

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 20, 2015) - [Huldra Silver Inc.](#) (the "Company") (TSX VENTURE:HDA) announces that it has completed the second tranche (the "Second Tranche") of its previously announced offering of subordinated secured convertible debentures (each, a "Debenture") in the aggregate principal amount of up to \$8 million and 5,000 non-transferrable common share purchase warrants (each, a "Warrant") for every \$1,000 of principal of the Debentures (collectively, the "Offering") (see the Company's news releases dated November 24, 2014 and May 19, 2015). Pursuant to the Second Tranche, the Company issued Debentures in the aggregate principal amount of \$250,000 (the "Principal Amount") and 1,250,000 Warrants. Each Warrant is exercisable into one common share of the Company (each, a "Share") at an exercise price of \$0.075 per Share until May 20, 2016 and at \$0.10 per Share from May 21, 2016 to May 20, 2019, subject to the terms and conditions of the Warrants. On November 24, 2014, the Company completed a first tranche of the Offering (the "First Tranche") for gross proceeds of \$7,000,882. To date, the Company has raised a total of \$7,250,882 pursuant to the Offering.

The Debentures mature on May 20, 2018 (the "Maturity Date") and bear interest ("Interest") at a rate of 10% per annum, which Interest is payable as to 50% in cash and 50% by the issuance of Shares at a price per Share equal to the market price of the Shares at the time of issuance. The Debentures are also convertible into Shares at a price of \$0.055 per Share at any time, and from time to time, until the Maturity Date. A maximum of 4,545,455 Shares will be issuable on conversion of the Principal Amount of the Debentures issued pursuant to the Second Tranche, subject to adjustment.

The holders of the Debentures have been granted a security interest over all of the property and assets of the Company and its wholly-owned subsidiary Huldra Properties Inc., and the enforcement of such security will be subject to the terms and conditions of the Debentures and the related ancillary agreements.

The Debentures and related security interest are subordinate to the Company's debts and obligations owing to Waterton Global Value, L.P. ("Waterton"), until such time as all amounts owed to Waterton have been repaid by the Company. Upon repayment by the Company of all amounts owed to Waterton, the holders of the Debentures issued pursuant to the First Tranche will be granted an aggregate 2% net smelter returns royalty with respect to the Company's Treasure Mountain Mine (the "First Tranche Royalty"), provided that each holder of such Debentures shall only be entitled to their pro rata share of such royalty based on their individual investment pursuant to the First Tranche. It is expected that certain holders of Debenture issued pursuant to the First Tranche (the "Sharing Holders") will agree to share an aggregate of 1.918010331% of the First Tranche Royalty (the "Shared First Tranche Royalty") with the holders of Debentures issued pursuant to the Second Tranche such that the portion of the First Tranche Royalty that represents the Shared First Tranche Royalty will be allocated on a pro rata basis among the Sharing Holders and the holders of Debentures issued pursuant to the Second Tranche. The percentage of the Shared First Tranche Royalty may vary depending on who the Sharing Holders will be and their pro rata share of the First Tranche Royalty that they are willing to share. The First Tranche Royalty will replace the 2% net smelter returns royalty with respect to the Company's Treasure Mountain mine which is currently held by Waterton and will be terminated upon repayment of all amounts owed to Waterton by the Company.

The Debentures, Warrants and Shares issuable on conversion thereof issued under the Second Tranche are subject to a statutory hold period expiring September 21, 2015. The proceeds of the Second Tranche are expected to be used for repayment of the Company's outstanding debt and for general working capital purposes.

On behalf of the Board of Directors

Peter Espig, CEO & Director

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Second Tranche, the Offering and the securities issuable thereunder, are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the proceeds raised pursuant to the Second Tranche, the terms of the securities issued pursuant to the Second Tranche, the security interests of Waterton and the holders of the Debentures, and resale restrictions relating to the securities issued. Such statements are qualified in their entirety by the inherent risks and uncertainties, including the risk that the security interests may not be as set out in this news release, that the proceeds of the Second Tranche may be used other than as set out in this news release and such other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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.

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