

OTTAWA, ONTARIO--(Marketwired - Oct 12, 2016) - [Aura Silver Resources Inc.](#) (TSX VENTURE:AUU) ("Aura" or the "Company") would like to provide an update on the Company's geophysical program completed this past Spring as reported in the text below. Also, as anticipated in a previous press release, the core Greyhound claims have been converted to a mining lease. In addition, the Company has just recently been informed that it now possesses the necessary licenses to carry out further drilling.

The Greyhound project is located in Nunavut, Canada and is subject to an option agreement with [Agnico Eagle Mines Ltd.](#) (NYSE:AEM)(TSX:AEM) who is the operator of the project.

Greyhound Geophysics Survey

ClearView Geophysics Inc. carried out a snowmobile mounted Total Field Magnetism survey in May, 2016 on the Greyhound property. The goal for the survey was to map magnetic anomalies and trends to guide exploration for gold. A secondary goal was to investigate a potential base metal target. All readings were diurnally corrected and presented as a colour contour plan map as follows:

The diagram titled "Total Field Magnetism" is available at the following address:
<http://media3.marketwire.com/docs/Figure%201.png>

An obvious and unexplained feature that stands out is a visually large magnetic feature (shown in red) adjacent to a regional-scale iron formation and Aura Lake. This feature measures 2km by 3km and lies in the heart of the targeted gold area at Aura Lake where frost heave and boulders assayed from 10.0 to 30.0 grams per tonne ("g/t") gold. Indeed, the Company believes that this magnetic zone, the bottom of which is approximately 300 meters deep could reflect mineralized massive sulphides and be the source of high grade gold, silver and possibly base metals.

In detail, the magnetism revealed several zones M1- M6 (see figure below) interpreted to be structure/fault or shear zones all converging on drill hole 15-017 (2015 drilling) where drilling intersected mineralization of 6.41 g/t gold over 1.5 metres at the bottom of the hole at approximately 137 metres vertical depth. In addition, these shallow source zones are indicated to trend approximately in the area of a chargeability zone noted previously by induced polarization (I.P.) data.

The diagram titled "Structure/Fault or Shear Zones" is available at the following address:
<http://media3.marketwire.com/docs/Figure%2002.png>

(Also see www.aurasilver.com / 'News' to see the diagrams included in this release.)

Aura CEO, Robert Boaz states that, "This additional data focusses on, and helps to confirm, the location of priority gold targets initially discovered through prospecting with the discovery of high-grade gold boulders as well as the results of drill hole 15-017. Combining all of our geophysical, geochemical and prospecting data highlights the likely source area which will be test drilled further in the spring of 2017."

Continuation of Drilling Program

It was previously reported that Aura anticipated a drill program would be initiated in the fall of this year pending approval of renewal of licenses which are required for the program to begin. The final license required was just recently approved. However, as a result of the challenging winter weather conditions in the Kivalliq region of Nunavut, the drill rig has had to be de-mobilized for the season but will be mobilized for a rescheduled drill program in April/May of 2017. This time period coincides with the final two months of our operator's three year earn-in period under the terms of the existing option agreement which concludes on May 31, 2017.

Aura Silver CEO, Robert Boaz states that, "While the delay of this final license is disappointing, it is encouraging that the drilling program will resume in the early spring of 2017 and will concentrate on our Aura Lake drill targets."

About Aura Silver

Aura is a TSX Venture listed company engaged in the acquisition, exploration and development of precious metal prospects in Canada (100% owned Greyhound project, subject to an option with Agnico Eagle) and in Oaxaca, Mexico (100% owned Taviche project). Aura has 113,830,844 common shares outstanding.

Mr. Paul Pitman, B.Sc., P.Geo. is a qualified person as defined by NI 43-101 and has reviewed and approved the technical contents of this press release regarding the Greyhound project.

FORWARD-LOOKING STATEMENTS:

This press release may contain forward looking statements that are made as of the date hereof and are based on current expectations, forecasts and assumptions which involve risks and uncertainties associated with our business including the uncertainty as to whether further exploration will result in the target(s) being delineated as a mineral resource, capital expenditures, operating costs, mineral resources, recovery rates, grades and prices, estimated goals, expansion and growth of the business and operations, the private placement financing activities of the Company, plans and references to the Company's future successes with its business and the economic environment in which the business operates. All such statements are made pursuant to the 'safe harbour' provisions of, and are intended to be forward-looking statements under, applicable Canadian securities legislation. Any statements contained herein that are statements of historical facts may be deemed to be forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. We caution readers of this news release not to place undue reliance on our forward-looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Please refer to the risks set forth in the Company's most recent annual MD&A and the Company's continuous disclosure documents that can be found on SEDAR at www.sedar.com. Aura does not intend, and disclaims any obligation, except as required by law, 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.

Contact

[Aura Silver Resources Inc.](http://www.aurasilver.com)

Robert Boaz
President and CEO
(905) 403-8010
boaz@aurasilver.com
www.aurasilver.com