# Kootenay nearly triples private placement and announces two new property acquisitions

**Kootenay Silver Inc. {TSX.V: KTN}**

Due to significant interest, Kootenay has increased the size of its non-brokered private placement financing, which was originally for gross proceeds of $2.5-million, to gross proceeds to the company of $7,000,289.66.

Kootenay also announced two new property acquisitions in Mexico.

Kootenay Silver increases, closes private placement

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Mr. James McDonald reports

**KOOTENAY ANNOUNCES INCREASE IN NON-BROKERED PRIVATE PLACEMENT AND CLOSING FOR PROCEEDS OF $7.0 MILLION**

Due to significant interest, Kootenay Silver Inc. has increased the size of its non-brokered private placement financing that was announced on Feb. 5, 2019. The private placement, which was originally for gross proceeds of $2.5-million, closed today for gross proceeds to the company of $7,000,289.66.

**James McDonald, PGeo, Kootenay Silver's president and chief executive officer, commented**: *"The successful acquisition of two new projects in 2018 with the potential for the discovery of high-grade silver deposits has generated substantial interest. Moving forward, particular focus will be on the Columba property due to the very high grades of silver reported from historic mine records.*

*The company is very excited about this prospect's size potential, indicated by numerous undrilled veins as well as the high level of preservation of the system. We are very pleased to now have sufficient funds to conduct the first modern drill program at Columba, to begin as soon as permits are in hand, which is expected to be in early April."*

**The Columba property**, located in the state of Chihuahua, is a classic epithermal vein system with the potential for the discovery of high-grade silver deposits. Historic mining records indicate that up to approximately 100,000 tonnes of silver ore were mined during two different periods dating back to 1900. Mapping and sampling completed by Kootenay of mineralised veins exposed at surface returned grades of up to 692 grams per tonne silver.

Silver grades found in tailings from historic mining endorse the information found in the reports. Furthermore, recent programs also support the observation that grades, vein continuity and vein widths improve as one moves into lower elevations, being deeper into the system. These observations are also seen in historic underground mining data that indicate grades continue to increase with depth, as reported in the company's news releases dated Nov. 19, 2018, and Jan. 8, 2019.

Historic data have not been verified and cannot be relied upon for accuracy. The full results of sampling completed by Kootenay on the Columba property can be found in Kootenay's press releases dated Nov. 19, 2018, and Jan. 8, 2019, copies of which can be found on Kootenay's SEDAR profile.

**The financing**

The company has closed its non-brokered private placement and has issued an aggregate of 50,002,069 units at a purchase price of 14 cents per unit for gross proceeds to the company of $7,000,289.66. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to acquire one common share at an exercise price of 20 cents per share until March 5, 2024. Cash finders' fees to arm's-length parties totalling $256,181.38 have been paid on a portion of the private placement.

The company intends to use the net proceeds of the private placement for drill testing Columba, the advancement of Copalito to a drill-ready stage, advancement of Mecatona to drill targeting, and further drill targeting and target prioritization at La Cigarra. The company will also use a portion of the net proceeds of the private placement for: maintenance of existing properties; investigating future acquisitions with the focus on large high-grade deposits; and general working capital.

All securities issued pursuant to the private placement are subject to a four-month hold period under applicable securities laws in Canada (ending on July 6, 2019). The private placement is subject to the final acceptance of the TSX Venture Exchange.

**Sampling and quality assurance/quality control**

Surface samples reported herein are a combination of grab, chip and panel chip. All technical information for the Columba exploration program is obtained and reported under a formal quality assurance and quality control program. Samples are taken under the direction of qualified geologists. Samples are then labelled, placed in plastic bags and sealed, with interval, location and sample numbers recorded. Samples are delivered by the company to ALS Minerals in Hermosillo. The samples are dried, crushed and pulverised 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, copper and related trace elements was done by ICP four-acid digestion, with gold analysis by 30-gram fire assay with an AA finish.

**Qualified person**

The Kootenay scientific and 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. McDonald, who is a qualified person.

**About Kootenay Silver Inc.**

Kootenay Silver 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.