

# CONSOLIDATION NEW DISCOVERIES SILVER ASSET DEVELOPMENT

**Kootenay Silver Inc. (TSX.V: KTN) is actively engaged in the advancement of one of the largest silver resource bases held by a mineral exploration company in Mexico.**

The Company's top priorities are for the advancement of the La Cigarra silver project and the Promontorio Mineral Belt, in Chihuahua, Mexico and Sonora, Mexico, respectively. Kootenay's core objective is to create value by acquiring silver resources through discovery and acquisition of economically viable resources, with the ultimate goal of development and production. Acquisition of silver resources at a price less than the discovery cost is a strategy that has been successfully executed by companies such as First Majestic Silver and is part of the model being pursued by Kootenay.



## WHY? INVEST

### CORPORATE DATA

Shares Issued: 174,389,726

Options: 9,963,000

Warrants: 57,108,088

**Strong Treasury**

### MANAGEMENT & DIRECTORS

James McDonald, P. Geo  
**President, CEO & Director**

Kenneth Berry, B Com  
**Chairman & Director**

Dr. Tom Richards, BSc, PhD  
**VP, Exploration**

Rajwant Kang, CPA, CMA  
**CFO**

Andrea Zaradic, P. Eng  
**Director**

Brian Groves, BSc Geophysics  
**Director**

Dick Whittington, P. Eng  
**Director**

Jon Morda, CPA, CA  
**Director**

Joseph Giuffre, BA LLB  
**Director**

Tony Reda  
**Director**

**1** Holder of one of Mexico's largest silver asset bases (+140Moz of silver EQ M&I)

**2** Strong exploration upside with drill programs underway at La Cigarra and La Negra projects

**3** Pathway to production - carried interest in Promontorio & La Negra projects through option with Pan American

**4** Platform for aggressive growth with continued pursuit of other acquisition/consolidation opportunities

**5** Multiple joint ventures in prospect generator portfolio to provide potential revenue and royalties

**6** Strategic investments made by Pan American, Coeur Mining and Agnico Eagle - vetting assets

**7** Undervalued in comparison to earlier stage peers within the Mexican silver space

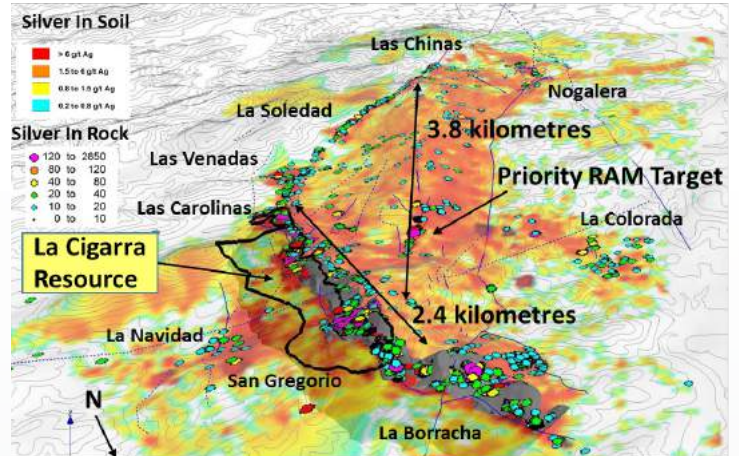
**8** Significant leverage to silver price and exploration success

## LA CIGARRA SILVER PROJECT CHIHUAHUA, MEXICO

- Located 26km from the historic mining city of Parral
- Good access, gentle topography, and established infrastructure
- Over 30,000m of drilling has delineated a potential open-pittable resource estimate (see insert)\*
- Excellent exploration upside – mineralization traced over 6.5km at surface as a silver soil anomaly and by numerous historic mine workings
- Surface rights purchased and lease agreement signed with local Ejido; allowing for exploration activities, future construction, mining and processing
- PEA-level metallurgy results demonstrate silver recoveries of up to 88% via both leach extraction and flotation methods
- Numerous high-priority targets were identified during the 2015 air mag survey, including the 3.8km north-northwest trending RAM zone
- Approximately 25km north, and along strike of Grupo Mexico's Santa Barbara and Minera Frisco's San Francisco del Oro mines
- 3,000m drill program underway to test the high priority RAM target as well as high grade drill targets within the La Cigarra resource

