

Kootenay announces 2017 exploration program at La Negra

Kootenay Silver Inc. {TSX.V: KTN} announced plans are underway to proceed with the 2017 exploration program being conducted and operated by Pan American Silver Corp on its La Negra silver discovery in Sonora, Mexico.

The program is part of an option agreement between Kootenay and Pan American Silver.



Kootenay Silver Inc. {TSX.V: KTN} is pleased to announce plans are underway to proceed with the 2017 exploration program being conducted and operated by Pan American Silver Corp on its La Negra silver discovery in Sonora, Mexico.

The program is part of an option agreement between Kootenay and Pan American that provides Kootenay with a series of work and cash commitments and a carried to production interest on La Negra.

The 2017 program will focus on defining the potential size of the La Negra magmatic hydrothermal silver-lead breccia. The current program budget is US\$2.0 million and will entail approximately 6500 meters of diamond drilling, geologic

mapping and reconnaissance work to define additional prospective targets proximal to La Negra within the Promontorio project. Drilling is scheduled to start late in the second quarter.

States Kootenay President and CEO James McDonald *"We are very pleased to launch with the 2017 drill and exploration program on the La Negra silver discovery. We look forward to this next phase of work in particular to the drill results from the La Negra breccia that in 2016 returned multiple intercepts of high-grade silver mineralization within a 600-meter strike length of the breccia, remaining open at depth."*

Further details will be reported by Kootenay once Pan American confirm the upcoming exploration and drill program has been finalized and a drilling contractor has been engaged.

There are currently 4 additional holes to report from the 2016 Phase I program with Pan American Silver that will be reported once assay results are received and compiled by the Company.

Results from Phase I Exploration and Drilling Program on La Negra:

Pan American began managing the exploration program in April 2016 and commenced re-logging drill core, geological mapping and re-interpretation, and completed 62 km of magnetic ground surveys. Pan American initiated a 3,500 m drilling program in July 2016 with the objective of infilling the La Negra drill coverage to 50-meter center's and testing the along-strike and down dip extents as well as following up on geophysical and geological anomalies elsewhere within the exploration concessions.

Based on Pan American's work Kootenay reported that a series of deeper infill drill holes from the first 11 holes of the current program confirmed high-grade results from previous drilling (See Kootenay News release October 25, 2016) Based on the initial success of the Phase I program, in October 2016 Pan American extended the drill program by an additional 3,300

meters.

Results from the most recent 13 holes of the Phase I drill program on La Negra support previous results and look to have defined the strike extent of mineralization with the breccia, remaining open at depth.

For more information, please visit:
<http://www.kootenaysilver.com>