

**SILVER MOUNTAIN MINES REPORTS HIGH GRADE ASSAYS FROM ITS
EXTENSIVE GEOCHEMISTRY SAMPLING PROGRAM**

March 2, 2012, Calgary, Alberta – Silver Mountain Mines Inc. (TSX-V:SMM) (“**Silver Mountain**” or the “**Company**”) is pleased to announce the discovery of high grade gold and silver zones on its 100% owned 9,200 hectare (ha) Ptarmigan Property, British Columbia (BC). The new zones include further extension of the North Ridge West Vein, Iron Cap mine area and a newly discovered area of prospective mineralization located to the north in the Horsethief Creek and Law Creek areas.

The 2011 rock, soil and silt geochemical sampling program in the Ptarmigan and Horsethief Creek areas resulted in several significant Gold (“Au”), Silver (“Ag”), Copper (“Cu”), Lead (“Pb”) and Zinc (“Zn”) anomalies that warrant follow-up work in 2012. Highlights include:

- **2011 Assay Ranges; 990 g/t – 1,560 g/t Silver (Ag), 0.08 g/t – 19.6 g/t Gold (Au)**

Noteworthy 2011 analyses collected from a dolomitic outcrop north of the Ptarmigan adit ran 1400 g/t Ag and from quartz arenite outcrop east of the Iron Cap adits ran 990 g/t Ag. These samples were collected approximately 45 meters east of the trend of the Iron Cap adit previously reported. This area has seen little exploration activity since the 1930’s and with recent technology and snow melt this area warrants further exploration as the potential for a lead-silver mineralization may occur along faults and at depths. In 1958-59, approximately 520 tonnes was produced from the Ptarmigan mine with lead-silver-zinc ore grades averaging 77 oz/t Ag. Similarly to Horsethief Creek, mineralization occurs with interconnecting and clusters of veins with galena and tetrahedrite in quartz and large pods or lenses of pyrite with tetrahedrite.

Silver Mountain Mines has been exploring the Ptarmigan-Iron Cap property, a Ag-Pb-Zn prospect with several adits and earlier recorded production. Mineralization has been developed over a horizontal distance of 400 meters from north to south and a vertical length of 250 meters and remains open. Silver as tetrahedrite mineralization occurs in veins and within manto-style tabular, pyritic rich deposits, the Ag, Pb, and Zn mineralization appears to be intimately related to north-trending, generally steeply dipping, thrust faults. These thrust faults are interpreted as probable main controls of mineralization and offer potential for extensions of the mineralized zones.

Tables 1- Rock samples, highlights from 2011 exploration sampling for major elements.

Sample #	Sample Area	Ag (g/t)	Cu (%)	Fe (%)	Pb (%)	Zn (%)	Au g/t
528233	North Ridge-West Vein	990	0.299	13.8	0.05	0.011	0.432
528241	North Ridge-West Vein	40.7	0.086	14.8	0.002	0	19.6
528246	North Ridge-West Vein	1,400	0.05	13.4	0.004	0	3.05
528247	North Ridge-West Vein	1,290	0.435	2.0	0.047	19	0.082
528248	North Ridge-West Vein	1,560	0.121	1.34	0.047	14.9	0.254

Table 2 points to highly anomalous material which may not be in place or in situ.

Tables 2- Soil samples, highlights from 2011 exploration sampling for major elements.

Sample #	Sample Area	Ag g/t	Ba ppm	Cu ppm	Fe %	Pb ppm	Sb ppm	Zn ppm	Au ppb
AL-15	Ptarmigan Basin	198	412	62.10	3.12	656	1,190	41	2,050
AL-16	Ptarmigan Basin	18.90	676	73.80	8.40	4,510	668	66	439
AL-17	Ptarmigan Basin	10	130	69.60	3.95	172	81.1	79	107
AL-22	Ptarmigan Basin	10	16	154.0	14.80	10,000	6.0	10,000	5
AL-27	Ptarmigan Basin	96.40	103	983	7.56	243	323	201	138
AL-106	Ptarmigan Basin	1,760	51	279	3.65	90.3	5,820	6	7,270
Bw120S	Ptarmigan Basin	48.60	141	527	5.64	3,230	667	247	167
Bw121S	Ptarmigan Basin	3.63	66	25.60	4.70	779	33.6	48	32
Bw122S	Ptarmigan Basin	5.48	53	24	4.02	1280	20.7	47	22
Bw124S	Ptarmigan Basin	13	116	73.30	4.59	1,980	69.1	210	7
Bw138S	Ptarmigan Basin	15.70	155	132	7.64	5,270	663	140	35
BW 168	Ptarmigan Basin	69.60	108	111	7.04	10,000	76	15,800	16
268	Ptarmigan Basin	4.29	0	0.14	15.00	0.0	0.0	0	2,360

Summary

Three key targets for the 2012 program will include the Iron Cap Trend, North Ridge West Vein and Horsethief and Law Creek areas. A summary of highlights from geochemical samples to date is available on the Company website at <http://www.silvermountainmines.com/reports.asp>. Maps of the project are also available on the Company's website at <http://www.silvermountainmines.com/maps.asp>.

To date, the Company has only explored 5% of its highly prospective property and is well funded to carry out its 2012 program. An assessment of results from the 2011 geochemical sampling program (including rock, soil and silt sampling) and metallurgical test work is ongoing and will assist the Company in understanding the mineralization at Silver Mountain and will guide the 2012 exploration program.

QA-QC

A total of 508 samples (376 Soils, 97 Rock, 35 Silts) were submitted to SGS Minerals ("SGS") for analysis, who maintain a certificate of accreditation to conform to ISO/IEC 17025. The samples were taken to SGS, an independent certified laboratory and preparation facility. All samples were securely stored at the Ptarmigan Mine site or within sight of the Project Manager and/or Supervising Geologist, at all times. Samples were placed in rice bags, taken to Calgary, Alberta, where they were palletized and shipped via DHL couriers to SGS Canada Inc, Metallurgical and Environmental, in Burnaby, BC for analysis.

The content of this news release has been reviewed by **Stuart Fraser, M.Sc., P.Geol**, a Qualified Person for the purposes of NI 43-101, with the ability and authority to verify the authenticity and validity of the data herein.

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 and SEDAR (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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