LA CIGARRA 2015*			
RESOURCES	TONNAGE	GRADE	CONTAINED
M & I	18.5 Mt	86.3 g/t Ag	51.5 Moz Ag
Inferred	4.5 Mt	80.0 g/t Ag	11.5 Moz Ag

\* "NI 43-101 Technical Report on the Updated Mineral Resource Estimate on the San Gregorio/ Las Carolinas Zones, La Cigarra Silver Project, Chihuahua, Mexico", effective date January 14, 2015 prepared by GeoVector Management Inc. Mineral resources are reported in relation to a conceptual pit shell at a 35 g/t silver cut-off grade and a \$22/oz silver price.



## PROMONTORIO MINERAL BELT SONORA, MEXICO

- Pathway to Production - optioned to Pan American Silver Corp. ("PAS")
- PAS can earn 75% interest by spending US\$16M on expenditures and payments with Kootenay retaining a 25% carried to production interest
- Hosts two major silver discoveries including the Promontorio Silver Resource and the La Negra high grade silver discovery
- Numerous targets within the a 25km x 15km including the Cameron-Vania trend that includes a gold/copper/silver zone with old workings
- Over 65,000m of drilling has delineated a potential open-pittable resource estimate at Promontorio (see insert)\*\*
- Deposit remains open for expansion in three directions and to depth

PROMONTORIO SILVER RESOURCE 2013**			
	TONNAGE	GRADE	CONTAINED
<b>IN-PIT RESOURCES</b>			
M & I	44.5 Mt	64.3 g/t AgEq	92.0 Moz AgEq
Inferred	14.6 Mt	52.0 g/t AgEq	24.3 Moz AgEq
<b>UNDERGROUND POTENTIAL</b>			
M & I	0.2 Mt	57.0 g/t AgEq	0.4 Moz AgEq
Inferred	1.3 Mt	61.1 g/t AgEq	2.5 Moz AgEq

\*\* "NI 43-101 Technical Report on Resources, Promontorio, Mexico", Report by SRK Consultants Inc. Effective date March 31, 2013. Calculated at a pit-constrained cut-off of 20 g/t AgEq, and an underground cut-off of 45 g/t AgEq using a \$31/oz silver price. AgEq calculated using \$31/oz Ag, \$1,650/oz Au, \$0.96/lb Pb, \$0.89/lb Zn, assuming 100% recovery of all metals.

## LA NEGRA HIGH-GRADE SILVER DISCOVERY

- Located 6.5 km north of the Promontorio Silver Resource
- Initial exploration confirmed extensive silver mineralization over a large 100 to 200m by 500m area on surface
- Drill results returned multiple wide high grade intersections of mineralization, starting at surface and remaining open along strike and to depth
- Preliminary metallurgical tests show high silver recoveries (80-90%) via both leach extraction and flotation methods
- Potential to evolve into a low-cost, open-pittable silver resource
- 5,400m drill program underway to test the La Negra Breccia as well as two additional targets recently identified by PAS



## PROSPECT GENERATOR PORTFOLIO

- JV partnerships on the Fox, 2X Fred and Silver Fox properties in British Columbia including Cervantes property in Mexico
- Pursuing joint venture partnerships for seven other exploration projects located in Canada and Mexico

## LA NEGRA HIGH GRADE DRILL RESULTS TO DATE

- 3,040 g/t Ag over 1m • 468 g/t Ag over 18m • 420 g/t Ag over 50m
- 1,338 g/t Ag over 6m • 363 g/t Ag over 44m • 156 g/t Ag over 200m

