN Bx Inferior
Inc.	236.80	238.10	1.30	110	0.02	143	594	102	LN Bx Inferior
LN-84-17	65.10	75.15	10.05	77	0.04	132	3787	197	LN Bx Principal
Inc.	65.10	65.70	0.60	190	0.10	65	2659	33	LN Bx Principal
Inc.	73.30	73.85	0.55	703	0.32	1304	27500	698	LN Bx Principal
	116.65	117.70	1.05	125	0.14	157	8859	204	LN Bx Principal
	131.80	133.10	1.30	120	0.13	159	9013	112	LN Bx Principal
	209.80	264.75	54.95	68	0.05	150	434	130	LN Bx Inferior
Inc.	209.80	210.65	0.85	535	0.05	975	1338	504	LN Bx Inferior
Inc.	225.80	233.30	7.50	209	0.18	348	808	343	LN Bx Inferior
Inc.	231.65	233.30	1.65	400	0.05	824	918	482	LN Bx Inferior
LN-85-17	39.05	44.40	5.35	571	0.25	2566	12143	609	LN Bx Principal
Inc.	40.10	40.65	0.55	3735	2.26	21200	93300	2200	LN Bx Principal
	84.85	89.70	4.85	72	0.01	170	6279	336	LN Bx Principal
	121.65	175.45	53.80	174	0.09	263	2039	114	LN Bx Inferior
Inc.	130.55	142.70	12.15	308	0.17	476	2602	176	LN Bx Inferior
Inc.	137.80	139.75	1.95	913	0.40	1401	3131	392	LN Bx Inferior
Inc.	162.65	167.10	4.45	779	0.20	1211	373	321	LN Bx Inferior
Inc.	164.00	165.15	1.15	1363	0.26	2006	640	578	LN Bx Inferior

Note: all intervals are downhole. Holes are oriented approximately perpendicular to the mineralized trends, and downhole lengths may be slightly shorter than the stated interval.

QA/QC

Samples were assayed by Inspectorate of Hermosillo, Mexico, using four acid digestion 35 element ICP analytical methods with fire assay for Au and Ag with atomic absorption finish and gravimetric finish, respectively. Pan American has followed a Quality Assurance/Quality Control program comprised of the insertion of blank material and certified standard samples at a frequency of one each for every 20 samples. There is no known drilling, sampling, recovery, or other factors that could materially affect the accuracy or reliability of the data referred to in the table.

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 on behalf Kootenay by James McDonald, P.Geol, 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 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 two of its priority silver projects located in prolific mining districts in Sonora, State and Chihuahua, State, Mexico, respectively.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at October 4, 2017. 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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2017 number 22