



February 5, 2018

KOOTENAY SILVER REPORTS HIGH GRADE INFILL DRILL INTERCEPTS AT LA NEGRA, MEXICO - HIGHLIGHTS INCLUDE 1,161 GPT SILVER OVER 5.15 METRES

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to announce the results of the final 10 drill holes from the 2017 drilling campaign completed by Pan American Silver Corp. (“Pan American Silver”) on the La Negra silver discovery. The definition drill program completed 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 and the Promontorio Mineral Belt located in Sonora State, Mexico.

Kootenay President and CEO James McDonald states, “We are pleased with the excellent grades and continuity encountered in the La Negra mineralized breccia with the infill drilling conducted in 2017. We are looking forward to the 2018 exploration program which is entering the third year of our agreement with Pan American Silver and will focus on testing additional targets.”

It is anticipated that the 2018 program conducted by Pan American Silver will focus on developing drill targets outside the La Negra discovery. Drilling is currently underway on one such target a few kilometers north of La Negra. Additional mapping and sampling is required on other target areas prior to drilling.

Drill highlights from LN 17-86 to LN 17-95 include:

- LN-86-17: **1,625 gpt silver** over 1.05 meters within **136 gpt silver** over 50.65 meters and a separate interval of **515 gpt silver** over 14.55 meters within **247 gpt silver** over 49.15 meters
- LN-87-17: **1,161 gpt silver** over 5.15 meters within **273 gpt silver** over 59.20 meters
- LN-88-17: **309 gpt silver** over 10.30 meters within 93 gpt silver over 56.05 meters
- LN-89-17: **106 gpt silver** over 11.05 meters within 60 gpt silver over 11.05 meters
- LN-90-17: 79 gpt silver over 5.10 meters and a separate interval of 434 gpt over 7.20 meters within 79 gpt silver over 95.85 meters
- LN-91-17: Four separate intervals of: **271 gpt silver** over 3.85 meters; 74 gpt silver over 22.50 meters; 71 gpt silver over 1.95 meters; and **237 gpt silver** over 2.35 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-86-17	46.50	97.15	50.65	136	0.09	269	1265	130	LN Bx Principal
Inc	60.30	73.25	12.95	416	0.11	756	1026	134	LN Bx Principal
Inc	66.95	73.25	6.30	555	0.13	1002	1425	184	LN Bx Principal
Inc	60.30	61.95	1.65	870	0.11	1508	1070	137	LN Bx Principal
Inc	66.95	68.00	1.05	1625	0.23	2702	1308	220	LN Bx Principal
Inc	72.20	73.25	1.05	1423	0.20	2586	3745	439	LN Bx Principal
	178.25	227.40	49.15	247	0.12	436	1319	222	LN Bx Inferior
Inc	191.85	215.35	23.50	394	0.12	715	1266	246	LN Bx Inferior
Inc	191.85	193.35	1.50	808	0.46	1488	2421	291	LN Bx Inferior
Inc	200.05	214.60	14.55	515	0.13	943	532	315	LN Bx Inferior
Inc	200.05	202.70	2.65	823	0.27	1482	1798	344	LN Bx Inferior

