



December 2, 2021

Kootenay Silver Announces Drill Results From Copalito Silver-Gold Project. Highlights Include 276 gpt Silver Eq. Over 23 Meters and 642 gpt Silver Eq. Over 5 Meters

Kootenay Silver Inc. (TSXV: KTN) (the “Company” or “Kootenay”) is pleased to announce results from the final drill holes of the 2021 program at the Copalito Silver-Gold Project in Sinaloa State, Mexico.

These holes are reporting on the Agua, 5 Senores and Chiva Veins. All veins continue to show excellent grades and grade potential with intervals grading as high as 1,300 gpt silver, 21 gpt gold and 27% combined lead plus zinc as detailed below.

Drilling has shown veins encountered are consistently anomalous in silver, gold, lead and zinc over 4 kilometers of strike in 6 different veins. We see several areas where grade and width show potential for mineralized shoots and resource definition. All veins are open to depth and a long strike with the majority of holes testing less than a 75meter vertical depth. Geologic mapping shows holes with no significant mineralization often hit fault zones off setting veins resulting in the holes missing their target.

Copalito shows the potential for substantial resources given the continuity of veins and mineralization. Drilling indicates potential for very high grades in at least 4 of the veins. Next steps will be focused on those areas, such as the 5 Senores and Agua Veins, of high grade with good widths in search of those dilational zones within the veins where mineralized shoots (bodies) may occur. For example, from this release alone, 587.3 gpt silver, 0.819 gpt gold, 1.58% lead-zinc over 3 meters. and 5 meters of 9.3 gpt gold, 27.6 gpt silver and 0.57% lead-zinc within 23 meters of 125 gpt silver, 2.0 gpt gold and 0.95% lead-zinc. In addition, several veins and strike extensions remain untested.

James McDonald, President and CEO remarked “The large strike continuity of the veins and mineralization indicate to us Copalito has good potential for the discovery of a large resource. Also impressive are the high gold, lead and zinc grades in numerous holes that add to this potential.”

Luis Moya, Chief Geologist, states " With geologic mapping evidence was found that the 5 Señores vein extends 200 meters more to the SE. In some sectors the mineralization extends outside veins in envelopes of stockwork veinlets. With the drill holes mentioned we now see in the 5 Senores Vein continuity to 150 meters below the outcropping veins and open to depth. Some drill holes cut high-grade zones below previous holes where mineralization was not significant (section BDH-20-06 & BDH-21-55), in addition to blind veins without surface expression.”

Drill Result Highlights from Holes BDH-21-051 to BDH-21-056 and BDH-21-080 in the Agua and 5 Senores Veins (*The following drill highlights round to the nearest two decimal places and silver equivalent is noted as “silver Eq.”*):

[Copalito Plan Map Holes BDH-21-050 to BDH-21-081](#)

Highlights from Agua Vein:

BDH-20-055

- 276 gpt silver Eq. over 23 meters (2 gpt gold, 125 gpt silver and 0.92% lead plus zinc) including:
 - 642.54 gpt silver Eq. (9.26 gpt gold, 27.6 gpt silver and 0.57% lead plus zinc) over 5.00 meters including:
 - 1408.51 gpt silver Eq. (21.1 gpt gold, 29 gpt silver and 0.35% lead plus zinc) over 0.65 meters and
- 676.03 gpt silver Eq. (587.3 gpt silver, 0.82 gpt gold and 1.58% lead plus zinc) over 3.00 meters

BDH-21-056

- 135.39 gpt silver Eq. over 21 meters (101 gpt silver, 0.22 gpt gold and 0.86% lead plus zinc) including:
 - 198.62 gpt silver Eq. (162.9 gpt silver, 0.28 gpt gold and 0.76% lead plus zinc) over 7 meters and 492 gpt silver Eq. over 1.50 meters.

