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VANCOUVER, Aug. 29, 2017 /CNW/ - [Dolly Varden Silver Corp.](#) (TSX.V: DV | U.S.: DOLLF) (the "Company" or "Dolly Varden") is pleased to announce that the Company intends to undertake a private placement financing (the "Offering") to raise gross proceeds of up to \$5.0 million from the sale of up to: (a) 2,739,726 common shares in the capital of the Company ("Common Shares") at a price of \$0.73 per share; and (b) up to 3,529,411 Common Shares that qualify as "flow-through shares" ("Flow-Through Shares"), as defined under the Income Tax Act (Canada), at a price of \$0.85 per share.

The 2017 exploration program budget has been extended from \$3.5 million to \$6 million and increased from 5,000 meters to approximately 12,000 metres of diamond drilling. The net proceeds of the Offering will be used for further exploration and mineral resource expansion of the Dolly Varden silver property in northwestern British Columbia, Canada, as well as ongoing working capital for 2017.

"We are extremely proud of our technical team's efforts to date," said Gary Cope, President and CEO of Dolly Varden. "The success of the current exploration program has more than warranted its continuation and subsequent expansion of its budget. We look forward to unlocking further value from this expanded drilling campaign."

In connection with the Offering, the Company has agreed to pay a finder's fee in respect of those purchasers introduced to the Company by Eventus Capital Corp. (the "Finder"). The Finder will receive a cash payment equal to 6% of the gross proceeds received from purchasers under the Offering who were introduced to the Company by the Finder.

The issuance of the Common Shares, Flow-Through Shares, and payment of the Finder's fee are subject to the approval of the TSX Venture Exchange ("TSXV"), receipt of any other required regulatory approvals and other customary closing conditions. Closing of the Offering is anticipated to occur on or about September 8, 2017. Securities issued under the Offering will be subject to a four-month hold period.

Pursuant to the ancillary rights agreement between Hecla Canada Ltd. ("Hecla") and the Company dated September 4, 2012 (the "ARA"), Hecla will be entitled to acquire Common Shares to maintain its pro rata equity interest in the Company. If Hecla exercises its pro-rata rights under the ARA, any securities issued to Hecla will be in addition to those issued as part of the Offering.

About Dolly Varden

[Dolly Varden Silver Corp.](#) is a mineral exploration company focused on exploration in northwestern British Columbia. Dolly Varden has two projects, the namesake Dolly Varden silver property and the nearby Big Bulk copper-gold property. The Dolly Varden property is considered to be highly prospective for hosting high-grade precious metal deposits, since it comprises the same structural and stratigraphic setting that host numerous other, on-trend, high-grade deposits (Eskay Creek, Brucejack). The Big Bulk property is prospective for porphyry and skarn style copper and gold mineralization similar to other such deposits in the region (Red Mountain, KSM, Red Chris).

The current mineral resource estimate at Dolly Varden, effective date August 27, 2015, consists of four deposits with an Indicated Resource of 3.07 million tonnes grading 321.6 g/t Ag, for 31.8 million ounces of silver, plus an Inferred Resource of 0.9 million tonnes grading 373.3 g/t Ag, for 10.8 million ounces of silver. These resources were estimated at a cut-off grade of 150 g/t Ag. For more details, please refer to a NI 43-101 compliant Technical Report filed on www.sedar.com and on the Company's website.

Ben Whiting, P.Geol., Vice President of Exploration and Robert van Egmond, P.Geol., Chief Geologist for Dolly Varden, serve as 'Qualified Persons' under National Instrument 43-101, and have approved the scientific and technical information contained in this news release.

The Company's Common Shares are listed and traded on the TSXV under the symbol "DV" and on the OTCBB system under the symbol "DOLLF".

FORWARD-LOOKING STATEMENTS:

This release may contain forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Dolly Varden to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Forward looking statements or information relates to, among other things, the completion of the Offering, the receipt of TSXV and other regulatory approval with respect to the Offering, the results of previous field work and programs and the continued operations of the 2017 program, interpretation of the nature of the mineralization at the project and that that the

mineralization on the project is similar to Eskay and Brucejack, results of mineral resource estimate on the project, the potential to grow the project, the potential to expand the mineralization, the planning for further exploration work, the ability to de-risk the potential exploration targets, and our belief about the unexplored portion of the property. These forward-looking statements are based on management's current expectations and beliefs but given the uncertainties, assumptions and risks, readers are cautioned not to place undue reliance on such forward-looking statements or information. The Company disclaims any obligation to update, or to publicly announce, any such statements, events or developments except as required by law.

Note: Mineral resources are not mineral reserves, thus have not demonstrated economic viability.

For additional information on risks and uncertainties, see the Company's most recently filed annual management discussion & analysis ("MD&A"), which is available on SEDAR at www.sedar.com and on the Company's website at www.dollyvardensilver.com. The risk factors identified in the MD&A are not intended to represent a complete list of factors that could affect the Company.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

This release does not constitute an offer to sell or a solicitation of an offer to buy of any securities in the United States. The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to available exemptions therefrom.

SOURCE [Dolly Varden Silver Corp.](#)

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