

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jun 29, 2015) - [Northair Silver Corp.](#) (TSX VENTURE:INM) (the "Company" or "Northair") is pleased to announce the results of its Phase 3 Metallurgical test work program (the "Program"), which was completed this year on mineralized material from its 100% owned La Cigarra silver project, located in Chihuahua State Mexico.

"Results from this latest phase of metallurgical testing on representative samples from the San Gregorio and Las Carolinas resource areas show a significant improvement in overall silver recoveries compared with the Phase 2 program completed in 2012. The latest work indicates the possibility of producing both lead-silver and zinc-silver concentrates and silver dore" said Andrea Zaradic, President & CEO of Northair. "The Program was designed to ensure the implementation of an efficient process flow-sheet with improvements to the grinding circuit as well as a streamlined lead flotation process. The Program and subsequent results significantly de-risk the project with respect to metallurgical processes and will be utilized in a future Preliminary Economic Assessment (PEA)."

Highlights and positive findings from the Phase 3 test program include:

- A comprehensive program covering the total La Cigarra silver deposit including both the San Gregorio and Las Carolinas zones as opposed to only the San Gregorio area (Phase 2 program in 2012);
- A significant increase to 88% overall silver recovery (concentrates and leaching) compared with 82% in the 2012 Phase 2 program; producing a high grade lead-silver concentrate of 34% lead and 23,000g/t silver;
- An increase in the primary grind size to 80% passing 106 microns (up from a grind size of 80% passing 75 microns in 2012);
- A more streamlined flow sheet with the elimination of the previous pre-flotation circuit for organic carbon removal and a reduction in the number of lead cleaner flotation stages from 3 to 2;
- The option of adding a zinc recovery circuit to produce a zinc-silver concentrate of up to 58% zinc and 2,500 g/t silver;
- Program was designed and executed sufficient to support a PEA.

Metallurgical Test Work Description and Results

The process development tests for the sulphide material were conducted on a composite sample from the San Gregorio and Las Carolinas zones. The samples making up the sulphide composite were selected from 12 drill holes in San Gregorio and 9 drill holes from Las Carolinas.

Proposed Flowsheet Option 1:

A flowsheet was developed comprising lead flotation, pyrite flotation of lead rougher tailings to concentrate the residual silver and cyanidation of the lead cleaner tailings and pyrite concentrate to achieve optimum recovery of silver and lead. Locked cycle testing achieved an average of approximately 69% of both the lead and silver recovered in the lead concentrate at a primary grind size of 106 microns from material containing 0.14% lead and 104 g/t silver with an additional 19% of the silver extracted in the cyanidation of lead cleaner tailings and pyrite concentrate. Based on these results, there is potential to recover approximately 88% of the total silver from the sulphide material in the combined flotation-leaching flow sheet. The lead concentrate average cycle results contain up to 34% lead and 23,000 g/t silver.

In comparison, the 2012 work on the San Gregorio sulphide composite achieved a 73% silver recovery in the lead concentrate at a primary grind of 75 microns and 9% silver extraction from lead cleaner tailings leach for a total recovery of 82%. The head grade was 0.15% lead and 68 g/t silver. Click the following link to view proposed flowsheet option 1:
http://www.northairsilver.com/i/pdf/2015-06-24-Metallurgical_Option_1.pdf

Proposed Flowsheet Option 2:

In addition to the extraction process Option 1 there is potential for a second flow sheet with the addition of zinc flotation prior to the pyrite flotation step to recover approximately 59% of the zinc in a marketable zinc concentrate containing up to 58% zinc and 2,500 g/t silver. Under this flow sheet scenario, about 77% of the silver would be recovered in both the lead and zinc concentrates, but the total silver recovery including the cyanidation of pyrite concentrate would be similar to the total recovery in Option 1. The same sulphide composite was used in both flowsheet options with the zinc grade being 0.27%. Click the following link to view proposed flowsheet option 2: http://www.northairsilver.com/i/pdf/2015-06-24-Metallurgical_Option_2.pdf

Tests on the oxide material were completed on a composite covering 9 drill holes in San Gregorio and 11 drill holes in Las Carolinas. The silver in oxide is more amenable to whole ore leaching than flotation. Approximately 88% of the silver was extracted from material containing 78 g/t silver in 96 hours of whole ore cyanidation at a grind size of 55 microns.

In comparison, the 2012 whole ore leach on the oxide extracted approximately 90% of the silver in 48 hours at 60 micron grind size from a head grade of 59 g/t silver.

Highlights of the 2015 Phase 3 program test results are shown below with a comparison to the Phase 2 test results:

Option 1

Product	Assay			Flotation Distribution, % Ag Leaching				
	Pb (%)	Zn (%)	Ag (g/t)	Pb	Zn	Ag	Extraction (%)	Distribution (%)
Feed	0.14	0.3	104					
Pb con	28	5.46	20,274	69.1	6.5	69.2		
1st Pb cleaner tails	0.4	0.78	387	9.8	9.2	12.3	81.7	10.0
Pyrite con	0.05	1.76	95	4.8	76.1	11.7	76.5	9.0
Flotation tails	0.03	0.03	8	16.2	8.2	6.8		
Overall Ag distribution in Pb con and leaching				88.2 %				

