

ASX Announcement
October 28, 2009



Austin copper deposit New deep intersections extend scope of discovery

‘Potential to develop into a significant deposit’

Large, new copper intersections at Silver Swan Group Ltd’s Austin VMS copper discovery in Western Australia have extended the deposit to below 300m and confirmed the potential for the discovery to continue to be expanded.

The latest drilling shows the ore body remains open at depth and retains similar, multi-metal characteristics to earlier drilling. Six drill holes are reported here (see Table); high grade copper, zinc, silver and gold mineralisation is encountered.

Drillhole 09ATRC027 intersected 50m @ 1.5% copper from a depth of 64m downhole, that includes high-grade intervals of 10m @ 3.9% Cu, 6m @ 3.5% Cu, 10m @ 15.7g/t Ag, 6m @ 11g/t Ag.

Drillhole 09ATRC034 intersected 87m @ 1.5% Cu from 73m downhole with a high-grade interval of 24m @ 2.5% Cu, 16m @ 13.1% Zn, 13m @ 7.9g/t Ag, 10m @ 13.8g/t Ag and 9m @ 0.96g/t Au.

Drillhole 09ATRCD024 intersected 19m @ 1.2% Cu from 316m downhole including 5m @ 1.8% Cu, 6m @ 7.3% Zn, 19m @ 3.9g/t Ag, 0.24g/t Au. This hole confirms down plunge continuity to >300m.

Austin, about 55km south of the town of Meekatharra, is part of the Quinns project 100% owned by Silver Swan Group Ltd (ASX:SWN) in the Murchison belt of Western Australia.

Silver Swan Managing Director, Dr Susan Vearncombe said,

“The latest assay results affirm our discovery of significant volcanogenic copper-zinc mineralisation. Our deepest hole to date, 09ATRCD 024, demonstrates excellent continuity of mineralisation at depth and reinforces the potential for Austin to develop into a substantial VMS deposit.”

“As we advance our drilling program we expect that further assays will add to the current dimensions and continuity of the Austin deposit.”

Diamond drilling at Austin has produced numerous large, high-grade intersections of volcanogenic massive sulphide mineralisation.

A total of 10 holes have been drilled recently into the Austin Cu-Zn-Ag-Au mineralisation, with assays received for a total of 6 holes. These holes comprise diamond, reverse circulation and RC precollars with diamond tails. They have been designed to test:

1. the near surface boundaries to mineralisation,
2. gaps between holes and where continuity of mineralisation must be confirmed, and
3. the extension to mineralisation at depth.

All holes that intersect mineralisation add to the current dimensions and continuity of the Austin deposit.

The mineralisation discovered at Austin begins just 50m vertical from the surface and is almost completely comprised of primary sulphides.

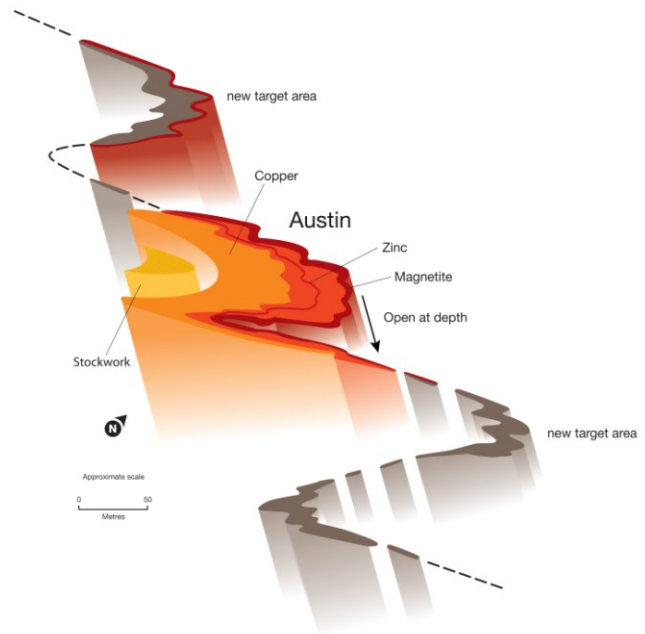
The Austin ore body is now known to be massive and continuous down to a vertical depth of over 300m as indicated by drillhole 09ATRCD024. Mineralisation remains open at depth and along mineralised limbs extending south-southeast and northwest.

These drilling results add to the company’s data to be used in the maiden resource timetable for early in the New Year.

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. 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.

Hole ID	End of hole depth (m)	East MGA94	North MGA94	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Ag (g/t)	Au (g/t)
09ATD021	213	650029	6997178	142	143	1	1.6	1.9		
09ATD022 <i>incl</i>	276	650039	6997208	183 184	186 185	3 1		5 11.9		
09ATRC024 <i>incl</i>	366	650111	6997345	297 309 297 311	316 314 316 317	19 5 19 6	1.2 1.8	7.3	3.9	0.24
09ATRC026 <i>incl</i>	120	649956	6997174	51 55 74	79 60 75	28 5 1	0.6 1.4 1.7			
09ATRC027 <i>incl</i>	130	649977	6997174	57 64 66 92 92	62 114 77 98 94	5 50 11 6 4	1.5 3.9 3.5		15.7 11.2	1.0 1.04 1.4
09ATRC034 <i>incl</i>	200	650004	6997214	73 136 75 88 147 148	160 160 91 101 157 157	87 24 16 13 10 9	1.5 2.5	13.1	7.9 13.8	1.0

All holes drilled on azimuth of 190⁰, declination -60⁰

Samples were prepared and analysed at **Genalysis Laboratory Services, Perth**. Gold assays are obtained using a 50g lead collection fire assay digest and analysed by flame atomic absorption spectrometry. Multi-element analyses (copper, , zinc, silver, arsenic, bismuth, sulphur, iron) are obtained using multi-acid digest including hydrofluoric, nitric, perchloric and hydrochloric acids, and analysed by inductively coupled plasma mass spectrometry (MS) and inductively coupled plasma optical (atomic) absorption spectrometry (OES). AX digest (AX/AAS) has been applied to samples where Cu & Zn is >5%. Full analytical quality assurance - quality control (QAQC) is achieved using a suite of certified standards, laboratory standards, laboratory duplicates, repeats, blanks and grind size analysis.