No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This prospectus supplement (this "**Prospectus Supplement**"), together with the accompanying short form base shelf prospectus dated March 27, 2024 to which it relates, as amended or supplemented, (the "**Shelf Prospectus**"), and each document incorporated by reference into this Prospectus Supplement and the Shelf Prospectus, as amended or supplemented, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States (as defined in Regulation S under the U.S. Securities Act) (the "**United States**"). Accordingly, except as permitted in the Agency Agreement (as defined herein) such securities may not be offered, sold or delivered, directly or indirectly, in the United States , or to, or for the account or benefit of, a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a "**U.S. Person**") unless registered under the U.S. Securities Act and any applicable securities laws of any state of the United States or an exemption from such registration requirements is available. This Prospectus Supplement and the accompanying Shelf Prospectus do not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See "Plan ofDistribution" below.*

***Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Kootenay Silver Inc. at Suite 1125, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Telephone (604) 604-5650), and are also available electronically at www.sedarplus.ca.*

PROSPECTUS SUPPLEMENT
to the Short Form Base Shelf Prospectus dated March 27, 2024

New Issue | April 17, 2024

KOOTENAY SILVER INC.

Up to $9,000,000
Up to 8,035,714 Units

This Prospectus Supplement of Kootenay Silver Inc. ("**Kootenay**" or the "**Company**"), together with the accompanying Shelf Prospectus, is hereby qualifying for distribution up to 8,035,714 units of securities (the "**Units**") of the Company (the "**Offering**") at a price of $1.12 per Unit ("**Offering Price**"). The Offering is being made pursuant to an agency agreement (the "**Agency Agreement**") dated April 17, 2024 between the Company and a syndicate of agents (the "**Agents**") that includes Red Cloud Securities Inc. (the "**Lead Agent**"), as lead agent and sole bookrunner, and Research Capital Corporation. See "Plan of Distribution". The terms of the Offering were determined by arm's length negotiations between the Company and the Lead Agent, with reference to the prevailing market price of the common shares of the Company ("**Common Shares**").

Each Unit consists of one Common Share (a "**Unit Share**") and one half Common Share purchase warrant (a "**Warrant**"). Each whole Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture (as defined herein), one Common Share (a "**Warrant Share**") at a price of $1.68 per Warrant Share at any time prior to 4:30 p.m. (Toronto time) on the date that is 24 months following the Closing Date (as defined herein) (the "**Expiry Date**"). The Warrants will be governed by a warrant indenture (the "**Warrant Indenture**") to be entered into on or before the Closing Date between the Company and Computershare Trust Company of Canada (the "**Warrant Agent**"). See "Description of the Securities Being Distributed".

The Offering is being made in Canada under the terms of the Shelf Prospectus and this Prospectus Supplement.

The issued and outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "KTN" and on the OTCQX Best Market (the "**OTCQX**") under the symbol "KOOYF". On April 16, 2024, the last trading day prior to the date of this Prospectus Supplement, the closing price per Common Share on the TSXV was $1.33, and on the OTCQX was US$0.98.

The Company has applied to list the Unit Shares and the Warrant Shares, as well as the Broker Warrant Shares (as defined herein) which may be issued upon exercise of the Broker Warrants (as defined herein) to be issued pursuant to the Offering on the TSXV. Conditional approval for listing of such securities on the TSXV is a condition of closing of the Offering. Listing is subject to the Company fulfilling all of the requirements of the TSXV.

There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants that are purchased pursuant to the Offering. In addition, the Warrants will not be listed for trading on the TSXV or any other stock exchange following the Closing Date. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.

The Company intends to raise gross proceeds in a maximum amount of $9,000,000 in connection with this Prospectus Supplement, subject to the Over-Allotment Option (as defined herein). There is no minimum amount of funds that must be raised under this Offering. This means that the Company could complete the Offering after raising only a small proportion of the Offering amount set out above. See "Risk Factors".

Price: $1.12 per Unit

	Price to Public	**Agents' Fee(1)**	**Net Proceeds to the Company(2)(3)(4)**
Per Unit	$1.12	$0.0672	$1.0528
Total(3)(4)	$9,000,000	$540,000	$8,460,000

(1) The Company has agreed to pay the Agents a cash fee equal to 6% of the gross proceeds of the Offering (the "**Agents' Fee**"), including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option, subject to a reduced fee equal to 3% for Units sold to certain existing shareholders of the Company and close persons of the Company identified in writing and agreed to by the Lead Agent (the "**President's List**"). The Agents will also receive, as additional compensation, non-transferable broker warrants (the "**Broker Warrants**") to purchase that number of Common Shares ("**Broker Warrant Shares**") equal to 6% of the aggregate number of Units issued by the Company under the Offering (including pursuant to the exercise of the Over-Allotment Option), subject to a reduced number of Broker Warrants equal to 3% of the aggregate number of Units sold to the President's List. Each Broker Warrant will entitle the holder thereof to acquire one Broker Warrant Share at a price of $1.12 per Broker Warrant Share for a period of 24 months from the Closing Date. This Prospectus Supplement and accompanying Shelf Prospectus qualify the distribution of the Broker Warrants. See "Plan of Distribution". The Agents' Fee indicated in the chart above assumes no sales to President's List purchasers.

(2) After deducting the Agents' Fee but before deducting expenses of the Offering, estimated to be $225,000, which will be paid from the proceeds of the Offering. Assumes no sales to President's List purchasers.

(3) The Company has granted the Agents an option (the "**Over-Allotment Option**"), exercisable in whole or in part in the sole discretion of the Lead Agent at any time and from time to time up to 30 days from and including the Closing Date (the "**Over-Allotment Deadline**"), to purchase up to an additional 1,205,357 Units (the "**Over-Allotment Units**") (representing up to 15% of the number of Units sold pursuant to the Offering), at the Offering Price, to cover over-allotments, if any, made by the Agents and for market stabilization purposes. The Over- Allotment Option may be exercised to acquire up to 1,205,357 Over-Allotment Units at the Offering Price, comprised of up to 1,205,357 additional Unit Shares (the "**Over-Allotment Shares**") and up to 602,678 additional Warrants (the "**Over-Allotment Warrants**"). The Over-Allotment Option is exercisable by the Agents giving notice to the Company prior to the Over- Allotment Deadline, which notice shall specify the number of Over-Allotment Units to be purchased. A person who acquires securities under this Prospectus Supplement forming part of the Agents' over-allocation position acquires those securities regardless of whether the Agents' over-allocation position is ultimately filled through the exercise of the Over- Allotment Option or secondary market purchases. This Prospectus Supplement and the Shelf Prospectus qualify the distribution of the Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants.

(4) If the Over-Allotment Option is exercised in full, the total price to the Public, Agents' Fee (assuming no sales to President's List purchasers) and Net Proceeds to the Company will be $10,350,000, $621,000 and $9,729,000 (before estimated expenses of $225,000), respectively. See "Plan of Distribution". This Prospectus Supplement and the Shelf Prospectus qualify the grant of securities under the Over-Allotment Option. See "Plan of Distribution".

The following table sets out the Over-Allotment Units and the number of Broker Warrant Shares that may be issued to the Agents on exercise of the Broker Warrants:

Agents' Position	Number of Common Shares Available	Exercise Period	Exercise Price
Over-Allotment Option	Up to 1,205,357 Over-Allotment Units	Up to 30 days from and including the Closing Date	$1.12 per Over-Allotment Unit
Broker Warrants	Up to 554,464 Broker Warrant Shares(1)	Exercisable at any time until 24 months after the Closing Date	$1.12 per Broker Warrant Share

(1) Assumes the Over-Allotment Option has been exercise in full (and no sales to President's List purchasers).

Unless the context otherwise requires, all references to the "Offering", the "Units", the "Unit Shares", the "Warrants", the "Warrant Shares", the "Broker Warrants" and the "Broker Warrant Shares" in this Prospectus Supplement shall include all securities issuable assuming the exercise of the Over-Allotment Option.

Subject to applicable laws, the Agents may, in connection with the Offering, over-allot or effect transactions intended to stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Agents, as principal, conditionally offers the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Company by Maxis Law Corporation and on behalf of the Agents by Peterson McVicar LLP.

The Offering is being made in the each of the provinces of Canada, other than Québec. The Units will be offered in each of such provinces, through the Agents or its respective affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Units in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Lead Agent. See "Plan of Distribution".

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will occur on or about April 25, 2024, or on such other date as may be permitted under applicable securities laws and as agreed upon by the Company and the Lead Agent (the "**Closing Date**").

The Units are expected to be issued and delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form on the Closing Date. Purchasers, including a purchaser in the United States or that is purchasing for the account or benefit of a U.S. Person that is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act ("**Qualified Institutional Buyers**"), will only receive a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS participant. Units, if any, acquired by Qualified Institutional Buyers in the United States may not be deposited into the facilities of the Depositary Trust Company, or a successor depository within the United States, or be registered or arranged to be registered, with Cede & Co. or any successor thereto. No definitive certificates will be issued unless specifically requested or required. See "Plan of Distribution".

The Agents are offering to sell and seeking offers to buy the Units only in those jurisdictions where, and to persons whom, offers and sales are lawfully permitted. The Offering does not constitute an offer to sell or a solicitation of an offer to buy Units in any jurisdiction in which it is unlawful. Prospective investors should be aware that the acquisition or disposition of the Units may have tax consequences in Canada or elsewhere, depending on each prospective investor's specific circumstances. Prospective investors should consult with their own tax advisors with respect to such tax considerations.

An investment in the Units involves significant risks that should be carefully considered by prospective investors before purchasing Units. The risks outlined in this Prospectus Supplement, the Shelf Prospectus, and in the documents

incorporated by reference herein and therein, should be carefully reviewed and considered by prospective investors in connection with any investment in Units. See the "Cautionary Statement on Forward- Looking Information" and "Risk Factors" sections of the Shelf Prospectus and in this Prospectus Supplement and in the documents incorporated by reference herein and therein which are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Owning the Unit Shares and Warrants comprising the Units may subject you to tax consequences. This Prospectus Supplement and the Shelf Prospectus may not describe the tax consequences fully. Purchasers of the Units should read the tax discussion contained in this Prospectus Supplement and consult their own tax adviser prior to making any investment in the Units. See "Certain Canadian Federal Income Tax Considerations".

The Company's head office and principal address is located at Suite 1125, 595 Howe Street, Vancouver, British Columbia V6C 2T5. The registered and records office of the Company is located at Suite 910, 800 Pender Street, Vancouver, British Columbia V6C 2V6.

Computershare Investor Services Inc. will act as transfer agent and registrar for the Offered Shares at its principal office in Vancouver, British Columbia. See "Auditors, Transfer Agent and Registrar".

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING SHELF PROSPECTUS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the accompanying Shelf Prospectus and the documents incorporated by reference herein and therein. The second part is the Shelf Prospectus, which provides more general information. If the information varies between this Prospectus Supplement and the Shelf Prospectus, the information in this Prospectus Supplement supersedes the information in the Shelf Prospectus. The Shelf Prospectus and this Prospectus Supplement together comprise the "**Prospectus**" for the purposes of qualifying the securities offered pursuant to the Offering.

An investor should rely only on the information contained in this Prospectus Supplement and the Shelf Prospectus (including the documents incorporated by reference herein and therein) and is not entitled to rely on parts of the information contained in this Prospectus Supplement or the Shelf Prospectus (including the documents incorporated by reference herein or therein) to the exclusion of others. The Company and the Agents have not authorized anyone to provide investors with additional or different information. The Company and the Agents take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give readers of this Prospectus Supplement. Information contained on, or otherwise accessed through, the Company's website is not deemed to be a part of this Prospectus Supplement or the Shelf Prospectus and such information is not incorporated by reference herein, and the Company disclaims any such incorporation by reference.

The Company and the Agents are not offering to sell the Units in any jurisdictions where such offer or sale is not permitted. The information contained in this Prospectus Supplement (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus Supplement or as of the date as otherwise set out herein (or as of the date of the document incorporated by reference herein or as of the date as otherwise set out in the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus Supplement or any sale of Units. The business, capital, financial condition, results of operations and prospects of the Company may have changed since those dates. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

This Prospectus Supplement should not be used by anyone for any purpose other than in connection with the Offering.

The documents incorporated or deemed to be incorporated by reference herein or in the Shelf Prospectus contain meaningful and material information relating to the Company, and readers of this Prospectus Supplement should review all information contained in this Prospectus Supplement, the Shelf Prospectus and the documents incorporated or deemed to be incorporated by reference herein and therein, as amended or supplemented.

FINANCIAL INFORMATION AND CURRENCY

The Company has prepared its consolidated financial statements, incorporated herein by reference, in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board which is incorporated within Part 1 of the CPA Canada Handbook – Accounting, and its consolidated financial statements are subject to Canadian generally accepted auditing standards and auditor independence standards. As a result, they may not be comparable to financial statements of United States companies.

All currency amounts in this Prospectus Supplement are expressed in Canadian dollars, unless otherwise indicated. References to dollars or "$" are to Canadian currency unless otherwise indicated. All references to "US$" refer to United States dollars. On April 16, 2024, the daily exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US$1.00 = $1.3821.

Unless the context otherwise requires, all references in this Prospectus Supplement to the "Company" or "Kootenay" refer to the Company and its subsidiary entities on a consolidated basis.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained or incorporated by reference in this Prospectus Supplement is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Company and the Agents believe these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any survey. The Company and the Agents have not independently verified any of the data from third party sources referred to or incorporated by reference herein and accordingly, the accuracy and completeness of such data is not guaranteed.

NON-IFRS MEASURES

The financial results of the Company are prepared in accordance with IFRS. Additionally, the Company utilizes certain non-IFRS measures such as working capital. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This Prospectus Supplement, the accompanying Shelf Prospectus and documents incorporated by reference herein and therein contain “forward-looking statements” or “forward-looking information” within the meaning of applicable securities legislation (collectively referred to herein as “**forward-looking information**” or “**forward-looking statements**”). Forward-looking statements are included to provide information about management’s current expectations and plans that allows investors and others to get a better understanding of the Company’s operating environment, the business operations and financial performance and condition.

Forward-looking information herein and in the documents incorporated by reference herein are provided as of the date of such documents only, and the Company does not intend, and does not assume any obligation, to update this forward- looking information and statements, except as required by law. Generally, forward-looking information and statements can be identified by the use of forward-looking terminology such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative connotation thereof. Forward-looking information and statements contained or incorporated by reference in this Prospectus include, but are not limited to, statements with respect to the future financial and operating performance of Kootenay; planned exploration and development activities; the future interpretation of geological information; the cost and results of operational activities including objectives, exploration, development and evaluation activities; expectations regarding mineral reserves and mineral resources; realization of mineral reserves and mineral resource estimates; reclamation costs and timing; anticipated commencement dates of mining or metal production operation; projected quantities of future metal production; anticipated production rates and mine life; operating efficiencies, costs and expenditures and conversion of mineral resources to reserves; results of the technical report titled “Technical Report for the Columba Silver Property” dated effective March 17, 2023 (the “**Columba Technical Report**”) and filed on SEDAR+ on August 9, 2023 regarding the Company’s Columba Silver project located in Chihuahua State, Mexico (the “**Columba Silver Project**”) and prepared for the Company by independent consultants Moose Mountain Technical Services and authored by Sue Bird P.Eng; results of the technical report titled “Technical Report for the Promontorio Property: Promontorio & La Negra Resource Estimate” dated effective August 27, 2023 (the “**Promontorio Technical Report**”) and filed on SEDAR+ on November 24, 2023 regarding the Company’s Promontorio-La Negra project located in Sonora State, Mexico (the “**Promontorio-La Negra Project**”) and prepared for the Company by independent consultants Moose Mountain Technical Services and authored by Sue Bird P.Eng; results of the technical report titled “Technical Report on the Mineral Resource Estimate Update for the La Cigarra Ag-Pb-Zn Project, Chihuahua State, Mexico” dated effective November 29, 2023 (the “**La Cigarra Technical Report**”) and filed on SEDAR+ on March 7, 2024 regarding the Company’s La Cigarra silver project located in Chihuahua State, Mexico (the “**La Cigarra Project**”) and prepared for the Company by independent consultants GeoVector Management Inc. and authored by Allan Armitage, Ph. D., P.Geo and Ben Eggers, B.Sc. (Hons), MAIG, P.Geo.; expectations with respect to the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes; future financings and the ability to raise capital; the future price of silver; requirements for additional capital; and the listing of securities of the Company on any securities exchange.

Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts of Kootenay about Kootenay's business and the industry and markets in which it operates. Forward-looking information and statements are made based upon numerous assumptions, including among others, that the results of planned exploration and development activities are as anticipated and on time; the price of gold, silver and other commodities and other market conditions and factors; the cost of planned exploration and development activities; that there will be limited changes in any project parameters as plans continue to be refined; that financing will be available if and when needed and on reasonable terms; that third party contractors, equipment, supplies and governmental and other approvals required to conduct Kootenay's planned exploration and development activities will be available on reasonable terms and in a timely manner; that there will be no revocation of government approvals and that general business, economic, competitive, social and political conditions will not change in a material adverse manner; financial and silver and gold markets will not be adversely affected by a global pandemic (including COVID-19); suppliers, employees, contractors and subcontractors will be available to continue operations as needed; demand for, and supply of silver; tax rates, interest rates and exchange rates; mineral reserve and resources estimates and the assumptions on which they are based; and the listing of Common Shares qualified by this document on any securities exchange. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual results, performances and achievements of Kootenay to differ materially from any projections of results, performances and achievements of Kootenay expressed or implied by such forward-looking information or statements, including, among others, price volatility of gold and silver; volatility of commodity prices and other input costs; mining industry operational hazards and environment concerns; uncertainty of estimates of mineral resources and reserves; requirements for additional financing which may not be available; changes in political conditions or governmental policies and political and financial instability in the countries in which the Company's properties are located; government regulation and requirements for permits and licenses and competition; reliance upon key management and other personnel; imprecision of mineral resource estimates; potential cost overruns on any development; capital intensive nature of the mining industry; changes in climate or increases in environmental regulation; aboriginal title and consultation issues; deficiencies in the Company's title to its properties; fluctuations in interest rates; foreign exchange exposure; information security and cyber threats; failure to manage conflicts of interest; changes in laws, regulations and policy; competition for resources and financing; volatility in market price of the Company's shares; financial and silver and gold market reactions, as well as effects on individuals on which Kootenay relies, as a result of epidemics or global pandemics (including COVID-19); speculative nature of exploration and development projects; liquidity of securities of Kootenay; dilution risks to existing securityholders; risks associated with the sale of securities of Kootenay; conflicts of interest for Kootenay's directors engaged in similar businesses; interruption or failure of Kootenay's information systems; cyberattacks; competitors and competing technology; inability to exploit, expand and replace mineral reserves and mineral resources; and other factors discussed or referred to in this Prospectus under "Risk Factors".

Although Kootenay has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information or statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

There can be no assurance that such information or statements will prove to be accurate, as actual results and future events and actions could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information or statements. The forward-looking information and statements contained in this Prospectus are made as of the date of this Prospectus and, accordingly, are subject to change after such date.

All of the forward-looking statements made in this Prospectus are qualified by these cautionary statements and those made in the Company's other filings with the securities regulators of Canada and the United States including, but not limited to, the cautionary statements made in the "Risk Factors" section of this Prospectus, the "Risk Factors" section of the AIF (as defined below) and the ''Risks and Uncertainties'' sections of the 2022 MD&A (as defined below) and Q3 2023 MD&A (as defined below). These factors are not intended to represent a complete list of the factors that could affect Kootenay. Kootenay disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. The Company's public filings with the securities commissions or similar authorities

in each of the provinces and territories of Canada can be found through the System for Electronic Document Analysis and Retrieval ("SEDAR+") on the Company's profile at www.sedarplus.ca.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus Supplement and the Shelf Prospectus from documents filed with the securities commissions or similar authorities in each of the provinces and territories of Canada. Copies of the documents incorporated by reference herein may be obtained on request, without charge, from the Corporate Secretary of the Company at Suite 1125, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Telephone (604) 604-5650) and are also available electronically at **Error! Hyperlink reference not valid.**The filings of the Company through SEDAR+ are not incorporated by reference in this Prospectus except as specifically set out herein.

This Prospectus Supplement is incorporated by reference into the Shelf Prospectus as of the date hereof and only for the purposes of the distribution of the Units. Other documents are also incorporated or deemed to be incorporated by reference into the Shelf Prospectus and reference should be made to the Shelf Prospectus for full details.

As of the date hereof, the following documents, filed by the Company with the securities commissions or similar authorities in certain of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, the Shelf Prospectus as supplemented by this Prospectus Supplement, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus Supplement, the Shelf Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus Supplement, as further described below:

(a) amended and restated annual information form of the Company for the year ended December 31, 2022 dated March 7, 2023, filed on SEDAR+ on March 7, 2024 (the "**AIF**");

(b) the Columba Technical Report;

(c) the Promontorio Technical Report;

(d) the La Cigarra Technical Report;

(e) audited consolidated financial statements of the Company as at and for the years ended December 31, 2022 and 2021, together with the notes thereto and the auditor's report thereon ("the "**2022 Annual Financial Statements**");

(f) management's discussion and analysis of financial condition and results of operations of the Company for the year ended December 31, 2022 (the "**2022 MD&A**");

(g) management information circular of the Company dated February 10, 2023 prepared and distributed in connection with the annual general and special meeting of shareholders held on March 15, 2023;

(h) restated unaudited interim consolidated financial statements of the Company for the three and nine months ended September 30, 2023, together with the notes thereto (the "**Q3 2023 Financial Statements**"), refiled on SEDAR+ on March 20, 2024;

(i) management's discussion and analysis of financial condition and results of operations of the Company for the nine months ended September 30, 2023 (the "**Q3 2023 MD&A**");

(j) material change report dated May 16, 2023 regarding the sale of common shares (the "**Aztec Shares**") of Aztec Minerals Corp. ("**Aztec**") on May 8, 2023 via several market transactions;

(k) material change report dated June 2, 2023 regarding the closing of a private placement offering of units of the Company on May 24, 2023 for aggregate gross proceeds of approximately $3.7 million;

(l) material change report dated February 26, 2024 regarding the closing of a private placement offering of units of the Company on February 16, 2024 and February 22, 2024 for aggregate gross proceeds of approximately $3.7 million;

(m) material change report dated April 9, 2024 regarding the commencement of drilling on the Columba Silver Project;

(n) material change report dated April 9, 2024 announcing the Offering;

(o) the Form 51-102F6V – Statement of Executive Compensation of the Company dated February 28, 2024, filed on SEDAR+ on February 28, 2024;

(p) the investor presentation dated April 2024, filed on SEDAR+ on April 8, 2024 (the "**Investor Presentation**"); and

(q) the template version of the term sheet dated April 8, 2024 in connection with the Offering, filed on SEDAR+ on April 8, 2024 (together with the Investor Presentation, the "**Marketing Documents**").

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Prospectus Distributions* (excluding confidential material change reports), if filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus Supplement and prior to completion or withdrawal of the Offering shall be deemed to be incorporated by reference in the Shelf Prospectus for the purposes of the Offering.

Any statement contained in this Prospectus Supplement, the Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein for the purposes of the offering of Units hereunder shall be deemed to be modified or superseded, for purposes of this Prospectus Supplement and the Shelf Prospectus, to the extent that a statement contained herein or therein or in any other subsequently filed document that also is incorporated or is deemed to be incorporated by reference herein or therein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or omission to state a material fact that was required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall be deemed, except as so modified or superseded, not to constitute a part of this Prospectus.

MARKETING DOCUMENT

The Marketing Documents do not form part of this Prospectus Supplement and the accompanying Shelf Prospectus to the extent that the contents of the Marketing Documents have been modified or superseded by a statement contained in this Prospectus Supplement and the accompanying Shelf Prospectus. Any "template version" of any "marketing materials" (each as defined in National Instrument 41-101 – General Prospectus Requirements) that has been, or will be, filed on SEDAR+ (www.sedarplus.ca) before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus Supplement and the accompanying Shelf Prospectus solely for the purposes of the Offering.

KOOTENAY SILVER INC.

The Company is an exploration stage mining company with a primary objective and business plan of discovering or acquiring silver dominant mineral deposits that have the potential to become economically viable for further development in Mexico. The core management and technical team are industry professionals that have international experience in all aspects of mineral property acquisition, mineral exploration, operations, and financing.

The Company has three principal precious mineral properties located in Mexico, the Columba Silver Project, the Promontorio-La Negra Project, and the La Cigarra Project. The Company also maintains a generative portfolio consisting of non-material properties in Mexico with future exploration potential.

The Company trades on the TSXV under the ticker symbol “KTN” and the OTCQX under the ticker symbol “KOOYF”. For further information regarding Kootenay see the AIF and other documents incorporated by reference in this Prospectus Supplement available at www.sedarplus.ca under the Company’s profile.

Recent Developments

On May 8, 2023, the Company announced that on May 5, 2023, the Company had sold the Aztec Shares in several market transactions. Prior to the sale of the Aztec Shares, Kootenay beneficially owned and had control over approximately 11.85% of the outstanding Aztec Shares. As a result of the disposition, Kootenay's ownership of the Aztec Shares decreased to 7,601,500 Aztec Shares, representing approximately 8.02% on a non-diluted basis. As a result, Kootenay ceased to be an insider of Aztec. Total gross consideration received by Kootenay was $962,445. Funds from the sale were allocated for working capital purposes.

On May 24, 2023, the Company announced the completion of a brokered private placement (the “**May 2023 Private Placement**”) of 37,725,000 units (“**May 2023 Units**”) at a price of $0.10 per May 2023 Unit, with each May 2023 Unit consisting of one Common Share and one common share purchase warrant (a “**May 2023 Warrant**”), for aggregate gross proceeds of $3,772,500. Each May 2023 Warrant is exercisable to acquire one Common Share (a "**May 2023 Warrant Share**") at a price of $0.14 per May 2023 Warrant Share for a period of 36 months from the closing of the May 2023 Private Placement. The May 2023 Private Placement was led by certain arm’s length agents (the “**May 2023 PP Agents**”), and in connection with the May 2023 Private Placement, as partial compensation for the services of the May 2023 PP Agents, the Company granted the May 2023 PP Agents 1,283,400 non-transferable compensation warrants (the "**May 2023 Compensation Warrants**") and 660,000 advisory broker warrants (the “**Advisory Broker Warrants**”, together with the May 2023 Compensation Warrants, the “**Broker Warrants**”). Each Broker Warrant entitles the holder thereof to purchase one May 2023 Unit at an exercise price of $0.10 per May 2023 Unit for a period of 36 months following the closing of the May 2023 Private Placement. The Company also issued 20,100 non-transferable finder’s warrants (the “**May 2023 Finder’s Warrants**”) to certain arm’s length finders. Each May 2023 Finder’s Warrant is also exercisable to purchase one May 2023 Unit at an exercise price of $0.10 per May 2023 Unit for a period of 36 months following the closing of the May 2023 Private Placement. Note that the figures relating to the May 2023 Private Placement are disclosed on a pre-Consolidation (as herein defined) basis.

On August 9, 2023, the Company filed the Columba Technical Report on SEDAR+.

On November 14, 2023, the Company completed a consolidation (the “**Consolidation**”) of its outstanding Common Shares on the basis of one post-Consolidation Common Share for every ten pre-Consolidation Common Shares.

On November 24, 2023, the Company filed the Promontorio Technical Report on SEDAR+.

On February 22, 2024, the Company announced the completion of a non-brokered private placement (the “**February 2024 Private Placement**”) of 4,960,782 units (the “**February 2024 Units**”) at a price of $0.75 per February 2024 Unit, with each February 2024 Unit consisting of one Common Share and one half common share purchase warrant (a “**February 2024 Warrant**”), for aggregate gross proceeds of $3,720,587. Each whole February 2024 Warrant is exercisable to acquire one Common Share (a “**February 2024 Warrant Share**”) at a price of $1.10 per February 2024 Warrant Share for a period of 24 months from the closing of the February 2024 Private Placement. In connection with closing of the February 2024 Private Placement, a certain arm’s length finder received as partial compensation for their services 77,004 non-transferrable compensation warrants (the “**February 2024 Compensation Warrants**”). Each whole February 2024 Compensation Warrant entitles the holder thereof to purchase one February 2024 Unit at an exercise price of $0.75 per February 2024 Unit for a period of 24 months following the closing of the February 2024 Private Placement. The Company also issued an aggregate 61,102 non-transferable finder's warrants (the "**February 2024 Finder's Warrants**") to six other arm's length finders. Each whole February 2024 Finder's Warrant entitles the holder thereof to purchase one Common Share (a "**February 2024 Finder's Share**") at an exercise price of $0.75 per February 2024 Finder's Share for a period of 24 months from the closing of the February 2024 Private Placement.

On March 7, 2024, the Company filed the AIF and the La Cigarra Technical Report on SEDAR+.

CONSOLIDATED CAPITALIZATION

There have not been any material changes in the share capital of the Company, on a consolidated basis, since the date of the Q3 2023 Financial Statements, which have not been disclosed in this Prospectus Supplement or the documents incorporated by reference.

The following table sets forth the consolidated capitalization of the Company as at the date of the Q3 2023 Financial Statements and as at such date, on an adjusted basis, after giving effect to the issuance of the Units in connection with the Offering as well as the issuance of other securities subsequent to September 30, 2023. The table should be read in conjunction with the Q3 2023 Financial Statements, including the notes thereto and the related management's discussion and analysis.

	As at September 30, 2023 (unaudited)	**As at September 30, 2023, after giving effect to the Offering (1)(2) (unaudited)**	**As at September 30, 2023, after giving effect to the Offering and the full exercise of the Over-Allotment Option(1)(2) (unaudited)**
Current Liabilities	$270,228	$270,228	$270,228
Long Term Liabilities	$Nil	$Nil	$Nil
Common Shares	45,767,030(3)	58,763,526(3)(4)	59,968,883(1)(4)
Convertible securities	18,419,080 warrants(5)	21,079,625 warrants(5)	21,754,624 warrants(5)
	2,868,000 stock options	2,868,000 stock options	2,868,000 stock options

Notes:

(1) Also includes exercise of outstanding securities to date.

(2) Assuming issuance of the Units and the Broker Warrants, but no exercise of the Warrants or Broker Warrants or any other outstanding convertible securities. See "Plan of Distribution".

(3) Disclosed on a post-Consolidation basis.

(4) Reflects issuances of securities issued subsequent to November 30, 2023 and unrelated to the Offering. See "Prior Sales – Common Shares"

(5) Reflects warrants, compensation options, and broker warrants.

