

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 9, 2016) - [Southern Silver Exploration Corp.](#) (TSX VENTURE:SSV) (OTCQB:SSVFF) (FRANKFURT:SEG1) (SSE:SSVCL) ("Southern Silver") reported today 2016 drilling on its Cerro las Minitas project has successfully identified a new mineralized extension on the project and continues to demonstrate the continuity of contact skarn around the margin of the central intrusion each of which could significantly expand the overall size of the project.

A total of 3236 metres of core drilling was completed in the 2016 Phase I program, consisting of three new holes which tested the lateral and depth extensions of the Blind and El Sol deposits on the west side of the Central Intrusion as well as an extension of hole CLM-001 which tested down dip and along strike of the Mina La Bocona zone located on the eastern side of the Central Intrusion.

Drill results identified a thick interval of continuous polymetallic semi-massive and massive sulphide mineralization in drill hole 16CLM-088 which forms part of a new, previously unrecognized, extension of the Blind and El Sol deposits. The mineralization occurs in skarn at the contact with the Central Intrusion, at depth and well outboard of the known deposits and appears to flatten into a sub-horizontal orientation in this area. Geological modelling has outlined a 450 metre by 450 metre gently-dipping target area to the west of the main intrusive neck which is partially constrained by thick mineralized intercepts from previously reported holes including:

- a 30.4m down hole interval averaging 107.4g/t Ag, 0.40% Cu, 1.1% Pb and 2.3% Zn (275g/t AgEq) in drill hole 16CLM-088 (see NR-14-16; June 13, 2016);
- a 7.6m down hole interval averaging 43g/t Ag, 1.1g/t Au, 0.3% Cu, 0.5% Pb and 2.8% Zn (270g/t AgEq) in drill hole 15CLM-081 (see NR-14-15; Dec 1, 2015); and
- a 55.2 metre down hole interval averaging 41g/t silver, 0.7% lead and 5.3% zinc (202g/t AgEq) in drill hole 13CLM-066 (see NR-17-13, October 24, 2013)

Delineation of this target area is a high priority for future drilling on the property which if successful could have a significant positive impact on the cumulative mineral resources of the project. This target remains to be tested and neither the lateral dimension nor thickness of mineralization has been confirmed at this time.

Select assay composites from the 2016 drill program include:

Table 1: Select Assay Composites from the 2016 Drill Program

Hole #	From (m)	To (m)	Interval (m)	Est. TT (m)	Ag (g/t)	Au (g/t)	Cu (%)	Pb (%)	Zn (%)	AgEq (g/t)	Comments
16CLM-087	529.1	532.0	2.9	2.3	5	0.21	0.0	0.1	0.0	25	Anomalous composite; Previously Reported
inc.	531.4	532.0	0.6	0.4	21	0.63	0.0	0.5	0.2	89	
16CLM-087	723.3	732.8	9.6	7.6	20	0.02	0.3	0.1	1.0	87	Anomalous composite; Previously Reported
inc.	723.3	724.5	1.3	1.0	50	0.06	0.1	0.3	2.2	145	
and inc.	728.6	729.4	0.8	0.6	96	0.04	2.8	0.5	4.9	585	
16CLM-087	809.5	811.6	2.1	1.7	23	0.02	0.4	0.0	0.1	72	40% Internal Dilution; Previously Reported
inc.	810.4	811.6	1.3	1.0	38	0.03	0.7	0.0	0.1	115	
16CLM-088	134.1	135.0	1.0	0.5	26	0.03	0.0	0.8	0.3	66	Previously Reported
16CLM-088	683.7	714.0	30.4	29.5	107	0.07	0.4	1.1	2.3	275	Previously Reported
inc.	683.7	691.0	7.3	7.1	190	0.13	0.4	3.4	5.5	552	
and inc.	702.3	714.0	11.8	11.4	100	0.04	0.5	0.6	1.9	242	
inc.	712.7	714.0	1.3	1.3	178	0.01	0.9	2.0	3.3	453	
16CLM-089	917.9	943.9	26.0	---	1	0.32	0.0	0.0	0.0	25	Anomalous composite; New Assays
16CLM-089	981.5	1052.0	70.5	---	13	0.02	0.2	0.1	0.1	45	Anomalous composite; New Assays 40% Internal Dilution
inc.	1014.7	1024.0	9.4	---	30	0.06	0.7	0.1	0.2	118	
inc.	1022.4	1024.0	1.6	---	63	0.07	1.9	0.1	0.3	281	
11CLM-001	751.1	759.6	8.6	---	16	0.02	0.1	0.2	0.2	36	Anomalous composite; New Assays
inc.	758.6	759.6	1.0	---	80	0.02	0.1	0.8	0.9	153	
11CLM-001	864.5	876.0	11.5	---	12	0.15	0.2	0.0	1.6	105	Anomalous composite; New Assays
inc.	865.7	867.0	1.3	---	41	1.18	1.1	0.0	7.7	506	
11CLM-001	887.7	897.4	9.8	---	20	0.02	0.2	0.2	0.1	55	Anomalous composite; New Assays
inc.	896.0	897.4	1.4	---	112	0.04	1.0	1.1	0.8	291	

