

ASX Announcement
1 November 2010



Regional Drilling Programme Commences on Five Gold Exploration Targets

Silver Swan Group Limited (ASX: SWN) is pleased to advise that a reverse circulation drilling (RC) programme has commenced on five exploration prospects near Meekatharra, Western Australia. All programmes are focused on testing for oxide-related gold mineralisation.

~3000m RC drilling programme – targeting oxide-related gold mineralisation

Nowthanna – gold mineralisation - Quinns Project Area

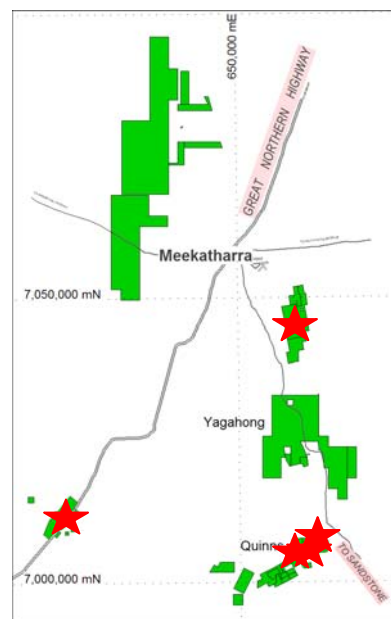
Five reverse circulation drillholes for a total of 670m will test gold mineralisation intersected at shallow depths in past RAB drilling. Previous drilling intersected anomalous gold over widths up to 10m. Anomalous zones include 9m @ 4.68g/t Au from 28m and 7m @ 2.9g/t Au from 27m. Drillholes will test to a maximum depth of 150m.

Koladbro – gold mineralisation - Quinns Project Area

Four reverse circulation holes for a total of 550m will test lode gold mineralisation previously delineated by historic RAB drilling. Historic intersections include 3m @ 4.48g/t Au and 6m @ 3.36g/t Au. There are old workings on steeply dipping NW trending quartz veins cutting shallow dipping pyrite-rich banded- iron formation rocks (BIF) in the area. Drilling will be directed through the BIF and test the projections of two separate N to NW trending structures intersecting the BIF.

T&J – gold & copper-zinc mineralisation - Quinns Project Area

Downhole electromagnetics has outlined an anomalous response in drillhole 10TJD001 centred about 90 metres down-hole. An off-hole target is located below the drillhole as a plate-like conductor approximately 60 x 35 metres in dimension. A 150m deep RC hole will test this conductive plate. 10TJD001 intersected highly anomalous zinc (up to 1.18% Zn) and copper (up to 0.44% Cu) over 18m from 65m to 93m depth. The conductive plate is located further in the footwall of the felsic volcanic rocks.



Bourkes Reward – gold mineralisation - Bourkes Project Area

Bourkes Find is located 15km south-east of Meekatharra. The area is dotted with old shafts and extensive dry blowing for gold detecting. Previous drilling by Silver Swan Group revealed deep weathering profiles and returned multiple gold intersections in most drillholes with a best result of 3m @ 5.7g/t Au. The company has planned 10 RC holes, of 100-170m depth for a total of 1,200m. Drilling is targeting oxide gold mineralisation.

Stakewell – gold mineralisation - Stakewell Project Area

Stakewell is located 55km south-west of Meekatharra. Past gold production has amounted to ~66,000oz Au from the old Kohinoor mine located within intercalated mafic schist and banded iron formation. The Company has planned 4 RC holes to test lode gold potential associated with mafic volcanics and banded iron formation.

Silver Swan Group background

Silver Swan Group Limited, based in Perth, has 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.

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.

For further information please contact:

Silver Swan Group Limited

Mr James Harris – Non-Executive Chairman

Dr Susan Vearncombe - Managing Director

Tel: 9316-0766

Email: admin@silverswangroup.com.au

Website: www.silverswangroup.com.au

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.