



Kootenay Responds to OTC Markets Request on Recent Promotional Activity

VANCOUVER, BC, Dec. 17, 2025 /CNW/ - **Kootenay Silver Inc.** (TSXV: KTN) (OTCQX: KOOYF) (the "**Company**" or "**Kootenay**") confirms that, as previously announced on September 8, 2025, it has engaged Sideways Frequency LLC ("**SFLLC**") as an arm's-length, third party firm contractually retained by the Company in accordance with routine industry practices to provide investor relations services for an initial three-month term with a further three-month extension announced on November 19, 2025.

As announced on September 8, 2025, SFLLC provides certain marketing services to the Company in compliance with the policies and guidelines of the TSX Venture Exchange and other applicable legislation. The marketing services include, but are not limited to, email campaigns, native advertising, display ads, lead generation, creation of content, strategic planning, digital advertisement placement, and overseeing progress and results of digital campaigns ("**Promotional Material**") regarding the Company and its common shares traded on the OTCQX marketplace on behalf of the Company. Under the agreement with SFLLC, the Company paid SFLLC US\$250,000 for the initial three-month term. The Company paid SFLLC an additional US\$250,000 when the agreement was extended, as announced on November 19, 2025. The consideration paid to SFLLC does not include any securities of the Company. Aside from this engagement, the Company does not have any relationship with SFLLC and Mr. Wesley De Souza, CEO of SFLLC. To the Company's knowledge, SFLLC holds no securities of the Company nor has any interest, direct or indirect, in the Company. SFLLC's address is 1389 Center Drive, Suite 200, Park City, Utah, 84098, info@sidewaysfrequency.com. The news release can be found under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Company has editorial control over the Promotional Material for accuracy but is not directly involved in its creation or distribution, other than factual accuracy. The content of the Promotional Material was taken from publicly available disclosure, including the Company's press releases, corporate presentation and financial statements. The Company does not believe that the statements made in the promotional material were false or misleading.

The OTC Markets Group Inc ("**OTC Markets**") has requested the Company issue this statement regarding its promotional activities concerning its common shares quoted for trading on the OTCQX market (operated by OTC Markets).

It is impossible to precisely quantify the effect of the promotional activities, especially considering during the period of that SFLLC has been retained by the Company, the silver spot price has increased from approximately US\$41 per ounce to approximately US\$64 per ounce, an increase of US\$23 per ounce or approximately 56%. The Company also believes that there is an overall positive junior exploration market and notes that the Company recently announced drill results. The Company does not believe the promotional activities were the primary factor in any increase in trading volume in the common shares. Rather, the Company believes the promotional materials drew attention to the Company, causing an increase in investor interest and awareness of the Company, which together with the dramatic increase in silver spot price and the Company's drill announcements may have led to an increase in trading volumes of the Company's common shares on the OTCQX marketplace.

After inquiring with its management, directors, officers, control persons, controlling shareholders (defined as shareholders owning 10% or more of the Company's securities), and third-party service providers, the Company confirms that none of such parties have directly or indirectly been involved in any way (including payment of a third-party) with the creation, distribution, or payment of promotional materials related to the Company or its securities, except as described in this press release; or sold or purchased any of the Company's securities in the past 90 days.

Except for SFLLC, in the last 12 months, the Company has not engaged directly any third party to provide investor relations, public relations, marketing or related services. However, on enquiry, SFLLC has engaged a number of service providers in relation to the Promotional Material, including but not limited to:

- a) MarketBeat (<https://www.marketbeat.com/>)
- b) www.tradingwire.com
- c) www.hugealerts.com
- d) www.bullishbear.com
- e) www.guystocks.com
- f) Chris Parry (<https://equity.guru/>)
- g) Kal Kotecha (www.juniorgoldreport.com)
- h) Peter Epstein (www.epsteinresearch.com)
- i) Greg Nolan (www.highballerstock.com)

Other than as previously disclosed in the Company's continuous disclosure filings, the Company has not issued any shares or convertible instruments allowing conversion to equity securities at prices constituting a discount to the current market price at the time of the issuance.

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

About Kootenay Silver Inc.

Kootenay Silver Inc. is an exploration company actively engaged in the discovery and development of mineral projects in the Sierra Madre Region of Mexico. Supported by one of the largest junior portfolios of silver assets in Mexico, Kootenay continues to provide

its shareholders with significant leverage to silver prices. The Company remains focused on the expansion of its current silver resources, new discoveries and the near-term economic development of its priority silver projects located in prolific mining districts in Sonora, State and Chihuahua, State, Mexico, respectively.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at December 16, 2025. Certain statements in this news release, referred to herein as "forward-looking statements", constitute "forward-looking statements" under the provisions of Canadian provincial securities laws. These statements can be identified by the use of words such as "expected", "may", "will" or similar terms.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Kootenay as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors, known and unknown, could cause actual results to be materially different from those expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. Except as otherwise required by law, Kootenay expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in Kootenay's expectations or any change in events, conditions or circumstances on which any such statement is based.

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For further information: For additional information, please contact: James McDonald, CEO and President at 403-880-6016; Ken Berry, Chairman at 604-601-5652; 1-888-601-5650 or visit: www.kootenaysilver.com

CO: Kootenay Silver Inc.

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