CDH-21-80

- 422.78 gpt silver Eq. over 0.43 meters (133 gpt silver, 0.69 gpt gold and 10.63% lead plus zinc) within 1.84 meters of 199.44 gpt silver Eq. (63 gpt silver, 0.42 gpt gold and 4.75% lead plus zinc).

Agua Vein [Plan Map](#) and [Cross Sections](#)

Highlights from Senores Vein:

BDH-20-051

- 289.62 gpt silver Eq. over 1.40 meters (2.95 gpt gold and 0.26% lead plus zinc).

BDH-20-052

- 173.74 gpt silver Eq. over 0.48 meters (1.286 gpt gold and 3.37% lead plus zinc) within 34.38 gpt silver Eq. over 3.30 meters and:
- 116.12 gpt silver Eq. (114.4 gpt silver, 0.02 gpt gold and 0.14% lead plus zinc) over 5.38 meters including:
 - 286.39 gpt silver Eq. (281 gpt silver, 0.06 gpt gold and 0.32% lead plus zinc) over 0.89 meters

5 Senores Vein [Plan Map](#) and [Cross Sections](#)

Highlights from Chiva Vein in Holes BDH-21-057 to BDH-21-065:

BDH-21-057

- 546 silver Eq. over 0.82 meters (513 gpt silver, 0.229 gpt gold, and 0.80% lead plus zinc) within 118.14 gpt Silver Eq. over 6.33 meters consisting (106.5 gpt silver, 0.059 gpt gold, and 0.33% lead plus zinc).

BDH-21-058

- 1,364.03 gpt silver Eq. over 0.35 meters (300.0 gpt silver, 0.506 gpt gold, and 1.39% lead plus zinc) within 47.83 gpt silver Eq. over 12 meters (40.8 gpt silver, 0.070 gpt gold, and 0.11% lead plus zinc).

BDH-21-063

- 1,343.77 gpt silver Eq. over 0.32 meters (453 gpt silver, 4.49 gpt gold, 27.05% lead plus zinc) within 268.8 gpt silver Eq. over 1.82 meters (86.1 gpt silver, 0.924 gpt gold, and 5.46% lead plus zinc).

Chiva Vein [Plan Map](#) and [Cross Sections](#)

Highlights from Pilar Vein in Holes BDH-21-66 to BDH-21-79

The Pilar Vein is showing higher gold and base metal grades as compared to other veins with a notable 5.2 gpt gold and 15.94% lead plus zinc with 103 gpt silver over 0.85 meters (CDH-21-63) in this news release.

CDH-21-69

- 275.21 silver Eq. over 1.24 meters (198 gpt silver, 0.78 gpt gold and 1.24 % lead plus zinc).

CDH-21-73

- 437.6 gpt silver Eq over 0.9 meters (4.36 gpt gold, 13.8 gpt silver and 6.12% lead plus zinc) within 3.52 meters of 163.5 gpt silver Eq. (16 gpt silver, 1.28 gpt gold and 2.8% lead plus zinc).

CDH-21-74

- 329.38 gpt silver Eq. over 0.9 meters (4.0 gpt gold, 20.1 gpt silver and 2.15% lead plus zinc) within 5.3 meters of 172.13 gpt silver Eq. (185 gpt silver, 1.1 gpt gold and 3.57 % lead plus zinc).

CDH-21-76

- 810.1 gpt silver Eq. over 0.85 meters (103.1 gpt silver, 5.2 gpt gold and 15.94 % lead plus zinc).

CDH-21-79

- 315.62 gpt silver Eq. over 0.45 meters (10 gpt silver, 3.37 gpt gold and 3.69% lead plus zinc) within 4.45 meters of 176.32 gpt silver Eq. (36 gpt silver, 1.05 gpt gold and 3.21% lead plus zinc).

