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**News Release**

**Selwyn Announces Pricing and Change to Equity Financing  
of up to \$15 Million for Scotia Mine Acquisition**

**Vancouver, BC, May 16, 2011** – Selwyn Resources Ltd. (“Selwyn”) (TSX.V: SWN) today announced that its brokered best efforts private placement financing through Paradigm Capital Inc. as lead agent on behalf of a syndicate including Canaccord Genuity Corp. (collectively, the “Agents”) to raise gross proceeds of up to \$15 million (the “Offering”) has been amended to provide for the sale of up to 60,000,000 Special Warrants at a price of \$0.25 each (the “Issue Price”). Selwyn has granted to the Agents an option to sell up to an additional 15% of the Special Warrants at the Issue Price for additional gross proceeds of \$2.25 million. The gross proceeds from the Offering will be delivered to Selwyn upon closing of the Offering, which is expected to be on or about May 26, 2011.

The proceeds from the Offering will be used for the purchase consideration payable by Selwyn in connection with the acquisition of ScoZinc Limited from Acadian Mining Corporation (see February 8, 2011 news release) and for general working capital purposes. ScoZinc Limited owns the zinc/lead Scotia mine in Nova Scotia that was closed in 2009 due to the collapse of the price of zinc in late 2008.

Each Special Warrant will be convertible for no additional consideration into one common share (“Common Shares”) of Selwyn and one-half of one common share purchase warrant (“Warrants”) of Selwyn upon the earlier to occur of Selwyn clearing a prospectus (the “Prospectus”) in applicable Canadian jurisdictions, and the date that is four months after the closing date for the Offering. Each whole Warrant will entitle the holder thereof to purchase one Common Share at \$0.40 for a period of 24 months after the closing date of the Offering. If the Prospectus has not been cleared by July 8, 2011, each Special Warrant will be convertible into 1.1 Common Shares and 0.55 of a Warrant.

Selwyn also intends to raise approximately \$30 million through the sale of debt securities as part of the funds to reopen the Scotia mine.

The Offering is subject to acceptance by the TSX Venture Exchange.

Selwyn’s main focus remains the exploration and development of its properties that make up the Selwyn Project in the Yukon, by the joint venture comprised of Selwyn and Chihong Canada Mining Ltd. The acquisition of the Scotia mine will provide Selwyn with a new opportunity for growing the Company, expanding its management team and providing cash flow to fund growth as it advances the Selwyn Project.

*This press release contains forward-looking statements concerning the issue of Special Warrants and the acquisition of ScoZinc Limited. These forward-looking statements are based on assumptions and judgments of management regarding the sale of the Special Warrants and the acquisition that may prove to be inaccurate due to factors beyond Selwyn’s control, including the satisfaction of conditions to the closing of the acquisition and the offering of Special Warrants. Although Selwyn has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause results not to be as anticipated or intended. There is no assurance that such information will prove to be accurate, as future events could differ materially from those anticipated in such information and accordingly, there is no assurance that the acquisition of ScoZinc Limited and the completion of the offering of Special Warrants will be completed as anticipated. Readers should not place undue reliance on forward-looking statements.*

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*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*