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KOOTENAY REPORTS GROUND EXPLORATION PROGRAM ON LA NEGRA CONFIRMS NEW MINERAL TREND CONTAINING MULTIPLE GOLD-COPPER-SILVER TARGETS

Kootenay Silver Inc. (TSX VENTURE: KTN.V) ("Kootenay") is pleased to announce results from its expanded ground exploration program on its Promontorio La Negra Diatreme silver discovery in Sonora, Mexico. Results from the ongoing sampling and mapping program immediately around a 2-3 km radius of the La Negra Breccia drill discovery has led to the recognition of a 4+ km belt of highly anomalous gold-copper-silver mineralization, now named, the Cameron-Vania trend.

States Kootenay President and CEO James McDonald "We could not be more pleased with results from our expanded ground exploration program on La Negra. The discovery of the new Cameron zone and the Cameron-Vania trend is a milestone development for Kootenay that underscores the potential of this mineralized corridor to become a mining district capable of producing multiple new precious metals discoveries well into the future. The recognition of underlying geologic controls that link the La Negra and Promontorio mineralization with the Cameron-Vania trend serves as a strong compliment to our emerging La Negra silver discovery and cements our confidence for the discovery of additional, similar style, large-scale deposits on Promontorio."

The newly discovered Cameron-Vania trend

The Cameron-Vania trend is a newly recognized belt of gold-copper-silver mineralization that comprises the previously announced Vania, Gringo and Vineteria zones, and the new Cameron zone. Recognition of the trend led to the discovery of the Cameron gold-copper-silver prospect, a 1000 meter (NW-SE) x 300-500(NE-SW) meter zone of widespread gold and copper mineralization associated with hematite, magnetite, sericite and tourmaline alterations. The Cameron gold-copper-silver prospect remains open ended. One hundred and forty four prospect samples were collected from the Cameron area to date. To View Geologic Maps and Sample Results Visit: Cameron-Vania Prospect.

Highlights from rock sampling program. The majority of samples taken are grab samples at this preliminary stage. Results from the 144 samples taken from the new Cameron area concluded;

- Gold in 89 samples was greater than 0.1 gpt the average of which is 2.6 gpt, 61 of the samples are greater than 0.5 gpt and 40 are greater than one gram per tonne. High values included 85.5, 20, 13 and 12.8 gpt.

- Copper values for all 144 samples averaged 1.4% ranging from the 100s of ppm to highs of 8.9%, 10.4%, 10.9%, 11.0%, 11.2% and 14.25%.

- Of note, samples with gold greater than 0.1 gpt (89 samples), the copper average is 2.38% and the gold average is 2.6 gpt.

- Silver values averaged 16 gpt with a high of 227 gpt.

Kootenay additionally reports values of molybdenum (to 1900 ppm), bismuth (to 6510 ppm), and cobalt (to 1110 ppm) were noted and lead, zinc, arsenic and antimony values are low. Anomalous lanthanum (130 to 240 ppm) was noted only from the banded magnetite alterations.

Copper mineralization occurs as disseminations, stockworks and irregular masses of reddish copper-bearing limonite interpreted to represent oxidized chalcopyrite. Visible gold is associated with the copper limonite here and elsewhere in the Cameron-Vania trend. There are 7 different locations where visible gold has been found in the form of very fine grains. There is a strong correlation between gold and copper.

One kilometer to the southwest of the Cameron zone, 14 samples were collected along a northwest trending 300 x 150m area of very poor exposure (PS 2985 zone). Ten of the samples returned gold greater than 0.1 gpt, with 7 greater than 0.5 gpt, and a high of 7.85 gpt.

The exploration potential of the Cameron-Vania trend was initially recognized in its southeast part, the Vania zone. Gold from Vania zone returned values ranging from background to highs of (including visible gold) of 110, 70, 66 and 40 gpt and anomalous copper.

Plans are underway for detailed mapping, sampling and trenching of the newly discovered mineralized zone with the intent of developing priority drill targets. Details of this program, along with plans for upcoming drilling and development on the Company's La Negra silver discovery, will be forthcoming in a future release.

La Negra Silver Discovery

The La Negra Breccia prospect is situated approx. 6.5 kms north of Kootenay's Promontorio Silver Resource in Sonora, Mexico and is contained within a 25 x 15 km mineralized corridor, the 'Promontorio Mineral Belt.' Initial exploration on La Negra included a successful trenching and surface sampling program that confirmed extensive silver mineralization over a large 100 to 200 meters by 500 meters area on surface. (See news releases from May 28th and June 5th, 2014 for more details). A follow up Phase I drill program on La Negra returned significant and consistent intervals of high grade, widespread silver mineralization extending from surface to depth, confirming a substantial new silver discovery. (See news releases, 'Drill Results' Oct. 15, 2014, Nov. 26, 2014 and Dec 3, 2014 for more details).

Results from a recent Phase II drilling program on La Negra have further confirmed the continuity of silver grades and the consistency of silver mineralization to depth within the core of the diatreme breccia. (See news releases from March 31st, April 30th and May 20th, 2015 for more details). This has set the stage for the advanced future development of La Negra and reinforces its future potential as a low-cost, open pittable silver resource. At present, drill results from the program are being compiled and collated in a 3D model showing the geologic controls and assay results. This compilation will be used to design the next drill phase, which is expected to be announced in the near future.

To See Full Results from Drilling and Expanded Sampling and Mapping Program Visit: www.kootenaysilver.com

QA/QC

Samples were described and sampled bagged, tagged, catalogued, sealed and sent to an accredited assay lab for analysis using 4 acid digestion and ICP analysis with overlimts being assayed. Further Quality Assurance and Control procedures and details on assays procedures and laboratories used are disclosed on the Kootenay Silver Inc. website.

The foregoing geological disclosure has been reviewed and verified by Kootenay's CEO, James McDonald, P.Geo (a qualified person for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects). Mr. McDonald is a director of Kootenay.

ABOUT KOOTENAY

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. The Company's top priority is the advancement of precious metals projects contained within its Promontorio Mineral Belt in Sonora, Mexico that includes, its new La Negra high-grade silver discovery and its Promontorio Silver Resource. Kootenay's core objective is to develop near term discoveries and long-term sustainable growth. Its management and technical team are proven professionals with extensive international experience in all aspects of mineral exploration, operations and venture capital markets. Multiple, ongoing J/V partnerships in Mexico and Canada maximize potential for additional, new discoveries while maintaining minimal share dilution.

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Forward-Looking Statements: *The information in this news release has been prepared as at June 12, 2015. 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.

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