



January 16, 2025

Reports Additional Drilling at Columba Project Chihuahua, Mexico: Highs to 1,440 gpt Silver and 3.1% Lead-Zinc

Kootenay Silver Inc. (TSXV: KTN) (the "Company" or "Kootenay") is pleased to provide results from seven new drill holes at the Columba High Grade Silver Project. The batch reported herein comprises tests from three areas at Columba: F-Vein, D-Vein and B-Vein Corridor which is the extension of the historically mined F-Vein. The results are a continuation of ongoing drill testing of those three trends. The company is focused on testing extensions and gaps within the data set in advance of the preparation of a mineral resource estimate.

Drill Highlights include; See links to plan map of D and B-Veins and cross sections

Hole CDH-24-183

- Encountered a broad zone of stockwork mineralization including a high-grade vein intercept at F-Vein in a **large lateral gap of about 200 meters** between previous holes.
- Main Zone – Historically mined F-Vein
 - **210 gpt silver, 0.1% lead and 0.4% zinc over 32.0 meters core length** (14.7 meters estimated true width (“e.t.w.”)) includes;
 - **468 gpt silver, 0.40% lead and 1.1 % zinc over 6.65 meters** (3.05 meters e.t.w.)
 - **1,440 gpt silver, 0.46% lead and 2.55% zinc over 0.79 meters of core length** (0.36 meters e.t.w.) and,
 - **1,050 gpt silver, 0.9% lead and 2.90% zinc over 1.0 meters core length** (0.46 meters e.t.w.)
- Second Zone – Lower grade mineralization in footwall to F-Vein
 - 82 gpt silver, 0.05% lead and 0.12 % zinc over 16 meters core length (7.36 meters e.t.w.)

Hole CDH-24-177

- Designed as a Scissor hole to test for presence of veining at different orientation to the D-Vein trend.
- Encountered 10.12m a wide zone of mineralization representing a high-level portion of D-Vein, It was well mineralized despite being well above the grade line representing the upper limits of mineralization within the system.
- Core of interval measured 4.62 meters (3.50 meters e.t.w.) of 222 gpt silver, 0.1% lead and 0.3% zinc includes:

Kootenay’s President & CEO, James McDonald states, “These holes tested 3 areas; an undrilled area in the historically worked F vein, the B vein and D vein. The project continues to deliver excellent results. Hole 180 in the B vein corridor for example. This hole is about a 75 meter down dip extension of hole CDH-21-

111 (see news release dated December 16, 2021) with 4.6 meters (core length) of 1186 gpt silver. Also hole 183 testing a large gap in the F vein returned excellent high grade results improving and confirming continuity. Drilling has recommenced after the Christmas break with two drills. There are approximately 2000 meters remaining on the current 20,000 meter program as we work our way to a maiden resource estimate at Columba ”

Current batch of drill results from drill holes CDH-24-177 to 183 are tabulated below. Drill highlights, maps and sections from the project are tabulated on the Company’s website at the links below

Click to view the [drill plan](#), [long section](#), and [cross sections](#).

