



ASX Announcement
October 3, 2008

Copper-gold intersections from diamond drilling at Copper Hills confirms tenor of historic drilling results

Silver Swan Group (SWN) has received results from drill testing copper-gold mineralisation in the southern part of the Yagahong Project area at Copper Hills.

Two diamond drill holes show multiple intersections including 4m @ 2.4% Cu and 1.6g/t Au in CHD002 and 5m @ 1.2% Cu in CHD001.

These results support and help validate historic drilling with results that include 1.8m @ 2.4% Cu and 5.5 g/t Au, 9.6m @ 1.8% Cu, 5.5m @ 1.8% Cu, 4.9m @ 1.7% Cu, 5.5m @ 1.0% Cu, and 16.5m @ 0.9% Cu.

Mineralisation commences from surface, remains open along strike and at depth.

Copper Hills is about 20 km NNE from Austin, a copper-zinc discovery made by SWN in July. Future exploration drilling by SWN will test the potential for Copper Hills to provide additional copper and gold ores to the mineralization reported at Austin.

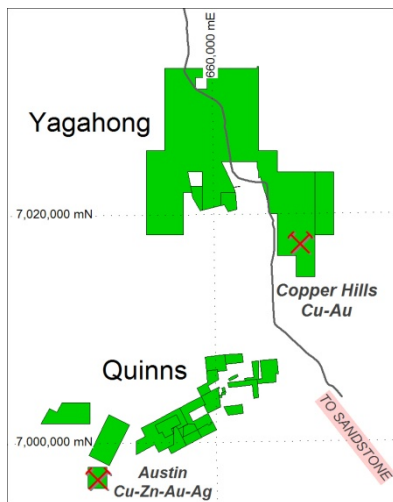
Copper Hills is located about 40 km southeast of Meekatharra and about 20 km NNE from SWN's recent volcanogenic copper-zinc discovery at Austin. Copper Hills is a syn-tectonic Cu-Au mineralised system, a separate and different mineralisation style to Austin.

Following a detailed review and validation of all available data reported by previous explorers, the geology of Copper Hills was mapped in detail and two new (2008) diamond core holes were drilled within the zone by Silver Swan Group.

Mineralisation is hosted by multiple shear zones within the Copper Hills ultramafic-mafic layered igneous complex within pyroxenite and gabbro host rocks. The style of mineralisation is syn-tectonic and is potentially similar to deposits in the Chibougamau area (Canada) where 14 deposits have produced more than 39.5 million tonnes at an average grade of 1.57% Cu and 1.95 g/t Au.

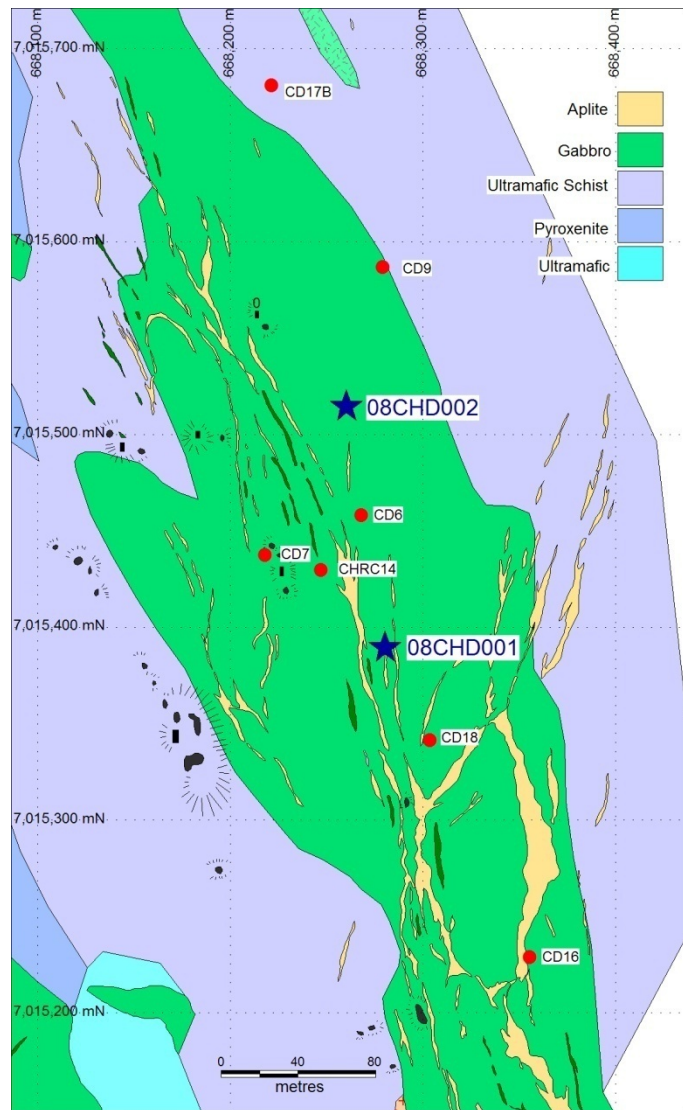
The two diamond core holes drilled by SWN show multiple intersections including 4m @ 2.4% Cu and 1.6g/t Au in CHD002 and 4m @ 1.3% Cu in CHD001. CHD001 stopped prior to reaching the main target position due to technical reasons with the drill rig; nevertheless, Cu and low grade gold was intersected through the first shear zone. The detailed results of the SWN drilling are shown in Table 1 and the historic data in Table 2. The SWN results support and help validate the historic drilling.