Analyzed by FA/AA for gold and ICP-AES by ALS Laboratories, North Vancouver, BC. Silver (>100ppm), copper, lead and zinc (>1%) overlimits assayed by ore grade ICP analysis, High silver overlimits (>1500g/t Ag) and gold overlimits (>10g/t Au) re-assayed with FA-Grav. High Pb overlimits (>20%) assayed by titration. AgEq was calculated using the approximate 2 year trailing average metal prices of: US\$18.2/oz silver, US\$1240/oz gold, US\$2.8/lbs copper and US\$0.9/lbs lead and US\$0.9/lbs

zinc. AgEq calculations did not account for relative metallurgical recoveries of the metals. Ore-grade composites calculated using a 80g/t AgEq cut-off and <20% internal dilution, except where noted; anomalous intercepts calculated using a 10g/t AgEq cut-off.

New drill results from the western and eastern margins of the Central Intrusion continue to highlight the exploration potential of the contact skarn style of mineralization.

Hole 16CLM-089 tested three mineralized zones, including two within the main Contact Skarn of the Central Intrusion about 200 metres to the southeast of the Blind and El Sol deposits. Drilling identified a +100 metre thick interval of skarn at depths of over 800 metres below surface. Two zones of interest were identified within the Contact Skarn including a 26 metre interval (down hole) averaging 0.32g/t Au and 1.2g/t Ag starting at 917.9 metres depth and a deeper 70.5 metre zone (down hole) of anomalous Ag enriched mineralization averaging 44.7g/t AgEq which includes a 9.4 metre Cu-enriched interval averaging 30.5g/t Ag and 0.7% Cu.

The extension of hole CLM-001 intersected over 100 metres of variably mineralized Contact Skarn on the eastern side of the Central Intrusion and targeted an area over 200 metres along strike from the Mina La Bocana zone and at depths of over 650 metres below surface. Drilling intersected several zones of anomalous polymetallic and base metal mineralization including a 1.3 metre interval (down hole) averaging 1.18g/t Au, 41g/t Ag, 1.1% Cu and 7.7% Zn (506g/t AgEq) within a broader 11 metre silver and copper-enriched, anomalous zone averaging 105g/t AgEq.

Results from drill holes CLM-001 and CLM089 confirm the continuity of mineralized skarn around the Central Intrusion and to depths of over 650 metres which remain open for further target development.

To view Figure 1: Plan Map showing the distribution of 2016 Drill Holes at Cerro Las Minitas, please visit the following link:  
<http://media3.marketwire.com/docs/1065354fig1.pdf>

The Company's Blue Sky exploration of the gravel covered portions of this +130 sq. km. property continues with soil sampling, prospecting and ground VLF identifying multiple anomalous areas for follow-up work in the coming months to refine drill targeting. The property is highly prospective and is on trend with the Avino gold and silver mine to the west and to Hecla's San Sebastian gold and silver mine to the east, which recently reopened in January, 2016.

