

CONSOLIDATION NEW DISCOVERIES SILVER ASSET DEVELOPMENT

Kootenay Silver Inc.

(TSX.V: KTN) is a Canadian and Mexican based silver exploration company actively engaged in the development of three major silver projects, including the La Cigarra silver project in Chihuahua State, and the Promontorio and La Negra silver projects in Sonora State, Mexico.

The Company has a leading growth profile highlighted by one of the largest silver asset bases in Mexico and a carried interest to commercial production with a world-leading mining partner. Kootenay is currently conducting a 7,500m drill program at La Cigarra and a 3,000m drill program at Silver Fox with Antofagasta plc. A third drill program operated by Pan American Silver is expected to commence at La Negra in July 2017.



CORPORATE DATA

Shares Issued: 174,697,376

Options: 15,632,750

Warrants: 45,759,766

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

Jon Morda, CPA, CA
Director

Joseph Giuffre, BA LLB
Director

Tony Reda
Director

WHY? INVEST

- 1** Holder of one of Mexico's largest silver asset bases
- 2** Strong exploration upside with drill programs underway at La Cigarra, La Negra and Silver Fox 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

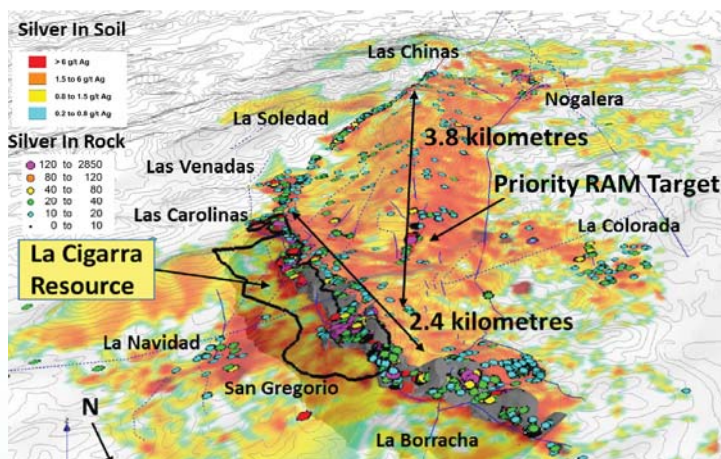
LA CIGARRA SILVER PROJECT CHIHUAHUA, MEXICO

- 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
- 7,500m drill program underway to focus on Resource expansion potential along the southern extension of the Deposit
- PEA-level metallurgy results demonstrate silver recoveries of up to 88% via both leach extraction and flotation methods
- Conducting advanced leach testing to evaluate the viability of a leap leach start up with the potential to lower future capital expenditures and operating costs
- Approximately 25km north, and along strike of Grupo Mexico's Santa Barbara and Minera Frisco's San Francisco del Oro mines

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. ("PAAS")
- PAAS 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
IN-PIT RESOURCES			
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
UNDERGROUND POTENTIAL			
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
- 6,800m drilled to date with more planned by PAAS in 2017
- 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



PROSPECT GENERATOR PORTFOLIO

- 3,000m drill program underway by Antofagasta at Silver Fox
- Pursuing joint venture partnerships for eighth other exploration projects located in Canada and Mexico
- JV partnerships on the Mark (Antofagasta), Fox, 2X Fred properties (Theia Resources) in British Columbia including Cervantes Property (Aztec Minerals) in 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

