



PRESS RELEASE

NASDAQ OTCBB: SFMI.BB

SILVER FALCON MINING, INC. (SFMI) RELEASES ITS GOLD PRODUCTION ORE VALUES ON ITS FIRST ANNIVERSARY OF THE OPENING OF ITS DIAMOND CREEK MILL FACILITY.

Murphy, ID- (MARKET WIRE) – 05/17/11 -- Silver Falcon Mining, Inc. (OTC:[SFMI.OTCBB](#) - [News](#)) announces that for the first three months of 2011, the Company processed 3005 tonnes of Oso Tailings to produce 2.61 tonnes of concentrate containing an average of 81.19 oz. of gold and 94.97 oz. of silver.

The material was assayed at the Company's Diamond Creek Laboratory with check assays sent to Chris Christopherson, Inc., Kellogg, Idaho, an external laboratory, to verify the Company's results.

As soon as the weather permits, a program will be initiated to determine the grade and quality of the tailings remaining on the War Eagle Mountain. During the 2011 season, the collection of the tailings material will be closely monitored to ensure that only feed suitable for processing in the Diamond Creek Mill will be delivered to the plant site. It is anticipated that this program will improve the quality of the tailings thereby increasing the grade of the concentrate produced.

Various modification are being made to the mill to improve the metal recoveries and reduce the water consumption including the installation of a thickener and a belt press which will remove most of the water content of the tailings which is re-circulated in the processing plant. The resulting solid tailings can be stored without the necessity of building ponds to retain the water and the inherent problems of dealing with water disposal. It is planned to conduct metallurgical testing on these tailings to determine if it is possible to recover additional silver by adding an additional processing circuit to the plant.

Material is being stockpiled until the Company has installed furnaces to facilitate the smelt and pour of its own Bullion Doré bars. This will enable the Company to sell its Bullion Doré directly to the refinery; thus eliminating smelter fees and other penalties that can be as high as 70%. At a recent public meeting, the Owyhee County Authorities verbally approved construction of the smelter facility and the Company anticipates that they will sign the permit by the second week of June.

Mr. Pierre Quilliam, CEO, said, "This is a momentous day for all of us. Thanks to our dedicated employees and the support of our shareholders, we have closed the first year of operations with greatly improved efficiencies, [an inventory of concentrate](#), and ample supply of tailings from the dumps on the mountain. Our mill buildings have almost doubled in area since the opening a year ago and we are now poised for expansion of the processing capacity."

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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Investor Relations

Yes International Ltd.
Attn: Rich Kaiser
3419 Virginia Beach Blvd., #252
Virginia Beach, VA 23452
Tel: 757-306-6090

Silver Falcon Mining, Inc.

1385 Broadway Ave.,
Suite# 1109
New York, NY 10018

TEL: 212-730-1234
FAX: 212-730-1510

www.silverfalconmining.com