A minimum 450m of strike is implied by the drilling with no barren drill holes within this strike length that have been drilled correctly. Mineralisation is from surface and is open to the north, south and at depth.



Location map of the Yagahong Project area.

SWN is currently expecting results of its recent diamond core programme at the Austin copper-zinc mineralisation. Copper Hills has the potential to be an additional source of copper and gold ores. The company intends to further test mineralisation at Copper Hills with RC drilling to determine continuity, north and south strike and depth extensions. Additionally, SWN recognises the Copper Hills complex as a significant layered igneous complex. The potential for this intrusion to host nickel and/or titanium-vanadium mineralisation is currently being examined with detailed petrochemical and geophysical studies.



Drillhole locations and geology in the southern part of Copper Hills South.

Table 1: The results of the SWN drill holes show multiple copper-gold positions:

SWN: 08CHD002 668260E, 7015515N, -60⁰ to 240⁰ to a depth of 220m

Interval (m)	Copper (%)	Gold (g/t)	From down-hole depth (m)
4	0.7	0.4	82
1.6	1.2	0.3	90.6
4	2.4	1.6	117
2	1.0	0.3	178
1	1.9	0.16	182
1	1.5	0.4	187

SWN: 08CHD001 668280E, 7015390N, -60⁰ to 240⁰ to a depth of 168m

Interval (m)	Copper (%)	Gold (g/t)	From down-hole depth (m)
5	1.2	0.42	120
1	1.28	0.26	132
1	1.04	0.35	143

The drilling by Silver Swan confirms the tenor of mineralisation reported by in the earlier drilling.

Table 2: Historic results are:

	Interval (m)	Copper %	Gold g/t	From down-hole depth (m)
CD6	2.3	2.2	0.7	71.9
	2.9	1.4	0.45	77.9
	1.8	2.4	5.5	89.9
	16.5	0.9	0.2	147.2
CD7	1.5	2.8	No gold data	0
	3	1.8		19.8
	9.6	1.8		47.5
CHRC14	2	1.17	0.3	30
	6	2.5	0.9	34
CD9	5.5	1.0	No gold data	135.3
	8.4	0.9		163.4
CD16	0.6	4.0	No gold data	59.7
	1.5	1.8		117
	0.6	2.3		120.4
	2.1	0.6		138.7
CD17B	6.7	1.0	No gold data	117.7
CD18	4.9	1.7	No gold data	68.9
	5.5	1.8		78.9
CD6	668272E 7015449N, drilled -56 ⁰ to 253 ⁰			
CD7	668221E 7015431N, drilled vertically			
CD9	668278E 7015579N, drilled -45 ⁰ to 255 ⁰			
CD16	668357E 7015226E, drilled -45 ⁰ to 255 ⁰			
CD17B	668220E 7015680N, drilled -45 ⁰ to 255 ⁰			

CD18 668306E 7015334N, drilled 50° to 256°
CHRC14 668247E 7015429N drilled -60° to 245°

Historic holes CD6-18 drilled between 1969 and 1970 by Union Oil Development Corp, CHRC14 drilled 1990-1991 by RGC Exploration.

Silver Swan Group background

Silver Swan Group Limited, based in Perth, has its key projects in the Meekatharra area of the Murchison province, in WA.

The company is seeking polymetallic targets with a focus on lode gold, copper-gold and volcanogenic massive sulphides in Archaean and Proterozoic terrains.

SWN holds tenements in the Murchison district of the Yilgarn craton, WA and the Wilgena and Christie domains of the Gawler craton in South Australia. The Murchison district has produced in the order of 18 million ounces of gold from principally Archaean age rocks. The major current and past gold mines in the area include Mt Magnet, Cue, Big Bell, Reedy, Paddys Flat, Yaloginda, Gabanintha and Mt Gibson.

The region hosts operating mines at Golden Grove (base metals), Yaloginda, Hill 50 and Kirkalocka (gold) and Jack Hills (iron ore).

In the Meekatharra area, much of the production of the late 1800's came from Silver Swan's tenement area at Stakewell (Kohinoor), Abbotts (Mt Vranizan and New Murchison King) and Quinns (Koladbro, Cornstalk, Parramatta, Nowthanna, Murchison Wonder, Wallaby, Nuggety and Olympic). These areas have received only limited modern exploration despite the proximity to producing gold mines at Bluebird-Yaloginda and Gabanintha.

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Information in this report that relates to Exploration Results is based on information compiled by S. Vearncombe, RPGeo, who is a Member of the Australian Institute of Geoscientists. S. Vearncombe is a full-time employee of Silver Swan Group and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. S. Vearncombe consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.