Pilar Vein [Plan Map](#) and [Cross Sections](#)

Detailed Drill Results - Holes BDH-20-050 to BDH-21-081

Hole ID	From (meters)	To (meters)	Interval (meters)	Silver (gpt)	Gold (gpt)	Lead + Zinc (%)	Silver Eq. (gpt)	Vein
BDH-20-050	44.68	63.63	18.95	32.8	0.171	0.29	50.74	5 Senores

Includes	45	51.77	6.77	50.3	0.148	0.24	65.50	
	60.14	63	2.86	76.5	0.684	0.208	127.51	
BDH-20-051	58.6	70	11.40	36.5	0.500	0.31	68.99	5 Senores
	62.29	62.29	1.40	97.9	2.950	0.26	289.62	
BDH-20-052	73.3	76.6	3.30	14.2	0.236	0.62	34.38	5 Senores
	76.12	76.6	0.48	61.0	1.285	3.37	173.74	
	95.68	96.52	0.84	16.0	0.696	0.92	62.76	
	97.67	98.3	0.63	33.0	1.755	1.30	149.19	
	138	143.38	5.38	114.4	0.019	0.14	116.12	
	138.89	139.78	0.89	281.0	0.065	0.32	286.39	
BDH-20-053	8.48	12.94	4.46	87.3	0.048	0.07	92.07	Agua (South)
	9	10	1.00	229.0	0.041	0.11	234.09	
	21	32	11.00	26.1	0.147	0.17	39.18	
	38	52	14.00	9.6	0.113	0.05	17.96	
BDH-20-054	16.8	20	3.20	75.7	0.039	0.16	81.69	Agua
	22	25	3.00	4.7	0.279	0.17	26.74	
BDH-20-055	78	101	23.00	125.0	2.004	0.92	276.07	Agua
	78	83	5.00	27.6	9.236	0.57	642.54	
	81	81.65	0.65	29.0	21.100	0.35	1408.51	
	97	100	3.00	587.3	0.819	1.58	676.03	
	106	110	4.00	7.3	0.302	1.15	53.88	
BDH-21-056	50	71	21.00	101.4	0.220	0.86	135.39	Agua
	53	60	7.00	162.9	0.282	0.76	198.62	
	60	61.5	1.50	439.7	0.482	0.93	492.12	
BDH-21-057	15.67	22	6.33	106.5	0.059	0.33	118.14	Chiva
	20.18	21	0.82	513	0.029	0.80	546.00	
BDH-21-058	21	33	12.00	40.8	0.070	0.11	47.83	Chiva
	31.1	31.45	0.35	1300.0	0.506	1.39	1364.03	
	40.23	47.7	7.47	16.8	0.167	0.72	44.29	
BDH-21-059	28	28.8	0.80	16.5	0.342	0.18	56.17	Chiva
	44	44.7	0.70	21.0	0.159	0.08	35.83	
BDH-21-060	93	104	11	5.4	0.547	1.27	71.25	Chiva
	97	98	1	15.0	2.650	3.31	266.10	
BDH-21-061	28	30	2.00	19.2	0.867	0.44	86.15	Chiva
	28	28.64	0.64	5.0	1.895	0.31	135.23	

