



Argentum Completes Acquisition of Norsemont II Securing the Cochavara Silver-Lead-Zinc Project in Northern Peru

January 16, 2020 - Toronto, Canada - Argentum Silver Corp. (TSX.V: ASL) (“**Argentum**” or the “**Company**”) is pleased to announce that on January 15, 2020, the Company closed the acquisition of all of the issued and outstanding shares of Norsemont II Resources Corp. (“**Norsemont**”), a private British Columbia company, by way of a three-cornered amalgamation under the *Business Corporations Act* (British Columbia) pursuant to which 1208350 B.C. LTD., a wholly-owned subsidiary of Argentum, has amalgamated with Norsemont (the “**Amalgamation**”).

Under the terms of the Amalgamation, shareholders of Norsemont received 0.165343 common shares in the capital of Argentum (each, an “**Argentum Share**”) for every common share held of Norsemont. As a result of the Amalgamation, Argentum issued 2,777,778 Argentum Shares. In addition, holders of convertible securities of Norsemont received 400,000 common share purchase warrants of Argentum (each, an “**Argentum Warrant**”), each Argentum Warrant entitling the holder thereof to acquire one additional Argentum Share at an exercise price of \$0.25 on or before the date that is three years following the closing of the Amalgamation.

Norsemont owns a 100% interest in the Cochavara Silver-Lead-Zinc Project (the “**Cochavara Project**”) in Northern Peru. The Cochavara Project consists of six concessions totalling 3,479 hectares located in the Department of La Libertad in Northern Peru, approximately 70 kilometres east of the city of Trujillo. The historical Quiruvilca silver/lead/zinc mine (“**Quiruvilca**”) is located 3.5 kilometres northeast of the northern boundary of the Cochavara Project area. Quiruvilca is a large polymetallic vein deposit with over 130 different mineralized structures. Both Cochavara and Quiruvilca are located within the Mid-Miocene Calipuy volcanic complex that hosts several world-class precious metal deposits such as Newmont's Yanacocha and Barrick's Pierina gold mines, which are located approximately 120 kilometres north and 180 km southeast of Cochavara, respectively. Mineralization hosted at Quiruvilca, Yanacocha and Pierina is not necessarily reflective of the mineralization that may be hosted on the Cochavara silver-lead-zinc project.

According to Bartos (1984), mineralization at Quiruvilca is controlled by a series of east-northeast-striking polymetallic (silver/lead/zinc) vein swarms, which have extensive lateral and vertical continuity with abundant splits and pinch-and-swell structures. The mineralization at Cochavara is similarly controlled and occurs along strike of the Quiruvilca vein swarms. Production from the Quiruvilca mine was first recorded in 1789 and has been mined on an industrial scale since 1924. More recently, Pan American Silver acquired the Quiruvilca mine in 1995 and sold the mine to a private company in 2012. Cochavara currently has a valid exploitation permit to extract minerals for processing at third-party plants. During 2018, Cochavara underground development provided access to the main mineralized vein structure. The development adit was used to drift along the mineralized structure, to provide mineralized material for processing, and to provide access for future underground drilling.

Property Highlights

Several mineralized structures have been identified on the Cochavara Property, with the main mineralized structure occurring over an estimated strike length of 1,500 metres. The main zone (Margarita Mine) has recently (2013, 2015, and 2018) been explored by various companies including Norsemont, by drifting and cross-cutting on three separate mine levels: Margarita Workings (Level 3605), Old Drift (Level 3641), and Level 3663, all accessed by hillside adits. Mostly chip samples taken from mineralized veins ranging in widths from 0.1 to 1.0 metres, returned the following range of values: 6.1 g/t to 1,172 g/t Ag, 0.19%-24.88% Pb, and 0.31%-26.81% Zn. Details of the various exploration and sampling programs are provided in the Cochavara technical report.

The Cochavara Property has not been drill-tested.

NI 43-101 Technical Report

In connection with the completion of the Amalgamation, Argentum has filed on SEDAR and on the Company's website (www.argentumsilvercorp.com), a technical report prepared in accordance with NI 43-101 disclosure standards entitled "***NI 43-101 Technical Report on the Cochavara Ag-Pb-Zn Project, Districts of Julcan, Calamarca and Quiruvilca, Provinces of Julcan and Santiago de Chuco, Department of La Libertad, Peru***" prepared by James A. McCrea, P.Geo. The report provides a comprehensive review of the exploration activities on the property and provides recommendations for future work.

Proposed Exploration

Argentum's initial exploration and work programs are currently being planned for the Cochavara Project with a budget of \$US 300,000 and will consist of two contemporaneous phases.

Phase I - \$US 90,000

- Detailed structural mapping and sampling to identify additional vein structures on the property.
- Geophysics: drone magnetometer survey with LiDAR to identify intrusive/geologic contacts and possible vein targets and Alpha Induced Polarization survey to identify possible polymetallic vein targets.

Phase II - \$US 210,000

- 225 metres of underground exploration/development on known structures to search for and delineate high-grade mineralization.

Multilateral Instrument 61-101

The completion of the Amalgamation constituted a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders* ("**MI 61-101**"), which is incorporated by reference into the policies of the TSX Venture Exchange under Policy 5.9, as Sprott Mining Inc., a company controlled by Eric Sprott, is a control person (as that term is defined in the policies of the TSX Venture Exchange) of both Argentum and Norsemont. Pursuant to the Amalgamation, Sprott Mining Inc. acquired 2,083,336 Argentum Shares, representing approximately 4.32% of the issued and outstanding Common Shares of Argentum. Argentum is relying upon the exemptions from the valuations and minority approval requirements of MI 61-101 contained in

sections 5.5(b) and 5.7(1)(a) as neither the fair market value of the subject matter, nor the fair market value consideration for the transaction, it so far as it involves the related party, exceeds 25% of Argentum's capitalization. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Amalgamation, which the Company deems reasonable in the circumstances in order to complete the Amalgamation in an expeditious manner.

Sprott Mining Inc. now beneficially owns and controls 32,083,336 Argentum Shares, representing approximately 66.5% of the issued and outstanding Common Shares of Argentum on an undiluted basis. Sprott Mining Inc. does not own any convertible securities of Argentum. Sprott Mining Inc. has a long-term view of the investment and may acquire additional Common Shares either on the open market or through private acquisitions or sell the Common Shares on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of Sprott Mining Inc.'s early warning report will appear on the Company's profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

About Argentum Silver Corp.

Argentum Silver is a junior mineral exploration company listed on the TSXV under the stock symbol ASL. Argentum hold 80% interest in the Vanadium Ridge Property located at the southern end of the Quesnel Trough 50 km north of Kamloops, British Columbia. The property consists of 20 mining claims covering 2,151 hectares near the town of Barriere. The project hosts vanadium-rich magnetite mineralization in seams and pods in altered ultramafic to intermediate intrusive rocks which form a portion of a large Late Triassic Poison Creek diorite intrusion complex. The near-surface exposure of vanadiferous magnetite is an attractive exploration target that may not require chemical processing for the liberation of a magnetite concentrate.

The technical aspects of this press release have been reviewed and approved by Gary Nassif, M.Sc., P.Geo., President and CEO of Argentum.

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** Bartos, P.J (1984) Mineralization, Alteration and Zoning of the Cu-Pb-Zn-Ag Lodes at Quiruvilca Peru, Master Thesis Stanford University.*

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required by applicable laws.