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News Release

Selwyn Significantly Expands XY West Deposit

***Vancouver, BC*, September 06, 2011 –** Selwyn Resources Ltd. ("Selwyn") is pleased to announce the first drill results from the recent drilling of the XY West deposit at the Selwyn Project, Yukon. The drill results are part of the exploration and definition drilling program of the XY West deposit conducted by Selwyn Chihong Mining Ltd. ("SCML"), the joint venture company equally owned by Selwyn and Chihong Mining Canada Ltd. Chihong Mining Canada Ltd. is a wholly owned subsidiary of Yunnan Chihong Zinc and Germanium Co. Ltd. The location of the new drill holes and lenses can be found on drill plan maps available at www.selwynresources.com.

Dr. Harlan Meade, President and CEO of Selwyn, states: "The extension of high-grade mineralization in the XY West deposit provides an attractive early development opportunity. The high-grade mineralization, proximity to the XY Central deposit, and low-cost access for development make the XY West deposit very appealing for inclusion in the initial production plan at Selwyn Project."

Highlights

- XYC-249 intersected 49.64 metres true thickness grading 11.85% zinc and 3.13% lead, including 31.11 metres grading 15.46% zinc and 9.91% lead
- XYC-257 intersected 9.69 metres true thickness grading 12.94% zinc and 5.03% lead, including 2.81 metres grading 26.54% zinc and 12.79% lead

Northwest Expansion of XY West Deposit

During 2010 and 2011, drilling focused on better defining the XY West deposit and expanding it along the favourable trend of zinc-lead mineralization to the northwest. The recent drilling has extended the strike length of the XY West deposit an additional 600 metres to the northwest. The XY West deposit now extends for at least 1000 metre strike length. A gap of 500 metres between the XY West and XY Central deposits remains largely untested (see drill hole plan at www.selwynresources.com) with historical drill holes confirming favourable strata. The new mineralization occurs to the northwest in two fault blocks adjacent to the original 2008 discovery area.

XYC-249, one of the first drill hole step outs to the northwest, intersected a wide thickness of zinc-lead mineralization from 191.80 to 250.2 metres for a true thickness of approximately 49.64 metres grading 11.85% zinc and 3.13% lead, including 16.92 metres grading 19.52% zinc and 4.81% lead.

Drill Hole	From (m)	To (m)	Thickness (m)	Zn (%)	Pb (%)	Zn+Pb (%)	True Thickness (m)
XYC-249	191.80	250.20	58.40	11.85	3.13	14.98	49.64
Including	192.20	206.00	13.80	6.40	2.08	8.48	11.73
Including	211.60	250.20	38.60	15.46	9.91	25.37	31.11

Drill hole XYC-257 intersected 9.69 metres of very high-grade thickness from 236.90 to 248.30 metres grading 12.94% zinc and 5.03% lead, including 2.81 metres grading 26.54% zinc and 12.79% lead. XYC-257 was collared approximately 150 metres northwest of XYC-249.

Drill Hole	From (m)	To (m)	Thickness (m)	Zn (%)	Pb (%)	Zn+Pb (%)	True Thickness (m)
XYC-257	236.90	248.30	11.40	12.94	5.03	17.96	9.69
Including	243.00	246.30	3.30	26.54	12.79	39.33	2.81

The intercept in XYC-263 intersected a true thickness of 16.83 metres from 221.30 to 241.10 metres grading 8.24.% zinc and 2.98% lead. XYC-263 was collared approximately 75 metres north-northeast of XYC-257 and 175 metres northwest of XYC-249.

Drill Hole	From (m)	To (m)	Thickness (m)	Zn (%)	Pb (%)	Zn+Pb (%)	True Thickness (m)
XYC-263	221.30	241.10	19.80	8.24	2.98	11.22	16.83
Including	225.00	241.10	16.10	9.27	3.44	12.71	13.69

Other intercepts from 2011 in the expansion area of XY West deposit include XYC-248, XYC-260, and XYC-265, which all host zinc-lead mineralization.