## Cerro Las Minitas Project

Exploration on the company's flagship Cerro Las Minitas property, Durango Mexico is funded by Electrum Global Holdings L.P. ("Electrum"), which is financing a broad range of exploration activities to earn a 60% interest in the project through a US\$5.0M option earn-in on the property, with Southern Silver acting as operator.

The Cerro Las Minitas project contains an estimated Inferred Resource of 17.5Mozs silver and 237Mlbs of lead and 626Mlbs zinc (77.3Mozs AgEq) and an estimated Indicated Resource of 10.8Mozs silver, 189Mlbs lead and 207Mlbs zinc (36.5Mozs AgEq).<sup>(1)</sup>

A total of 91 drill holes for 35,955 metres have now been completed on the Cerro Las Minitas project with exploration expenditures of approximately US\$8.35 million spent on the property to date.

## About Southern Silver Exploration Corp.

[Southern Silver Exploration Corp.](#) is a precious metal exploration and development company with a focus on the discovery of world class mineral deposits in north-central Mexico and the southern USA. Our specific emphasis is the Cerro Las Minitas silver-lead-zinc project located in the heart of Mexico's Faja de Plata which hosts multiple world class mineral deposits such as Penasquito, San Martin, Naica and Pitarrilla. We have assembled a team of highly experienced technical, operational and transactional professionals to support our exploration efforts in developing the Cerro Las Minitas project into a premier, high-grade, silver-lead-zinc mine. The Company engages in the acquisition, exploration and development either directly or through joint venture relationships in mineral properties in major jurisdictions. Our property portfolio also includes the Oro porphyry copper-gold project located in southern New Mexico, USA.

1. The 2016 Cerro Las Minitas Resource Estimate was prepared following CIM definitions for classification of Mineral Resources. Resources are constrained using mainly geological constraints and approximate 10g/t AgEq grade shells. The block models are comprised of an array of blocks measuring 10m x 2m x 10m, with grades for Au, Ag, Cu, Pb, Zn and AgEq values interpolated using ID<sup>2</sup> weighting. The models identified at a 150g/t AgEq cut-off, an indicated resource of 3,724,000 tonnes averaging 90g/t Ag, 0.05g/t Au, 2.3% Pb, 2.5% Zn and 0.09% Cu and a cumulative inferred resource of 6,611,000 tonnes averaging 82g/t Ag, 0.17g/t Au, 1.6% Pb, 4.3% Zn and 0.2% Cu. Mineral Resource cut-offs are estimated using an average long-term price of \$15/oz silver, \$1,100/oz gold, \$2.75/lb Cu, \$0.90/lb lead and \$0.90/lb zinc and metal recoveries of 82% silver, 86% lead and 80% zinc. AgEq calculations did not account for relative metallurgical recoveries of the metals. All prices are stated in \$USD. Mineral Resources are conceptual in nature and as such do not have demonstrated economic viability.

The current Resource Estimate was prepared by Garth Kirkham, P.Geo. of Kirkham Geosciences Ltd. who is the Independent Qualified Person responsible for presentation and review of the Mineral Resource Estimate.

Robert Macdonald, MSc., P.Geo, is a Qualified Person as defined by National Instrument 43-101 and responsible for the supervision of the exploration on the Cerro Las Minitas Project and for the preparation of the technical information in this disclosure.

On behalf of the Board of Directors

Lawrence Page, Q.C., President & Director, [Southern Silver Exploration Corp.](http://southern-silver-exploration.com)

For further information, please visit Southern Silver's website at [southern-silver-exploration.com](http://southern-silver-exploration.com).

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Contact

[Southern Silver Exploration Corp.](http://southern-silver-exploration.com)

604.641.2759

[ir@mnxlimited.com](mailto:ir@mnxlimited.com)

[www.southern-silver-exploration.com](http://www.southern-silver-exploration.com)