



PRESS RELEASE



OTCQB: SFMI

SILVER FALCON MINING, INC. (SFMI) Updates Building Progress of its Smelter Complex and Other Company's Activities.

Murphy, ID- (MARKET WIRE) – 06/29/11 -- Silver Falcon Mining, Inc. (SFMI - [News](#)) wanted to bring its shareholders up to date on a variety of the Company's current work-in-progress at its mill/mine located in Murphy, Idaho.

Smelter and Refinery Update

Silver Falcon Mining, Inc. has received a conditional use permit on its application for a building and for operating a smelting complex on the site of its Diamond Creek Mill in Murphy, Idaho. Building plans have been submitted for approval by the county and tenders have been put out for erection and commissioning of its permanent assay laboratory and smelter complex on the already prepared high security area. Even though, the smelter complex building has yet to be completed, the Company has a temporary secure location that is being readied for July 2011 smelts of its stored ore bearing concentrates into bullion dore.

An agreement has been reached in principle with a foreign refinery and contracts are being drawn up to finalize the last stage of what will be a revenue producing operation; details on this agreement and subsequent sales of bullion dore will be forthcoming in ensuing releases.

Mill Update

The mill is producing steadily with minimum interruptions, kept in reserved for planned insertion of new equipment and maintenance on the current mill circuit. During the past six months, the Diamond Creek Mill facility has processed material for a total of 2,800 hours or 67% of the available time elapsed based on 24/7 operations. The installation and commissioning of the clarifier tank, belt press, and flocculent mixers will do away with the outdoor ponds and their associated maintenance. The indoor self-contained pond will significantly lower milling operating cost.

A coming expansion of the mill building and the addition of another line of ore processing equipment, will allow for an increase in precious metal output with the anticipation of only a very small increase in operating costs, if any.

The Company's Fall shareholders meeting will be held at the Company's Diamond Creek Mill facility and all present will be able to see, themselves, the great progress at SFMI. The date and time for this shareholders meeting will be forthcoming within the necessary regulatory filings with the US SEC.

Sinker Tunnel Update

The refection work in the [Sinker Tunnel](#) has been completed and subject to MSHA's inspection and ongoing approvals, SFMI will start its exploration phase by drilling under the direction of [the Company's President, Mr. Roger Scammell, P. Geo.](#) and of an independent geologist who will produce a [43-101](#) based on his observations and studies of the core drilling in War Eagle Mountain. Exploration will be conducted under strict QA/QC protocols including mineralized standards, half of all sampled core will be retained for future reference, and analyses will be performed by SFMI's laboratory on site and by an

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Independent laboratory to be named at the beginning of core drilling operations. Since the Sinker Tunnel is accessible all year, operation within will proceed without interruption. The area, on the mountain, giving access to the Sinker Tunnel, will be fenced and secured by high tech security services.

“Every time I look at the performance of the mill and look back one year, I am amazed at the achievements of our work force and of our on site management in what is, in my opinion, an unqualified success. This is in large measure a result of the dedication and work of our Idaho personnel, backed by a strong management team,” said Pierre Quilliam, CEO of SFMI.

He further states, “I wholeheartedly thank our shareholders, past and present, for their support.”

About Silver Falcon Mining, Inc.

SFMI has mineral rights to approximately 2,000 acres on War Eagle Mountain in Southern Idaho; Its Diamond Creek Mill is situated at the foot of War Eagle Mountain and is serviced by 6.2 miles of paved roads from State Highway 78. It maintains year round access to the Sinker Tunnel (<http://www.silverfalconmining.com/projects/Sinker%20Tunnel.html>) which will facilitate underground mining of the rich veins crisscrossing the mountain above and a mining oriented local workforce.

On behalf of the Board of Directors of Silver Falcon Mining, Inc.: Pierre Quilliam, Chief Executive Officer

Silver Falcon Mining, Inc. (SFMI:OTCBB) is a developer and explorer of mineral resource properties, primarily in Owyhee County, Idaho, USA, with the objective of being a profitable, low-cost, precious metal producer and creating significant growth in shareholder value.

Further Information: contact Rich Kaiser, Investor Relations, 800-631-8127 and/or visit <http://www.silverfalconmining.com>. Silver Falcon Mining, Inc. cautions that the statements made in this press release constitute forward-looking statements, and not guarantees of future performance and actual results or developments may differ materially from the projections in the forward-looking statements. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made.

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