

# Southern Silver Extends High-Grade Mineralization in North Skarn Target with an 3.4m Intercept of 191g/t Ag, 0.9% Cu, 3.7% Pb and 9.4% Zn (747g/t AgEq; 21.1% ZnEq)

Vancouver, British Columbia--(Newsfile Corp. - October 29, 2018) - **Southern Silver Exploration Corp. (TSXV: SSV) ("Southern Silver")** reported today that four additional drill holes have now been completed on the North Skarn Target as part of the 12,000 metre core hole program at Cerro Las Minatas which successfully extended shallow Skarn Front mineralization laterally from the historic Santo Nino mine and identified several new mineralized intercepts that may form extensions of the El Sol deposit.

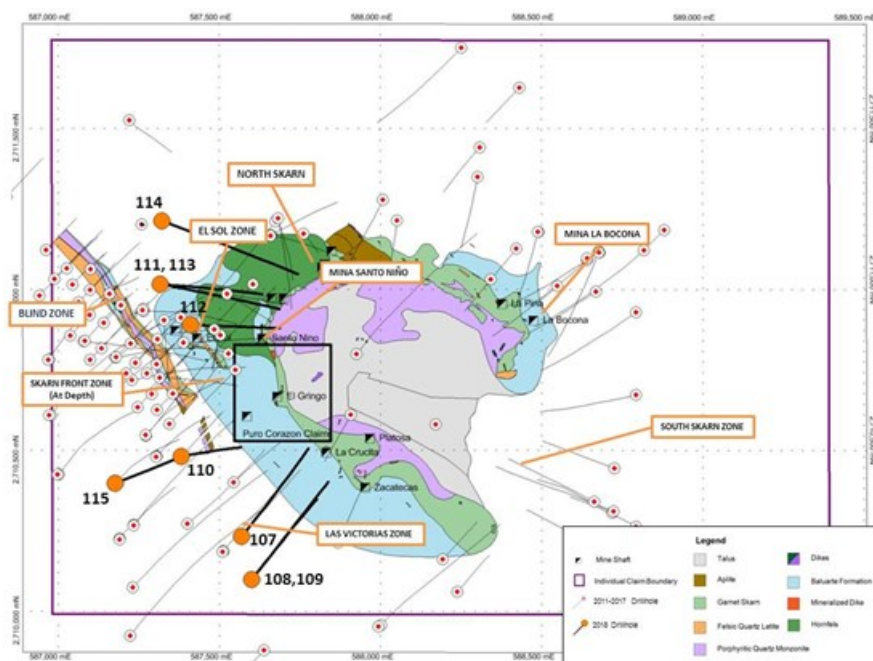
The drill results are highlighted by:

- a 3.4m down hole interval (2.8m est. True Thickness) averaging 191g/t Ag, 0.9% Cu, 3.7% Pb and 9.4% Zn (747g/t AgEq; 21.1% ZnEq) in drill hole 18CLM-112;
- a 2.8m down hole interval (2.3m est. TT) averaging 80g/t Ag, 0.4% Cu, 0.6% Pb and 0.9% Zn (179g/t AgEq; 5.1% ZnEq) in drill hole 18CLM-112; and
- a 2.4m down hole interval (1.7m est. TT) averaging 139g/t Ag, 0.4% Cu, 0.4% Pb, and 4.1% Zn (339g/t AgEq; 9.6% ZnEq) in drill hole 18CLM-113

The North Skarn drilling tested a 200m x 400m lateral offset from the edge of the current mineral resource with intercepts from 18CLM-112 forming approximate 100 metre offsets from both the historic Santo Nino mine workings and from drill hole **11CLM-006 (3.7m down hole of 184g/t Ag, 1.95% Cu, 0.3% Pb, 18.4% Zn - 1056g/t AgEq; 29.8% ZnEq;** see NR-06-11, June 13, 2011).

Three of the four drill holes are reported here. The fourth hole, 18CLM-114, was completed to a depth of 714 metres; assays are pending.