USE OF PROCEEDS

After deducting the Agents' fee of $540,000 (or $621,000 if the Over-Allotment Option is exercised in full) (assuming that no sales are made to purchasers on the President's List) and expenses of the Offering estimated to be $225,000, the net proceeds to the Company from the Offering are estimated to be $8,235,000 (or $9,504,000 if the Over-Allotment Option is exercised in full). See "Plan of Distribution".

The net proceeds from the Offering (assuming no exercise of the Over-Allotment Option) are expected to be used by the Company as set out in the table below. Any net proceeds realized on exercise of the Over-Allotment Option are expected to be applied to unallocated general working capital.

Use of Proceeds	Approximate Amount
Finalize targeting work for Phase One 20,000 meter drill campaign on Columba Silver Project	$6,000,000
Survey and Geophysical on Columba Silver Project	$150,000
Payment of scheduled concession and holding costs on Columba Silver Project	$450,000
General and administrative expenses(1)	$1,635,000
Total	$8,235,000

(1) Consists of office and miscellaneous ($210,000), marketing and travel expenses ($375,000), consulting fees ($595,000), transfer agent and filing fees ($130,000), and professional fees ($325,000).

The Company currently intends to spend the net proceeds of the Offering as stated in this Prospectus Supplement. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under "Risk Factors".

Until applied, the net proceeds will be held as cash balances in the Company's bank account or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof. Unallocated funds from the Offering (including any proceeds from the exercise of the Over-Allotment Option) will be added to the working capital of the Company, andwill be expended at the discretion of management.

The Company generates no operating revenue from the exploration activities on its property interests and has negative cash flow from operating activities. To the extent that the Company has negative cash flows in future periods in excess of the net proceeds of the Offering, it may need to conduct additional financings See "Risk Factors".

Business Objectives

The Company is focused on the advancement of the Columba Silver Project. The net proceeds of the Offering will be used to accelerate the Company's advancement of the Columba Silver Project, project holding costs of all properties, and general corporate and administrative purposes.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

Each Unit is comprised of one Unit Share (being a Common Share forming a part of each Unit) and one Warrant. The Units will separate into Unit Shares and Warrants immediately upon issue.

Unit Shares

The Company's authorized capital consists of an unlimited number of Common Shares without par value. The Company has no other classes of voting securities. As of the date hereof, the Company has 50,727,812 Common Shares issued and outstanding. As of the Closing Date of the Offering, and assuming no further Common Shares are issued upon the exercise of outstanding warrants or options, the Company will have 58,763,526 Common Shares issued and outstanding or, if the Over-Allotment Option is exercised in full, 59,968,883 Common Shares issued and outstanding. See "Consolidated Capitalization".

All of the authorized Common Shares are of the same class and, once issued, rank equally as to dividends, voting powers, and participation in assets. Shareholders are entitled to receive notice of meetings of shareholders and to attend and vote at those meetings. Shareholders are entitled to one vote for each Common Share held of record on all matters to be acted upon by the shareholders. Shareholders are entitled to receive such dividends as may be declared from time to time by the board of directors of the Company, in its discretion, out of funds legally available therefore.

Upon liquidation, dissolution or winding up of the Company, shareholders are entitled to receive *pro rata* the assets of the Company, if any, remaining after payments of all debts and liabilities. No Common Shares have been issued subject to call or assessment. There are no pre-emptive, conversion or exchange rights and no provisions for redemption, retraction, purchase for cancellation, surrender, or sinking or purchase funds. There are no provisions restricting the issuance of additional Common Shares or requiring a shareholder to contribute additional capital.

Provisions as to the modification, amendment or variation of such shareholder rights or provisions are contained in the *Business Corporations Act* (British Columbia).

As of the date of this Prospectus Supplement, the Company has not declared dividends and has no current intention to declare dividends on its Common Shares in the foreseeable future. Any decision to pay dividends on its Common Shares in the future will be at the discretion of the Company's board of directors and will depend on, among other things, the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, any future contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the board of directors may deem relevant.

Warrants

The Warrants will be governed by the terms of the Warrant Indenture to be entered into on or before the Closing Date between the Company and Computershare Trust Company of Canada as Warrant Agent. Under the Warrant Indenture, each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture, one Warrant Share at an exercise price of $1.68 per Warrant Share at any time prior to 4:30 p.m. (Toronto time) on the Expiry Date, which is the date that is 24 months following the Closing Date, after which time the Warrants shall be void and ofno value or effect. The Warrants will not be listed on the TSXV or any other stock exchange or marketplace.

The following summary of certain anticipated provisions of the Warrant Indenture does not purport to be complete and is subject in its entirety to the detailed provisions of the executed Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Warrants which, following the closing of the Offering, (i) will be filed on SEDAR+ under the issuer profile of Kootenay Silver Inc. at www.sedarplus.ca, or (ii) may be obtained on request without charge from the Corporate Secretary of Kootenay Silver Inc. at Suite 1125, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Telephone (604) 604-5650). A register of holders of Warrants will be maintained at the principal offices of the Warrant Agent in Vancouver, British Columbia.

The Warrant Indenture will provide, in the event of certain alterations of the Common Shares, that the number of Common Shares which may be acquired by a holder of Warrants upon the exercise thereof, and the exercise price, will be subject to standard anti-dilution provisions governed by the Warrant Indenture, including provisions for the appropriate adjustment of the class, number and price of the securities issuable under the Warrant Indenture upon the occurrence of certain events including but not limited to any subdivision, consolidation, or reclassification of the shares, payment of dividends outside of the ordinary course, or amalgamation/merger of the Company.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrant Shares except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or preemptive rights or any other rights of a holder of Common Shares.

The Company will also covenant in the Warrant Indenture, during the period in which the Warrants are exercisable, to give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least two days prior to the record date or effective date, as the case may be, of such event.

The Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable securities laws of any state of the United States is available and the Company has received an opinion of legal counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company. Notwithstanding the foregoing, a holder who is a Qualified Institutional Buyer and an "accredited investor" ("**U.S. Accredited Investor**") within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act at the time of exercise of the Warrants who purchased Units in the Offering for its own account or for the account or benefit of, persons in the United States or U.S. Persons that are also Qualified Institutional Buyers and Accredited Investors will not be required to deliver an opinion of legal counsel or such other evidence in connection with the exercise of Warrants that are a part of those Units, provided that the holder is able to confirm that the representations and warranties made by the holder at the time of purchase of the Units continue to be true at the time of exercise of the Warrants.

The Warrant Indenture will provide that, from time to time, the Warrant Agent and the Company, without the consent of the holders of Warrants, may be able to amend or supplement the Warrant Indenture for certain purposes, including rectifying any ambiguities, defective provisions, clerical omissions or mistakes, or other errors contained in the Warrant Indenture or in any deed or indenture supplemental or ancillary to the Warrant Indenture, provided that, in the opinion of the Warrant Agent, relying on counsel, the rights of the holders of Warrants are not prejudiced, as a group.

The Warrant Indenture will also contain provisions making binding upon the holders of Warrants all resolutions passed at meetings of such holders in accordance with such provisions or by instruments in writing signed by holders of Warrants holding a specified percentage of the Warrants. Any amendment or supplement to the Warrant Indenture that is prejudicial to the interests of the holders of Warrants, as a group, will be subject to approval by an "Extraordinary Resolution", which will be defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66 ⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting in person or by proxy and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66 ⅔% of the number of all of the then outstanding Warrants.

The Warrant Indenture also provides that a holder of Warrants may not exercise warrants to acquire Common Shares that would result in such holder holding 20% or more of the issued and outstanding Common Shares without prior approval of the TSXV and the consent of the Company.

The principal transfer office of the Warrant Agent in Vancouver, British Columbia is the location at which Warrants may be surrendered for exercise or transfer.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company has appointed the Agents and the Agents have agreed to act as agents to offer for sale on a "best efforts" basis the Units at the Offering Price, for an aggregate gross amount of up to $9,000,000 (not including the Over-Allotment Option), payable in cash to the Company against delivery of the Units, subject to the terms and conditions of the Agency Agreement.

The obligations of the Agents under the Agency Agreement may be terminated at their discretion on the basis of "material change out", "disaster and regulatory out", and "breach out" provisions in the Agency Agreement and may also be terminated upon the occurrence of certain stated events. While the Agents has agreed to use its commercially reasonable efforts to sell the Units, the Agents are not obligated to purchase Units which are not sold.

In consideration of the services to be rendered by the Agents in connection with the Offering, the Company has agreed to pay the Agents a cash fee equal to 6% of the gross proceeds of the Offering, being the Agents' Fee, including in respect of any gross proceeds raised on the exercise of the Over-Allotment Option, subject to a reduced fee equal to 3% for Units sold to purchasers on the President's List. The Agents will also receive, as additional compensation, non-transferable Broker Warrants to purchase that number of Broker Warrant Shares as is equal to 6% of the aggregate number of Units issued by the Company under the Offering (including pursuant to the exercise of the Over-Allotment Option), subject to a reduced number of Broker Warrants equal to 6% for Units sold to purchasers on the President's List. Each Broker Warrant will entitle the holder thereof to acquire one Broker Warrant Share at a price of $1.12 per Broker Warrant Share for a period of 24 months from the Closing Date.

If the Over-Allotment Option is exercised in full, the total price to the public, the Agents' Fee and the net proceeds to the Company (before payment of the expenses of the Offering estimated to be $225,000 and assuming no President's List sales) will be approximately $10,350,000, $621,000 and $9,729,000, respectively.

This Prospectus Supplement and the Shelf Prospectus qualify the distribution of the Unit Shares, Warrants, Warrant Shares, Over-Allotment Units, Over-Allotment Shares, Over-Allotment Warrants (and any Common Shares issued upon exercise thereof), Broker Warrants, and Broker Warrant Shares.

The Offering Price and other terms of the Offering were determined by arm's length negotiation between the Company and the Lead Agent, with reference to the prevailing market price of the Common Shares.

The Agency Agreement also provides that the Company will reimburse the Agents for certain expenses incurred in connection with the Offering and will indemnify the Agents, its respective affiliates and subsidiaries and their directors, officers, employees, shareholders, partners, agents and advisors against certain liabilities and expenses and will contribute to payments that the Agents may be required to make in respect thereof.

The Offering is being made in the each of the provinces of Canada, except for Québec. The Units will be offered in each of such provinces through the Agents or its respective affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Lead Agent. Subject to applicable law, the Agents may offer the Units in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Lead Agent.

The Company has applied to list the Unit Shares and the Warrant Shares, as well as the Broker Warrant Shares which may be issued upon exercise of the Broker Warrants to be issued pursuant to the Offering on the TSXV. Conditional approval for listing of such securities on the TSXV is a condition of closing of the Offering. Listing is subject to the Company fulfilling all of the requirements of the TSXV. The TSXV has conditionally approved the listing of these securities.

The Agents may offer selling group participation to other registered dealers that are satisfactory to the Company, acting reasonably, with compensation to be negotiated between the Lead Agent and such selling group participants, but at no additional cost to the Company.

Pursuant to the Agency Agreement, the Company has agreed not to offer, nor to announce the offering of, nor to make any agreement to issue any equity or debt securities or securities convertible or exercisable into equity or debt securities of the Company for a period commencing on the date hereof and ending 90 days from the Closing Date without the prior written consent of the Lead Agent, such consent not to be unreasonably withheld or delayed, other than in conjunction with: (i) the grant or exercise of stock options or other similar securities to directors, officers and employees of the Company pursuant to the Company's stock option plan or other similar incentive plan, (ii) outstanding warrants or options, (iii) obligations in respect of existing mineral property agreements, and (iv) the issuance of securities in connection with property or share acquisitions in the normal course of business.

Pursuant to the Agency Agreement, the Company has also agreed for the benefit of the Agents that it will use its best efforts to cause each of its directors and officers to enter into lock-up agreements in a form satisfactory to the Company and the Agents, in both cases acting reasonably, to be executed concurrently with the closing of the Offering, pursuant to which each such person agrees, among other things, to not, for a period of 90 days from the Closing Date, directly or indirectly, dispose of, or transfer, or announce any intention to do so, any Common Shares, whether now owned (or hereinafter acquired) directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Company, subject to the exceptions negotiated by the Company and the Lead Agent.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Agents may not, at any time during the period ending on the date the selling process for the Units ends, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Canadian Investment Regulatory Organization relating to market stabilization and passive market making activities; (ii) a bid or purchase made for or on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Agents during the period of distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of the prescribed restricted period. Consistent with these requirements, and in connection with the Offering, the Agents may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Agents at any time. The Agents may carry out these transactions on the TSXV, in the over-the- counter market or otherwise.

The Agents conditionally offers the Units on a best efforts agency basis, subject to prior sale, if, as and when issued by the Company in accordance with the terms and conditions contained in the Agency Agreement, and subject to the approval of certain legal matters on behalf of the Company by Maxis Law Corporation and on behalf of the Agents by Peterson McVicar LLP.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will occur on or about April 25, 2024, or on such other date as may be permitted under applicable securities laws and as agreed upon by the Company and the Lead Agent. It is expected that the Units distributed under this Prospectus Supplement and accompanying Shelf Prospectus will be issued and delivered under the book-based system through CDS or its nominee and be deposited in electronic form with CDS on the Closing Date. Purchasers, including Qualified Institutional Buyers in the United States purchasing for their own account or for the account or benefit of a person in the United States or a U.S. Person, will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Units are purchased. Units, if any, acquired by such Qualified Institutional Buyers in the United States may not be deposited into the facilities of the Depositary Trust Company, or a successor depository within the United States, or be registered or arranged to be registered, with Cede & Co. or any successor thereto. No definitive certificates will be issued unless specifically requested or required.

Offering in the United States

The Units, the Unit Shares and Warrants comprising the Units offered hereby, and the Warrant Shares issuable upon exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. Person, unless registered under the U.S. Securities Act and any applicable securities laws of any state of the United States or an exemption from such registration requirements is available.

The Agents has agreed that, except as permitted by the Agency Agreement and as expressly permitted by applicable U.S. federal securities laws and the applicable securities laws of any state of the United States, it (or its respective U.S. registered broker-dealer affiliate (the "**U.S. Affiliate**") which conducts U.S. offers and sales) will not offer or sell the Units at any time to into the United States, or to, or for the account or benefit of, any U.S. Person as part of its distribution. The Agency Agreement permits the Agents acting through its U.S. Affiliate to offer the Units pursuant to the Agency Agreement in the United States and to, or for the account or benefit of, U.S. Persons, that are Qualified Institutional Buyers and are also U.S. Accredited Investors in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act and pursuant to similar exemptions under any applicable securities laws of any state of the United States. Moreover, the Agency Agreement provides that the Agents will offer and sell the Units outside the United States to, and for the account or benefit of, non-U.S. Persons only in accordance with Rule 903 of Regulation S. The Units, and the Unit Shares and Warrants comprising the Units, that are offered or sold in the United States and to, or for the account or benefit of, a U.S. Person, and any Warrant Shares issued upon the exercise of such Warrants, will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and will be subject to restrictions to the effect that such securities have not been registered under the U.S. Securities Act or the securities laws of any state of the United States and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and the applicable securities laws of any state of the United States.

