



DOLLY VARDEN CLOSES OFFERING OF COMMON AND FLOW-THROUGH SHARES

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December 19, 2016 – Vancouver, BC: Dolly Varden Silver Corporation (TSX.V: DV | U.S.: DOLLF) (the “Company” or “Dolly Varden”) is pleased to announce that it has completed its private placement financing originally announced on December 6, 2016 (the “Offering”) to raise gross proceeds of \$3.0 million from the sale of : (a) 781,250 common shares in the capital of the Company (“Common Shares”) at a price of \$0.64 per Common Share; and (b) 3,472,222 Common Shares that qualify as “flow-through shares” as defined in Canada’s *Income Tax Act* (“Flow-Through Shares”), at a price of \$0.72 per Flow-Through Share.

The net proceeds of the Offering will be used for further exploration and potential mineral resource expansion of the Dolly Varden silver property in northwestern BC and for general corporate purposes. The work preparing for the 2017 program has already commenced. Our planning will be focused on defining drill targets to efficiently expand the current NI 43-101 high-grade silver mineral resource estimate and to further de-risk any high potential exploration targets.

In connection with the Offering, the Company has agreed to pay a finders’ fee in respect of those purchasers introduced to the Company by Eventus Capital Corp. (“Eventus”), Leede Jones Gable Inc. (“Leede”), Haywood Securities Inc. (“Haywood”) and Sal Western Enterprises Inc. (“Sal”) (collectively, the “Finders”). Each Finder will receive: (a) cash with a value equal to 6% of the gross proceeds received from purchasers under the Offering who were introduced by such Finder; and (b) Common Share purchase warrants (“Finders’ Warrants”) equal to 6% of number of Common Shares and Flow-Through Shares sold to purchasers under the Offering who were introduced by such Finder. Each Finder’s Warrant will entitle the Finder to purchase one Common Share at a price of \$0.72 per Common Share for a period of 24 months from the date of the closing of the Offering. In connection with these finder’s agreements, the finder’s fee payable to: (a) Eventus will consist of \$158,301.57 cash and 223,405 Finders’ Warrants; (b) Leede will consist of \$9,504 and 13,200 Finders’ Warrants; (c) Haywood will consist of \$2246.40 and 3,510 Finders’ Warrants; and Sal will consist of \$6,336 cash and 9,468 Finders’ Warrants.

The issuance of the Common Shares, Flow-Through Shares, payment of the Finders’ fee and issuance of the Finders’ Warrants are subject to the approval of the TSX Venture Exchange (“TSXV”), receipt of any other required regulatory approvals and other customary conditions. The Common Shares and Flow-Through Shares sold in the placement and Finder’s Warrants and any shares issued upon the exercise of the warrants are subject to a hold period which expires on April 20, 2017. A total of 34,464,759 common shares of the Company are outstanding following the closing of this private placement.

About Dolly Varden - Dolly Varden Silver Corporation is a mineral exploration company focused on the exploration of the Dolly Varden silver property located in northwestern British Columbia, Canada. The entire Dolly Varden property is considered to be highly prospective for hosting high-grade precious metal deposits, since it comprises the same structural and stratigraphic setting that host numerous other, on-trend, high-grade deposits (Eskay Creek,



Brucejack). The Company's Common Shares are listed and traded on the TSXV under the symbol DV and on the OTCBB system under the symbol DOLLF.

FORWARD-LOOKING STATEMENTS:

This release may contain forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Dolly Varden to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Forward looking statements or information relates to, among other things, the terms of the Offering, the Finder's fee and payment thereof, the receipt of regulatory approvals, the use of the proceeds of the Offering, results of previous field work and programs and the continued operations of the 2017 program, belief in the nature of the mineralization at the project, belief that the mineralization on the project is similar to Eskay and Brucejack, results of mineral resource estimate on the project, the potential to grow the project, the potential to expand the mineralization, the planning for further exploration work, the ability to de-risk the potential exploration targets, and our belief about the unexplored portion of the property. These forward-looking statements are based on management's current expectations and beliefs but given the uncertainties, assumptions and risks, readers are cautioned not to place undue reliance on such forward-looking statements or information. The Company disclaims any obligation to update, or to publicly announce, any such statements, events or developments except as required by law.

For additional information on risks and uncertainties, see the Company's most recently filed annual management discussion & analysis ("MD&A"), which is available on SEDAR at www.sedar.com and on the Company's website at www.dollyvardensilver.com. The risk factors identified in the MD&A are not intended to represent a complete list of factors that could affect the Company.

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

This release does not constitute an offer to sell or a solicitation of an offer to buy of any securities in the United States. The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to available exemptions therefrom.

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