

El Tigre Silver Announces Reserves and Resources at El Tigre Property in Sonora Mexico

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 4, 2013) - [El Tigre Silver Corp.](#) (the "**Company**" or "**El Tigre**") (TSX VENTURE:ELS)(FRANKFURT:5RT)(OTCQX:EGRTF) is pleased to announce the completion of the *National Instrument 43-101 Preliminary Feasibility Study for the El Tigre Silver & Gold Project, Municipio De Nacozari De Garcia, Sonora, Mexico* ("**PFS**") on the El Tigre silver and gold project in Sonora, Mexico (the "**El Tigre Project**") prepared by Hard Rock Consulting ("**HRC**"). The PFS supersedes the "*National Instrument 43-101 Technical Report, El Tigre Silver Property, Municipio De Nacozari De Garcia, Sonora, Mexico*" prepared by Thomas R. Gibson, P. Geo and filed on SEDAR on October 28, 2011.

The PFS provides a comprehensive technical and economic analysis of the selected development option for the reprocessing of the tailings material based on an estimation of the mineral resources and reserves contained within the tailings material and documents the estimation of in-situ mineral resources from the El Tigre Mine area. The PFS includes detailed assessments of realistically assumed mining, processing, metallurgical, economic, legal, environmental, social, and other relevant considerations needed to demonstrate the economic viability of the El Tigre Project. All data and interpretations are based on information available prior to the effective date of the PFS, June 1, 2013.

The projected internal rate of return from the reprocessing of the tailings is robust throughout a range of silver prices, increasing from 28.2% at a silver price of US\$20 per ounce to 99.9% at US\$35 per ounce, as presented in Table 1 below.

Table 1 - After-Tax Project Economics at Selected Silver Prices (US\$)

	Maximum	Net Present	Internal Rate	Payback	Payback
Silver Price	Cash Injection	Value @ 8%	of Return	Period	Multiple
\$15.45	\$ (4.814M)	\$ (1.424M)	0.2 %	9.18	1.0
\$20	\$ (4.445M)	\$ 4.428M	28.2 %	2.79	3.1
\$25	\$ (4.011M)	\$ 10.858M	53.0 %	1.50	5.9
\$30	\$ (3.715M)	\$ 17.288M	76.5 %	2.21	9.1
\$35	\$ (3.733M)	\$ 23.718M	99.9 %	1.80	11.8

Preliminary Feasibility Study of the Tailings:

The El Tigre Project contains 1.3 million tonnes of proven and probable tailings material grading 83.0 g/t silver and 0.279 g/t gold. HRC's economic analysis of the base case utilized a silver price of US\$25.00/oz and a gold price of US\$1,289/oz at a silver to gold equivalency ratio of 51.57:1. Metallurgical recoveries for gold and silver averaged 93% and 78%, respectively, with projected mining costs of US\$0.90 per tonne processed; processing costs of US\$22.80 per tonne processed, and G&A costs of US\$5.60 per tonne processed in a typical year. The mineral reserve estimate for the El Tigre Project is presented in Table 2.

Table 2 - Mineral Reserve Estimate -- Tailings Material

	Tonnes	AgEq	Ag	Au	Contained Metal (x 1000)		
					AgEq	Ag	Au
Classification	(X 1000)	gpt	gpt	gpt	t.oz.	t.oz.	t.oz.
Proven	855	101.3	84.2	0.285	2,786	2,316	7.834

Probable	439	96.7	80.6	0.267	1,364	1,138	3.773
Proven + Probable	1294	99.8	83.0	0.279	4,151	3,454	11.607

*Notes:

(1) Proven and probable reserves are based on assumed silver and gold prices of US\$25/oz. and US\$1,289/oz., respectively, metallurgical recoveries for gold and silver were assumed at 93% and 78%, and a mining, processing and G&A cost of US\$29.30 per tonne processed.

(2) Mineral reserve tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

(3) All reserves are stated above a 50 gpt Ag Equivalent cut-off.

(4) Silver Equivalent stated using a ratio of 60:1 and ounces calculated using the following conversion rate: 1 troy ounce = 31.1035 grams. Metallurgical recoveries are not accounted for in the silver equivalent calculation.

Highlights of the Tailings PFS

- Ore is processed in a 400 ton per day mill and agitated cyanide leach plant with Merrill-Crowe recovery circuit over a 10 year operating life.
- Base Case prices of US\$25 per Ag ounce and US\$1,289 per Au ounce would generate an after-tax net present value at 8% of approximately \$10.9 million.
- A Base Case after-tax rate of return of approximately 53.0%.
- Projected salable production of 2.63 million ounces of silver and 10,500 ounces of gold.

The tailings project will require an overall initial and sustaining capital investment of \$6.2 million, with a maximum envisioned cash injection of \$4.0 million, with the remaining amounts provided by cash flow from operations.

Resources of the El Tigre Vein System:

The mineral resource estimate for in-situ material is based on 9,468 metres (29,351 feet) drilled in 61 diamond core holes conducted in three phases over three years. The mineral resources for the in-situ portion of the El Tigre Project, are estimated by HRC to be 9.875 million tonnes grading an average of 0.630 g/t Au and 39.7 g/t Ag classified as indicated mineral resources with an additional 7.042 million tonnes grading an average of 0.589 g/t Au and 31.1 g/t Ag classified as inferred mineral resources. The base case estimated mineral resource is based on a 50 g/t silver equivalent ("**AgEq**") cut-off.