Hole ID	From (meters)	To (meters)	Interval (meters)	E.t.w. ¹	Silver gpt	Pb %	Zn%	Geologic Intersection
CDH-24-177	88.50	98.62	10.12	7.60	130	0.06	0.13	D-Vein high elevation intercept
INCLUDING	94.00	98.62	4.62	3.50	222	0.09	0.17	D-Vein high elevation intercept
CDH-24-178	288.00	295.00	7.00	4.40	110	0.03	0.23	B-Vein Corridor "unnamed vein"
including	289.75	294.30	4.55	2.80	153	0.04	0.27	B-Vein Corridor "unnamed vein"
AND	317.00	319.00	2.00	1.20	110	0.09	0.34	B-Vein Corridor "unnamed vein"
CDH-24-179	289.00	291.00	2.00	1.10	165	0.03	0.07	D-Vein
CDH-24-179	448.70	450.00	1.30	0.70	297	0.10	0.83	Footwall Vein D-Vein
CDH-24-180	238.00	247.05	9.05	4.80	208	0.12	0.62	B-Vein Corridor
INCLUDING	244.00	247.05	3.05	1.60	413	0.25	1.43	B-Vein Corridor
INCLUDING	245.00	246.00	1.00	0.54	535	0.20	1.84	B-Vein Corridor
CDH-24-181	No	Significant	Intercepts					F-Vein - Did not reach target
CDH-24-182	68.33	86.00	17.67	9.80	69	0.04	0.12	Drilled footwall of F-Vein - stringer zones encountered
CDH-24-182	73.00	74.00	1.00	0.56	593	0.35	0.56	Drilled footwall of F-Vein - stringer zones encountered
AND	147.00	151.35	4.35	2.40	93	0.33	0.97	
CDH-24-183	120.00	152.00	32.0	14.7	210	0.14	0.44	F-Vein
CDH-24-183	136.63	137.42	0.79	0.36	1,440	0.46	2.55	F-Vein
AND	143.35	150.00	6.65	3.05	468	0.40	1.10	F-Vein
INCL	144.00	145.00	1.00	0.46	811	0.62	1.85	F-Vein
AND	145.00	146.00	1.00	0.46	1,050	0.91	2.90	F-Vein
CDH-24-183	218.00	234.00	16.0	7.36	82	0.05	0.12	FW to F-Vein
INCL	218.85	219.23	0.38	0.17	905	0.56	0.27	FW to F-Vein

¹ Estimated true widths are based on current interpretation of mineralized structures.

The results above represent several important vein targets. Hole CDH-24-177 and 179 continued to test key zones along the D-Vein trend. Hole 177 was drilled as a “scissor” hole designed primarily to refine the interpretation of veins occurring within the hangingwall and footwall of the main D-Vein trend. Best mineralization was encountered from D-Vein itself. Hole CDH-24-179 continued to expand known extents of D-Vein from the lightly drilled central segment and encountered modest grades and widths as well as a footwall vein beneath the main trend.

Hole CDH-24-178 and 180 represent deeper tests on the northern end of the “B-Vein” trend, now recognized as the probable extension of the same trend hosting F-Vein. Hole 180 is an important extension of about 75 meters down dip of CDH-21-111(see news release December 16 2021) that hit 4.6 meters of 1186 gpt silver within 9 meters of 691 gpt silver and 70 meters of 112 gpt silver all drilled core lengths. Best results include a currently un-named vein which interpreted as sub-parallel to the B2 Vein (see News Release data November 19, 2024) responsible for some of the best drill intercepts on the B trend to date.

Holes CDH-24-181 to CDH-24-182 targeted portions of F-Vein in areas of light drilling coverage due to difficult conditions caused by the presence of historical mine workings. The holes were designed to increase sample density within key portions of the vein, though voids and mining stopes caused drilling to be halted in the case of CDH-24-181 which was drilled from the footwall side of F Vein. Similarly, CDH-24-182 was drilled at a steep angle from the footwall side of F Vein and encountered a series of sub-parallel vein stringers but did not reach the vein.

Hole CDH-24-183 was drilled at a more conventional angle for the F vein target. It partially fills a large gap in the drilling and intercepted a broad zone of calcite-quartz-barite veining measuring 32 meters averaging 210 gpt silver and 0.54% combined lead-zinc. It includes higher grade zones grading 468 gpt silver, 0.4% lead and 1.1% zinc over 6.65 meters, and 0.79 meters of 1,440 gpt silver and 3.1% lead-zinc from 136.63 meters downhole and a second zone of 1.0 meters grading 1,050 gpt silver and 3.81% combined lead-zinc from 145.0 meters downhole (all core length).

The 2024 drill program continues into this year with two diamond drills with about 18,000 meters and 50 holes completed in 2024. The 2024 exploration work has almost tripled the known strike length of D-Vein which is mineralized for approximately 1,275 meters. Current work includes extending known mineralization along D-Vein, I-Vein and B-Veins trends. The current program is part of a fully funded follow up program of 20,000 meters in advance of a maiden resource.

