



September 18, 2013

**Shares Outstanding: 62,808,850**

## **KOOTENAY ANNOUNCES DRILL PROGRAM UNDERWAY ON PROMONTORIO. CURRENT PHASE OF DRILLING TO TARGET NEW HIGH-GRADE SILVER ZONE**

**Kootenay Silver Inc. (TSX VENTURE: KTN.V)** is pleased to announce the resumption of drilling on its flagship Promontorio Silver Project in Sonora, Mexico. Two drill rigs have been deployed and are currently operating on site. The Company will conduct a minimum of 5,000 meters of drilling in the current phase, as part of its ongoing, multi-phase, 2013 drill and resource expansion program on Promontorio. Core drilling will target a series of high-grade silver intercepts recently identified within a new breccia zone of silver mineralization situated between the Pit and NE Zones (See June 4, 2013 news release).

### **Current NI 43-101 Compliant Silver Resource**

The current mineral estimate on Promontorio effective date March 31, 2013 (See May 14, 2013 news release) was conducted by SRK Consulting Inc. (U.S.) of Lakewood, Colorado and contains a combined Measured and Indicated silver resource of **92,428,000 silver equivalent ounces** (39.9M oz's Ag, 508K oz's Au, 394.8M lb's Pb, 462.2M lb's Zn). In addition to the measured and indicated silver resources, there are an additional **26,814,000 silver equivalent ounces** in the Inferred category (12.8M oz's Ag, 147 oz's Au, 99.5M lb's Pb, 109.1M lb's Zn). Measured and Indicated resources are contained in open pit resources of **44,504,000 tonnes** grading an average of 64.32 gpt silver equivalent (27.77 gpt Ag, 0.35 gpt Au and 0.87% Pb+Zn) and resources outside of the open pit of 215,000 tonnes grading an average of 56.96 gpt silver equivalent (22.89 gpt Ag, 0.28 gpt Au and 0.95% Pb+Zn). Inferred resources are within open pit resources of 14,564,000 tonnes grading an average of 51.95 gpt silver equivalent (24.95 gpt Ag, 0.28 gpt Au and 0.59% Pb+Zn) and resources outside of the open pit of 1,265,000 tonnes grading an average of 61.17 gpt silver equivalent (26.57 gpt Ag, 0.37 gpt Au and 0.74% Pb+Zn).

### **QA/QC**

Drilling will be HQ sized diamond drill core and has been contracted to B.D Drilling Mexico, S.A. de C.V of Guadalajara, Mexico. Further Quality Assurance and Control procedures and details on assays procedures and laboratories used are disclosed on the Kootenay Silver Inc. website.

The foregoing geological disclosure has been reviewed and verified by Kootenay's CEO, James McDonald, P.Geo (a qualified person for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects). Mr. McDonald is a director of Kootenay.

Subject to the approval of the TSX Venture Exchange, Kootenay has issued an aggregate total of 1,968,000 incentive stock options, which are exercisable for a period of five years at an exercise price of \$0.66 to directors, officers and consultants of the company.

### **ABOUT KOOTENAY**

Kootenay Silver Inc. is actively developing mineral projects in the Sierra Madre Region of Mexico and in British Columbia, Canada. Its flagship property is the former producing Promontorio Silver mine in Sonora

State, Mexico. Kootenay's objective is to develop near term discoveries and long-term sustainable growth. Its management and technical team are proven professionals with extensive international experience in all aspects of mineral exploration, operations and venture capital markets. Multiple, ongoing J/V partnerships in Mexico and Canada maximize potential for additional, new discoveries while maintaining minimal share dilution.

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**For additional information, please contact:**

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*Neither 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.*

**Forward-Looking Statements:** *The information in this news release has been prepared as at September 17, 2013. 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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