



**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN
THE UNITED STATES**

DOLLY VARDEN ANNOUNCES \$5M FLOW-THROUGH PRIVATE PLACEMENT FINANCING

October 22, 2020 – Vancouver, BC: Dolly Varden Silver Corporation (TSXV: DV | U.S.: DOLLF) (the "**Company**" or "**Dolly Varden**") is pleased to announce that the Company intends to undertake a private placement financing (the "Offering") to raise gross proceeds of up to \$5 million from the sale of up to 5 million common shares that qualify as "flow-through shares" as defined under the *Income Tax Act* (Canada) at a price of \$1.00 per share (the "Offered Shares").

"We have been very encouraged with recent drilling success, particularly with step out high-grade silver intercepts targeting extension of the Torbrit deposit. Once again, we are very grateful to our institutional shareholders who have continued to enable us to advance our high-grade silver project." commented Shawn Khunkhun, Chief Executive Officer of the Company.

The proceeds raised by the Company from the sale of the Offered Shares will be used to incur eligible "Canadian exploration expenses" that are "flow-through mining expenditures" (as such terms are defined in the *Income Tax Act* (Canada)), related to exploration of the Company's mineral properties located in British Columbia.

Eventus Capital Corp. and Mackie Research Capital Corp. have been appointed as finders in connection with the Offering. The Company may pay a cash finder's fee of 6% of the gross proceeds received by the Company from investors introduced to the Company by such finders.

The issuance of the Offered Shares under the Offering and the payment of the finder's fee are subject to the approval of the TSX Venture Exchange, receipt of any other required regulatory approvals and other customary closing conditions. Closing of the Offering is anticipated to occur on or about November 13, 2020. Securities issued under the Offering will be subject to a four-month-and-one-day statutory hold period.

The net proceeds of the Offering will be used for further exploration, mineral resource expansion and drilling at the Dolly Varden silver property in northwestern British Columbia, Canada, as well as for working capital as permitted.

Pursuant to the ancillary rights agreement between Hecla Canada Ltd. and the Company dated September 4, 2012, Hecla will be entitled to acquire common shares at a price of \$0.89 per common share to maintain its pro rata equity interest in the Company. If Hecla exercises its pro rata rights under the ancillary rights agreement, any common shares issued to Hecla will be in addition to those issued as part of the Offering.

The issuance of the Offered Shares to certain subscribers under the Offering who are insiders of the Company will be considered a related party transaction under Multilateral Instrument 61-101. The Company expects to rely on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of Multilateral Instrument 61-101 on the basis that participation in the Offering by insiders will not exceed 25% of the fair market value of the Company's market capitalization.

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.

About Dolly Varden

Dolly Varden Silver Corporation is a mineral exploration company focused on exploration in northwestern British Columbia. Dolly Varden has two projects, the namesake Dolly Varden silver property and the nearby Big Bulk copper-gold property. The 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 high-grade deposits (Eskay Creek, Brucejack). The Big Bulk property is prospective for porphyry and skarn style copper and gold mineralization similar to other such deposits in the region (Red Mountain, KSM, Red Chris).

Dolly Varden is also a member of the British Columbia Regional Mining Alliance, a cooperative effort between First Nations, Industry and the BC Provincial Government, to promote mining activities and investment in the northwestern region.

Additional information about the Company and its activities may be found on the Company's website www.dollyvardensilver.com and under the Company's profile at www.sedar.com.

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 completion of the Offering, the receipt of TSXV and other regulatory approval with respect to the Offering, managing disruption from COVID-19 guidelines, interpretation of the nature of the mineralization at the project and that that the mineralization on the project is similar to Eskay and Brucejack, results of the 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 beliefs 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.