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TSXV: KS

Klondike Silver Corp. Samples 420 g/t silver, 34.0% zinc and 3.7% lead on Silverton Creek Property

- **2009 SUMMER EXPLORATION FOCUS ON EXPANDING 2008 DISCOVERIES**
- **ZINC-RICH ZONES ENHANCE POTENTIAL OF SILVER RIDGE AREA**

VANCOUVER — **Klondike Silver Corp.** (TSX-V:KS) (the 'Company') is pleased to announce recent exploration programs have discovered new silver-rich prospects while also confirming the potential of targets similar to past-producing mines within the Slocan Silver Camp of south-central British Columbia. Recent exploration in the Silverton Creek Area included testing of the east-west-trending Adams lode, host to the past-producing Canadian and Ivanhoe Mines. Preliminary mapping has focused on the Adams lode where it suddenly transitions southwest, with sampling returning **420 g/t silver, 34.0% zinc and 3.7% lead.**

Map of Slocan Silver Camp - <http://www.klondikesilver.com/i/pdf/08-07-02-Slocan-3.pdf>

SILVERTON CREEK AREA

The **Silverton Creek Area**, east of the town of Silverton, encompasses the Canadian, Ivanhoe and Wakefield Mines. The Canadian and Ivanhoe Mines are both situated on an east-west trending Adams lode and collectively produced 45,357 tons containing 535,121 ounces silver, 6,043,468 pounds of lead and 766,144 pounds of zinc. The Wakefield Mine produced 8,957 tons containing 193,948 ounces of silver, 2,449,834 pounds of lead and 12,275 pounds of zinc between 1899 and 1929.

Initial exploration near the Wakefield Mine included sampling of the main Wakefield lode, which also revealed the presence of high-grade zinc not reflected in the mine's historic production. A rock sample from this target area **returned 36.54% zinc, along with 0.11% lead and 6.0 g/t silver**, hosted in a limestone breccia. Material sampled from nearby mine dumps yielded values of **4,038 g/t silver, 49.33% lead and 12.50% zinc.**

The Wakefield Mine is situated on the south slope of Silver Ridge below Selkirk Peak with underground workings lying along a north-south trending lode that intersects the prolific Main Lode on the north slope of the ridge. The Main Lode is the primary host for the past-producing Silversmith, Ruth, Richmond-Eureka and Silvana Mines.

Klondike Silver is also conducting an underground exploration program focused on the western extent of the Main Lode hosting the Silvana Mine, the second largest past-producer in the Slocan Silver Camp. The goal is to define resources that can be mined and processed in the Company's fully permitted 100-tonne-per-day flotation mill in the nearby historic town of Sandon. The cash flow generated from test-mining and custom mining would be used to fund ongoing exploration programs.

The Company would also like to announce it has arranged a Private Placement for up to 10,000,000 flow-through or non flow-through units priced at \$0.06 per unit, for total proceeds of \$600,000. Each unit will consist of either one flow through or one non-flow through common share and one non-flow through, non-transferable share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.10 per share. In accordance with Exchange policies, finders' fees may be paid on a portion of the funds raised. The private placement is subject to regulatory approval. The proceeds of the private placement will be used for exploration programs, property option payments and general working capital.

The Company is highly encouraged by the presence of the high-grade zinc within the Silverton Creek project area. Exploration is currently underway to further define the newly discovered zone.

The Qualified Person for the purpose of National Instrument 43-101 is Freeman Smith, P.Geo., who has reviewed the technical contents of this news release.

About Klondike Silver:

Klondike Silver Corp. has assembled a quality portfolio of silver properties in historic mineral districts in North America, and is applying advanced exploration technologies to add value to these core assets. Klondike Silver is reviving the Gowganda and Elk Lake silver camps in Ontario, and the world-famous Klondike district of Yukon Territory. The Company owns a 100 TPD fully operational flotation mill in Sandon, BC, which is currently processing material from one of its Yukon properties and local mines in the historic Slocan Silver Camp.

Klondike Silver is a member of the Hughes Exploration Group of Companies and is led by a team with a stellar track record of discovery and development in Canada.

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Or visit Klondike Silver's web-site: www.klondikesilver.com to see Smartstox interviews with Company President, Richard Hughes.

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