



CARACARA SILVER INC. PLANNING DRILL PROGRAM AT PILUNANI ZINC-LEAD PROJECT IN PERU

FOR IMMEDIATE RELEASE

MARCH 19, 2014

Toronto, ON – Caracara Silver Inc. (CSV:TSXV) (the “Company” or “Caracara”) is pleased to announce that a first phase drill program for its Pilunani zinc-lead project in southern Peru is scheduled to begin in late May or early June, pending receipt of all regulatory and operating permits. These permits include a social license agreement with the community of Picotani which has been completed.

The first 1,000 metres of drilling will test a near surface zone of zinc-lead mineralization which was the site of a shallow 10-hole drill program completed by Solex Resources (“Solex”) in 2006 and artisanal production in the 1980’s.

HISTORIC DRILL RESULTS

Drilling completed in 2006 by Solex, near the area of artisanal mining, was successful in intersecting high grade zinc and lead mineralization associated with a manto-type deposit hosted in brecciated limestones. Additional drilling completed outside of the artisanal workings, intersected widespread low grade zinc and lead mineralization hosted in siltstones.

Results from the Solex 2006 drill program are listed below:

| HOLE | FROM | TO | L (m) | Ag g/t | Pb % | Zn % (1) |
|--------|-------|------|-------|--------|------|----------|
| PIL-1 | 0 | 20.2 | 20.2 | 6.05 | 5.60 | 6.40 |
| PIL-3 | 0 | 7.35 | 7.35 | 1.23 | 1.39 | 5.15 |
| PIL-4 | 0 | 7.1 | 7.1 | 1.05 | 2.05 | 4.63 |
| PIL-5 | 0 | 19 | 19 | 0.15 | 0.15 | 0.91 |
| PIL-6 | 0 | 15.6 | 15.6 | 3.4 | 1.71 | 5.14 |
| PIL-7 | 0 | 17.2 | 17.2 | 3.07 | 1.24 | 6.84 |
| PIL-8 | 0 | 27.1 | 27.1 | 0.52 | 0.55 | 0.56 |
| PIL-9 | 17.75 | 44.5 | 26.75 | 0.65 | 0.86 | 3.63 |
| PIL-10 | 0 | 50.3 | 50.3 | 0.94 | 1.25 | 1.30 |

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(1)Intervals represent the down hole core intersection and, until more data is available on the geometry of the mineralized zone, are not considered true widths. Caracara has not verified any of the drill results and categorizes this data as historic. As a result these drill results cannot be relied upon.

The zone of mineralization outlined by the historic drilling was previously defined by detailed surface sampling, soil geochemistry and trenching. The soil geochemical sampling was successful in outlining four discreet surface zinc-lead anomalies, of which only one was drill tested.

EXPLORATION POTENTIAL

Modelling of the historic drill results by Caracara suggests that the mineralization is directly associated with fault breccia developed along a north dipping thrust fault. The mineralized zone is open long strike towards the north and west. A cross section highlighting the geometry of the surface mineralization at Pilunani, is included below.

Mineralization consists of sulphide-oxide cemented limestone breccias, narrow stringers of galena-sphalerite and patches of zinc oxide hydroxides within a matrix of limonite-goethite-jarosite-hematite.

As the limestone breccias appear to thicken towards the west, the Company believes there is good exploration potential for extending the mineralized zone both laterally and at depth.

Importantly, a majority of the mineralized intersections listed above, begin from surface which suggests that if an economic deposit is outlined, it could be amenable to open pit mining.

Three other broad zinc-lead surface geochemical anomalies provide additional exploration potential and will be followed up with more surface sampling and mapping in the upcoming field program.

“With many analysts becoming more bullish on the prospects for zinc over the next two years, we feel our timing is right to allocate funding towards such an advanced stage zinc project as Pilunani,” Nick Tintor, President and CEO, commented.

A complete list of historic drill results with corresponding cross sections and plan maps from the Pilunani project is included in a NI 43-101 technical report available on Caracara’s website at www.caracarasilver.com and on www.sedar.com

Parcuvo

The Parcuvo project is an early stage silver-zinc-lead prospect which is located approximately 50 kilometres northwest of the Pilunani project. The target at Parcuvo has been defined by surface mapping and sampling over a 200-metre by 100-metre area.

Mineralization is hosted by diatreme clastic breccias and includes high grading grab samples such as 28% zinc and 18.8% lead and 16% zinc and 12.6% lead. Parcuvo has never been drill tested.

Qualified Person

Mr. Alain Vachon, P.Geo, Caracara Silver's Vice President Exploration and the Company's Qualified Person as defined by National Instrument 43-101, has reviewed and approved the contents of this press release.

About the Company

Caracara Silver Inc. is focused on acquiring, exploring and developing zinc, lead and silver resources to meet the world's growing demand. The Company holds 43 concessions totalling 29,099 hectares in Southern Peru.

Caracara has 50,821,167 shares issued and outstanding and trades on the TSX Venture Exchange under symbol: CSV.

THE TSX VENTURE EXCHANGE DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

This news release may contain forward-looking statements that are based on Caracara Silver Inc.'s expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. Statements speak only as of the date on which they are made, and Caracara Silver Inc. undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances, unless otherwise required to do so by law.

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 and has in no way passed upon the merits of the qualifying transaction and has neither approved nor disapproved of the contents of this press release.