This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Units offered under the Offering in the United States or to, or for the account or benefit of, a U.S. Person. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the U.S. Securities Act and similar exemptions under applicable securities laws of any state of the United States.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") generally applicable to a holder of Unit Shares and Warrants acquired pursuant to this Offering, and Warrant Shares acquired on the exercise of such Warrants (the Unit Shares and Warrant Shares referred to herein as Common Shares). This summary only applies to a holder that, for the purposes of the Tax Act and at all relevant times: (i) acquires and holds such Common Shares and Warrants as capital property, and (ii) is not affiliated with and deals at arm's length with the Company, the Agents and any subsequent purchasers of Common Shares and Warrants held by them (a "**Holder**"). A Common Share or Warrant generally will be capital property to a holder unless it is held in the course of carrying on a business of trading in or dealing in securities, or it has been acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder: (i) that is a "financial institution" as defined for purposes of the mark-to-market rules in the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) that is a corporation that is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Common Share and/or Warrant, controlled by a non-resident person, or a group of non-resident persons not dealing with each other at arm's length, for the purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act, (iv) to which the "functional currency" reporting rules in section 261 of the Tax Act apply, (v) that has entered into or will enter into a "synthetic disposition arrangement" or "derivative forward arrangement", as such terms are defined in the Tax Act, with respect to the Common Shares or Warrants, (vi) an interest in which is a "tax shelter investment" for purposes of the Tax Act, or (vii) that receives dividends on the Common Shares under or as part of a "dividend rental arrangement", as defined in the Tax Act. Such Holders should consult their own tax advisors. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Common Shares and Warrants.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) ("**Tax Proposals**") before the date of this Prospectus Supplement, and the current administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"), published in writing by it before the date of this Prospectus Supplement. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. If Tax Proposals are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described below in all cases. Except as mentioned above, this summary does not take into account or anticipate any changes in law, whether by legislative, administrative or judicial decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any Holder are made. Accordingly, Holders should consult their own tax advisors about the specific tax consequences to them of acquiring, holding and disposing of a Common Share or Warrant.

Allocation of Cost

Holders will be required to allocate on a reasonable basis their cost of each Unit between the Unit Share and the Warrant in order to determine their respective adjusted cost bases for purposes of the Tax Act. For its purposes, the Company intends to allocate $1.11 to each Unit Share and $0.01 to each Warrant. Although the Company believes that its allocation is reasonable, it is not binding on the CRA or a Holder.

The adjusted cost base to a Holder of each Unit Share comprising a part of a Unit acquired pursuant to this Offering will be determined by averaging the cost of such Unit Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base (determined immediately before the acquisition of the Warrant Share) to the Holder of all Common Shares (if any) held by the Holder as capital property immediately prior to such acquisition.

Expiry of Warrants

The expiry of an unexercised Warrant will result in a capital loss to a Holder equal to the Holder's adjusted cost base of such Warrant immediately before its expiry.

Residents of Canada

The following portion of the summary is generally applicable to a Holder that, at all relevant times for purposes of the Tax Act, is or is deemed to be a resident of Canada (a "**Resident Holder**").

Resident Holders that might not otherwise be considered to hold their Common Shares as capital property may, in certain circumstances, be entitled to have their Common Shares and all other "Canadian securities" (as defined in the Tax Act) owned in the taxation year of the election and all subsequent taxation years deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Resident Holders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances. This election is not available for the Warrants.

Receipt of Dividends on Common Shares

Dividends received or deemed to be received on Common Shares by a Resident Holder that is an individual (other than certain trusts) will be included in computing the individual's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received by an individual from a taxable Canadian corporation. Taxable dividends received or deemed to be received by such individual which are designated by the Company as "eligible dividends" in accordance with the Tax Act will be subject to enhanced gross-up and dividend tax credit rules under the Tax Act.

Taxable dividends received by an individual (including certain trusts) may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Tax Proposals to implement the 2023 Federal Budget will amend the alternative minimum tax for taxation years that begin after 2023 including by increasing the tax rate, raising the exemption and broadening the base (including with respect to capital gains).

Dividends received or deemed to be received on Common Shares by a Resident Holder that is a corporation will be included in computing its income and generally will be deductible in computing its taxable income for that taxation year. In certain circumstances, taxable dividends received by a Resident Holder that is a corporation may be treated as proceeds of disposition or a capital gain pursuant to the rules in subsection 55(2) of the Tax Act. Resident Holders that are corporations should consult their own tax advisors with respect to the application of subsection 55(2) of the Tax Act having regard to their particular circumstances.

In addition, a Resident Holder that is a "private corporation" or a "subject corporation" for purposes of the Tax Act will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received to the extent such dividends are deductible in computing such Resident Holder's taxable income.

Disposition of a Common Share or a Warrant

On a disposition or a deemed disposition of a Common Share (other than to the Company, unless purchased by the Company on the open market in the manner in which shares are normally purchased by any member of the public in the open market) or Warrant, a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Common Share or Warrant exceed (or are exceeded by) the aggregate of the Resident Holder's adjusted cost base thereof and any reasonable costs of disposition. The adjusted cost base to a Holder of Common Shares and Warrant is described under the headings "*Allocation of Cost*" and "*Exercise of Warrants*". The tax treatment of any such capital gain (or capital loss) and the capital loss on the expiry of unexercised Warrants is described under the headings "*Treatment of Capital Gains and Capital Losses*" and "*Expiry of Warrants*"

Treatment of Capital Gains and Capital Losses

Generally, one-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year must be included in computing the Resident Holder's income in that year, and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on the Common Share (or on a share for which such Common Share has been substituted) to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly, or indirectly through a partnership or a trust. Resident Holders to which these rules may be relevant should consult their own tax advisors.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) or a "substantive CCPC" (as defined in the Tax Proposals) may be liable for an additional refundable tax on its "aggregate investment income", which is defined in the Tax Act to include amounts in respect of (i) dividends or deemed dividends that are not deductible in computing the Resident Holder's taxable income, and (ii) taxable capital gains.

Capital gains realized by an individual (including certain trusts) may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

Holders Not Resident in Canada

The following portion of the summary is generally applicable to a Holder that, at all relevant times for purposes of the Tax Act, is (i) neither a resident nor deemed to be a resident of Canada (including as a consequence of an applicable income tax treaty or convention) and (ii) does not use or hold, and is not deemed to use or hold Common Shares or Warrants in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on a business in Canada and elsewhere or to an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Receipt of Dividends on Common Shares

Dividends on Common Shares paid or credited, or deemed to be paid or credited to a Non-Resident Holder will be subject to a non-resident withholding tax under the Tax Act at a rate of 25% of the gross amount of the dividends, subject to reduction under the provisions of an applicable income tax treaty or convention. For example, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the Canada-U.S. Income Tax Convention (1980), as amended, and is the beneficial owner of the dividend (a "**U.S. Holder**"), the applicable rate of Canadian withholding tax is generally reduced to 15% of the amount of such dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company's voting shares). Non-Resident Holders should consult their own tax advisors in this regard.

Disposition of a Common Share or a Warrant

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition of Common Shares or Warrants, nor will any capital loss arising therefrom be recognized under the Tax Act, unless the Common Shares or Warrants disposed of constitute "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Generally, a Common Share or Warrant will not be "taxable Canadian property" (within the meaning of the Tax Act) of a Non-Resident Holder at a particular time provided that the Common Shares are listed on a "designated stock exchange" (which currently includes Tiers 1 and 2 of the TSXV) unless, at any time during the 60-month period preceding the particular time, (a) the Common Share derived more than 50% of its fair market value directly or indirectly from one or any combination of: (i) real or immovable properties situated in Canada, (ii) Canadian resource properties, (iii) timber resource properties (as such terms are defined in the Tax Act), and (iv) options in respect of, or interests in, or for civil law rights in, property described in (i) to (iii), whether or not the property exists; and (b) at such time, 25% or more of the issued shares of any class or series of the Company's shares were owned by one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at "arm's length" (within the meaning of the Tax Act), and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships. Notwithstanding the foregoing, the Common Shares and Warrants may also be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain circumstances.

In cases where a Non-Resident Holder disposes, or is deemed to dispose, of a Common Share or Warrant that is taxable Canadian property of that Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention, the consequences under the headings "*Residents of Canada – Disposition of a Common Share or a Warrant*" and "*Residents of Canada – Treatment of Capital Gains and Capital Losses*" will generally be applicable to such disposition. Non-Resident Holders for which the Common Shares or Warrants may constitute "taxable Canadian property" should consult their own tax advisors for advice having regard to their particular circumstances.

NON-CANADIAN INVESTORS ARE ADVISED TO CONSULT WITH THEIR OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF UNITS, UNIT SHARES, WARRANTS AND WARRANT SHARES INCLUDING CANADIAN, DOMESTIC, TREATY AND OTHER TAX CONSEQUENCES OF SUCH ACQUISITION, OWNERSHIP AND DISPOSITION AND OF POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

ELIGIBILITY FOR INVESTMENT

In the opinion of Maxis Law Corporation, counsel to the Company, and Peterson McVicar LLP, counsel to the Agents, provided that the Common Shares are listed on a designated stock exchange under the Tax Act (which currently includes Tiers 1 and 2 of the TSXV) or the Company otherwise qualifies as a "public corporation" (as defined in the Tax Act), if issued on the date hereof, the Common Shares would be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (an "**RRSP**"), registered retirement income fund (an "**RRIF**"), registered education savings plan (an "**RESP**"), registered disability savings plan (an "**RDSP**"), tax-free savings account (a "**TFSA**"), a deferred profit sharing plan (a "**DPSP**") or a first home savings account (a "**FHSA**").

The Warrants, if issued on the date hereof, would be qualified investments under the Tax Act for a trust governed by a RRSP, RRIF, RESP, RDSP, FHSA or TFSA (each a "**Registered Plan**") or DPSP provided that the Common Shares are listed on a designated stock exchange under the Tax Act and neither the Company, nor any person with whom the Company does not deal at arm's length for purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of that particular Registered Plan or DPSP.

Notwithstanding the foregoing, if the Common Shares or Warrants are a "prohibited investment" (as defined in the Tax Act) for a particular Registered Plan, the annuitant of an RRSP or RRIF, holder of a TFSA, FHSA or RDSP or subscriber of a RESP (each such person referred to as a "**Plan Subscriber**"), as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Common Shares and Warrants will generally not be a "prohibited investment" for a Registered Plan provided that the Plan Subscriber deals at arm's length with the Company for purposes of the Tax Act and does not have a "significant interest" (within the meaning of the Tax Act for purposes of the prohibited investment rules) in the Company. In addition, the Common Shares will generally not be a prohibited investment if such securities are "excluded property" as defined in the Tax Act for purposes of the prohibited investment rules. Plan Subscribers should consult with their own tax advisors as to whether the Common Shares and Warrants will be a prohibited investment for such Registered Plans in their particular circumstances.

Persons who intend to hold the Common Shares or Warrants in a trust governed by a Registered Plan or DPSP should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

PRIOR SALES

The Company has not issued any Common Shares (or securities convertible into Common Shares) for the 12 months prior to the date of this Prospectus Supplement except for:

Date	Number(6)	Type of Security	Issue / Exercise Price ($) per share(6)	Type of Issuance
May 24, 2023	3,772,500	Common Shares	1.00(1)	Private Placement
May 24, 2023	3,772,500	May 2023 Warrants	1.40(1)	Private Placement
May 24, 2023	194,340	Broker Warrants	1.00(1)(2)	Private Placement agent's compensation
May 24, 2023	2,010	May 2023 Finder's Warrants	1.00(1)(3)	Private Placement finder's compensation
February 22, 2024	4,960,782	Common Shares	0.75(4)	Private Placement
February 22, 2024	2,480,391	Warrants	1.10(4)	Private Placement
February 22, 2024	77,004	February 2024 Compensation Warrants	0.75(4)(5)	Private Placement finder's compensation
February 22, 2024	61,102	February 2024 Finder's Warrants	0.75(4)(5)	Private Placement finder's compensation
March 7, 2024	1,310,000	Options	0.90	Executive compensation grant
March 7, 2024	500,000	Restricted Share Units	0.90	Executive compensation grant
March 7, 2024	405,000	Deferred Share Units	0.90	Executive compensation grant

Notes:

(1) See "Kootenay Silver Inc. – Recent Developments" for more details.
(2) Issued as partial compensation to May 2023 PP Agents.
(3) Issued as partial compensation to finders in May 2023 Private Placement.
(4) See "Kootenay Silver Inc. – Recent Developments" for more details.
(5) Issued as partial compensation to finders in February 2024 Private Placement.
(6) Disclosed on a post-Consolidation basis.

TRADING PRICE AND VOLUME

The Common Shares are currently listed on the TSXV under the trading symbol "KTN". The following table sets forth, for the periods indicated, the reported high and low daily trading prices and the aggregate volume of trading of our Common Shares on the TSXV:

Month	Low ($)	High ($)	Total Monthly Volume
December 2022	$0.11	$0.19	12,903,337
January 2023	$0.13	$0.18	4,875,124
February 2023	$0.11	$0.14	3,755,212

Month	Low ($)	High ($)	Total Monthly Volume
March 2023	$0.095	$0.13	16,437,326
April 2023	$0.105	$0.14	12,842,690
May 2023	$0.085	$0.115	9,170,519
June 2023	$0.065	$0.095	8,200,823
July 2023	$0.07	$0.085	4,381,084
August 2023	$0.07	$0.085	2,732,884
September 2023	$0.07	$0.10	5,284,970
October 2023	$0.06	$0.10	13,681,934
November 2023(1)	$0.075(1)	$1.25(1)	4,334,065
December 2023	$1.00	$1.35	1,282,721
January 2024	$0.65	$1.24	2,131,465
February 2024	$0.69	$0.83	1,340,071
March 2024	$0.71	$1.10	1,365,371
April 1, 2024 to April 16, 2024	$1.08	$1.40	2,576,468

Notes:

(1) On November 14, 2023, the Company completed the Consolidation of its outstanding Common Shares on the basis of one post-Consolidation Common Share for every ten pre-Consolidation Common Shares.

On April 16, 2024, the last full trading day before the date of this Prospectus Supplement, the closing price per Common Share on the TSXV was $1.33.

RISK FACTORS

An investment in the Units is speculative and subject to risks and uncertainties. The risks and uncertainties described or incorporated by reference in this Prospectus Supplement are not the only ones the Company may face. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also become important factors that affect the Company and impair the Company's business, prospects, financial position, financial condition and operating results.

Prospective investors should carefully consider all information contained in this Prospectus Supplement, including the Shelf Prospectus and all documents incorporated by reference herein and therein, and in particular should give special consideration to the risk factors set out below and under the section titled "Risk Factors" in the Shelf Prospectus, and under the section titled "Risk Factors" and in the annual information form of the Company, which are incorporated by reference in this Prospectus and which may be accessed on the Company's SEDAR+ profile at www.sedarplus.ca, and the information contained in the section entitled "Cautionary Statement on Forward-Looking Information".

Risks Related to this Offering

The market price of the Common Shares may be volatile after this Offering, and you could lose a significant part of your investment

The market price of the Common Shares has in the past been, and may in the future be, subject to large fluctuations which may result in losses for investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, some of which are or may be beyond the Company's control, including among others:

- the Company's operating performance and the performance of competitors and other similar entities;

- the public's reaction to the Company's press releases, other public announcements and filings with the various securities regulatory authorities;
- additions and departures of key personnel;
- acquisitions, strategic alliances or joint ventures involving the Company or its competitors;
- announcement or expectation of additional financing efforts;
- changes in accounting principles;
- changes in the general market, economic or political conditions;
- the number of Units sold on any one day or in the aggregate pursuant to this Offering;
- future sales of the Common Shares or securities convertible into Common Shares;
- the operating and share price performance of other entities that investors may deem comparable; and
- investor perceptions of the Company and the industry in which the Company operates.

In addition, stock markets, in general, have experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of particular companies affected. These broad market and industry factors may materially harm the market price of the Common Shares, regardless of the Company's operating performance.

