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**KOOTENAY REPORTS DRILLING AT LA CIGARRA RETURNS MULTIPLE SILVER INTERCEPTS EXTENDING TO THE NORTH & SOUTH OF THE KNOWN DEPOSIT**

*Highlights Include 109.27 gpt Silver Over 12 Meters and 736.25 gpt Silver Over 4 Meters*

**Kootenay Silver Inc. (TSXV: KTN)** (the “Company” or “Kootenay”) is pleased to announce the results of eight core holes from its 2018 drill program carried out on its 100% owned La Cigarra silver project (the “Property”), located in Chihuahua, Mexico. Drilling was distributed over several priority zones on the Property including the Las Carolinas, La Borracha and Nogalera zones with results returning a series of medium to high-grade silver intercepts in all areas, further supporting the expansion potential of the La Cigarra Resource. [Click to view location of zones in relation to La Cigarra Resource.](#)

**Kootenay President and CEO James McDonald states,** “We are very excited by these results that further underscore the inherent potential for new discoveries and to substantially increase the size and scope of our established silver resource. In particular, drilling on Las Carolinas to the south of the deposit hit consistent grades and intervals of silver extending 100 meters on strike and 200 meters down dip. Drilling on the La Borracha Zone located contiguously north of the deposit further confirmed this target’s large bulk tonnage potential, which now extends a full 1,100 meters on strike from the resource boundary”

***Highlights of Recent Drilling:***

**Las Carolinas Zone:**

- Hole CC-18-51 intercepted **109.27 gpt silver over 12.0 meters** within a wider intercept of **45.22 gpt silver over 41.38 meters**; extending the mineralized silver zone to the south for 100 meters as well as down dip for 200 metres; [click to view a plan map of Las Carolinas](#) and [this link for a cross section of hole CC-18-51](#)
- Magnetic data further suggests silver mineralization to the south of Las Carolinas continues for upwards of two kilometres northeast of the Las Venadas Zone where drilling has returned high-grade silver; [click to view magnetic structure](#)
- Hole CC-18-49 tested for continuity of the 104 vein and hit **143.86 gpt silver over 6.79 meters** within a wider intercept of **78.89gpt silver over 14.0 meters**; click [to view cross section of hole CC-18-49](#)
- Hole CC-18-50 was also drilled to test the 104 vein but the vein was cut off by a post mineral dyke.

**La Borracha Zone:**

- Hole CC-18-44 intercepted **73.00 gpt silver over 2.0 meters** and **32.93 gpt silver over 12.37 meters** further confirming La Borracha as a bulk tonnage silver target
- Mineralization to the north has been encountered for 1,100 meters beyond the La Cigarra Resource see [Kootenay news release dated April 11, 2018.](#)

**Nogalera Zone:**

- Hole CC-18-47 intercepted **2,890.00 gpt silver over 1.0 meter** within a wider intercept of **736.25 gpt silver over 4.0 meters**
- High grade silver mineralization at Nogalera looks promising as it is associated with a structurally

focused zone of alteration and mineralization traceable for 800 to 1,000 meters on surface. Holes CC 18-45,46 and 48 all hit narrow weakly anomalous gold and or silver within similar structurally focused zones.

Detailed results of the 8 drill holes can be seen in the table listed below.

***Drill Results:***

Hole ID	Zone	From (meters)	To (meters)	Interval (meters) <sup>(1)</sup>	Silver (gpt)	Gold (gpt)	Pb (%)	Zn (%)
CC-18-44	La Borracha	100	102	2	73	0.0365	0.254	0.108
CC-18-44		121.73	134.1	12.37	32.93	0.049	0.156	0.216
CC-18-45	Nogalera	104	108	4.0	1.50	0.266	0.065	0.184
CC-18-46	Nogalera	334.55	336.33	1.78	48.47	0.723	0.031	0.082
CC-18-47	Nogalera	101	105	4.0	736.25	0.088	0.325	0.122
Including		101	102	1.0	2890.00	0.246	1.105	0.283
CC-18-48	Las Carolinas	51	53	2.0	46.5	0.054	0.015	0.081
CC-18-49	Las Carolinas	25	39	14.0	78.89	0.035	0.023	0.073
Including		32.21	39	6.79	143.86	0.048	0.031	0.101
CC-18-50	Las Carolinas	No Significant Values						
CC-18-51	Las Carolinas	233.62	275	41.38	45.22	0.026	0.034	0.077
Including		249	261	12.0	109.27	0.041	0.063	0.125
Including		251	259.83	8.83	122.51	0.047	0.069	0.132

<sup>(1)</sup> True widths cannot be accurately determined from the information available at this time therefore core lengths are reported.

***Sampling and QA/QC***

All technical information for the La Cigarra 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. Samples are then labeled placed in plastic bags, sealed and with interval and sample numbers recorded. Samples are delivered by the Company via courier to ALS Minerals ("ALS") in Chihuahua. The samples are dried, crushed and pulverized 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 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 will be with HQ or NQ core and has been contracted to BD Drilling from Guadalajara, Mexico.

***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 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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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:**

*The information in this news release has been prepared as at July 11, 2018. 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.*

**Cautionary Note to US Investors:** *This news release may contain information about adjacent properties on which we have no right to explore or mine. We advise U.S. investors that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.*

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