

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 26, 2016) - Southern Silver Exploration Corp. (TSX VENTURE:SSV)(OTCQB:SSVFF)(FRANKFURT:SEG1)(SSE:SSVCL) (the "Company" or "Southern Silver") reported today that funding has been approved by Electrum Global Holdings L. P., as Optionee ("Electrum"), and final preparations are underway for a US\$2.0 million, 2016-17 exploration program on the Cerro Las Minitas Project, Durango, Mexico.

The exploration program comprises 16 holes totaling approximately 10,000 metres of core drilling and will mobilize in early November. Drilling is designed to confirm the extent and dimension of the Blind Shoulder target and to confirm the continuity of mineralization at the Mina La Bocona target with the goal of significantly enhancing the current Mineral Resource estimate.

#### Blind Shoulder Target

Drilling on the Blind Shoulder will target a 600 metre x 400 metre area and will test the extensions of several thick zones of polymetallic semi-massive and massive sulphide mineralization intersected at depth in the Blind - El Sol deposits and in the newly identified Blind Shoulder target. Examples of previous results include:

- 16CLM-088 with 30.4 metres averaging 107g/t Ag, 0.4% Cu, 1.1% Pb, and 2.3% Zn;
- 15CLM-081 with 16.8 metres averaging 136g/t Ag, 0.5% Cu, 0.3% Pb and 4.5% Zn; and
- 14CLM-066 with 50.6 metres averaging 41g/t Ag, 0.7% Pb and 5.3% Zn.

To view Figure 1: Schematic Cross-section of the Cerro Las Minitas project showing the location of currently identified Mineral Resources and specific target areas please visit the following link:  
<http://media3.marketwire.com/docs/Figure%201%201073844.pdf>.

The target mineralization occurs in skarn at the contact with the Central Intrusion, at depth, and well outboard of the previously defined mineral deposits, where the mineralization appears to flatten into a sub-horizontal orientation and forms a large tabular target area.

Delineation of this target area is a high priority which, if successful, could have a significant positive impact on the cumulative mineral resources of the project. Drill testing of this target will focus on confirming both the lateral dimensions and thickness of mineralization which has not been confirmed at this time.

To view Figure 2: Proposed drilling at the Blind shoulder target please visit the following link:  
<http://media3.marketwire.com/docs/Figure%202%201073844.pdf>

#### Mina La Bocona Target

Southern Silver also reported that exploration in 2016-17 will include up to six core holes totaling approximately 2000 metres in the Mina La Bocona target. Drilling will focus on the definition of a gold-enriched oxide zone first identified in the upper part of hole 15CLM-078 (7.8m of 13.5g/t Au, 37g/t Ag, 2.2% Pb and 1.7% Zn), off-sets of highly precious metal-enriched polymetallic mineralization in 15 CLM-078 (9.3m of 275g/t Ag, 4.3% Pb and 1.9% Zn) and deeper mineralization in the Contact Skarn of the eastern margin of the Central Intrusion which is down dip of the historical workings of Mina La Bocona. The objective for this definition drill program is to provide data that will allow inclusion of the Mina La Bocona zone into an updated Mineral Resource Calculation.

#### Cerro Las Minitas Project

Exploration on the Company's flagship Cerro Las Minitas property, Durango Mexico is funded by 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. To date, Electrum has advanced \$3,050,000 and has earned an indirect 30.1% interest in the property. Total advances of additional amounts of \$450,000 and \$1,500,000 will earn additional respective indirect interests of 19.9% and 10% for an aggregate indirect interest of 60%. Following which, operations will be conducted on a joint venture basis with Southern Silver funding 40% and Electrum funding 60% of ongoing expenditures.

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.

To view Figure 3: Longitudinal section showing proposed drilling pierce points (eg: B1) for La Bocona Drill targeting. Historic

sampling in the La Bocona Workings has not been verified by Southern Silver and as such should not be relied upon, please visit the following link: <http://media3.marketwire.com/docs/Figure%203%201073844.pdf>.

## Oro Gold Project

Southern Silver has completed a 9 RC drill hole, 1,220 metre drill program at the Stockpond gold target on the Oro project, New Mexico, which tested an area within and around a previously outlined 500 metre x 500 metre gold-in-soil anomaly and mineralized outcrop exposure where rock-chip samples returned up to 4.8g/t Au. Visual results from the drill program have been encouraging with most holes intersecting multiple thick (+10 metres) beds of strongly silicified and hematite-rich sediments. Samples have been submitted for analyses and assays are pending.

The Oro property consists of patented land, State leases and BLM located mineral claims and covers and surrounds a highly prospective quartz-sericite-pyrite alteration zone, interpreted to overlie an unexposed porphyry center. Classic porphyry system zonation is indicated by gold and copper mineralization associated with Laramide-age intrusions, flanked by lead-zinc skarn and carbonate-replacement mineralization, and distal sediment-hosted gold occurrences. The Stockpond target is interpreted as one of these gold occurrences distal to the main porphyry center, which is located 3 kilometres to the southwest.

## 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.Geol. of Kirkham Geosciences Ltd. who is the Independent Qualified Person responsible for presentation and review of the Mineral Resource Estimate.

Robert Macdonald, MSc., P.Geol. is a Qualified Person as defined by National Instrument 43-101 and is responsible for the supervision of the exploration on the Cerro Las Minitas and Oro Projects 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.](#)

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

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