Drilling in the Area of the Cerro is now focused back on the main part of Skarn Front deposit where drilling will fill a gap in the block model generated from earlier drilling. Two drill holes are planned to test this area and will offset thick high grade zones of mineralization in drill hole **15CLM-081 (16.8m down hole interval 136g/t Ag, 0.5% Cu, 0.3% Pb and 4.5% Zn or 361g/t AgEq;** see NR-14-15, December 1, 2015) and **18CLM-091 (15.1m down hole interval averaging 39g/t Ag, 0.1% Pb and 10.2% Zn (410.7g/t AgEq; 11.6% ZnEq;** see NR-01-17, January 19, 2017).



**Figure 1: Drill hole locations, Area of the Cerro, Cerro Las Minatas project**

To view an enhanced version of Figure 1, please visit:

[https://orders.newsfilecorp.com/files/5344/40657\\_47ab243184eae3e\\_002full.jpg](https://orders.newsfilecorp.com/files/5344/40657_47ab243184eae3e_002full.jpg)

**Table 1: Select Summary Assays from 2018 Exploration on Cerro Las Minatas**

| Hole#     | From (m) | To (m) | Interval (m) | Est.Tr.Thck. (m) | Ag (g/t) | Au (g/t) | Cu (%) | Pb (%) | Zn (%) | AgEq (g/t) | ZnEq (%) |
|-----------|----------|--------|--------------|------------------|----------|----------|--------|--------|--------|------------|----------|
| 18CLM-111 | 256.9    | 257.5  | 0.6          | -                | 506      | 0.21     | 0.1    | 14.1   | 15.1   | 1547       | 43.7     |
|           | 468.3    | 469.6  | 1.3          | 0.9              | 39       | 0.01     | 0.0    | 2.1    | 3.5    | 239        | 6.7      |
| 18CLM-112 | 2.4      | 3.0    | 0.7          | -                | 128      | 0.03     | 0.2    | 0.7    | 0.0    | 179        | 5.1      |

|           |       |       |     |     |     |      |     |     |      |      |      |
|-----------|-------|-------|-----|-----|-----|------|-----|-----|------|------|------|
| 18CLM-112 | 387.5 | 390.9 | 3.4 | 2.8 | 191 | 0.04 | 0.9 | 3.7 | 9.4  | 747  | 21.1 |
| inc.      | 387.5 | 388.7 | 1.1 | 1.0 | 260 | 0.03 | 0.8 | 5.6 | 16.4 | 1119 | 31.6 |
| and       | 415.6 | 418.3 | 2.8 | 2.3 | 80  | 0.01 | 0.4 | 0.6 | 0.9  | 179  | 5.1  |
| inc.      | 415.6 | 416.8 | 1.3 | 1.0 | 113 | 0.02 | 0.6 | 0.9 | 1.3  | 254  | 7.2  |
| 18CLM-113 | 304.6 | 306.5 | 1.8 | -   | 239 | 0.66 | 0.0 | 1.8 | 0.7  | 375  | 10.6 |
|           | 398.5 | 399.5 | 1.0 | -   | 154 | 0.01 | 0.2 | 7.3 | 9.2  | 756  | 21.3 |
|           | 564.8 | 565.6 | 0.8 | 0.6 | 214 | 0.01 | 0.0 | 7.2 | 2.8  | 563  | 15.9 |
| 18CLM-113 | 614.7 | 616.1 | 1.4 | 1.0 | 49  | 0.00 | 0.0 | 2.0 | 2.7  | 211  | 6.0  |
|           | 643.5 | 645.9 | 2.4 | 1.7 | 139 | 0.03 | 0.4 | 0.4 | 4.1  | 339  | 9.6  |

Analyzed by FA/AA for gold and ICP-AES by ALS Laboratories, North Vancouver, BC. Silver (>100ppm), copper, lead and zinc (>1%) overlimits assayed by ore grade ICP analysis, High silver overlimits (>1500g/t Ag) and gold overlimits (>10g/t Au) re-assayed with FA-Grav. High Pb (>20%) and Zn (>30%) overlimits assayed by titration. AgEq and ZnEq were calculated using average metal prices of: US\$18.2/oz silver, US\$1240/oz gold, US\$2.8/lbs copper and US\$0.91/lbs lead and US\$0.94/lbs zinc. AgEq and ZnEq calculations did not account for relative metallurgical recoveries of the metals. Ore-grade composites calculated using a 80g/t AgEq cut-off and <20% internal dilution, except where noted; anomalous intercepts calculated using a 10g/t AgEq cut-off.

