



July 28, 2014

## **Theia Resources Enters into Option Agreement on the Fox and 2 X Fred Properties**

**Vancouver, B.C. – Theia Resources Ltd. (TSX.V:THH)** (“Theia”) and **Kootenay Silver Inc. (TSX.V:KTN)** (“Kootenay”) have entered into a letter agreement whereby Theia has the right to earn a undivided 60% interest in the Fox and 2 X Fred properties (the “Properties”) located in the Nechako Plateau of Central British Columbia in exchange for issuing an aggregate total of 750,000 common shares of Theia to Kootenay; and financing \$2.5 million of exploration expenditures on the property within a five-year period. All terms of this letter agreement are subject to approval by the TSX Venture Exchange.

### **Potential of the Fox and 2 X Fred properties is considered high for the following reasons:**

#### **Fox**

- The Fox property Epithermal Gold/Silver prospect.
- The Fox property consists of seven land tenures covering 3,912.97 hectares.
- The FOX property is located approximately 20 km southwest of the currently producing Endako molybdenum mine and roughly 40 km to the southeast of the past producing Equity Silver mine.
- The mineral system at FOX appears large and is comprised of numerous anomalous to highly anomalous gold-silver showings within a broad alteration envelope whose minimum extent is 1000 meters across by 1000 meters long. Outcrop is sparse and the system limits are not defined.
- A well-defined northeast trending magnetic low shows within a broader magnetic high and referred to as the FOX Low dissects the property, this magnetic feature extends over five kilometers in distance.
- Work to date by Kootenay has consisted of rock geochemistry and prospecting conducted in three preliminary passes. A trial VLF/Mag survey over a limited portion of the mineralized areas has also been conducted. Currently permits are in place for trenching of newly discovered zones.

#### **2 X Fred**

- The 2 X Fred property is an Epithermal Gold/Silver prospect.
- The 2 X Fred property is located in the mineral rich central plateau of British Columbia approximately 32 km southwest of the city of Vanderhoof and consists of 10 land tenures covering 4,618.19 hectares.
- The property covers a prominent east-west trending magnetic anomaly that coincides with a geological boundary. All the mineralized showings found to date are spatially associated with a magnetic high located in the center of the property.
- Gold and silver mineralization on the property is hosted by chalcedonic to banded quartz veins, stockworks, and breccia fills that are hosted predominantly in basalt flows and conglomerates.
- At least four vein systems are exposed in outcrop at surface.

- In total the mineralized veins occur over an area measuring approximately 2.5 X 1.75 km.
- Work conducted by Kootenay Silver to date has included rock sampling, biogeochemistry, geological mapping, and ground geophysical surveys (magnetic and VLF-EM) as well as permitting for trenching and drilling.
- The large aerial extent of the system and anomalous gold content indicates potential for large sized gold deposits to have formed either as an open pit low grade deposit or as high grade bonanza style deposits focused within feeder structures.

The foregoing geological disclosure has also been reviewed and verified by Kootenay Silver's CEO, James McDonald, P. Geo (a qualified person for the purpose of National Instrument 43-101, standards of disclosure for mineral projects).

### **Terms of agreement**

To fulfill the terms of the letter agreement, Theia must spend an aggregate total of \$2.5 million on exploration over five years and issue up to 750,000 shares with 200,000 shares due on regulatory approval of the letter agreement and 200,000 common shares of Theia on or before the first year and second anniversaries and 150,000 common shares on or before the third anniversary, of the execution date. Subsequent to exercise of the earn-in, Theia and Kootenay will form a 60/40 joint venture. Financing of further work on the Properties will be on a proportional basis under the direction of a management committee with voting rights proportional to ownership percentage. Either party may be diluted on the basis of a standard formula if they do not contribute to the planned programs. If either party is diluted below 10 per cent, their interest will convert to a 1.5-per-cent NSR (net smelter return) royalty. Mr. Kenneth Berry is a director and officer of both Theia and Kootenay.

### **ABOUT THEIA**

Theia Resources Ltd. is an exploration company focused on precious metals deposits located in politically stable jurisdictions. The company intends to leverage management's network and experience within the exploration and finance sector to maximize shareholder value. In addition to reviewing potential acquisitions, Theia Resources has the right to earn 60% interest in the Rosetta Property located in the West Kootenay region of British Columbia, Canada.

### **ABOUT KOOTENAY**

Kootenay Silver Inc. is actively developing mineral projects in the Sierra Madre Region of Mexico and in British Columbia, Canada. Its flagship property is the former producing Promontorio Silver mine in Sonora State, Mexico. Kootenay's objective is to develop near term discoveries and long-term sustainable growth. Its management and technical team are proven professionals with extensive international experience in all aspects of mineral exploration, operations and venture capital markets. Multiple, ongoing J/V partnerships in Mexico and Canada maximize potential for additional, new discoveries while maintaining minimal share dilution.

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For additional information, please contact:  
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*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of this release.*

**Cautionary Note to US Investors:** *This news release may contain information about adjacent properties on which we have no right to explore or mine. We advise U.S. investors that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.*

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