Return on investment risk

There is no guarantee that an investment in the Units will earn any positive return in the short or long term. No dividends on the Common Shares have been paid to date. A purchase of Units under the Offering involves a high degree of risk and should be undertaken only by investors whose financial resources, portfolio objectives and appetite for risk are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment.

Negative Operating Cash Flow

The Company is an exploration stage company and as a result has not generated cash flow from operations. The Company is devoting significant resources to the development of its assets, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it achieves commercial production at a particular project.

No Certainty Regarding the Proceeds to the Company

There is no certainty that the maximum gross proceeds of $9,000,000 (not including the Over-Allotment Option), or any amount, will be raised under the Offering. The Agents have agreed to use their commercially reasonable efforts to sell, on the Company's behalf, the Units designated by the Company, but the Company is not required to request the sale of the maximum amount offered or any amount and, if the Company requests a sale, the Agents are not obligated to purchase any Units that are not sold. As a result of the Offering being made on a commercially reasonable efforts basis with no minimum, and only as requested by the Company, the Company may raise substantially less than the maximum total offering amount or nothing at all.

Additional Issuances and Dilution

The Company may issue and sell additional securities of the Company from time to time. The Company cannot predict the size of future issuances of securities of the Company or the effect, if any, that future issuances and sales of securities will have on the market price of any securities of the Company that are issued and outstanding from time to time. Sales or issuances of substantial amounts of securities of the Company, or the perception that such sales could occur, may adversely affect prevailing market prices for the securities of the Company that are issued and outstanding from time to time. With any additional sale or issuance of securities of the Company, holders will suffer dilution with respect to voting power and may experience dilution in the Company's earnings per share. Moreover, this Prospectus may create a perceived risk of dilution resulting in downward pressure on the price of the Company's issued and outstanding common shares, which could contribute to progressive declines in the prices of such securities.

Discretion in the Use of Proceeds

Management will have broad discretion concerning the use of the net proceeds from the Offering, as well as the timing of their expenditures. Depending on various factors, the intended use of net proceeds from the Offering may change. As a result, an investor will be relying on the judgment of management for the application of the net proceeds from the Offering. Management may use the net proceeds from the Offering in ways that an investor may not consider desirable if they believe it would be in the best interests of the Company to do so and could spend the proceeds in ways that do not improve the Company's results of operations or enhance the value of the Common Shares. The results and the effectiveness of the application of proceeds from the Offering are uncertain. If the proceeds are not applied effectively, the Company's business, financial condition, results of operations or prospects may suffer. Pending their use, the Company may invest the net proceeds from the Offering in a manner that does not produce income or that loses value.

Share Price Volatility

Capital and securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Kootenay include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries or asset classes. There can be no assurance that continued fluctuations in mineral or commodity prices will not occur. As a result of any of these factors, the market price of the Common Shares any given time may not accurately reflect the long-term value of Kootenay.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against them. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of Kootenay.

Market Price Depression

Sales of a substantial number of Common Shares or other equity-related securities in the public markets by the Company or its significant shareholders could depress the market price of the Common Shares and impair the Company's ability to raise capital through the sale of additional equity securities. The Company cannot predict the effect that future sales of Common Shares or other equity-related securities would have on the market price of the Common Shares. The price of the Common Shares could be affected by possible sales of the Common Shares by hedging or arbitrage trading activity. If the Company raises additional funding by issuing additional equity securities, such financing may substantially dilute the interests of shareholders of the Company and reduce the value of their investment.

Dilution Risk

The Company may issue additional securities in the future, which may dilute a shareholder's holdings in the Company. The Company's notice of articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of further issuances. Moreover, additional Common Shares may be issued by the Company on the exercise of options under the Company's stock option plan and upon the exercise of outstanding warrants.

Loss of Entire Investment

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Active Liquid Market for Common Shares

There may not be an active, liquid market for the Common Shares. There is no guarantee that an active trading market for the Common Shares will be maintained on the TSXV. Investors may not be able to sell their Common Shares quickly or at the latest market price if trading in the Common Shares is not active.

Warrants will not be listed for trading

There is no market in which the Warrants may be sold, and purchasers may not be able to resell the Warrants that are purchased under this Prospectus. The Warrants will not be listed on a stock exchange. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.

Speculative Nature of Warrants

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Common Shares and pay an exercise price of $1.68 per Warrant Share, subject to certain adjustments, prior to 24 months following the Closing Date, after which date any unexercised Warrants will expire and have no further value. Moreover, following this Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There is no current market through which the Warrants may be sold and purchasers of Units may not be able to resell the Warrants purchased under this Prospectus Supplement. The Warrants will not be listed on the TSXV or any other stock exchange or marketplace. There can be no assurance that the market price of the Common Shares (including the Warrant Shares) will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

The Company May Not Realize Its Strategy

As part of its strategy, the Company will continue existing efforts to locate and develop exploration properties with the goal of developing producing mines. A number of risks and uncertainties are associated with such properties and the Company may not realize the benefits anticipated. The acquisition and development of new mining properties is subject to uncertainties relating to capital and other costs and is subject to numerous risks, including financing, political, regulatory, design, construction, labor, operating, technical and technological risks. The failure to develop one or more of these properties successfully could have an adverse effect on the Company's financial position and results of operations.

Amendments to Mexican Mining Laws

On May 8, 2023, the Mexican Government published in the Mexican Federal Gazette amendments to existing statutes related to Mexican mining laws and related laws impacting the Mexican mining industry (the "**Amendments**"). The Amendments impact various existing laws, including but not limited to: (i) reductions in the duration of mining concession titles, (ii) revisions to the process to obtain new mining concessions (through a public tender), (iii) imposing additional social and environmental requirements to obtain and keep mining concessions, (iv) requiring the authorization by the Ministry of Economy for the transfer of any mining concession, (v) imposing additional penalties including cancellation of mining concessions due to non-compliance with applicable laws, (vi) dismissing all outstanding applications for new concessions, and (vii) requiring new financial instruments or collateral to guarantee the preventive, mitigation and compensation plans resulting from the social impact assessments, among other amendments.

The Amendments as currently drafted will impose tighter regulation on the mining industry in Mexico. The Company is compliant with all statutory and regulatory requirements, however the full extent of the impact of the Amendments is difficult to predict. Efforts to mitigate potential risks are underway by means of legal challenges, injunctions, and other means. For example: the Company's subsidiary Grupo Northair de México S.A. de C.V. previously filed an Amparo trial against the Amendments with the purpose to: (i) protect the acquired rights to a company having a corporate purpose related to the mining industry has; (ii) protect and preserve all rights over its mining concessions, which were acquired before the enactment of the Amendments; and (iii) prevent that new obligations contained in the Amendments are imposed over such mining concessions. The Amparo trial is still in the process to be resolved by the corresponding Federal Court. However, several mining companies to date have been successful in obtaining injunctions which protect their rights to work and continue exploration, development, and mining activities subject to the provisions of prior regulation and constraints.

LEGAL MATTERS

Certain legal matters relating to the Offering will be passed upon on behalf of the Company by Maxis Law Corporation, Canadian counsel to the Company, and on behalf of the Agents by Peterson McVicar LLP, Canadian counsel to the Agents. As at the date of hereof, the partners and associates of Maxis Law Corporation, as a group, and the partners and associates of Peterson McVicar LLP, as a group beneficially own, directly or indirectly, in their respective groups, less than 1% of any class of securities of the Company.

EXPERTS

Information relating to the Columba Silver Project in this Prospectus, and the documents incorporated by reference, has been derived from the Columba Technical Report, which was filed on SEDAR+ on August 9, 2023. Information relating to the Promontorio-La Negra Project in this Prospectus and the applicable Prospectus Supplement, and the documents incorporated by reference, has been derived from the Promontorio Technical Report, which was filed on SEDAR+ on November 24, 2023.

The following "qualified person" (within the meaning of NI 43-101) participated in the preparation of the Columba Technical Report and the Promontorio Technical Report: Sue Bird, P.Eng (the "**Columba and Promontorio Expert**"), and has been included in reliance on such person's expertise.

Information relating to the La Cigarra Project in this Prospectus and the applicable Prospectus Supplement, and the documents incorporated by reference, has been derived from the La Cigarra Technical Report, which was filed on SEDAR+ on March 7, 2024.

The following "qualified persons" (within the meaning of NI 43-101) participated in the preparation of the La Cigarra Technical Report: Allan Armitage, Ph. D., P.Geo; and Ben Eggers, B.Sc (Hons), MAIG, P.Geo.(collectively, the "**La Cigarra Experts**", together with the Columba and Promontorio Expert, the "**Experts**"), and has been included in reliance on such persons' expertise.

To the knowledge of the Company as of the date hereof, the Experts and their respective partners, employees and consultants who participated in the preparation of the aforementioned Columba Technical Report, Promontorio Technical Report, or La Cigarra Technical Report, or who were in a position to influence the outcome of such report, as applicable, are the registered or beneficial owners, directly or indirectly, in the aggregate, of less than 1% of the outstanding Common Shares and do not otherwise have any direct or indirect interest in the property of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is MNP LLP, Chartered Professional Accountants, of Vancouver, British Columbia.

MNP LLP issued an audit report on the Company's consolidated financial statements as at and for the years ended December 31, 2022 and 2021. MNP LLP is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The Company's Registrar and Transfer Agent is Computershare Investor Services Inc., located in Vancouver, British Columbia.

EXEMPTION FROM NATIONAL INSTRUMENT 44-101

Pursuant to a decision of Autorité des marchés financiers dated December 20, 2023, the Company was granted exemptive relief from the requirement that this Prospectus Supplement as well as the documents incorporated by reference herein be filed with the AMF in the French language. This exemptive relief is granted on the condition that this Prospectus, any applicable Prospectus Supplement and the documents incorporated by reference herein and therein be filed with the AMF in the French language if the Company offers securities to Québec purchasers in connection with an offering other than in relation to an at-the-market distribution.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The following is a description of a purchaser's statutory rights in connection with any purchase of Units, which supersedes and replaces the statement of purchasers' rights in the Shelf Prospectus.

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus or a Prospectus Supplement relating to the securities purchased by a purchaser and any amendments thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Shelf Prospectus or a Prospectus Supplement relating to the securities purchased by a purchaser and any amendments thereto contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

Under the applicable securities laws, original purchasers of Warrants pursuant to the Offering will have a non-assignable contractual right of rescission if this Prospectus (including documents incorporated herein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the Securities Act (British Columbia)). This contractual right of rescission shall be subject to the defences, limitations and other provisions described under Part 16 of the Securities Act (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 138 of the Securities Act (British Columbia) or otherwise at law. For greater certainty, the contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, as well as the amount paid for the original Warrant, upon surrender of the underlying securities acquired thereby, in the event that this Prospectus Supplement (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Units under this Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the Units under this Prospectus Supplement. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages, or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: April 17, 2024

The short form prospectus, together with the documents incorporated in this prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

"*James McDonald*"	"*Rajwant Kang*"
Chief Executive Officer	Chief Financial Officer

On behalf of the Board of Directors

"*Kenneth Berry*"	"*Joseph Giuffre*"
Director	Director

CERTIFICATE OF THE AGENTS

Dated: April 17, 2024

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement, as required by the securities legislation of each of the provinces and territories of Canada.

RED CLOUD SECURITIES INC.

"*Bruce Tatters*"
Chief Executive Officer

RESEARCH CAPITAL CORPORATION

"*David Greifenberger*"
Managing Director, Investment Banking

This prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements has been obtained.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities being offered under this short form base shelf prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and, subject to certain exceptions, will not be offered or sold within the United States or to or for the account or benefit of U.S. Persons. See "Plan of Distribution".

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Kootenay Silver Inc. at Suite 1125, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Telephone (604) 604-5650), and are also available electronically at www.sedarplus.ca.*

This short form base shelf prospectus may qualify an "at-the-market distribution" (as such term is defined in National Instrument 44-102 – Shelf Distributions).

FINAL SHORT FORM BASE SHELF PROSPECTUS

New Issue March 27, 2024

KOOTENAY SILVER INC.

$40,000,000

Common Shares
Warrants
Subscription Receipts
Units
Debt Securities

Kootenay Silver Inc. ("**Kootenay**" or the "**Company**") may offer and sell from time to time common shares of the Company ("**Common Shares**"), warrants ("**Warrants**") to purchase any of the other securities that are described in this short form base shelf prospectus (the "**Prospectus**"), subscription receipts ("**Subscription Receipts**"), units ("**Units**") comprised of one or more of any of the other securities that are described in this Prospectus, and debt securities ("**Debt Securities**") or any combination of such securities (all of the foregoing collectively, the "**Securities**" and individually, a "**Security**") for up to an aggregate offering price of $40,000,000 (or its equivalent in other currencies), in one or more transactions during the 25-month period that this Prospectus, including any amendments hereto, remains effective.

The Company prepares its financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Purchasers of Securities should be aware that the acquisition of Securities may have tax consequences both in the United States and in Canada. Such consequences for purchasers who are citizens of, or resident in, the United States

are not described fully herein and may not be fully described in any applicable Prospectus Supplement. Purchasers of Securities should read the tax discussion contained in the applicable Prospectus Supplement with respect to a particular offering of Securities.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of the Province of British Columbia, Canada, that most of its officers and directors are residents of Canada, that some of the experts named in this Prospectus are residents of Canada, and that all or a substantial portion of the assets of the Company and said persons are located outside of the United States.

The Company will provide the specific terms of any offering of Securities, including the specific terms of the Securities with respect to a particular offering and the terms of such offering, in one or more prospectus supplements (each a "**Prospectus Supplement**") to this Prospectus. The Securities may be offered separately or together or in any combination, and as separate series.

In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Company or a subsidiary of the Company. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

An investment in Securities involves significant risks that should be carefully considered by prospective investors before purchasing Securities. The risks outlined in this Prospectus and in the documents incorporated by reference herein, including the applicable Prospectus Supplement, should be carefully reviewed and considered by prospective investors in connection with any investment in Securities. See "Cautionary Statement On Forward- Looking Information" and "Risk Factors".

An investor should read this Prospectus and the applicable Prospectus Supplement carefully before investing in any Securities.

All dollar amounts in this Prospectus are in Canadian dollars, unless otherwise indicated. See "Currency Presentation and Exchange Rate Information".

All information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus, except in cases where an exemption from such delivery requirements has been obtained. For the purposes of applicable securities laws, each Prospectus Supplement will be incorporated by reference into this Prospectus as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which that Prospectus Supplement pertains.

The Securities may be sold pursuant to this Prospectus directly to investors or through underwriters, dealers or agents designated from time to time, at amounts and prices and other terms determined by the Company. A Prospectus Supplement will set out the names of any underwriters, dealers or agents involved in the sale of the Securities, the amounts, if any, to be purchased by underwriters, and the plan of distribution for such Securities, including the net proceeds the Company expects to receive from the sale of such Securities, the amounts and prices at which such Securities are sold and the compensation of such underwriters, dealers or agents. In connection with any offering (unless otherwise specified in a Prospectus Supplement), the underwriters or agents may, subject to applicable law, over-allot or effect transactions that stabilize or maintain the market price of the Securities offered at levels other than that which might otherwise exist in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See "Plan of Distribution". As of the date of this Prospectus, no underwriter or dealer is in a contractual relationship with the Company requiring the underwriter or dealer to distribute Securities under this Prospectus. **Accordingly, no underwriter has been involved in the preparation of this Prospectus nor has any underwriter performed any review of the contents of this Prospectus.**

The Company will file an undertaking with each of the securities regulatory authorities in each of the provinces and territories of Canada in which this Prospectus is filed that it will not distribute Securities that, at the time of distribution, are novel specified derivatives or novel asset-backed securities, without first pre-clearing with the applicable regulator the disclosure to be contained in the Prospectus Supplement pertaining to the distribution of such Securities.

