

Kootenay Silver reports that Pan American Silver has commenced drilling at La Negra

Kootenay Silver Inc. {TSX.V: KTN} announced that Pan American Silver Corp. has informed Kootenay that a drill program has commenced on the Company's La Negra high grade silver discovery contained within the Promontorio Mineral Belt Project located in Sonora State, Mexico.



KOOTENAY SILVER REPORTS THAT PAN AMERICAN SILVER COMMENCES DRILLING AT LA NEGRA PROJECT, MEXICO

July 11, 2017_.

Kootenay Silver Inc. {TSX.V: KTN} is pleased to announce that Pan American Silver Corp. ("Pan American") has informed Kootenay that a drill program has commenced on the Company's La Negra high grade silver discovery contained within the Promontorio Mineral Belt Project located in Sonora State,

Mexico.

The program, operated by Pan American, will total approximately 4,055 meters of core drilling over 25 holes. Drilling will focus on brownfield targets and consist of primarily infill drilling as well as step out holes to depth.

The drill program is part of an earn-in 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. Click to view: [Details of La Negra Option Agreement with Pan American](#).

About the La Negra High Grade Silver Discovery

The La Negra discovery is a hydrothermal-diatreme breccia exposed over a 150 x 500 meter area contained within the Promontorio Mineral Belt Project, approximately seven (7) kilometres north of the Promontorio silver deposit in Sonora State, Mexico.

Since the initial discovery in 2014, Kootenay has completed a total of 6,200 meters of drilling over 41 core holes. Results have confirmed significant intervals of high grade, widespread silver mineralization extending from surface to depth of 300 meters. Highlights from these drill programs include **hole LN-21 reporting 200 metres of 156 g/t silver with the bottom 50 metres grading 420 g/t silver including 6 metres of 1,337 g/t silver.**

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Pan American began managing the La Negra exploration program

in April 2016. Drilling conducted by Pan American confirmed high-grade results previously reported by Kootenay as well as the presence of a second breccia zone further to the south, which currently remains open at depth. To date, Pan American has completed a total of 6,800 meters of drilling over 29 core holes. Click to view: [Comprehensive Drill Results Completed on the La Negra Discovery](#).

Sampling and QA/QC

Samples were assayed by Inspectorate of Hermosillo, Mexico, using four acid digestion 35 element ICP analytical methods with fire assay for Au and Ag with atomic absorption finish and gravimetric finish, respectively. Pan American has followed a Quality Assurance/Quality Control program comprised of the insertion of blank material and certified standard samples at a frequency of one each for every 20 samples. There is no known drilling, sampling, recovery, or other factors that could materially affect the accuracy or reliability of the data referred to in the table. Holes are drilled with a diamond core drill rig.

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 on behalf of Kootenay by James McDonald, P.Geo, President, CEO & Director for Kootenay, a Qualified Person.

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 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.

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