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Legend

- DDH Proposed 2014
- DDH - 2006-2007
- Composite DDH Section

Lithology

- Limestone
- Conglomerate
- Siltstone

* DDH / Trench Label format:
Pb%, Zn% / m

| Trench ID | Pb % | Zn % | Length (m) |
|-----------|------|------|------------|
| T-1 | 0.38 | 0.59 | 25 |
| T-2 | 0.1 | 0.23 | 100 |
| T-3n | 0.08 | 0.13 | 27 |
| T-3c | 1.17 | 2.83 | 67 |
| T-3s | 0.23 | 0.5 | 50 |
| T-4n | 0.03 | 0.16 | 25 |
| T-4c | 0.47 | 0.75 | 47 |
| T-4s | 1.46 | 5.73 | 71 |
| T-5 | 0.15 | 0.51 | 100 |

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PIL-10
1.25, 1.3 / 50.3

PIL-6
1.71, 5.14 / 15.6

PIL-7
1.24, 6.84 / 17.2

PIL-5

PIL-4
2.05, 4.63 / 7.1

PIL-3
1.39, 5.15 / 7.35

PIL-9
0.86, 3.63 / 26.75

PIL-1
5.6, 6.4 / 20.2

PIL-8
0.55, 0.56 / 27.1

0 25 50 100 Metres

1:1,250

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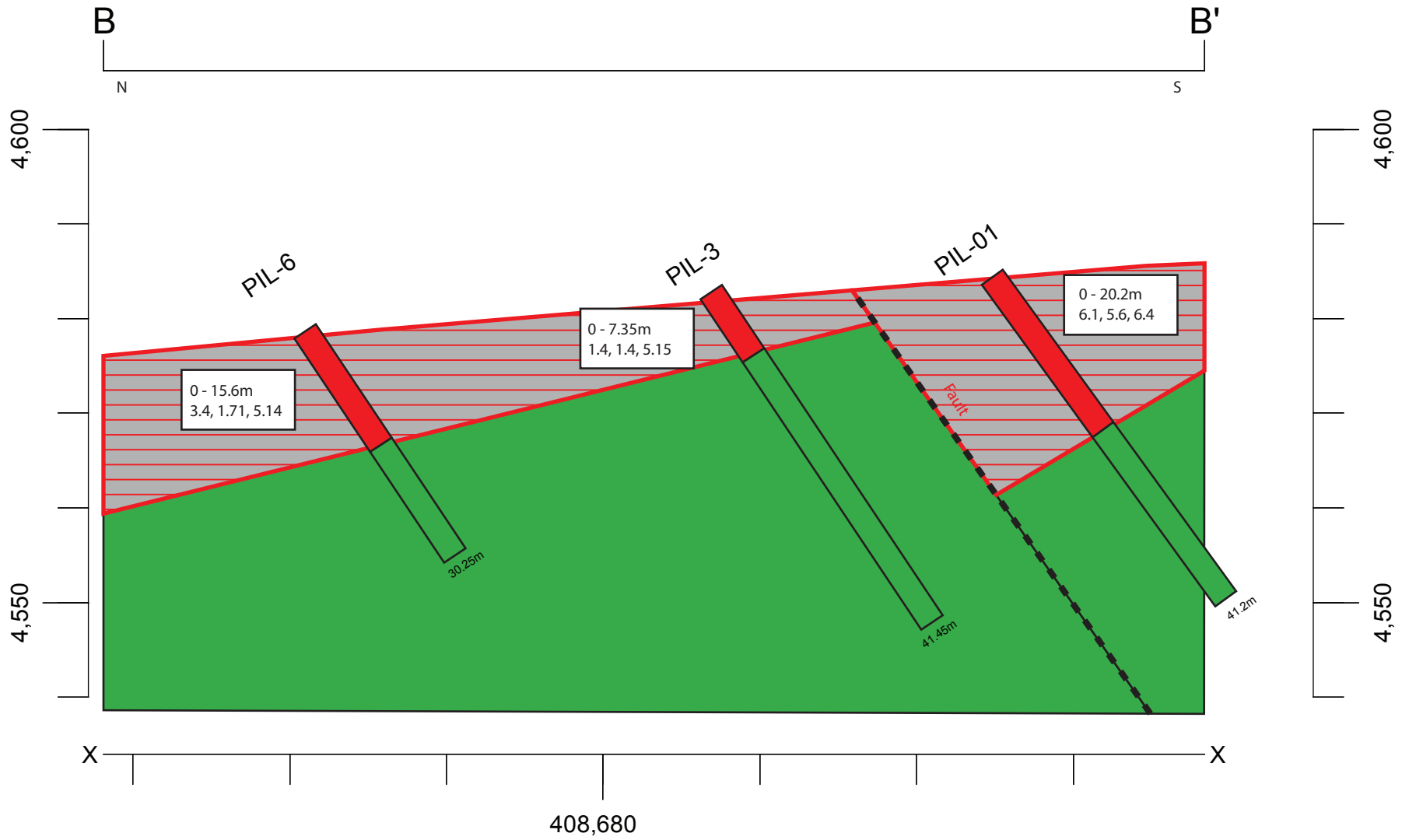
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Pilunani Project
Mina Sosa Compilation
5 Jan. 2014

Cross-Section B-B' - Looking East



- Mineralized Zone
- Limestone
- Polymictic Conglomerate
- Siltstone

Intersection Values: Ag (ppm), Pb (%), Zn (%)