The issued and outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "KTN" and on the OTCQX Best Market (the "**OTCQX**") under the symbol "KOOYF". On March 26, 2024, the last trading day prior to the date of this Prospectus, the closing price per Common Share on the TSXV was $0.96, and on the OTCQX was US$0.73. **Unless otherwise specified in the applicable Prospectus Supplement, Securities other than Common Shares will not be listed on any securities exchange. There is currently no market through which such Securities other than Common Shares may be sold and purchasers may not be able to resell any such Securities purchased under this Prospectus and the Prospectus Supplement relating to such Securities. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. See "Risk Factors". No assurances can be given that a market for trading in Securities of any series or issue will develop or as to the liquidity of any such market, whether or not the Securities are listed on a securities exchange.**

The Company's head office and principal address is located at Suite 1125, 595 Howe Street, Vancouver, British Columbia V6C 2T5. The registered and records office of the Company is located at Suite 910, 800 Pender Street, Vancouver, British Columbia V6C 2V6.

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ABOUT THIS SHORT FORM PROSPECTUS

In this Prospectus, the Company and its subsidiaries are collectively referred to as the "Company" or "Kootenay", unless the context otherwise requires. Readers should rely only on the information contained or incorporated by reference in this Prospectus. The Company has not authorized anyone to provide readers with information that is different or additional information from that contained in this Prospectus. If anyone provides you with any different, additional, inconsistent or other information, you should not rely on it. The Company takes no responsibility for, and can provide no assurance as to the reliability of any other information that others may give readers of this Prospectus. The Company is not making an offer to sell or seeking an offer to buy the Securities in any jurisdiction where the offer or sale is not permitted.

Readers should not assume that the information contained in this Prospectus, any applicable Prospectus Supplement or any document incorporated by reference herein and therein is accurate as of any date other than the date on the front cover of this Prospectus, any applicable Prospectus Supplement or the respective dates of the documents incorporated by reference herein and therein, regardless of the time of delivery or of any sale of the Securities pursuant thereto. It should be assumed that the information appearing in this Prospectus, any Prospectus Supplement and the documents incorporated by reference herein and therein are accurate only as of their respective dates. The business, financial condition, results of operations and prospects of the Company may have changed since those dates.

This Prospectus shall not be used by anyone for any purpose other than in connection with an offering of Securities as described in one or more Prospectus Supplements. The Company does not undertake to update the information contained or incorporated by reference herein, including any Prospectus Supplement, except as required by applicable securities laws. Information contained on, or otherwise accessed through, the website of the Company, www.kootenaysilver.com, shall not be deemed to be a part of this Prospectus, any applicable Prospectus Supplement or document incorporated by reference herein or therein, and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Securities.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained or incorporated by reference in this Prospectus constitute "forward-looking statements" within the meaning of the *United States Private Securities Litigation Reform Act of 1995* and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information herein and in the documents incorporated by reference herein are provided as of the date of such documents only, and the Company does not intend, and does not assume any obligation, to update this forward-looking information and statements, except as required by law. Generally, forward-looking information and statements can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. Forward-looking information and statements contained or incorporated by reference in this Prospectus include, but are not limited to, statements with respect to the future financial and operating performance of Kootenay; planned exploration and development activities; the future interpretation of geological information; the cost and results of operational activities including objectives, exploration, development and evaluation activities; expectations regarding mineral reserves and mineral resources; realization of mineral reserves and mineral resource estimates; reclamation costs and timing; anticipated commencement dates of mining or metal production operation; projected quantities of future metal production; anticipated production rates and mine life; operating efficiencies, costs and expenditures and conversion of mineral resources to reserves; results of the technical report titled "Technical Report for the Columba Silver Property" dated effective March 17, 2023 (the "**Columba Technical Report**") and filed on SEDAR+ on August 9, 2023 regarding the Company's Columba Silver project located in Chihuahua State, Mexico (the "**Columba Silver Project**") and prepared for the Company by independent consultants Moose Mountain Technical Services and was authored by Sue Bird P.Eng; results of the technical report titled "Technical Report for the Promontorio Property: Promontorio & La Negra Resource Estimate" dated effective August 27, 2023 (the "**Promontorio Technical Report**") and filed on SEDAR+ on November 24, 2023 regarding the Company's Promontorio-La Negra project located in Sonora State, Mexico (the "**Promontorio-La Negra Project**") and prepared for the Company by independent consultants Moose Mountain Technical Services and was authored by Sue Bird P.Eng; results of the technical report titled "Technical Report on the Mineral Resource Estimate Update for the La Cigarra Ag-Pb-Zn Project, Chihuahua State, Mexico" dated effective November 29, 2023 (the "**La Cigarra Technical Report**") and filed on SEDAR+ on March 7, 2024 regarding the Company's La Cigarra silver project located in Chihuahua State, Mexico (the "**La Cigarra Project**") and prepared for the Company by independent consultants GeoVector Management Inc. and was authored by Allan Armitage, Ph. D., P.Geo and Ben Eggers, B.Sc (Hons), MAIG, P.Geo.(.; expectations with respect to the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes; future financings and the ability to raise capital; the future price of silver; requirements for additional capital; and the listing of Securities on any securities exchange.

Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts of Kootenay about Kootenay's business and the industry and markets in which it operates. Forward-looking information and statements are made based upon numerous assumptions, including among others, that the results of planned exploration and development activities are as anticipated and on time; the price of gold, silver and other commodities and other market conditions and factors; the cost of planned exploration and development activities; there will be limited changes in any project parameters as plans continue to be refined; that financing will be available if and when needed and on reasonable terms; that third party contractors, equipment, supplies and governmental and other approvals required to conduct Kootenay's planned exploration and development activities will be available on reasonable terms and in a timely manner; that there will be no revocation of government approvals and that general business, economic, competitive, social and political conditions will not change in a material adverse manner; financial and silver and gold markets will not be adversely affected by a global pandemic (including COVID-19); suppliers, employees, contractors and subcontractors will be available to continue operations as needed; demand for, and supply of silver; tax rates, interest rates and exchange rates; mineral reserve and resources estimates and the assumptions on which they are based; and the listing of Common Shares qualified by this document on any securities exchange. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual results, performances and achievements of Kootenay to differ materially from any projections of results, performances and achievements of Kootenay expressed or implied by such forward-looking information or statements, including, among others, price volatility of gold and silver; volatility of commodity prices and other input costs; mining industry operational hazards and environment concerns; uncertainty of estimates of mineral resources and reserves; requirements for additional financing which may not be available; changes in political conditions or governmental policies and political and financial instability in the countries in which the Company's properties are located; government regulation and requirements for permits and licenses and competition; reliance upon key management and other personnel; imprecision of mineral resource estimates; potential cost overruns on any development; capital intensive nature of the mining industry; changes in climate or increases in environmental regulation; aboriginal title and consultation issues; deficiencies in the Company's title to its properties; fluctuations in interest rates; foreign exchange exposure; information security and cyber threats; failure to manage conflicts of interest; changes in laws, regulations and policy; competition for resources and financing; volatility in market price of the Company's shares; financial and silver and gold market reactions, as well as effects on individuals on which Kootenay relies, as a result of epidemics or global pandemics (including COVID-19); speculative nature of exploration and development projects; liquidity of securities of Kootenay; dilution risks to existing securityholders; risks associated with the sale of securities of Kootenay; conflicts of interest for Kootenay's directors engaged in similar businesses; interruption or failure of Kootenay's information systems; cyberattacks; competitors and competing technology; inability to exploit, expand and replace mineral reserves and mineral resources; and other factors discussed or referred to in this Prospectus under "Risk Factors".

Although Kootenay has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information or statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

There can be no assurance that such information or statements will prove to be accurate, as actual results and future events and actions could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information or statements. The forward-looking information and statements contained in this Prospectus are made as of the date of this Prospectus and, accordingly, are subject to change after such date.

All of the forward-looking statements made in this Prospectus are qualified by these cautionary statements and those made in the Company's other filings with the securities regulators of Canada and the United States including, but not limited to, the cautionary statements made in the "Risk Factors" section of this Prospectus, the "Risk Factors" section of the AIF and the ''Risks and Uncertainties'' sections of the 2022 MD&A and Q3 2023 MD&A. These factors are not intended to represent a complete list of the factors that could affect Kootenay. Kootenay disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. The Company's public filings with the securities commissions or similar authorities in each of the provinces and territories of Canada can be found through the System for Electronic Document Analysis and Retrieval ("SEDAR+") on the Company's profile atwww.sedarplus.ca.

NOTICE REGARDING PRESENTATION OF MINERAL RESERVE AND RESOURCE ESTIMATES

In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of Kootenay incorporated by reference in this Prospectus have been prepared in accordance with National Instrument 43-101 — *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"), classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "*CIM Standards on Mineral Resources and Reserves Definitions and Guidelines*" (the "**CIM Guidelines**"). The definitions of mineral reserves and mineral resources are set out in our disclosure of the Company's mineral reserve and mineral resource estimates that are incorporated by reference in this Prospectus.

Kootenay uses the terms "mineral resources", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of inferred mineral resources will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, investors are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered.

If, after the date of this Prospectus, Kootenay is required by section 4.2(1)(j) of NI 43-101 to file a technical report to support scientific or technical information that relates to a mineral project on a property material to the Company, Kootenay will file such technical report in accordance with section 4.2(5)(a)(i) of NI 43-101 as if the words "short form prospectus" refer to a "shelf prospectus supplement".

ENFORCEMENT OF CERTAIN CIVIL LIABILITIES

The Company is a corporation existing under the laws of the Province of British Columbia, Canada. A majority of the assets of the Company are located outside of the United States, a majority of the directors and officers of the Company are residents of Canada and a majority of their assets are located outside of the United States, and all of the experts named in this Prospectus are resident outside of the United States. As a result, it may be difficult for United States investors to effect service of process within the United States upon those directors, officers or experts who are not residents of the United States, or to realize in the United States upon judgments of courts of the United States predicated upon civil liability of such directors, officers or experts under United States federal securities laws. There is substantial doubt whether an action could be brought in Canada in the first instance on the basis of liability predicated solely upon such laws.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

All references to "$" in this Prospectus are to Canadian dollars and all references to "US$" are to United States dollars. On March 26, 2024 the Bank of Canada daily rate of exchange was US$1.00 = $1.3572 or $1.00 = US$0.7368.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in each of the provinces and territories of Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of the Company at Suite 1125, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Telephone (604) 604-5650) and are also available electronically at www.sedarplus.ca.The filings of the Company through SEDAR+ are not incorporated by reference in this Prospectus except as specifically set out herein.

The information incorporated by reference is considered part of this Prospectus, and information filed with the securities commission or similar authorities in each of the provinces and territories of Canada, subsequent to this Prospectus and prior to the termination of a particular offering of Securities referred to in any Prospectus Supplement will be deemed to update and, if applicable, supersede this information. Except as may be set forth in a Prospectus Supplement, the following documents, filed by the Company with the securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) amended and restated annual information form of the Company for the year ended December 31, 2022 dated March 7, 2023, filed on SEDAR+ on March 7, 2024 (the "**AIF**");

(b) the Columba Technical Report;

(c) the Promontorio Technical Report;

(d) the La Cigarra Technical Report;

(e) audited consolidated financial statements of the Company as at and for the years ended December 31, 2022 and 2021, together with the notes thereto and the auditor's report thereon ("the "**2022 Annual Financial Statements**");

(f) management's discussion and analysis of financial condition and result of operations of the Company for the year ended December 31, 2022 (the "**2022 MD&A**");

(g) management information circular of the Company dated February 10, 2023 prepared and distributed in connection with the annual general and special meeting of shareholders held on March 15, 2023;

(h) restated unaudited interim consolidated financial statements of the Company for the three and nine months ended September 30, 2023, together with the notes thereto (the "**Q3 2023 Financial Statements**"), refiled on SEDAR+ on March 20, 2024;

(i) management's discussion and analysis of financial condition and result of operations of the Company for the nine months ended September 30, 2023 (the "**Q3 2023 MD&A**");

(j) material change report dated June 2, 2023 regarding the closing of a private placement offering of units of the Company on May 24, 2023 for aggregate gross proceeds of approximately $3.7 million;

(k) material change report dated May 16, 2023 regarding the sale of common shares of Aztec Minerals Corp. ("**Aztec**") on May 8, 2023 via several market transactions;

(l) material change report dated February 26, 2024 regarding the closing of a private placement offering of units of the Company on February 16, 2024 and February 22, 2024 for aggregate gross proceeds of approximately $3.7 million; and

(m) the Form 51-102F6V – *Statement of Executive Compensation* of the Company dated February 28, 2024, filed on SEDAR+ on February 28, 2024.

Any document of the type referred to in section 11.1 of Form 44-101F1 ("**Form 44-101F1**") of National Instrument 44-101 – *Short Form Prospectus Distributions* (excluding confidential material change reports), if filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and all Prospectus Supplements (only in respect of the offering of Securities to which that particular Prospectus Supplement relates) disclosing additional or updated information including the documents incorporated by reference therein, filed pursuant to the requirements of applicable securities legislation in Canada and during the period that this Prospectus is effective, shall be deemed to be incorporated by reference in this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Company and the readers should review all information contained in this Prospectus, the applicable Prospectus Supplement and the documents incorporated or deemed to be incorporated by reference herein and therein.

Upon a new annual information form and annual consolidated financial statements (and accompanying management's discussion and analysis of financial condition and results of operations) being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this Prospectus is effective, the previous annual information form, the previous annual consolidated financial statements and all interim consolidated financial statements and in each case the accompanying management's discussion and analysis of financial condition and results of operations, and material change reports, filed prior to the commencement of the financial year of the Company in which the new annual information form is filed shall be deemed to no longer be incorporated into this Prospectus for purpose of future offers and sales of Securities under this Prospectus. Upon interim consolidated financial statements and the accompanying management's discussion and analysis of financial condition and results of operations being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, all interim consolidated financial statements and the accompanying management's discussion and analysis of financial condition and results of operations filed prior to such new interim consolidated financial statements and management's discussion and analysis of financial condition and results of operations shall be deemed to no longer be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms of an offering of Securities and other information relating to the Securities will be delivered to prospective purchasers of such Securities, together with this Prospectus, and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement but only for the purpose of the offering of the Securities covered by that Prospectus Supplement.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes.

