



May 18, 2017

BHS2017-08

Bayhorse Silver Inc Exercises AMCOR Option on the Bayhorse Silver Mine LLC Mining Lease

Bayhorse Silver Inc., ("Bayhorse" or the "Company" BHS - TSX:V) has advised American Cordillera Mining Corp ("AMCOR") that it has met the minimum expenditures as detailed in the Mining Lease Option Agreement (the "Option Agreement") dated December 4, 2013 with respect to the Bayhorse Silver Mine.

As of May 2, 2017, the Company has expended in excess of the minimum US\$1,500,000 of required property expenditures as defined in the Option Agreement and has exercised its option to acquire an 80% undivided right, title and interest in and to AMCOR's Mining Lease with Bayhorse Silver Mine LLC on and to the Bayhorse Silver Mine.

The Company has issued the remainder of the 500,000 common shares of the Company in accordance with the Agreement.

AMCOR is required to deliver to the Company a registerable transfer document confirming that the Company holds an 80% Leasehold Interest and AMCOR holds a 20% Leasehold Interest, respectively, in the Mining Lease.

In accordance with the provisions of S. 8.1 of the Agreement, Bayhorse formally advised AMCOR that it had made a "Decision to Mine" and in accordance with the Option Agreement a Joint Venture is automatically deemed to have been formed in accordance with Schedule "C" to the Option Agreement, with Bayhorse as the Operator.

As of the date of this News Release, the Company has expended US\$1,600,000 in property expenditures and as such the Initial Calculation for the Joint Venture expenditures shall be based upon that amount. As a result of the exercise of the Option and commencement of the Joint Venture, AMCOR and the Company are deemed to have the following Joint Venture Interests:

Deemed Expenditures:	AMCOR \$320,000	Bayhorse \$1,600,000
Joint Venture Interest	20%	80%

In accordance with the provisions of the Option Agreement, Bayhorse will be responsible for 80% of the project expenditures going forward and AMCOR will be responsible for 20% of the expenditures. Provisions in the Option Agreement allow for dilution of either JV parties interest in the JV and, when either parties interest falls below 10%, their interest shall be converted to a 1% NSR and the surviving party shall hold a 100% interest to the lease.

The Company advises it is not basing its decision to produce on a feasibility study of mineral reserves demonstrating economic and technical viability and also advises there is increased uncertainty and specific economic and technical risks of failure associated with its production decision.

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BAYHORSE
SILVER INC.

This News Release has been prepared on behalf of the Bayhorse Silver Inc. Board of Directors, which accepts full responsibility for its contents.

On Behalf of the Board.

Graeme O'Neill, President

Bayhorse Silver Inc., a junior exploration company, is earning an 80% interest in the historic Bayhorse Silver Mine, Oregon, USA. Bayhorse is also earning a 75% interest in the past producing Bridging the Gap Project, consisting of ASARCO's historic Crown Point, Silver King, Ranger, Wyoming, Curlew, and Blackhawk silver/lead/zinc mines in Idaho's Silver Valley. The Company has an experienced management and technical team with extensive exploration and mining expertise.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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