Defiance Silver and ValOro Resources Announce Completion of Merger

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VANCOUVER, Dec. 27, 2018 - Defiance Silver Corp. (“Defiance”) (TSX-V: DEF) and ValOro Resources Inc. (“ValOro”) (TSX-V: VRO) are pleased to announce that their friendly merger (“Transaction”) under the *Business Corporations Act* (British Columbia) will be completed effective 11:59 pm on Monday, December 31, 2018 and will create a leading diversified explorer with an advanced portfolio of Mexican silver and gold projects. ValOro shareholders voted 98% in favour of the Transaction at a special general meeting held on Wednesday, December 19, 2018.

The combined company will continue under the name of Defiance Silver Corp. and trading symbol DEF with no changes to its CUSIP number or ISIN. It will have 120.07 million common shares outstanding, of which shareholders of Defiance will own 86.07% and the former shareholders of ValOro will own approximately 13.92%. Letters of Transmittal will be mailed to ValOro’s shareholders in early January 2019, so they can exchange their ValOro shares for Defiance shares.

Peter J. Hawley, President and CEO of Defiance, stated, “We are pleased to complete the merger with ValOro and look forward with a shared common vision to unlock further exploration potential at the San Acacio silver project and Tepal gold project. I thank the shareholders of both Defiance and ValOro for their support of this transaction.”

Dunham Craig, President and CEO of ValOro, stated, “We are very excited to move forward and thank our shareholders for their support. Combining two advanced silver and gold assets in the same jurisdiction,with excellent exploration targets provides significant long-term value for our shareholders.”

The combined management team will be led by President and Chief Executive Officer, Mr. Peter J Hawley, Ms. Evelyn Abbott as Chief Financial Officer and Secretary and Ms. Gillian Kearvell as Vice President of Exploration. Defiance’s new Board will be comprised of Mr. Peter J. Hawley, Mr. Darrell Rader, Mr. Paul Smith, Mr. Randy Smallwood and Mr. George Brack. ValOro’s President, Mr. Dunham Craig, will join the Board at Defiance’s next annual general meeting.

The ValOro Shares are expected to be de-listed from the TSX Venture Exchange after the close of trading on Monday, December 31, 2018.

In support of this transaction, Defiance’s principal lender has agreed to increase its loan facility from $700,000 to approximately $1.50 million, on similar terms.

About Defiance Silver Corp.

Defiance Silver Corp. (DEF | TSX Venture Exchange; DNCVF | OTC; D4E | Frankfurt) is a silver explorer and developer advancing the San Acacio Deposit, located in the historic Zacatecas Silver District of central Mexico. Defiance is managed by a team of proven mine developers with a track record of exploring and developing 7 operating mines to date. Defiance’s corporate mandate is to expand San Acacio to become one of Mexico’s premier high-grade wide vein silver deposits. A Panoramic Video on the San Acacio Deposit is available on our website.

About ValOro Resources Inc.

ValOro Resources Inc. (VRO | TSX Venture Exchange) is a mineral exploration and development company focused on acquiring, exploring, and developing mineral resource opportunities with the potential to host profitable mining operations. The Company's primary focus is the 100% owned Tepal Gold/Copper Project in Michoacán state, Mexico.

On behalf of Defiance Silver Corp.	On behalf of ValOro Resources Inc.

“Peter J. Hawley”
Interim President & CEO Chairman of the Board, Director

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