



February 15, 2018

KOOTENAY ANNOUNCES 2018 DRILL PROGRAM UNDERWAY ON LA CIGARRA SILVER PROJECT, MEXICO

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to announce the commencement of its 2018 drill program on its 100% owned La Cigarra silver project in the Parral Mining Camp, Chihuahua, Mexico.

The first phase of the 2018 program will consist up to 5,000 meters of drilling and will focus on three primary objectives, including:

- Drilling within the La Borracha Zone northwest of the La Cigarra silver deposit;
- Drill testing for continuity of high grade bearing structures such as the 104 “vein” (“104-Vein”) at the southern end of the resource; and
- The first drill test of the newly identified “Nogalera Gold Trend”.

A comprehensive second phase drill program will be determined following the assessment of the various targets and the results from the initial 5,000 meters of drilling.

Kootenay President and CEO James McDonald states, “We are very pleased to launch the first phase of our 2018 drill program on La Cigarra. Our recent successes identifying two new silver discoveries (RAM and Las Venadas) and multiple new priority targets, along with the identification of a potential new emerging gold trend, clearly underscores La Cigarra’s immense potential within one of Mexico’s premier mining districts.”

Upcoming Drilling and Development:

La Cigarra NI 43-101 Resource

Drilling will begin to the immediate northwest of the La Cigarra silver deposit following up on positive results from 2017 program, where hole CC-17-37 intercepted 107 gpt silver over 8 meters 500 meters beyond the edge of the current resource boundary. This is within the La Borracha Zone, which is the strike extension of the La Cigarra silver deposit. Approximately, 6 widely spaced holes are planned to determine the extent and grade of silver mineralization for 800 meters of strike beyond the resource. The overall objective will be to add silver ounces to the resource by testing the strike extent of the main mineralized structure hosting the La Cigarra silver deposit, which is largely untested by previous drilling.

Nogalera Gold Trend

Preparations are underway to prepare the first drill test of the newly identified gold trend at Nogalera upon completion of the La Borracha drilling. Anomalous gold mineralization has been traced on Nogalera for a minimum 1,000 meters and remains open along strike. The first drill holes will test the southern 400 meters of the zone where multi-gram gold grades of up to 12.35 gpt gold and 179 gpt silver. [See the Company’s news release dated February 8, 2018 for more information.](#)

104-Vein Structure

The third priority area is the 104-Vein situated at the southern end of the resource named Las Carolinas. Drilling will test the continuity and extent of high grades in the recently recognized 104-Vein structure. The

104-Vein structure was identified after re-assessing previous drilling and projected to surface where it has been traced for over 200 hundred meters. The southern 100 meters is consistently anomalous with a low of 13 gpt silver over 0.7 meters and a high of 1,170 gpt silver over 1.7 meters in chip sampling.

Previous drill holes encountered up to 310 gpt silver over 11.3 meters including 0.8 meters of 3,920 gpt silver (CC-12-104), 155 gpt silver over 17.25 meters including 342.55 gpt silver over 6 meters (CC-11-13), 100 gpt silver over 18 meters (CC-12-64), 260 gpt silver over 15.1 meters including 686 gpt silver over 4.6 meters (CC 11-13), 83 gpt silver over 10.7 meters and the southeastern most hole CC-14-155 with 138 gpt silver over 23.45 meters.

Results from the current multi-phase drill program will be ongoing and announced as assays are received and interpreted by the Company.

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.Geo, President, CEO & Director for Kootenay, a Qualified Person.

Sampling and QA/QC at La Cigarra

All technical information for the La Cigarra exploration program is obtained and reported under a formal quality assurance and quality control ("QA/QC") program. Samples are taken from core cut in half with a diamond saw under the direction of qualified geologists. Samples are then labeled placed in plastic bags, sealed and with interval and sample numbers recorded. Samples are delivered by the Company via courier to ALS Minerals ("ALS") in Chihuahua. The samples are dried, crushed and pulverized with the pulps being sent airfreight for analysis by ALS in Vancouver, B.C. Systematic assaying of standards, blanks and duplicates is performed for precision and accuracy. Analysis for silver, zinc, lead and copper and related trace elements was done by ICP four acid digestion, with gold analysis by 30-gram fire assay with an AA finish. All drilling will be with HQ core and has been contracted to BD Drilling from Guadalajara, Mexico.

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.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at February 14, 2018. 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

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2018 number 07