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News Release

Selwyn Suspends Strategic Review Process

Vancouver, BC, September 06, 2012 – Selwyn Resources Ltd. (SWN.TSX-V) (“Selwyn” or the “Company”) announced that its previously disclosed strategic review process has been suspended.

“In light of our limited financial resources and the commitments necessary to bring the Selwyn Project to completion, we announced a strategic process on April 17, 2012,” said Wade Nesmith, Chairman of Selwyn’s Board of Directors. “Since that time, the Company has been working closely with our advisers to find a solution, including a sale of either the Company or its interest in the Selwyn Project. We have been conducting this process in some of the worst economic times in recent memory, and the process has so far failed to identify a transaction acceptable to the Board.”

During the strategic review, the Company’s advisers reviewed the universe of potentially interested parties and contacted a number of them to determine what interest, if any, they had in a possible transaction with Selwyn. The process quickly focused on engaging Chihong Canada Mining Ltd. (Chihong), the Company’s joint venture partner in Selwyn Chihong Mining Ltd. and the Selwyn Project, in discussions regarding the sale by Selwyn to Chihong of its interest in the Joint Venture. Those negotiations, initially positive, did not result in an acceptable purchase agreement, with Chihong refusing to accept terms that Selwyn believes are fundamental to any agreement that would be in the best interests of its shareholders.

“Management and the Board are committed to doing our best to make this Company successful,” continued Mr. Nesmith. “External economic forces are making things extremely difficult. In order to secure more time to achieve our near and medium term goals, Harlan Meade, Chief Executive Officer, has been directed to raise additional working capital sufficient to advance the Company’s business plan.”

This press release contains forward-looking statements concerning the future of Selwyn and Selwyn's intention to raise funds. 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 market conditions for securities, commodities prices, the results of exploration activities and engineering studies, the availability of capital on terms acceptable to Selwyn, regulatory approval, and other risk factors beyond Selwyn's control. As a result, there is no assurance that Selwyn will be able to raise funds to finance its activities. There is no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on these statements. Selwyn does not undertake to update any forward-looking statements, except as, and to the extent required by, applicable securities laws. For more information about the risks and challenges of Selwyn's business and the material risk factors that could cause actual results to differ materially from such forward-looking statements, investors should review Selwyn's current AIF available at www.sedar.com.

Neither the 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.

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