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[Southern Silver Exploration Corp.](#) (TSX VENTURE:SSV)(OTCQB:SSVFF)(FRANKFURT:SEG1)(SSE:SSVCL) ("Southern" or "the Company") has entered into an agreement with Gravitas Securities Inc. ("GSI" or the "Lead Agent") and such other co-agents (collectively, the "Agents") as may be agreed to by the Lead Agent for the Company's \$5,000,000 Private Placement. The Company plans to issue (the "Offering") up to 12,500,000 units ("Units") in a brokered private placement at a price of \$0.40 per Unit (the "Offering Price"). Each Unit will consist of one common share and one transferable share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of three years at an exercise price of \$0.55 per share.

Southern has arranged an initial subscription from Electrum Global Holdings L.P. ("Electrum") to purchase 36% of the total Units sold in this Offering.

The Company has agreed to grant the Lead Agent an over-allotment option to offer, at the Offering Price, up to that number of additional Units as is equal to 15% of the number of Units in the Offering, on the same terms and conditions as the Offering, increasing the size of the Offering to a maximum of 14,375,000 Units. The over-allotment option may be exercised in whole or in part at any time 24 hours prior to the closing of the private placement (the "Closing"). If this option is exercised in full, an additional \$750,000 will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering will be \$5,750,000.

Net proceeds from this private placement are intended to be used to contribute to the Company's proportionate share (40%) of the costs associated with continuing exploration on the Cerro Las Minitas property near Durango, Mexico together with the Joint Venture partner of the Company, Electrum Global Holdings L.P. (60%), and for additional working capital. Further exploration work in 2017 and 2018 is to be funded by the two Joint Venture partners and is expected to consist of RC, RAB and core diamond drilling in order to:

- (a) Extend the known mineralization at the Blind and Blind Shoulder targets to increase the current resource of 113Moz AgEq.<sup>(1)</sup>
- (b) Explore for accumulations of potential new mineralization elsewhere in the larger area of the Cerro Las Minitas property.

Further work is currently ongoing on the balance of the larger property area including continued surface work and sampling, exploratory RAB/RC drilling and additional core drilling of certain defined targets.

On Closing, the Company will pay to the Agents a commission equal to 7.00% of the gross proceeds of the Offering placed by the Agents, in cash, and will issue such number of broker warrants (the "Broker Warrants") as is equal to 7.00% of the number of Units sold on the Offering by the Agents, excluding any Units issued to Electrum Global Holdings LP. Each Broker Warrant is exercisable into Shares at the Offering Price for a period of three years from the Closing Date. For all Units purchased by an individual or entity listed on the Company's President's List, the Lead Agent will be entitled to a reduced Fee and number of Broker Warrants of 2% Agent's Fee and 2% Broker Warrants.

The Closing is expected to occur no later than June 30<sup>th</sup>, 2017 or such other date as the Lead Agent and the Company may agree and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange (the "Exchange").

#### About Gravitas Securities Inc.

GSI is known for sophisticated sector expertise, tactical individuals with a commitment to excellence, global integration and innovation, and as a leading independent wealth management and capital markets firm. GSI provides a wide range of investment mandates and services for retail and corporate clients globally from offices in Toronto, Calgary and Vancouver and is represented in the United States through its FINRA representative, Gravitas Capital International, in New York and San Francisco.

#### About Southern Silver Exploration

[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, along with our partner, Electrum Global Holdings LP, 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 ID2 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.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

On behalf of the Board of Directors

Lawrence Page, Q.C.  
President & Director, [Southern Silver Exploration Corp.](#)

*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 release.*

*This news release may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Factors that could cause actual results to differ materially from those in forward looking statements include the timing and receipt of government and regulatory approvals, and continued availability of capital and financing and general economic, market or business conditions. [Southern Silver Exploration Corp.](#) does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.*

Contact

[Southern Silver Exploration Corp.](#)  
604.641.2759  
ir@mnx ltd.com  
www.southernsilverexploration.com