



## **AGAVE SILVER CORP.**

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**October 7, 2016**

### **AGAVE TO PURCHASE THE KOOTENAY LITHIUM PROJECT, BRITISH COLUMBIA**

**(Vancouver, October 7, 2016)** – Agave Silver Corporation (“Agave” or the “Company”) is pleased to announce that the Company has entered into an agreement to purchase (the “Agreement”) a 100% interest in certain mineral claims (the “Property”) covering 4,050 hectares located in the Revelstoke and Nelson Mining Divisions, southeastern British Columbia.

Under the terms of the Agreement, the Company may purchase a 100% interest in the Property by issuing 6,000,000 common shares of Agave. The Property is subject to a 2.0% Net Smelter Return (“NSR”) mineral royalty and a 24.0% Gross Overriding Royalty (“GOR”) on gemstones produced from the Property. The Company will have the option to reduce the NSR to 1.0% by paying \$2,500,000.00. The Company also has the option to purchase one half (50%) of the GOR for \$2,000,000. A Property vendor also reserves the exclusive right (the “Back In Right”) to produce gemstones for its own account from certain discrete zones within the Property as mutually agreed upon, in return for a 24.0% GOR payable to Agave. The Company will have the option to purchase 100% of the Back In Right for \$1,000,000.00. The Agreement is subject to customary closing conditions, including regulatory approval and satisfactory due diligence.

A finder’s fee will be payable in regards to the transaction.

#### **About the Property**

The Property consists of three groups of mineral claims. The northernmost is located 5km by road northwest of Revelstoke (the Boulder Group), 9km to the southeast is the Begbie Group, and the Laib Group is situated 25km northwest of Creston. The Boulder and Begbie Groups have been discovered to host a number of lepidolite, pink and green tourmaline, petalite, tantalite, columbite, phosphate and amblygonite-bearing mineral occurrences in pegmatite (LCT type) dyke swarms. Analysis of two grab samples with visible lepidolite-bearing pegmatite outcrop on the Begbie Group returned values of 0.77% and 1.96% Li<sub>2</sub>O. A grab sample of visible lepidolite-bearing pegmatite outcrop on the Boulder Group assayed 3.70% Li<sub>2</sub>O.\*\*

Geological mapping, sampling and prospecting to further define drill targets will commence shortly.

\*\*These results have not been confirmed and are of historical context only. There has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

## **About Lithium**

Lithium (“Li”) is a scarce and technologically important element produced primarily from brines and pegmatites. Although it is a non-renewable resource, it is used in conjunction with renewable energy technologies and hybrid automobiles, primarily in the form of Li-ion batteries, currently the most widely applied battery technology in many electronic devices.

## **Private Placement**

Additionally, the Company is proceeding with a non-brokered private placement of up to 22,000,000 units (“Units”) at a price of \$0.07 per Unit for gross proceeds of up to \$1,540,000.00 (the “Private Placement”). Each Unit will be comprised of one common share and one common share purchase warrant (“Warrant”), each Warrant entitling the holder thereof to purchase one additional common share of the Company at a price of \$0.08 for a term of two years after the closing of the Private Placement. The proceeds will be used for exploration of the company’s properties and general working capital purposes.

## **New Director**

Subject to regulatory approval and qualification to act, Mr. Richard Haines of Perth, Australia will be offered a position on the Board of Directors of the Company.

## **Correction Regarding Stock Option Grant**

Further, the Company announces that in connection with its news release of August 2, 2016, whereby the Company announced the granting of 1,700,000 options to purchase common shares of its stock to certain directors, officers and consultants of the Company, the Company has reduced the number of options granted to 1,250,000. All other terms remain the same.

Additional information when available will be posted on the Company’s website: [www.agavesilver.com](http://www.agavesilver.com)

Mr. R. A. (Bob) Lane, M.Sc., P.Geo., a consulting geologist is a Qualified Person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, and has reviewed and approved the technical disclosure of this news release.

**On behalf of the Board of Directors of  
AGAVE SILVER CORPORATION.**

“*Ron Lang*”

**Ron Lang**  
President & Chief Executive Officer

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*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **Cautionary Note Regarding Forward-Looking Information**

This news release contains forward-looking information within the meaning of the Canadian securities laws. Forward-looking information in this news release include statements about entering into an agreement to purchase a 100% interest in certain mineral claims covering 4,050 hectares located in the Revelstoke and Nelson Mining Divisions, including the terms of the agreement; issuing a non-brokered private placement; and offering Mr. Haines a position on the Board of Directors.

In connection with the forward-looking information contained in this news release, Agave has made numerous assumptions regarding, among other things: TSXV regulatory approval for planned transactions; the satisfaction of purchase agreement closing conditions; the willingness and ability of Mr. Haines to serve on the Board of Directors; and the geological, financial and economic advice that Agave has received is reliable and is based upon practices and methodologies which are consistent with industry standards and the stability of economic and market conditions. While Agave considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

Additionally, there are known and unknown risk factors which could cause Agave's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: regulatory approval may not be obtained on a timely basis, or at all; the purchase of the Property may not close; Mr. Haines may not be willing or able to serve on the Board of Directors; the Company may require additional working capital sooner than predicted; the overall economy may deteriorate; uncertainty as to the availability and terms of future financing; prices and demand may fluctuate; currency exchange rates may fluctuate; conditions in the financial markets may deteriorate; and uncertainty as to timely availability of permits and other governmental approvals.

A more complete discussion of the risks and uncertainties facing Agave is disclosed in Agave's continuous disclosure filings with Canadian securities regulatory authorities at [www.sedar.com](http://www.sedar.com). All forward-looking information herein is qualified in its entirety by this cautionary statement, and Agave disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.