The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

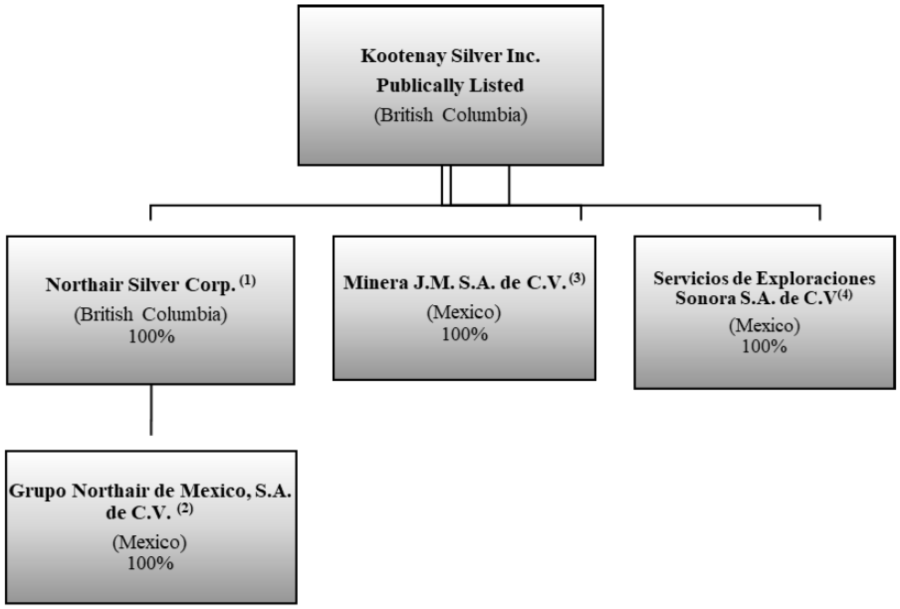
GENERAL DEVELOPMENT OF THE BUSINESS

The Company was incorporated as "First Integrated Enterprises Ltd." by Certificate of Incorporation under the *Business Corporations Act* (Alberta) on August 2, 2000. On March 7, 2005, in connection with the completion of the Company's Qualifying Transaction (as such term is defined under the policies of the TSXV), the Company changed its name to "Kootenay Gold Inc.". The Company then continued into the jurisdiction of British Columbia under the *Business Corporations Act* (British Columbia) on November 9, 2006. On February 21, 2012, the Company changed its name to "Kootenay Silver Inc." The Company's Common Shares are listed on the TSXV under the trading symbol "KTN".

The Company's head office and principal address is located at Suite 1125, 595 Howe Street, Vancouver, British Columbia V6C 2T5. The registered and records office of the Company is located at Suite 910, 800 Pender Street, Vancouver, British Columbia V6C 2V6. The Company is a reporting issuer in British Columbia, Alberta, and Ontario. The Company's website address is: https://www.kootenaysilver.com/.

The Company has four wholly owned subsidiaries being: Northair Silver Corp. ("**Northair**"), Grupo Northair de Mexico, S.A. ("**Grupo**"), Minera J.M. S.A. de C.V. ("**MJM**") and Servicios de Exploraciones Sonora S.A. de C.V. ("**SES**"). All references herein to the Company include the Company, Northair, Grupo, MJM and SES.

The diagram sets forth the Company's inter-corporate relationships with each of its subsidiaries, including the jurisdiction of incorporation or organization and the Company's percentage ownership. The Company and Northair are domiciled in Vancouver, British Columbia, MJM and SES in Hermosillo, Sonora, Mexico, and Grupo in Chihuahua, Mexico.



The Company is an exploration stage mining company with a primary objective and business plan of discovering or acquiring silver dominant mineral deposits that have the potential to become economically viable for further development in Mexico. The core management and technical team are industry professionals that have international experience in all aspects of mineral property acquisition, mineral exploration, operations, and financing.

The Company has three principal precious mineral properties located in Mexico, the Columba Silver Project, the Promontorio-La Negra Project, and the La Cigarra Project. The Company also maintains a generative portfolio consisting of non-material properties in Mexico with future exploration potential. For further details regarding the general development of the Company's business over the past three years, please see the AIF.

CONSOLIDATED CAPITALIZATION

There has been no material change in the consolidated capitalization of the Company since September 30, 2023, the date of the Company's Q3 2023 Financial Statements, except as described below.

Effective November 14, 2023, the Company consolidated its Common Shares on a ten-to-one basis (the "**Consolidation**"). The following table sets forth the consolidated capitalization of the Company as at the date of the consolidated financial statements for its most recently completed interim consolidated financial period included in this Prospectus, adjusted to give effect to the Consolidation,. This table should be read in conjunction with the Q3 2023 Financial Statements and the Q3 2023 MD&A that are incorporated by reference in this Prospectus.

	As at September 30, 2023 before giving effect to the Consolidation	**As at September 30, 2023, after giving effect to the Consolidation**
Common Shares	457,669,033	45,766,903
Stock Options	28,680,000	2,868,000
Warrants	184,190,815	18,419,080

	As at September 30, 2023 before giving effect to the Consolidation	As at September 30, 2023, after giving effect to the Consolidation
Fully diluted issued and outstanding	**670,539,848 Common Shares**	**67,053,983 Common Shares**

The applicable Prospectus Supplement will describe any material change, and the effect of such material change, on the share and debt capitalization of the Company that will result from the issuance of Securities pursuant to such Prospectus Supplement.

PLAN OF DISTRIBUTION

During the 25-month period that this Prospectus remains valid, the Company may offer for sale and issue Securities directly to one or more purchasers, through agents, or through underwriters or dealers designated by the Company from time to time. The Company may distribute the Securities from time to time in one or more transactions at a fixed price or prices (which may be changed from time to time), at market prices prevailing at the times of sale, at prices related to prevailing market prices or at negotiated prices, including sales in transactions that are deemed to be an "at-the-market distribution" as defined in National Instrument 44-102 – *Shelf Distributions* ("**NI 44-102**") of the Canadian Securities Administrators, including sales made directly on the TSXV or other existing trading markets for the Securities. A description of such pricing will be disclosed in the applicable Prospectus Supplement. The Company may offer Securities in the same offering, or it may offer Securities in separate offerings.

In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Company or one of its subsidiaries. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

A Prospectus Supplement will describe the terms of each specific offering of Securities, including (i) the terms of the Securities to which the Prospectus Supplement relates, including the type of Security being offered; (ii) the name or names of any agents, underwriters or dealers involved in such offering of Securities; (iii) the purchase price of the Securities offered thereby and the Company's net proceeds; (iv) any agents' commission, underwriting discounts and other items constituting compensation payable to agents, underwriters or dealers; and (v) any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers.

If underwriters are used in an offering, the Securities offered thereby will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions at a fixed public offering price or at varying prices determined at the time of sale. Securities may be either offered to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. Only underwriters named in the Prospectus Supplement are deemed to be underwriters in connection with the Securities offered thereby. The obligations of the underwriters to purchase Securities will be subject to the conditions precedent agreed upon by the parties and outlined in the applicable Prospectus Supplement and the underwriters will be obligated to purchase all Securities under that offering if any are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers may be changed from time to time.

If, in connection with the offering of the Securities at a fixed price or prices, the underwriters have made a *bona fide* effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial offering price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company.

The Securities may also be sold: (i) directly by the Company at such prices and upon such terms as agreed to by the Company and the purchaser of such Securities; or (ii) through agents designated by the Company from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Company to such agent will be set forth, in the Prospectus Supplement.

Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a "best efforts" basis for the period of its appointment.

The Company may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered under any Prospectus Supplement. Agents, underwriters or dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

Agents, underwriters or dealers may make sales of Securities in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an "at-the-market distribution" as defined in and subject to limitations imposed by and the terms of any regulatory approvals required and obtained under, applicable Canadian securities laws, which includes sales made directly on an existing trading market for the Common Shares, or sales made to or through a market maker other than on an exchange.

In connection with any offering of Securities, except with respect to an "at-the-market distribution", underwriters may over-allot or effect transactions which stabilize or maintain the market price of the offered Securities at a level above that which might otherwise prevail in the open market. Such transactions may be commenced, interrupted or discontinued at any time. No underwriter of the "at-the-market distribution", and no person or company acting jointly or in concert with an underwriter, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the securities or securities of the same class as the securities distributed under the Prospectus and applicable Prospectus Supplement, including selling an aggregate number or principal amount of securities that would result in the underwriter creating an over-allocation position in the securities.

The Company may authorize agents or underwriters to solicit offers by eligible institutions to purchase Securities from the Company at the public offering price set forth in the applicable Prospectus Supplement under delayed delivery contracts providing for payment and delivery on a specified date in the future. The conditions to these contracts and the commissions payable for solicitation of these contracts will be set forth in the applicable Prospectus Supplement.

Each class or series of Securities, other than the Common Shares, will be a new issue of Securities with no established trading market. Subject to applicable laws, any underwriter may make a market in such Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. There may be limited liquidity in the trading market for any such Securities. Unless otherwise specified in the applicable Prospectus Supplement, the Company does not intend to list any of the Securities other than the Common Shares on any securities exchange. Consequently, unless otherwise specified in the applicable Prospectus Supplement, there is no trading market through which Warrants, Subscription Receipts, Units and Debt Securities may be sold and purchasers may not be able to resell any such Securities purchased under this Prospectus. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. No assurances can be given that a market for trading in Securities of any series or issue will develop or as to the liquidity of any such market, whether or not the Securities are listed on a securities exchange.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with the Company, to indemnification by the Company against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Those underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

USE OF PROCEEDS

The net proceeds to the Company from any offering of Securities, the proposed use of those proceeds and the specific business objectives which the Company expects to accomplish with such proceeds will be set forth in the applicable Prospectus Supplement relating to that offering of Securities.

There may be circumstances where, on the basis of results obtained or for other sound business reasons, a re-allocation of funds may be necessary or prudent. Accordingly, management of the Company will have broad discretion in the application of the proceeds of an offering of Securities. The actual amount that the Company spends in connection with each intended use of proceeds may vary significantly from the amounts specified in the applicable Prospectus Supplement and will depend on a number of factors, including those referred to under "Risk Factors" and any other factors set forth in the applicable Prospectus Supplement.

DESCRIPTION OF COMMON SHARES

The Company is authorized to issue an unlimited number of Common Shares and 45,766,903 Common Shares were issued and outstanding as of the date of this Prospectus. There are no limitations contained in the articles or notice of articles of the Company on the ability of a person who is not a Canadian resident to hold Common Shares or exercise the voting rights associated with Common Shares. In addition, as of the date of this Prospectus, there were 2,868,000 Common Shares issuable upon the exercise of outstanding stock options at a weighted average exercise price of $1.54 per share and 19,198,123 Warrants outstanding at a weighted average exercise price of $1.45 per share.

The Company may issue Common Shares, separately or together, Warrants, Subscription Receipts, Units, Debt Securities or any combination thereof, as the case may be. A summary of the rights attaching to the Common Shares is set forth below.

Dividends

Holders of Common Shares are entitled to receive equally, share for share, dividends when, as and if declared by the board of directors of the Company out of funds legally available therefor.

Liquidation

In the event of the dissolution, liquidation, or winding up of the Company, holders of Common Shares are entitled to share rateably in any assets remaining after the satisfaction in full of the prior rights of creditors, including holders of the Company's indebtedness.

Voting

Holders of Common Shares are entitled to receive notice of and to attend all meetings of shareholders of the Company and are entitled to one vote for each share on all matters voted on by shareholders, including the election of directors.

DESCRIPTION OF WARRANTS

As of the date of this Prospectus, the Company has 19,198,123 Warrants outstanding at a weighted average exercise price of $1.45 per share. The Company may issue Warrants to purchase, separately or together, Common Shares, Subscription Receipts, Units, Debt Securities or any combination thereof, as the case may be.

The Warrants will be issued under a separate Warrant agreement or indenture. A copy of the Warrant agreement or indenture relating to an offering of Warrants will be filed by the Company with securities regulatory authorities in Canada after it has been entered into by the Company. The following describes the general terms that will apply to any Warrants that may be offered by the Company pursuant to this Prospectus. The terms and provisions of any Warrants offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Warrants, and the extent to which the general terms of the Warrants described in this Prospectus apply to those Warrants, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Warrants offered;
- the price or prices, if any, at which the Warrants will be issued;

- the exercise price or price at which the Warrants may be exercised;
- the currency at which the Warrants will be offered and in which the exercise price under the Warrants may be payable;
- upon exercise of the Warrant, the events or conditions under which the amount of securities may be subject to adjustment;
- the date on which the right to exercise such Warrants shall commence and the date on which such right shall expire;
- if applicable, the identity of the Warrant agent;
- whether the Warrants will be listed on any securities exchange;
- whether the Warrants will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Warrants are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Warrants and the securities to be issued upon exercise of the Warrants;
- material Canadian federal income tax consequences and United States federal income tax consequences of owning the Warrants and the securities issued upon exercise of the Warrants;
- any other rights, privileges, restrictions and conditions attaching to the Warrants and the securities to be issued upon exercise of the Warrants; and
- any other material terms or conditions of the Warrants and the securities to be issued upon exercise of the Warrants.

Prior to the exercise of any Warrants, holders of such Warrants will not have any of the rights of holders of the securities purchasable upon such exercise, including any right to receive payments of dividends or any right to vote such underlying securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

As of the date of this Prospectus, the Company has no Subscription Receipts outstanding. The Company may issue Subscription Receipts that will entitle holders to receive, upon satisfaction of certain release conditions and for no additional consideration, separately or together, Common Shares, Warrants, Units, Debt Securities or any combination thereof, as the case may be.

The Subscription Receipts will be issued under one or more agreements or indentures, each to be entered into between the Company and an escrow agent to be named in the applicable Prospectus Supplement. A copy of the Subscription Receipts agreement or indenture relating to an offering of Subscription Receipts will be filed by the Company with securities regulatory authorities in Canada after it has been entered into by the Company. The following describes the general terms that will apply to any Subscription Receipts that may be offered by the Company pursuant to this Prospectus. The terms and provisions of any Subscription Receipts offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Subscription Receipts, and the extent to which the general terms of the Subscription Receipts described in this Prospectus apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts offered;
- the price or prices, if any, at which the Subscription Receipts will be issued;
- the manner of determining the offering price(s);
- the currency at which the Subscription Receipts will be offered and whether the price is payable in installments;
- the securities into which the Subscription Receipts may be exchanged;
- conditions to the exchange of Subscription Receipts into securities and the consequences of such conditions not being satisfied;
- the number of securities that may be issued upon the exchange of each Subscription Receipt and the price per security or the aggregate principal amount, denominations and terms of the series of debt securities that may be issued upon exchange of the Subscription Receipts, and the events or conditions under which the amount of securities may be subject to adjustment;
- the dates or periods during which the Subscription Receipts may be exchanged;
- the circumstances, if any, which will cause the Subscription Receipts to be deemed to be automatically exchanged;
- provisions applicable to any escrow of the gross or net proceeds from the sale of the Subscription Receipts plus any interest or income earned thereon, and for the release of such proceeds from such escrow;
- if applicable, the identity of the Subscription Receipt agent;
- whether the Subscription Receipts will be listed on any securities exchange;
- whether the Subscription Receipts will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Subscription Receipts are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts;
- material Canadian federal income tax consequences and United States federal income tax consequences of owning the Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts;
- any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts; and
- any other material terms or conditions of the Subscription Receipts and the securities to be issued upon

exchange of the Subscription Receipts.

Prior to the exchange of any Subscription Receipts, holders of such Subscription Receipts will not have any of the rights of holders of the securities for which the Subscription Receipts may be exchanged, including any right to receive payments of dividends or any right to vote such underlying securities.

DESCRIPTION OF UNITS

As of the date of this Prospectus, the Company has no Units outstanding. The Company may issue Units consisting of one or more, separately or together, Common Shares, Warrants, Subscription Receipts, Debt Securities or any combination thereof, as the case may be.

Each Unit will be issued so that the holder of the Unit is also the holder of each Security comprising the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security. The following describes the general terms that will apply to any Units that may be offered by the Company pursuant to this Prospectus. The terms and provisions of any Units offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Units, and the extent to which the general terms of the Units described in this Prospectus apply to those Units, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Units offered;
- the price or prices, if any, at which the Units will be issued;
- the manner of determining the offering price(s);
- the currency at which the Units will be offered;
- the securities comprising the Units;
- whether the Units will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Units and the Securities comprising the Units are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Units or the Securities comprising the Units;
- material Canadian federal income tax consequences and United States federal income tax consequences of owning the Securities comprising the Units;
- any other rights, privileges, restrictions and conditions attaching to the Units or the Securities comprising the Units; and
- any other material terms or conditions of the Units or the Securities comprising the Units, including whether and under what circumstances the Securities comprising the Units may be held or transferred separately.

