

## SILVER MOUNTAIN COMMENCES DRILLING ON ITS PTARMIGAN PROPERTY

**July 31, 2012, Calgary, Alberta** – Silver Mountain Mines Inc. (TSX-V:SMM) (“Silver Mountain” or the “Company”) announces that it has commenced an estimated 3,200 meter diamond drill program consisting of approximately 29 holes on its 100% owned Ptarmigan Property (the “Property”) in southeast British Columbia.

The Property is 9,287 hectares (ha) and is located in the Purcell Mountains, a mountain belt rich in mineralization, in the southern Canadian Cordillera. The Property area hosts an abundance of documented MINFILE (mineral) occurrences, ranging from mineralized showings to past producing mines, including the former Ptarmigan, Mineral King, Blue Bell and Paradise Mines.

A diamond drill rig, drilling NQ size core, is conducting infill drilling within the Ptarmigan Mine, Upper Ptarmigan and East Ptarmigan Zones where Silver Mountain has previously identified both polymetallic veins and manto style mineralization (see Company’s news release dated July 5, 2012). The drill rig will then be moved to the North Ridge West Vein and Iron Cap Zones where the Company anticipates conducting exploratory drilling. Additionally, sampling and mapping programs will be carried out within selected areas with geochemistry being carried out in the Law Creek and Iron Cap areas.

### **About Silver Mountain Mines Inc. (TSX-V: SMM)**

*Silver Mountain Mines Inc. is a Canadian based exploration and development company with 100% ownership of a 9,200 ha property centered on the historical silver rich Ptarmigan Mine in south eastern, BC. The property hosts two styles of mineralization: silver rich, high-grade polymetallic epithermal veins and manto style massive / semi-massive sulphide mineralization.*

*For further information on Silver Mountain Mines Inc. please visit the Company’s website [www.silvermountainmines.com](http://www.silvermountainmines.com) and SEDAR ([www.sedar.com](http://www.sedar.com)) or contact Mr. Steve Konopelky, President & CEO of the Company at +1 403 229 9140 or Sheri Barton, Corporate Communications, at +1 403 217 5830.*

This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. These statements are based on a number of assumptions and factors that could cause actual results to differ materially from those in forward looking statements Silver Mountain Mines Inc. does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.

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ON BEHALF OF THE BOARD

“Steve Konopelky”

Steve Konopelky  
President and CEO