### CLM West Claim Group

Southern Silver also reported that drilling on the CLM West claim group from hole **18CLMW-007** returned a **3 metre** intercept grading **168g/t Ag** from a strongly oxidized and broken zone located in the upper part of the drill hole. The silver intercept is one of three zones intersected in the hole which also include deeper brecciated intervals with strongly anomalous arsenic (As) and antimony (Sb) values. The hole ended in a strong As-Sb anomaly and is being extended an additional 100 to 150 metres to ensure that the full width of the target structure is tested.

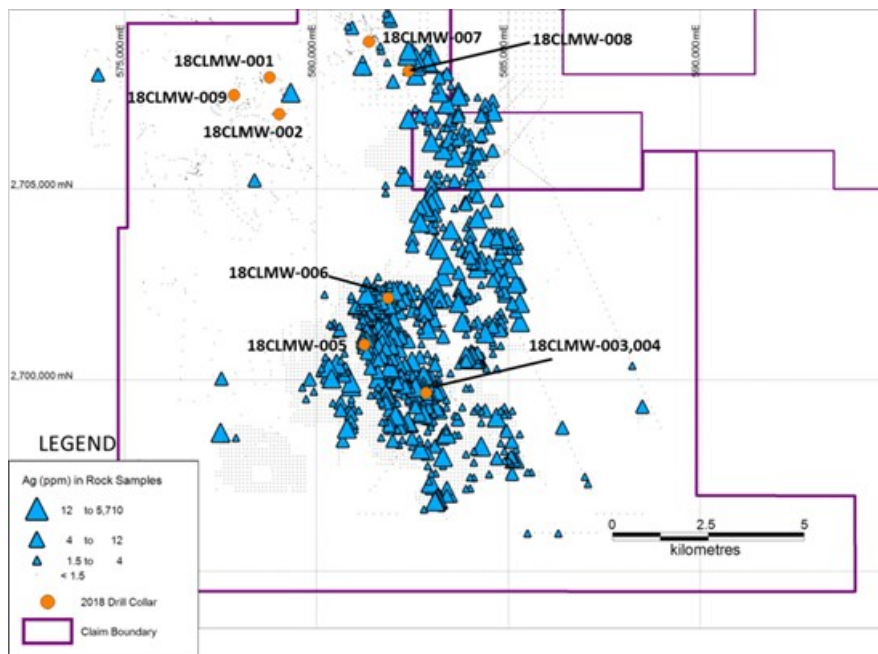
The mineralization represents the first significant silver intercept identified on the CLM West claim group where drilling is targeting new Ag-Au epithermal systems similar to the systems at the adjacent Avino Gold Silver Mine, located 8 kilometres to the northwest and the La Preciosa deposit (Coeur Mining) located 25 kilometres to the west. The mineralization occurs less than 100 metres below surface and may represent a peripheral structure within a much larger mineralizing system. Only one hole has tested the target to date.

**Table 2: Select Assays from Drill hole 18CLMW-007**

| Hole #    | From (m) | To (m)       | Interval (m) | Est.Tr.Thk. (m) | Ag (g/t) | As ppm | Sb ppm |
|-----------|----------|--------------|--------------|-----------------|----------|--------|--------|
| 18CLMW007 | 126.00   | 129.00       | 3.00         | —               | 168.0    | 31     | -      |
| 18CLMW007 | 164.15   | 182.00       | 17.85        | —               | -        | 144    | 49     |
| 18CLMW007 | 333.70   | 351.00 (EOH) | 17.30        | —               | -        | 1174   | 1018   |

Analyzed by FA/AA for gold and ICP-AES by ALS Laboratories, North Vancouver, BC. Silver (>100ppm), copper, lead and zinc (>1%) overlimits assayed by ore grade ICP analysis, High silver overlimits (>1500g/t Ag) and gold overlimits (>10g/t Au) re-assayed with FA-Grav. High Pb (>20%) and Zn (>30%) overlimits assayed by titration.