DESCRIPTION OF DEBT SECURITIES

As of the date of this Prospectus, the Company has no Debt Securities outstanding. The following description of Debt

Securities sets forth certain general terms and provisions of the Debt Securities that may be offered under this Prospectus and in respect of which a Prospectus Supplement may be filed. The Company will provide particular terms and provisions of a series of Debt Securities and a description of how the general terms and provisions described below may apply to that series in the Prospectus Supplement relating to such series. Prospective investors should rely on information in the applicable Prospectus Supplement if it is different from the following information.

Debt Securities will be issued under one or more indentures (each, a "**Debt Indenture**"), in each case between the Company and an appropriately qualified financial institution authorized to carry on business as a trustee (each, a "**Trustee**"). The description below is a summary of certain anticipated provisions of the applicable Debt Indenture and should be read together with the provisions of such Debt Indenture. Accordingly, reference should also be made to the applicable Debt Indenture, a copy of which will be filed by the Company on SEDAR+ under the Company's profile.

Debt Securities may be offered separately or in combination with one or more other Securities. The Company may also, from time to time, issue Debt Securities and incur additional indebtedness other than pursuant to Debt Securities issued under this Prospectus.

Debt Securities may be issued from time to time in one or more series. The Company may specify a maximum aggregate principal amount for the Debt Securities of any series and, unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for issuance of additional Debt Securities of that series. Each series of Debt Securities may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

The Prospectus Supplement will set forth, as applicable, the following terms relating to the Debt Securities being offered:

- the specific designation and any limit on the aggregate principal amount of the Debt Securities;
- the currency or currency units for which the Debt Securities may be purchased and in which the principal and any premium or interest is payable (in either case, if other than Canadian dollars);
- the offering price (at par, at a discount or at a premium) of the Debt Securities;
- the date(s) on which the Debt Securities will be issued and delivered;
- the authorized denominations;
- whether the Debt Securities will be secured by any of the Company's assets or guaranteed by any other person;
- the date(s) on which the Debt Securities will mature, including any provision for the extension of a maturity date, or the method of determining such date(s);
- the rate(s) per annum (either fixed or floating) at which the Debt Securities will bear interest (if any) and, if floating, the method of determining such rate(s);
- the date(s) from which any interest obligation will accrue and on which interest will be payable, and the record date(s) for the payment of interest or the method of determining such date(s);
- if applicable, the provisions for subordination of the Debt Securities to other indebtedness of the Company;
- the identity of the Trustee under the applicable Debt Indenture pursuant to which the Debt Securities are to be issued;
- any redemption terms, or terms under which the Debt Securities may be defeased prior to maturity;

- any repayment or sinking fund provisions; or any events of default applicable to the Debt Securities;
- whether the Debt Securities are to be issued in registered form, "book-entry only" form, bearer form or in the form of temporary or permanent global securities, and the basis of exchange, transfer and ownership thereof;
- whether the Debt Securities may be converted or exchanged for other Securities of the Company or any other entity, and the terms and conditions hereof, including whether conversion or exchange is mandatory, at the option of the holder or at the option of the Company, as well as any provisions pursuant to which the number of Common Shares or other securities to be received the holders of such Debt Securities would be subject to adjustment;
- if applicable, the ability of the Company to satisfy all or a portion of any redemption of the Debt Securities, payment of any premium or interest thereon, or repayment of the principal owing upon the maturity through the issuance of Securities of the Company or of any other entity, and any restrictions on the persons to whom such Securities may be issued; or provisions applicable to amendment of the Debt Indenture;
- the material income tax consequences of owning such Debt Securities; and
- certain other material terms, conditions or other provisions (including covenants) applicable to the Debt Securities.

To the extent any Debt Securities are convertible into Common Shares or other securities of the Company, prior to such conversion the holders of such Debt Securities will not have any of the rights of holders of the securities into which the Debt Securities are convertible, including the right to receive payments of dividends or the right to vote such underlying securities. If any Debt Securities being offered will be guaranteed by one or more subsidiaries of the Company: (a) the Prospectus Supplement relating to such offering will include the credit supporter disclosure about the guarantors required by section 12.1 of Form 44-101F1 or, if applicable, will disclose that the Company is relying on an exemption in item 13 of Form 44-101F1 from providing such credit supporter disclosure, (b) the Company will file with the Prospectus Supplement relating to such offering any undertaking in respect of credit supporter disclosure required by paragraph 4.2(a)(ix) of NI 44-101, which undertaking may be to provide disclosure in respect of the Company and its subsidiaries similar to the disclosure required under section 12.1 of Form 44-101F1, and (c) the related credit supporter will sign a certificate to the Prospectus Supplement as required by section 5.12 of National Instrument 41-101 – *General Prospectus Requirements*.

EARNINGS COVERAGE RATIOS

The applicable Prospectus Supplement will provide, as required, the earnings coverage ratios with respect to the issuance of Securities pursuant to such Prospectus Supplement.

PRIOR SALES

Information in respect of the Common Shares that the Company issued within the previous 12-month period, including Shares that the Company issued either upon the exercise of options, or which were granted under the Company's Stock Option Plan, or any other equity compensation plan, will be provided as required in a Prospectus Supplement with respect to the issuance of securities pursuant to such Prospectus Supplement.

USE OF PROCEEDS FROM PREVIOUS FINANCINGS

The following is a tabular description of the Company's disclosure regarding its actual use of proceeds from its previous financings, including any variances from previously disclosed intended use of proceeds:

The Company has completed the financings set out below during the fiscal 2022 and 2021 years and subsequent to fiscal 2022 with no variance between projected use of proceeds and actual use of proceeds.

Date	Financing[2]	Funding (Gross)	Funding (net)	Use of Proceeds	Variance[1]
March 9, 2022	Private placement Units at $1.60	6,250,000	5,653,675	Exploration activities, working capital requirements and other general corporate purposes.	Nil
November 8, 2022	Private placement Units at $0.90	5,000,000	4,585,871	Exploration activities, working capital requirements and other general corporate purposes.	Nil
May 24, 2023	Private placement Units at $1.00	3,772,500	3,321,321	Working capital requirements and other general corporate purposes.	Nil
February 22, 2024	Private placement Units at $0.75	4,960,782	3,720,587	Exploration activities, working capital requirements and other general corporate purposes.	In process

(1) There was no variance between projected and disclosed use of proceeds and actual use of proceeds.
(2) Private Placement pricing is stated on a post-Consolidation basis.

EXTERNAL AUDITOR FEES (BY CATEGORY)

The aggregate fees billed by the Corporation's external auditors in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees[1]	Tax Fees[2]	All Other Fees[3]
2022	$96,256	$Nil	$27,784	$Nil
2021	$79,930	$5,618	$10,700	$Nil

(1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".

(2) Fees charged for tax compliance, tax advice and tax planning services.

(3) Fees for services other than disclosed in any other column.

TRADING PRICE AND VOLUME

The Common Shares are currently listed on the TSX Venture Exchange under the trading symbol "KTN". Trading price and volume of the Company's securities will be provided as required for all of the Common Shares, as applicable, in each Prospectus Supplement to this Prospectus.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain Canadian federal income tax consequences to an investor acquiring any Securities offered thereunder. Investors should read the tax discussion in any Prospectus Supplement with respect to a particular offering and consult their own tax advisors with respect to their own particular circumstances.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain United States federal income tax consequences to an investor acquiring any Securities offered thereunder. Investors should read the tax discussion in any Prospectus Supplement with respect to a particular offering and consult their own tax advisors with respect to their own particular circumstances.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration and development of mining properties. Before making an investment decision in Securities of the Company, prospective purchasers should carefully consider the information described in this Prospectus and the documents incorporated by reference herein, including the AIF and applicable Prospectus Supplement. There are certain risks inherent in an investment in the Securities, including any risk factors described herein or in a document incorporated by reference herein, which investors should carefully consider before investing. Additional risk factors relating to a specific offering of Securities will be described in the applicable Prospectus Supplement. Some of the factors described herein, in the documents incorporated by reference herein, and/or the applicable Prospectus Supplement are interrelated and, consequently, investors should treat such risk factors as a whole. If any of the risk factors described herein, in the AIF, in another document incorporated by reference herein or in the applicable Prospectus Supplement occur, it could have a material adverse effect on the business, financial condition and results of operations of the Company. Additional risks and uncertainties of which the Company currently is unaware or that are unknown or that it currently deems to be immaterial could have a material adverse effect on the Company's business, financial condition and results of operations. The Company cannot assure you that it will successfully address any or all of these risks. There is no assurance that any risk management steps taken will avoid future loss due to the occurrence of the risks described herein, in the AIF, in the other documents incorporated by reference herein or in the applicable Prospectus Supplement or other unforeseen risks.

Use of Proceeds

While detailed information regarding the use of proceeds from the sale of the Company's securities will be described in the applicable Prospectus Supplement, the Company will have broad discretion over the use of the net proceeds from an offering of its securities. Because of the number and variability of factors that will determine our use of such proceeds, the Company's ultimate use of such proceeds might vary substantially from its planned use. An investor may not agree with how the Company allocates or spends the proceeds from an offering of its securities.

Future sales or issuances of securities

The Company may issue additional securities to finance future activities outside of the potential offerings under this Prospectus. The Company cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the securities of the Company. Sales or issuances of substantial numbers of the Company's securities, or the expectation that such sales could occur, may adversely affect prevailing market prices of its securities. In connection with any issuance of securities of the Company, investors may suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

Market for Securities

There is currently no market through which the Company's securities, other than its Common Shares, may be sold and, unless otherwise specified in the applicable Prospectus Supplement, the Company's Warrants, Subscription Receipts, Units and Debt Securities will not be listed on any securities or stock exchange or any automated dealer quotation system. As a consequence, investors may not be able to resell Warrants, Subscription Receipts, Units or Debt Securities purchased under this Prospectus and the applicable Prospectus Supplement. This may affect the pricing of the Company's securities, other than its Common Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of trading regulation. There can be no assurance that an active trading market will develop for the aforementioned securities, or, if developed, that such a market will be sustained at the price level at which it was offered.

These are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Tax Risk

Prospective investors should be aware that the purchase of Securities may have tax consequences in Canada and other jurisdictions. Prospective investors should read the tax discussion, if any, in the applicable Prospectus Supplement and consult with their own independent tax advisor.

Loss of Entire Investment

An investment in the Securities is speculative and involves a high degree of risk and is appropriate only for investors who have the capacity to absorb a loss of all of their investment.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement relating to the Securities, the issue and sale of the Securities will be passed upon for the Company as to matters of Canadian law by Maxis Law Corporation. As at the date of this Prospectus, the partners and associates of Maxis Law Corporation, as a group, beneficially own, directly or indirectly, less than 1% of any class of securities of the Company.

EXPERTS

Information relating to the Columba Silver Project in this Prospectus and the applicable Prospectus Supplement, and the documents incorporated by reference, has been derived from the Columba Technical Report, which was filed on SEDAR+ on August 9, 2023. Information relating to the Promontorio-La Negra Project in this Prospectus and the applicable Prospectus Supplement, and the documents incorporated by reference, has been derived from the Promontorio Technical Report, which was filed on SEDAR+ on November 24, 2023.

The following "qualified person" (within the meaning of NI 43-101) participated in the preparation of the Columba Technical Report and the Promontorio Technical Report: Sue Bird, P.Eng (the "**Columba and Promontorio Expert**"), and has been included in reliance on such person's expertise.

Information relating to the La Cigarra Project in this Prospectus and the applicable Prospectus Supplement, and the documents incorporated by reference, has been derived from the La Cigarra Technical Report, which was filed on SEDAR+ on March 7, 2024.

The following "qualified persons" (within the meaning of NI 43-101) participated in the preparation of the La Cigarra Technical Report: Allan Armitage, Ph. D., P.Geo; and Ben Eggers, B.Sc (Hons), MAIG, P.Geo.(collectively, the "**La Cigarra Experts**", together with the Columba and Promontorio Expert, the "**Experts**"), and has been included in reliance on such persons' expertise.

To the knowledge of the Company as of the date hereof, the Experts and their respective partners, employees and consultants who participated in the preparation of the aforementioned Columba Technical Report, Promontorio Technical Report, or La Cigarra Technical Report, or who were in a position to influence the outcome of such report, as applicable, are the registered or beneficial owners, directly or indirectly, in the aggregate, of less than 1% of the outstanding Common Shares and do not otherwise have any direct or indirect interest in the property of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is MNP LLP, Chartered Professional Accountants, of Vancouver, British Columbia.

MNP LLP issued an audit report on the Company's consolidated financial statements as at and for the years ended December 31, 2022 and 2021. MNP LLP is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The Company's Registrar and Transfer Agent is Computershare Investor Services Inc., located in Vancouver, British Columbia.

CONTRACTUAL RIGHTS OF RESCISSION

In addition to statutory rights of withdrawal and rescission, original purchasers of Warrants (if offered separately from other Securities) and Subscription Receipts (or Units comprised partly thereof) will have a contractual right of rescission against the Company in respect of the exercise of such Warrant or Subscription Receipt, as the case may be.

The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the Warrant or Subscription Receipt (or Units comprised partly thereof), as the case may be, the amount paid upon exercise upon surrender of the underlying Securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Warrant or Subscription Receipt under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the Warrant or Subscription Receipt under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under Section 131 of the Securities Act (British Columbia) and is in addition to any other right or remedy available to original purchasers under Section 131 of the Securities Act (British Columbia) or otherwise at law.

Original purchasers are further advised that, in certain provinces, the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the security that was purchased under a prospectus, and therefore a further payment at the time of exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal advisor.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in some provinces and territories of Canada provides purchasers of securities with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. However, purchasers of Securities distributed under an "at-the-market distribution" by the Company do not have the right to withdraw from an agreement to purchase the Securities and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to the Securities purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the Securities purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of National Instrument 44-102 *Shelf Distributions*.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Securities distributed under an “at-the-market distribution” by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal advisor.

In an offering of Subscription Receipts, Warrants or Debt Securities (or Units comprised of any such Securities), investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial and territorial securities legislation, to the price at which Subscription Receipts, Warrants or Debt Securities (or Units comprised of any such Securities) are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the Security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of this right of action for damages or consult with a legal advisor.

EXEMPTION FROM NATIONAL INSTRUMENT 44-101

Pursuant to a decision of the Autorité des marchés financiers dated December 20, 2023, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus as well as the documents incorporated by reference herein and any Prospectus Supplement and the documents incorporated by reference therein to be filed in relation to an “at-the-market distribution”. This exemption is granted on the condition that this Prospectus, any Prospectus Supplement (other than in relation to an “at-the-market distribution”) and the documents incorporated by reference herein and therein be translated into French if the Company offers Securities to Québec purchasers in connection with an offering other than in relation to an “at-the-market distribution”.

CERTIFICATE OF THE COMPANY

Dated: March 27, 2024

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces and territories of Canada.

"*James M. McDonald*" Chief Executive Officer	"*Rajwant S. Kang*" Chief Financial Officer

On behalf of the Board of Directors

"*Kenneth Berry*" Director	"*Joseph P. Giuffre*" Director