



# PRESS RELEASE



SFMI

## **SILVER FALCON MINING INC. (SFMI) BEGINS SINKER TUNNEL GOLD PROJECT.**

**Bradenton, FL.- (MARKET WIRE) – 11/02/12** -- Silver Falcon Mining, Inc. (SFMI) announced that as of November 1, 2012, work commenced on the [Company's Sinker Tunnel Gold Project](#). Management also provides an operational update on a variety of ongoing activities at its Diamond Creek Mill and Metallurgical Facilities.

### **Sinker Tunnel Drilling Project Update**

After 100 years hiatus, and some tentative steps in the last two years to reopen the Sinker Tunnel, work has finally begun. The tunnel is being aerated and preparation work to complete the bolting of the remaining upper wall of the tunnel is underway. The Company has placed orders for the myriad of items needed on site to equip and supply its underground work crews and is reviewing its plan of operation concerning the upcoming 5,000 feet core drilling project.

After the bolting operation is complete and a side room has been excavated near the "Oro Fino Vein," as it intersects with the tunnel, core data resulting from exploratory drilling will become available, and will be translated into the much awaited instrument NI-43-101.

### **Metallurgical Laboratory Update**

Management continues its delivery of dore to Republic Metals Refinery on a monthly basis. Revenues received from refinery transactions will be reported in forthcoming [US SEC FORM 10-Qs and Form 10-Ks](#). Shareholders are reminded that revenue from the operation is only reported as the refinery buys the "Bullion Dore" from SFMI, which only happens after the refinery melts the "Bullion Dore" delivered to them.

The Company's management team has begun work on its certification of plans to construct and operate a closed circuit leaching unit, in Murphy, Idaho following the [Owyhee County permit issued this past July](#). Once operational, this will allow SFMI to extract the 5 to 6 million dollars of precious metals, assayed on the 35,000 tons of tailings previously brought down from War Eagle Mountain.

### **Mill Update**

Employees are being advised of a change in the hours of operations of the mill from a schedule of 24/7 to a 12 hour day operation only, allowing for the changeover from the GRAVITY CIRCUIT operation to full time FLOATATION CIRCUIT. The necessary training for the employees to operate the FLOATATION CIRCUIT will start immediately and the mill will concentrate its efforts on completing and commissioning the new process. Once the FLOATATION CIRCUIT is in full operation and ore is available from the mountain, the GRAVITY CIRCUIT will resume its operation and will operate as a feeder to the FLOATATION CIRCUIT.



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## **Board of Directors update**

The Company's Chairman, Pierre Quilliam, said, "I'm happy to welcome our [new Director, Mr. Paul Parliament](#), to our board. Mr. Parliament will no doubt bring some fresh insight into our decision making process and be fully involved in the direction of this Company."

## **About Silver Falcon Mining, Inc.**

SFMI has mineral rights to approximately 1,200 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 which will facilitate underground mining of the rich veins crisscrossing the mountain above it, and SFMI provides the area population with employment and service opportunities.

**For further information, contact Mr. Richard Kaiser, Investor Relations, 757-306-6090 and/or [www.silverfalconmining.com](http://www.silverfalconmining.com).**

Silver Falcon Mining, Inc. cautions that statements made in this press release constitute forward looking statements, and makes no guarantees of future performance; actual results or developments may differ materially from projections in the forward-looking statements. Forward-looking statements are based on the estimates and the opinions of management at the time the statements are made.

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