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VANCOUVER, Sept. 14, 2017 /CNW/ - Dolly Varden Silver Corp. (TSX.V: DV | U.S.: DOLLF) (the "Company" or "Dolly Varden") is pleased to announce that it has completed its private placement financing originally announced on August 29, 2017 (the "Offering") to raise gross proceeds of approximately $5.7 million from the sale of: (a) 2,739,726 common shares in the capital of the Company ("Common Shares") at a price of $0.73 per share; and (b) 3,529,411 Common Shares that qualify as "flow-through shares" ("Flow-Through Shares") as defined in the Income Tax Act (Canada) at a price of $0.85 per share.

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. 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.

In connection with the Offering, the Company will pay a finder's fee in respect of those purchasers introduced to the Company by Eventus Capital Corp. ("Eventus"). Eventus will receive a cash payment equal to 6% of the gross proceeds received from purchasers under the Offering who were introduced by Eventus, for a total of approximately $299,387.96.

The Common Shares and Flow-Through Shares issued under the Offering are subject to a statutory hold period which expires on January 15, 2018. A total of 44,617,729 Common Shares are outstanding following the closing of the Offering.

In connection with the Offering, Hecla Canada Ltd. ("Hecla") has exercised its pre-emptive right under the Ancillary Rights Agreement dated September 4, 2012 between the Company and Hecla to maintain its ownership interest in the Company. Hecla has subscribed for 1,000,000 Common Shares at $0.73 per share for additional gross proceeds to the Company of $730,000.

About Dolly Varden Silver Corporation - Dolly Varden is a mineral exploration company focused on the exploration of the Dolly Varden silver property located in northwestern British Columbia, Canada. The entire 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 hosts numerous other, on-trend, high-grade deposits (Eskay Creek, Brucejack).

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 use of the proceeds of the Offering, belief in the nature of the mineralization at the project, belief 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.

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 TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) 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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