

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 19, 2015) - [Huldra Silver Inc.](#) (the "Company") (TSX VENTURE:HDA) announces that it plans to raise up to \$250,000 under the second tranche (the "Second Tranche") of its previously announced offering of secured convertible debentures (each, a "Debenture") in the aggregate principal amount of up to \$8 million and 5,000 non-transferrable common share purchase warrants (each, a "Warrant") for every \$1,000 of principal of the Debentures (collectively, the "Offering") (see the Company's news release dated November 24, 2014). The Company raised \$7,000,882 pursuant to the first tranche of the Offering (the "First Tranche") which was completed in November, 2014. Each Warrant issued pursuant to the Second Tranche is exercisable into one Share at an exercise price of \$0.075 per Share in the first 12 months after closing of the Second Tranche (the "Closing") and at \$0.10 per Share for 36 months thereafter, subject to adjustment.

The Debentures mature three years from Closing (the "Maturity Date") and bear interest ("Interest") at a rate of 10% per annum, which Interest is payable as to 50% in case and 50% by the issuance of Shares at a price per Share equal to the market price of the Shares at the time of issuance. The Debentures are also convertible into Shares at a price of \$0.055 per Share at any time, and from time to time, until the Maturity Date.

The holders of the Debentures will be granted a security interest over all of the property and assets of the Company and its wholly-owned subsidiary Huldra Properties Inc., and the enforcement of such security will be subject to the terms and conditions of the Debentures and any ancillary agreements.

The Debentures and related security interests are subordinate to the Company's debts and obligations owing to Waterton Global Value, L.P. ("Waterton"), until such time as all amounts owed to Waterton have been repaid by the Company. Upon repayment by the Company of all amounts owed to Waterton, the holders of the Debentures issued pursuant to the First Tranche will be granted an aggregate 2% net smelter returns royalty with respect to the Company's Treasure Mountain Mine (the "First Tranche Royalty"), provided that each holder of such Debentures shall only be entitled to their pro rata share of such royalty based on their individual investment pursuant to the First Tranche. It is expected that certain holders of Debenture issued pursuant to the First Tranche (the "Sharing Holders") will agree to share an aggregate of approximately 1.92% of the First Tranche Royalty (the "Shared First Tranche Royalty") with the holders of Debentures issued pursuant to the Second Tranche such that the portion of the First Tranche Royalty that represents the Shared First Tranche Royalty will be allocated on a pro rata basis among the Sharing Holders and the holders of Debentures issued pursuant to the Second Tranche. The percentage of the Shared First Tranche Royalty may vary depending on who the Sharing Holders will be and their pro rata share of the First Tranche Royalty that they are willing to share. The First Tranche Royalty will replace the 2% net smelter returns royalty with respect to the Company's Treasure Mountain mine which is currently held by Waterton (the "Waterton Royalty") and will be terminated upon repayment of all amounts owed to Waterton by the Company.

Closing of the Second Tranche remains subject to final acceptance of the TSX Venture Exchange. The Company does not expect to pay finder's fees in connection with the issuance of Debentures under the Second Tranche. The Debentures, Warrants and Shares issuable on conversion thereof will be subject to a statutory hold period expiring on the date that is four months and one day after Closing. The proceeds of the Second Tranche are expected to be used for repayment of the Company's outstanding debt and for general working capital purposes.

Further to the Company's news release dated March 11, 2015, the Company continues to work towards completing the previously announced share consolidation and name change. The consolidation and name change are subject to approval of the TSX Venture Exchange, and are not expected to be completed until after closing of the Second Tranche.

On behalf of the Board of Directors

Peter Espig, CEO & Director

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Second Tranche, the Offering and the securities issuable thereunder, and the proposed consolidation and name change are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the proceeds to be raised pursuant to the Second Tranche, the terms of the securities issuable pursuant to the Second Tranche, the security interests of Waterton and the holders of the Debentures, resale restrictions relating to the securities to be issued, the use of proceeds of the Second Tranche, the proposed name change and consolidation and receipt of the requisite approvals of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company's ability to complete the Second Tranche, including the risk that the Second Tranche may not be completed as expected or at all, that the security interests may not be as set out in this news release, that the proceeds of the Second Tranche may be used other than as set out in this news release, that the TSX Venture Exchange may not approve the Second Tranche, name change or consolidation, and such other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly

disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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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