BDH-21-062	26	32.53	6.53	15.5	0.190	0.51	39.93	Chiva
BDH-21-063	29.68	31.5	1.82	86.1	0.924	5.46	268.08	Chiva
	29.68	30	0.32	453.0	4.490	27.05	1343.77	
BDH-21-064	50.16	51.17	1.01	10.0	0.308	0.93	51.33	Chiva
BDH-21-065	18	20	2.00	18.2	0.138	0.63	41.94	Chiva
	28.3	31	2.70	2.9	0.107	1.12	36.39	
BDH-21-066	2.2	4.78	2.58	68.7	0.087	0.31	81.45	Pilar Sur
BDH-21-067	Anomalous Values							
BDH-21-068	4.77	12	7.23	41.8	0.090	0.20	52.34	Pilar Sur
BDH-21-069	4	18	14.00	54.9	0.510	0.34	72.63	Pilar Sur
	15	16.24	1.24	198.0	0.778	1.18	275.21	
BDH-21-070	Anomalous Values							Pilar
BDH-21-071	Anomalous Values							Pilar
BDH-21-072	87.57	89.11	1.54	7.4	0.424	0.37	43.57	Pilar
BDH-21-073	118	127.5	9.50	7.0	0.506	1.22	68.01	Pilar
	120.88	121.12	0.24	31.0	1.930	11.85	426.56	
	120.88	124.4	3.52	16.0	1.280	2.80	163.60	
	123.5	124.4	0.90	13.8	4.362	6.12	436.65	
BDH-21-074	85	90.3	5.30	18.5	1.092	3.57	172.13	Pilar
	88.5	89.4	0.90	20.1	4.013	2.15	329.38	
BDH-21-075	68	78	10.0	14.2	0.724	1.67	61.26	Pilar
	68.35	69.2	0.85	103.1	5.196	15.94	440.83	
BDH-21-076	Anomalous Values							
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BDH-21-078	Anomalous Values							
BDH-21-079	183.69	188.14	4.45	36.0	1.052	3.21	178.32	Pilar
	186.86	187.69	0.83	24.0	1.255	5.56	234.79	
	187.69	188.14	0.45	10.0	3.370	3.69	315.62	

BDH-21-080	192.17	192.47	0.30	6.0	0.856	4.10	158.58	Agua
	201	205.5	4.50	28.6	0.243	2.15	93.75	
	203	204.84	1.84	63.0	0.417	4.75	199.44	
	203.92	204.35	0.43	133.0	0.692	10.63	422.78	
BDH-21-081	Anomalous Values							5 Senores

Silver Equivalent uses 65:1 Silver to gold ratio and lead at \$0.80 per pound and zinc at \$1.00 per pound; silver equivalent calculation assumes 100% recovery of all metals. All widths are drilled widths with true widths generally ranging from 50 to 90% depending on vein dip and hole inclination.

A total of 81 holes for 8012 meters have been completed in the 2020 and 2021 drill programs. Detailed mapping and compilation and interpretation of drill results continues in preparation for designing the next drill program. A geophysical IP survey is also being considered as some veins with high base metals contain sufficient sulfides that IP may be able to identify mineralized bodies.

About the Copalito Property

The Copalito Project is a classic low sulphidation epithermal vein system which has numerous small old workings and no evidence or reports of historic exploration drilling. The Property consists of seven concessions totaling approximately 3,700 hectares and is located 35 kilometers east of McEwen Mining's "El Gallo Mine" complex in Sinaloa State, along the western fringes of the Sierra Madre Occidental in northwestern Mexico. The Copalito Project has good access, topography and infrastructure.

Copalito Geology

Mineralization is hosted within classic low sulfidation epithermal quartz and rare calcite veins. Multiple mineral events are evidenced by banded mineralized textures, multiple cross cutting veins/veinlets, laminated banding of chalcedonic and crystalline quartz, sulfide replacement and infillings of breccia matrix. Sulfide content is generally low but does range to 20% or more in hand samples. Sulfides and their oxide equivalents include fine grained pyrite, black and yellow sphalerite, galena, chalcopyrite and silver sulphosalts. Some zonation is becoming apparent with veins in the northeast being higher in gold and base metals and those in the south being high in silver and low in base metals.

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 James McDonald, P.Geo, President, CEO & Director for Kootenay, a Qualified Person.

Sampling and QA/QC

All technical information for the Copalito 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 or 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 Hermosillo, Sonora. The samples are dried, crushed and pulverized with the pulps being sent airfreight for analysis by ALS in North Vancouver, B.C. Systematic assaying of standards, blanks and duplicates is performed for precision and accuracy. Kootenay also inserts its own blanks, standards and duplicates for quality control. 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 has been contracted to Globexplore Drilling from Hermosillo, 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.

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 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 the states of Sonora, Sinaloa and Chihuahua, Mexico, respectively.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at Dec 1, 2021. 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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