



June 24, 2021

Kootenay Silver Signs Contract with TLASA OBRAS MINERAS to Rehabilitate Historic Underground Workings at Columba Silver Project, Mexico

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to announce that it has signed a contract with TLASA OBRAS MINERAS, S. DE R.L. DE C.V. to rehabilitate the historic underground workings of the F Vein at the Columba Silver Project in Chihuahua State, Mexico. Initial work will assess the ability to gain access to the underground workings and begin dewatering the old mine. Clearing and timbering of an adit (entrance to an underground mine) is underway with the objective of gaining access to the main shaft and a secondary inclined shaft to begin dewatering and evaluating old mine workings for rehabilitation.

James McDonald, CEO & President, comments *“Getting into the old mine workings and being able to see the F Vein in the old adit is a very exciting step forward for the Columba property and one more step closer to evaluating the resource and economic potential of the property. To the best of our knowledge this is the first time in 40 years work within the mine has been conducted in the upper levels and likely 100 years since anyone was in the lower levels.”*

Access to the old working will provide valuable information on the extent of historic mining and development, vein widths and grades, wall rock conditions and water flows. Additionally, this will allow for more cost-effective infill and expansion, drilling to greater depths, and provide bulk sample for metallurgical work.

Detailed mapping and sampling will occur concurrently with rehabilitation work after safe and secure access to the F Vein is established. This mapping and sampling will aid in accurate modeling and resource work for the F Vein.

Work is expected to take approximately 4 months to complete barring any major obstacles. There is no historic data available to indicate the current condition of the underground workings and if there are any major collapses. Due to these uncertainties, every advancement of the program will assess our ability to continue the rehabilitation of the old mine workings.

Meanwhile drilling is ongoing on other vein systems in Columba as part of the current 5,000-meter core drill program. To date results for 12 holes have been released (CDH-21-086 to CDH-21-096) for a collective 96 holes (including the 2019 and 2020 drill programs). More results are to be released as assays are received and interpreted by the Company.

[Click here to view up to date drill results.](#)

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

Sampling and QA/QC at Columba

All technical information for the Columba 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 and engineers. Samples are then labeled, placed in plastic bags, sealed and with interval and sample numbers recorded. Samples are delivered by the Company 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 reported is HQ core and has been contracted to Globexplore Drilling from Hermosillo, Mexico.

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.

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.

For additional information, please contact:

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at June 23, 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.

Cautionary Note to US Investors: *This news release may contain information about adjacent properties on which we have no right to explore or mine. We advise U.S. investors that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. 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.

This press release uses the terms "Measured", "Indicated", and "Inferred" resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of a Mineral Resource is economically or legally mineable.

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