Option 2

Product	Assay			Flotation Distribution, % Ag Leaching*				
	Pb (%)	Zn (%)	Ag (g/t)	Pb	Zn	Ag	Extraction %	Distribution %
Feed	0.14	0.3	104	100	100	100		
Pb con	34.3	6	22,963	70	6.2	64.1		
Zn con	0.6	51.6	4,159	1.4	59.1	12.9		
1st Zn cleaner tails	0.09	0.1	73	2	1.1	2.2		
Pyrite con*	0.08	1	97	2	17	12.5	70	8.7
Flotation tails*	0.04	0.1	18	25	17	8.4		
Overall Ag distribution in Pb-Zn con and leaching				86 % (estimated)				

* Data estimated from related tests

2012

Product	Assay			Flotation Distribution, % Ag Leaching*				
	Pb (%)	Zn (%)	Ag (g/t)	Pb	Zn	Ag	Extraction %	Distribution %
Feed	0.15	0.21	68	100	100	100		
Preflot con	0.45	0.15	228	2.8	0.7	3.1		
Pb con	48.2	1.8	22,600	69.8	1.9	72.7		
1st Pb cleaner tails*				2.4	0.9	11	85	9
Flotation tails*	0.04	0.2	15	25	96.5	13		
Overall Ag distribution in Pb con and leaching				82 % (estimated)				

* Data estimated from related tests

These results indicate that a combined flotation-leaching flow sheet, similar to that developed in 2012 but with enhancements, would achieve maximum silver recovery of up to 88% from the La Cigarra silver deposit.

Corporate Update

Northair is pleased to appoint Jeff Dare as the Corporate Secretary of the Company, effective immediately. Mr. Dare has over 7 years of professional experience with respect to managing external reporting and corporate compliance for TSX Venture Exchange listed issuers. He currently serves as Corporate Secretary for [Riverside Resources Inc.](#) (TSX VENTURE:RRI), [Bluestone Resources Inc.](#) (TSX VENTURE:BSR), and Corex Management Inc., a private administration company. Through Corex Management Inc. he also advises a number of private companies spanning different industries and jurisdictions. Mr. Dare works closely with external partners and service providers in the areas of legal, compliance, transfer agency, audit, banking and insurance. Prior to joining Riverside, Mr. Dare worked at a major Canadian bank in the personal banking division. Mr. Dare holds a Bachelor of Arts Degree from Simon Fraser University and has successfully completed the Canadian Securities Course. This appointment comes with the departure of Ms. Brenda Nowak as Corporate Secretary. The Company would like to thank Ms. Nowak for her valuable contributions to Northair and wishes her success in the future.

Northair also announces that it has commenced the process to terminate the remaining option agreement with DFX Exploration Ltd. ("DFX"). The original agreement, dated January 9, 2014 between Northair and DFX (and their relevant subsidiaries) allowed Northair to acquire a 100% interest in a portion of the Parral Concessions (the "Adjacent Property" now known as the "Parral 2" concession) immediately surrounding its 100% owned La Cigarra silver project. This option was exercised in October of 2014 (See INM news release #14-15, dated October 6, 2014) resulting in the creation of the Parral 2 concession which is now 100% owned by Northair. The original agreement also allowed Northair to acquire a 60% interest in the remaining portion of the Parral Concessions comprising approximately 18,000 hectares surrounding the current Parral 2 concession (the "Outside Property"). It is the option on the Outside Property that is in the process of being terminated by Northair.

The metallurgical program was carried out by Base Metallurgical Laboratories Ltd. of Kamloops, B.C., with Terra Mineralogical Services of Peterborough, ON selected to conduct further mineralogical assessment of the La Cigarra sample material. The metallurgical and mineralogical work was conducted under the supervision of Mr. Hoe Teh, P.Eng, a Qualified Person as defined by NI 43-101. Mr. Teh has reviewed this news release and agreed to its contents.

About the La Cigarra Silver Project

Northair is focused on advancing its flagship La Cigarra silver project located in the state of Chihuahua, Mexico, 26 kilometres from the historic silver mining city of Parral. The property boasts nearby power, good road access, gentle topography, established infrastructure and currently hosts a NI 43-101 Resource estimate of 51.47 million ounces of silver in the Measured & Indicated categories grading 86.3 g/t silver and 11.46 million ounces of silver in the Inferred category grading 80 g/t silver. The mineralized system at La Cigarra has been traced over 6.5 kilometres and is defined at surface as a silver soil anomaly and by numerous historic mine workings. The La Cigarra silver deposit is open along strike and at depth and is approximately 25km north, and along strike of Grupo Mexico's Santa Barbara mine and Minera Frisco's San Francisco del Oro mine.

ON BEHALF OF THE BOARD,

NORTHAIR SILVER CORP.

Andrea Zaradic, P. Eng., President & CEO

Neither 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 news release.

Caution Concerning Forward-Looking Statements

This news release may contain forward looking statements which are statements that are not statements of historical fact, such as statements regarding the mineral resource estimates, results of the sensitivity analysis, anticipated production or results, sales, revenues, costs, or discussions of goals and exploration results, and involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, metal price volatility, volatility of metals production, project development, mineral reserve estimates, future anticipated reserves and cost engineering estimate risks, geological factors and exploration results. See Northair's filings for a more detailed discussion of factors that may impact expected results.

Cautionary Note Concerning Estimates of Measured, Indicated and Inferred Mineral Resources

This news release uses the terms "Measured and Indicated Resources" and "Inferred Resources", which have a great amount of uncertainty as to their existence, and great uncertainty as to their economic feasibility. It cannot be assumed that all or any part of a Measured and Indicated and/or Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. Northair advises U.S. investors that while this term is recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize it. U.S. investors are cautioned not to assume that part or all of a Measured, Indicated and Inferred resource exists, or is economically or legally minable.

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