A comprehensive list of drill results completed on the Columba Property since 2019 may be viewed here: [Columba Drill Results](#).

About Columba Project

The Columba project is a classic high grade epithermal vein system. That management believes is a newly recognized vein district. It is typical in character and size of other vein districts in Mexico known to have deposited significant resources of silver or gold such as La Chispas and Panuco.

Hosted within a volcanic caldera setting, the surface extent of mapped veins measures roughly 4 kilometres by 3 kilometres. Vein mineralization occurs over a minimum vertical extent of 350 meters as shown by drilling. The veins appear to be intermediate sulfidation veins indicating the potential for depths exceeding 700 meters of vertical extent. This remains to be tested and all veins remain open to depth.

The veins cut every known rock type on the project and the veins or vein structures can be traced across the highest elevations of the caldera. This indicates veins formed late in caldera history. As elevation increases vein development becomes irregular eventually being replaced by breccias at the higher elevations. Silver grades diminish with increasing elevation right down to back ground values. Correspondingly silver grades increase with depth from background at higher elevations to highs of kilograms per tonne at depth. It is evident from these features that the vein system has undergone almost no erosion and so whatever silver was deposited originally is largely still there.

A general rule of thumb on the project is at levels deeper than 1750 meters above sea level is where good grades begin to appear. This is what is referred to as the grade line.

Prior to Kootenay Silver no exploration had occurred at Columba in nearly 40 years. Historically there were two periods of mining on one of the veins referred to as the F Vein. The first being in the early 1900's when underground development included 6 drifts (tunnels) at different levels coming off a 200-meter-deep shaft. This work was halted by the Mexican Revolution. Then a second brief period of mining occurred around 1958 to 1960 when a small private company used the old development to mine. It is estimated that around 100,000 tonnes were mined.

Since Kootenay acquired the option for 100% of the project and has since earned its 100% interest and completed detailed mapping, lidar, and airborne magnetic surveys along with over 45,000 meters of drilling in over 180 holes across various veins. The company also has a 24-year surface access agreement that includes annual and other payments and allows for both exploration and exploitation. The agreement covers all the mineralized areas drilled to date.

Corporate Update

The Company also announces that during the fiscal quarter ended December 31, 2024, pursuant to an “at-the-market” equity distribution program (the “ATM Program”) established under to a prospectus supplement dated July 4, 2024, the Company issued 557,000 common shares (“Offered Shares”) at an average price of \$1.3509 per Offered Share. The Company raised aggregate gross proceeds of \$752,455.80 and paid aggregate commissions of \$18,811.40 to Research Capital Corporation (who acted as agent), resulting in aggregate net proceeds to the Company of \$733,644.41.

For more information regarding the ATM Program, please see the Company’s news release dated July 10, 2024.

This news release does not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in the United States, or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. The securities described in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under any U.S. state securities laws, and may not be offered, sold, directly or indirectly, or delivered within the “United States” or to, or for the account or benefit of, persons in the “United States” or “U.S. persons” (as such terms are defined in Regulation S under the U.S. Securities Act) except in certain transactions exempt from the registration requirements of the U.S. Securities Act and all applicable U.S. state securities laws.

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 Company inserts blanks, standards and duplicates at regular

intervals as follows. On average a blank is inserted every 100 samples beginning at the start of sampling and again when leaving the mineral zone. Standards are inserted when entering the potential mineralized zone and in the middle of them, on average one in every 25 samples is a standard. Duplicates are taken in the mineralized intervals at an average 2 duplicates for each hole.

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 was completed by Globextools, S.A. de C.V. of Hermosillo, Sonora, 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.

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 Mr. Dale Brittliffe, BSc. P. Geol., Vice President, Exploration of Kootenay Silver, is the Company's nominated Qualified Person pursuant to National Instrument 43-101, Standards for Disclosure for Mineral Projects, has reviewed the scientific and technical information disclosed in this news release. Mr. Brittliffe is not independent of Kootenay Silver.

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. 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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or visit: www.kootenaysilver.com

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at January 15, 2025. 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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2025 - 01