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News Release – 2008-21

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## **News Release**

### **Drilling in Don Valley Further Demonstrates Mineral Potential**

**Vancouver, BC, October 28, 2008** – Selwyn Resources Ltd. (SWN.TSX-V) updates shareholders on its 2008 exploration activities. The 2008 drilling program is now complete with 3,857 metres drilled in 13 drill holes. The discovery of high-grade mineralization in the XY West Zone and success in the deep drilling in the Don East deposit are the highlights of the program. The latter has demonstrated significant additional lateral continuity of high-grade mineralization intercepted in 2007 on the Don East deposit.

The 2008 drilling program was entirely focused on expanding the previously reported known Indicated high-grade mineral resource of 16,063,800 tonnes grading 10.25% zinc and 4.43% lead and an Inferred high-grade mineral resource of 23,156,000 tonnes grading 8.86% zinc and 2.80% lead. This mineral resource estimation was completed by Independent Qualified Person Mr. Cliff Pearson, P.Geo. and Non-independent Qualified Person, Mr. John O'Donnell (see January 29, 2008 news release).

#### **XY West Zone**

The discovery of high-grade mineralization in the XY West zone demonstrated continuity of the high-grade mineralization in XY Central deposit, the largest of the high-grade deposits. Drill hole XYC-174 intersected 35.8 metres approximate true thickness grading 9.99% zinc and 3.34% lead, including 10.36 metres grading 16.08% zinc and 5.71% lead (see September 9, 2008 news release). Additional drill results for the XY West zone area will be released shortly.

#### **Don East Deposit**

Selwyn drilled one deep hole to follow up the thick intersection of well mineralized Active Member in DON-114 in the Don East deposit and DON-131 in the adjacent fault panel directly to the southeast. DON-114 intersected 44.97 metres true thickness grading 4.55% zinc and 1.26% lead, including 3.94 metres grading 9.38% zinc and 2.45% lead (see November 14, 2007 news release) and DON-131 intersected 52.20 metres true thickness grading 4.62% zinc and 1.71% lead, including 8.00 metres grading 7.76% zinc and 3.01% lead (see January 15, 2008 news release). Deep drill hole DON-142 was just completed to a depth of 1,014.4 metres and intersected 9.9 metres of well-mineralized Active Member that was cut-off on the footwall by a fault structure bounding the base of the mineralized interval. The Active Member in DON-142 was intersected as planned, based upon Selwyn's detailed 3D geological model, approximately 430 metres southeast of DON-131 and 1,200 metres southeast of DON-114. The DON-142 intercept confirms the overall continuity of this attractive zinc-lead mineralization and further demonstrates the substantial mineral potential remaining to be explored in Don Valley. This target is conceptual in nature and it is not known whether there has been sufficient drilling to define a mineral resource or whether additional drilling will define a mineral resource. Additional definition drilling may be required prior to defining mineral potential as an accepted NI 43-101 mineral resource classification. The location of the drill holes can be found on drill plan maps available at [www.selwynresources.com](http://www.selwynresources.com).

## Outlook

In the current challenging financial markets, financing for junior resource companies is a concern for shareholders. As of mid October, Selwyn has current working capital of approximately \$3,700,000 and no debt. We believe that Selwyn therefore has the strength to meet its financial obligations over the short to intermediate term.

Selwyn continues to advance its strategic partner initiative, focused on direct investment in the Selwyn Project. It has, however, achieved significant success in the form of investment by equity investors. Selwyn now has two major institutional shareholders, Resource Capital Funds based in Denver with a 15.5% interest that would increase to 21.9% on exercise of its warrants and China Mining Resources Group Ltd. based in Hong Kong with a 16.5% interest that would increase to 18.6% on exercise of its warrants. Both groups are investment funds that specialize in investment in mining resource companies and that recognize the long term strategic value of Selwyn's assets. With the recent securing of two long term strategic (equity) investors as major shareholders, the Company is confident that mid and longer term requirements can be met.

Zinc companies have been particularly hard hit in recent commodity markets. Many zinc companies have share prices that have declined to 10 to 20% of their 12 month highs. The zinc price has retreated from the US\$2.09/lb of late 2006 to a recent low of US\$0.50/lb. The rapid decline in the zinc price appears to reflect expectations of a large inventory build-up and the sale of metal positions by various financial institutions as they attempt to create liquidity and reduce risk in their portfolios. The resulting weak valuation of zinc companies could take some time to overcome; however, the large number of announcements of shutdowns of operating mines (e.g. Lennard Shelf, Caribou, Mid Tennessee, and perhaps now Century, the second largest zinc mine in the world) is encouraging, in that it should, over time lead to a rebalancing of supply and demand. Despite the rapid decline of zinc prices, most analysts remain quite bullish about the intermediate to long term outlook for zinc and acknowledge the likelihood of a prolonged shortage of supply commencing around 2011 or 2012. Selwyn continues to work towards positioning itself to take advantage of any improvement in the zinc markets.

*This press release contains forward-looking statements concerning mineralization at the Selwyn Project. These forward-looking statements are based on assumptions and judgments of management regarding future events or results that may prove to be inaccurate as a result of exploration and other risk factors beyond Selwyn's control. As a result, actual results may differ materially from the expected results. Additional drilling is required to confirm the potential of the new discovery areas and expansions of the current resource areas and the extension of the higher grade deep mineralization to depth. There is no assurance that the resources being defined can be developed as an economically attractive mine, and there are many uncertainties associated with permitting and other factors that could delay such development. There is also no assurance that Selwyn will secure a significant investment from a strategic partner or that it will be able to fund the project to bankable feasibility over the intermediate term.*

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OF THIS NEWS RELEASE.

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