Drill Hole	From (m)	To (m)	Thickness (m)	Zn (%)	Pb (%)	Zn+Pb (%)	True Thickness (m)
XYC-248	279.50	293.40	13.90	7.34	1.70	9.04	11.82
Including	281.60	293.20	11.60	7.97	1.83	9.80	9.86
Including	281.60	286.00	4.40	10.53	2.63	13.16	3.74
XYC-260	199.00	204.00	5.00	9.70	3.55	13.24	4.25
	212.90	217.50	4.60	12.34	3.09	15.42	3.91
	256.10	264.80	8.70	10.98	3.42	14.40	7.40
Including	259.00	264.80	5.80	12.38	4.13	16.50	4.93
XYC-265	386.10	388.05	1.95	8.41	2.52	10.92	1.66

The recent drill intercepts of thick high-grade zinc-lead mineralization in the expansion area for the XY West deposit continue to support the potential for expanding mineral resources in the XY West deposit. Drilling has defined the central block of the XY West deposit as having dimensions of approximately 350 by 250 metres with an average thickness of 15 metres. Drill results in the most northwest fault block, that extend the new mineralization to 600 metres beyond the initial XY West mineral resources, will be reported on shortly.

Investors are cautioned that there has not been sufficient drilling to define a mineral resource to NI 43-101 standards, and it is unclear whether additional drilling will define a viable mineral resource in the expansion area of the XY West deposit. However, both the availability of the XY West deposit for expansion and the apparent lateral continuity of thick zones of zinc-lead mineralization containing substantial thicknesses of high grade mineralization (as confirmed by drill hole XYC-249) suggest an excellent opportunity for growth of mineral resources in the target area at XY West deposit. Additional drill results for the XY West deposit are pending.

Initial XY West Discovery

The XY West deposit was discovered in 2008 during an exploration program in the adjacent fault panel immediately to the northwest of the XY Central deposit (see September 3, 2008 news release). Initial drilling at XY West investigated the favourable geology identified in a historical drill hole that cored the hanging wall rocks known to overlie the horizon of zinc-lead mineralization. The 2008 program discovery drill hole, XYC-172, was a 1,100 metre step out to the northwest from the XY Central deposit. Results from 2008 and 2009 drill programs yielded an Inferred mineral resource to NI 43-101 standards of 1,917,600 tonnes grading 7.70% zinc and 2.45% lead. This mineral resource estimate was prepared by Non-Independent Qualified Person, Mr. John J. O'Donnell, P.Geo. (see February 26, 2009 news release).

Technical Overview

All assay results from the exploration and definition drilling program are undergoing quality assurance and quality control review. Upon completion of this review, the data will form the basis for a new mineral resource estimate. Several drill holes were positioned to define limits of bounding fault structures and/or areas of lower-grade zinc-lead mineralization in order to refine limits of the high-grade mineralization for the mine plan. Results from the definition drilling program continue to confirm the 3-D geological and structural models for XY West deposit.

The Selwyn Project exploration program is being reviewed by Vice President Exploration, Mr. Jason Dunning, M.Sc., P.Geo., and Mr. Wolfgang Schleiss, P.Geo., Manager of Exploration, who is responsible for on-site activities. Mr. Dunning and Mr. Schleiss are both Qualified Persons within the meaning of National Instrument 43-101. All assay data have undergone internal validation of quality assurance and quality control. Selwyn has

established a sampling and assay control program with blind insertion of assay blanks, standards, and duplicates for the Selwyn Project. A quality control and quality assurance program is in place at ACME Analytical Laboratories Ltd. ("ACME") and includes blanks, standards, and duplicates. At ACME, silver and base metal analyses are conducted by a 23-element, four-acid digestion, ore-grade ICP-AES technique.

Selwyn's primary focus remains the exploration and development of the properties that make up the Selwyn Project in the Yukon by the joint venture comprised of Selwyn and Chihong Canada Mining Ltd. The Selwyn Project hosts large tonnages of zinc-lead mineralization which have the potential for large scale production, and could provide a secure supply of zinc and lead to meet the future needs of these markets in Asia and beyond. The recently announced acquisition of ScoZinc Limited, which owns the Scotia Mine, provides Selwyn with a second opportunity for growth and the potential for production revenues in 2012.

This press release contains forward-looking statements concerning mineralization at and the development of the Selwyn Project and of the future prospects for the Scotia Mine. 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 factors beyond Selwyn's control, including the results of exploration activities, economic evaluations and engineering studies, the availability of funds in the financial markets on terms acceptable to Selwyn, and the public's view of the economic value of the Selwyn Project and the Scotia Mine. Additionally, more drilling is required to confirm the potential of the new discovery areas, expansions of the current resource areas, and the extension of the higher grade deep mineralization to depth at the Selwyn Project. There is no assurance that such additional drilling will expand mineral resources or that the resources being defined can be developed as an economically attractive mine. Uncertainties associated with permitting and other factors could delay development of the Selwyn Project and of the Scotia Mine. 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 Selwyn Project or the Scotia Mine will be developed into profitable mines. Readers should not place undue reliance on forward-looking statements.

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