The mineral resources are reported at a cut-off grade to reflect reasonable prospects for economic extraction. HRC considers that significant portions of the El Tigre Project are amenable to open pit extraction. The "reasonable prospects for economic extraction" requirement referred to in NI 43-101 was tested by designing a series of conceptual open pit shells using CAE Mining's Maxipit Software. HRC selected parameters to represent a reasonable expectation reflecting the intent that the resource captured within the pit shell meets the test of reasonable prospect for economic extraction and can be declared a mineral resource. The mineral resource is not inclusive of the mineral reserves.

This updated mineral resource estimate is based on a 3D geologic model constructed using geologic and assay data from 9,468 metres of drilling in 61 drill holes. The assay data has been examined for the presence of high grade outlier data which could potentially adversely impact the grade estimation. Based on this analysis, all gold and silver assays were capped at 12.5 g/t and 290.0 g/t, respectively. The capped assay data were then composited into 2.0m downhole lengths for use in grade estimation. Block grades were estimated using a single indicator ordinary kriging interpolation method and are presented in Table 3.

Table 3 - Mineral Resource Estimate - In-Situ Material

Indicated Resources							
Cut-off	Tonnage	AgEq	Ag	Au	Contained Metal (x1000 ounces)		
					AgEq	Ag	Au
gpt	Tonnes(x1000)	gpt	gpt	gpt	t.oz.	t. oz.	t. oz.
100	1,500	126.4	67.6	0.980	6,097	3,259	47
75	4,203	99.8	53.6	0.771	13,486	7,241	104
50	9,875	77.8	39.7	0.630	24,713	12,614	200
30	15,538	63.6	32.4	0.527	31,794	16,202	263
Inferred Resources							
100	516	122.0	63.8	0.974	2,024	1,058	16
75	2,322	92.0	49	0.719	6,868	3,658	54
50	7,042	71.0	36.1	0.589	16,075	8,173	133
30	13,520	56.0	26.4	0.493	24,342	11,476	214

*Notes:

(1) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.

(2) Indicated and Inferred Mineral Resources captured within the pit shell meet the test of reasonable prospect for economic extraction and can be declared a Mineral Resource

(3) Pit optimization is based on assumed gold and silver prices of US\$1,350/oz. and US\$22.50/oz., respectively, metallurgical recoveries for gold and silver were assumed at 75%, and a mining, processing and G&A cost of US\$7.15 per tonne.

(4) Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

(5)The Mineral Resource is not inclusive of the Mineral Reserves.

(6) Silver Equivalent stated using a ratio of 60:1 and ounces calculated using the following conversion rate: 1 troy ounce = 31.1035 grams. Metallurgical recoveries are not accounted for in the silver equivalent calculation.

The mineral resources and mineral reserve estimates are reported in accordance with Canadian Securities Administrators National Instrument 43-101 and were estimated in compliance with generally accepted Canadian Institute of Mining, Metallurgy and Petroleum "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserves.

Stuart Ross, President and CEO commented:

"We've now defined a starting point for the resource at El Tigre with our first mineral resource estimate. We are extremely pleased with 9.875 million tonnes grading an average of 0.630 g/t Au and 39.7 g/t Ag totaling 24.713 million ounces of AgEq classified as indicated mineral resources with an additional 7.042 million tonnes grading an average of 0.589 g/t Au and 36.1 g/t Ag totaling 16.075 million ounces of AgEq classified as inferred mineral resources. The El Tigre property has an extensive mining history; with this initial resource estimate and our continued exploration capabilities, El Tigre is positioned to continue that legacy into the foreseeable future. What is even more exciting is that we have yet to define the limits of the main mineralized zone having only focused on 1.2 kilometres of a 5.3 kilometre zone. The report shows us that we will have internally generated funds to move the project forward. By reducing future stock dilution we will deliver increased shareholder value as we expand the in-situ resource with future drilling."

Qualified person(s)

This Mineral Resource estimate of the El Tigre vein system and the Mineral Reserve estimate of the historic El Tigre tailings was completed by Zachary J. Black, SME-RM an associate Resource Geologist with Hard Rock Consulting, LLC, who has reviewed pertinent geological information in sufficient detail to support the data incorporated in the resource estimates. Mr. Black is an Independent Qualified Person as defined under NI 43-101 and is responsible for the Mineral Resource and Mineral Reserve Estimate presented in this release. Mr. Black has reviewed the content of this news release, and consents to the information provided in the form and context in which it appears. The technical content of this news release has been approved by Steven D. Craig, CPG and Vice President of Exploration for El Tigre, a Qualified Person as defined in NI 43-101.

A copy of the full Technical Report will be available on the Company's website and filed on SEDAR within 45 days of this press release.

Contact

About El Tigre Silver Corp.

[El Tigre Silver Corp.](#)

Stuart Ross

President and CEO

The Company, through its subsidiaries, holds the rights to 100% of nine mineral concessions, eight comprising of 431 square kilometres located in north-eastern Sonora, Mexico (the "El Tigre Property"). El Tigre also holds one additional 32 hectare claim separate from the El Tigre Property. A technical report has been prepared for the El Tigre Property and can be found on the Company's profile on SEDAR at [www.sedar.com](#) and on the Company's website at [www.eltigresilvercorp.com](#).

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Rob Grace

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of filing of a technical report, development of production facilities at the El Tigre Property tailings project, assay results, mineral prices and preliminary feasibility analysis. Forward-looking

statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements

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