Drilling tested the Durazno breccia, a strongly oxidized and brecciated structural zone that can be traced discontinuously for over 1.5 kilometres on the CLM West property before plunging under gravel cover to the south. Surface sampling along the structure returned muted base-metal and pathfinder values, however high-grade Ag-rich float (up to 3400g/t Ag) was recovered downslope and to the east in a gravel covered valley suggesting both increased size and grade potential to the overall mineralizing system.



**Figure 2: Drill hole locations, CLM West Claim Group, Cerro Las Minitas project**

To view an enhanced version of Figure 2, please visit:

[https://orders.newsfilecorp.com/files/5344/40657\\_47ab243184eaeb3e\\_005full.jpg](https://orders.newsfilecorp.com/files/5344/40657_47ab243184eaeb3e_005full.jpg)

Nine drill holes totaling 2,978 metres have been completed to date on the CLM West claim group as part of the 2018 Exploration program with the extension of drill hole 18CLM-007 currently in progress. Assays have been received from holes 18CLMW-001 to 18CLM-006 which were drilled in the largely gravel covered areas to the south of 18CLM-007, which did not intersect anomalous mineralization. Assays from drill holes CLM-008 and -009 are pending.

### **Cerro Las Minitas Project**

Approximately 7,590 metres of drilling has been completed of an anticipated 12,000 metre core hole 2018 exploration program. Drilling continues with one drill focused on systematic resource expansion in the Area of the Cerro which contains the existing Mineral Resource Estimate and the second drill rig focused on new Ag-Au epithermal vein targets in the recently staked CLM West claim group. The company continues to refine CLM West drill targets through surface sampling and VLF-EM surveys over specific target areas.

The Cerro Las Minitas project as of January 8th, 2018 contains an estimated Indicated Resource, at a 175g/t AgEq cut-off, of **33.6Mozs silver and 319Mlbs of lead and 813Mlbs zinc (116.1Mozs AgEq; 1.69Blbs ZnEq)** and an estimated Inferred Resource of **20.7Mozs silver, 131Mlbs lead and 870Mlbs zinc (92.7Mozs AgEq; 1.35Blbs ZnEq).**<sup>(1)</sup>

Pre-development studies continue to de-risk the project for investors with further refinement of the metallurgical characterization of the mineralized zones recently updated in September 2018 and ancillary studies.

The Cerro Las Minitas project operates on a joint venture basis by Southern Silver at a 40% interest and Electrum Global Holdings LP at a 60% interest. Southern Silver is operator of the project. Upon completion of the current US\$3.0M exploration program, total exploration and acquisition costs will total US\$18.5M, including US\$3.5M in J/V funding since formation of the Joint Venture in September, 2017.

### **About Southern Silver Exploration Corp.**

Southern Silver Exploration Corp. is a precious metals exploration and development company with a focus on the discovery of economic 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 mineral deposits such as Penasquito, San Martin, Naica, Los Gatos 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 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. The Oro property consists of patented land, State leases and BLM located mineral claims which cover a highly prospective quartz-sericite-pyrite alteration zone, interpreted to overlie an unexposed porphyry centre and distal sediment-hosted, oxide-gold target.

1. The 2018 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 175g/t AgEq cut-off, an indicated resource of 10,135,000 tonnes averaging 102g/t Ag, 0.1g/t Au, 1.4% Pb, 3.6% Zn and 0.15% Cu and a cumulative inferred resource of 8,685,000 tonnes averaging 74g/t Ag, 0.04g/t Au, 0.7% Pb, 4.5% Zn and 0.15% Cu. Mineral Resource cut-offs are estimated using an average long-term price of \$16/oz silver, \$1,200/oz gold, \$2.75/lb Cu, \$1.00/lb lead and \$1.10/lb zinc and metal recoveries of 82% silver, 86% lead 80% copper 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.

#### **On behalf of the Board of Directors**

*"Lawrence Page"*

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) or contact us at 604.641.2759 or by email at [ir@mnxlttd.com](mailto:ir@mnxlttd.com).

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