Kootenay Silver Files NI 43-101 Technical Report Supporting Positive PEA for the La Cigarra Silver Project

August 7, 2026

VANCOUVER, BC, – Kootenay Silver Inc. (TSXV: KTN) (OTCQX: KOOYF) (the "Company" or "Kootenay") is pleased to announce that it has filed the independent National Instrument 43-101 Technical Report entitled "*Preliminary Economic Assessment for the La Cigarra Silver Project, Hidalgo del Parral, Chihuahua State, Mexico*," with an effective date of January 15, 2026, supporting the positive Preliminary Economic Assessment ("PEA") for its wholly owned La Cigarra Silver Project in Chihuahua, Mexico. The report is available under the Company's profile on SEDAR+.

The technical report supports the results previously announced by the Company on June 15, 2026, and there are no material differences between the technical report and the information contained in that news release (click for June 15, 2026 news release).

A Strategic Asset in One of Mexico's Premier Silver Districts

Located approximately 26 kilometres from the city of Hidalgo del Parral in Chihuahua State, La Cigarra benefits from excellent infrastructure, year-round access, nearby electrical power, water availability and an experienced mining workforce. The Project occupies a favourable position within one of Mexico's most prolific historic silver districts, home to the long-producing Santa Bárbara and San Francisco del Oro mining operations.

The Company believes La Cigarra represents a rare combination of advanced technical work, positive economics and meaningful exploration upside, positioning it as one of the premier undeveloped silver development opportunities available to a junior exploration company.

James McDonald, President and CEO of Kootenay Silver, commented:

"*The filing of the NI 43-101 Technical Report marks an important milestone in the advancement of La Cigarra and validates the significant technical work completed by our team and our consultants. The PEA demonstrates a technically robust project with attractive economics and rapid capital payback, while highlighting the considerable exploration upside that remains across the property. Importantly, the current mine plan represents only part of the mineralized system we have identified to date. With over nine kilometres of prospective mineralized trend and numerous opportunities to expand the resource, we believe La Cigarra offers a compelling combination of development readiness and discovery potential. We look forward to continuing to advance the project while unlocking additional value through exploration and engineering optimization*."

About the Technical Report

The NI 43-101 Technical Report, "Preliminary Economic Assessment for the La Cigarra Silver Project, Hidalgo del Parral, Chihuahua State, Mexico," has an effective date of January 15, 2026, and was prepared by Sacré-Davey Engineering with contributions from Canenco Consulting Corp., AKF Mining Services Inc., Knight Piésold Consulting and SGS Geological Services. The report has been filed under the Company's profile on SEDAR+ and is available on the Company's website

Qualified Persons

The Kootenay technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 (Standards of Disclosure for Mineral Projects) and reviewed and approved on behalf of Kootenay by Mr. Dale Brittliffe, BSc. P. Geol., Vice President, Exploration of Kootenay Silver, is the Company's nominated Qualified Person pursuant to National Instrument 43-101, Standards for Disclosure for Mineral Projects, has reviewed the scientific and technical information disclosed in this news release. Mr. Brittliffe is not independent of Kootenay Silver.

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.

For additional information, please contact:
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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

The information in this news release has been prepared as at August 5th, 2026. Certain statements in this news release, referred to herein as "forward-looking statements", constitute "forward-looking statements" under the provisions of Canadian provincial securities laws. These statements can be identified by the use of words such as "expected", "may", "will" or similar terms.

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

Cautionary Note to US Investors: *This news release includes Mineral Reserves and Mineral Resources classification terms that comply with reporting standards in Canada and the Mineral Reserves and the Mineral Resources estimates are made in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements adopted by the U.S. Securities and Exchange Commission (the "**SEC**"). The SEC sets rules that are applicable to domestic United States reporting companies. Consequently, Mineral Reserves and Mineral Resources information included in this news release is not comparable to similar information that would generally be disclosed by domestic U.S. reporting companies subject to the reporting and disclosure requirements of the SEC. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with U.S. standards.*