Inc	210.90	214.60	3.70	1027	0.20	1874	379	497	LN Bx Inferior
Inc	210.90	212.40	1.50	1359	0.25	2478	458	577	LN Bx Inferior
	267.95	272.25	4.30	75	0.06	94	9314	203	LN Bx Inferior
Inc	270.75	272.25	1.50	139	0.11	152	13800	238	LN Bx Inferior
LN-87-17	31.20	90.80	59.60	273	0.11	421	1582	131	LN Bx Principal
Inc	37.05	41.05	4.00	548	0.16	35	1620	48	LN Bx Principal
Inc	53.80	76.65	22.85	519	0.13	847	1632	200	LN Bx Principal
Inc	53.80	55.20	1.40	1482	0.24	3047	2015	318	LN Bx Principal
Inc	63.25	68.40	5.15	1161	0.15	1697	1280	284	LN Bx Principal
Inc	63.25	64.70	1.45	1978	0.18	2922	2291	496	LN Bx Principal
Inc	65.35	65.90	0.55	1198	0.14	1710	396	250	LN Bx Principal
Inc	65.90	66.75	0.85	1641	0.17	2401	1054	282	LN Bx Principal
Inc	75.00	76.65	1.65	1537	0.25	2471	10000	464	LN Bx Principal
	129.55	133.45	3.90	118	0.07	1701	2682	253	LN Bx Inferior
Inc	129.55	130.35	0.80	332	0.20	5924	8200	575	LN Bx Inferior
LN-88-17	48.50	104.55	56.05	93	0.09	261	1958	125	LN Bx Principal
Inc	48.50	72.35	23.85	175	0.08	527	1238	124	LN Bx Principal
Inc	60.90	71.20	10.30	309	0.12	836	1379	152	LN Bx Principal
Inc	60.90	62.45	1.55	1333	0.31	3961	2534	556	LN Bx Principal
Inc	89.95	90.95	1.00	400	0.06	668	23400	222	LN Bx Principal
	130.55	131.50	0.95	66	0.85	195	12800	238	LN Bx Inferior
LN-89-17	11.25	46.65	35.40	60	0.03	83	7827	67	LN Bx Principal
Inc	23.20	45.65	22.45	76	0.05	84	8804	55	LN Bx Principal
Inc	27.35	38.40	11.05	106	0.05	79	13599	49	LN Bx Principal
Inc	27.35	28.85	1.50	358	0.11	116	31400	121	LN Bx Principal
LN-90-17	19.75	24.85	5.10	79	0.03	259	2778	1129	LN Bx Principal
	34.80	130.65	95.85	79	0.04	211	3957	353	Bx Principal- BX Inferior
Inc	34.80	63.55	28.75	114	0.07	356	8157	782	LN Bx Principal
Inc	36.10	38.65	2.55	888	0.44	2351	53994	2348	LN Bx Principal
Inc	36.10	37.30	1.20	1623	0.58	2723	77500	2592	LN Bx Principal
Inc	112.45	130.65	18.20	191	0.04	441	4201	90	LN Bx Inferior
Inc	121.90	129.10	7.20	434	0.09	1016	733	70	LN Bx Inferior
Inc	121.90	124.55	2.65	812	0.02	1198	704	77	LN Bx Inferior
Inc	128.05	129.10	1.05	881	0.18	3877	1032	71	LN Bx Inferior
LN-91-17	28.30	29.55	1.25	57	0.05	134	1261	12	LN Bx Principal
LN-92-17	41.30	41.85	0.55	71	0.12	163	5884	758	LN Bx Principal
LN-93-17	No significant results								
LN-94-17	No significant results								
LN-95-17	4.95	8.80	3.85	271	0.13	329	27555	1522	LN Bx Principal
Inc	5.95	7.15	1.20	445	0.21	447	54500	2791	LN Bx Principal
	40.10	62.60	22.50	74	0.03	321	3564	340	LN Bx Principal
Inc	40.10	42.00	1.90	328	0.13	671	8884	277	LN Bx Principal
Inc	49.85	51.85	2.00	192	0.02	239	5088	488	LN Bx Principal
	89.20	91.15	1.95	71	0.03	94	8158	799	LN Bx Inferior
	131.30	133.65	2.35	237	0.05	662	2022	275	LN Bx Inferior
Inc	131.30	132.55	1.25	394	0.08	1028	3362	297	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.

Holes LN 86-17 to 91-17 and LN 05-17 are infill holes in the mineralized breccia with all intercepting positive

results similar to previous drilling from the breccia. Holes LN 91 to 94 were step out holes ranging from 100 to 350 meters along strike. These holes did not intercept significant mineralization.

Pan American Silver began managing the exploration program in April 2016 and since that time has drilled approximately 10,900 metres in 56 holes, re-logged drill core, conducted geological mapping and re-interpretation, and completed 62 kilometers of magnetic ground surveys. Additionally, Pan American Silver has added additional concessions to the Promontorio mineral belt.

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 Silver 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.

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The information in this news release has been prepared as at February 4, 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 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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2018 number 05