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SILVERMET ANNOUNCES SIGNIFICANTLY IMPROVED 2010 OPERATING RESULTS

Silvermet Inc. (“Silvermet” or the “Company”) (TSXV: SYI) is pleased to announce significantly improved results for 2010 and a continuation of the third quarter improvements into the fourth quarter:

- Production more than doubled to 11,605 DMT (dry metric tonnes zinc concentrate containing 68% zinc on average) in 2010 from 5,484 DMT in 2009.
- Q4 production improved to 3,709 DMT from 3,615 DMT in Q3, despite a 10 day planned shutdown in October for maintenance.
- Sales volumes tripled to 12,580 DMT in 2010 from 3,903 DMT in 2009.
- Revenues more than tripled to \$16.0 million in 2010 from \$4.5 million in 2009 as a result of the combination of improved shipments and improved zinc prices.

The foregoing results are detailed as follows:

	Production (DMT)			Sales (DMT)			Revenues (\$ million)		
	2009	2010	Change	2009	2010	Change	2009	2010	Change
Q1	0	2,195	100%	0	3,434	100%	0.0	4.3	100%
Q2	1,197	2,086	74%	979	2,372	142%	0.8	2.1	152%
Q3	1,850	3,615	95%	1,523	3,615	137%	1.6	4.8	199%
Q4	2,437	3,709	52%	1,401	3,159	125%	2.1	4.8	126%
Total	5,484	11,605	112%	3,903	12,580	222%	4.5	16.0	252%

On October 27, 2010, Silvermet closed the joint venture and strategic investment transaction with an affiliate of **Befesa Medio Ambiente, S.A. (“Befesa”)** of Erandio, Spain. As a result, the Turkish operations are now held through the newly established joint venture company, Befesa Silvermet Turkey, S.L. (“Befesa Silvermet”), in which Silvermet has a 49% interest. The results shown above are at 100% and do not reflect the impact of any changes to Silvermet’s accounting for the Turkish operations after October 27, 2010.

“We are very pleased with the improvements in our operating results experienced throughout 2010. With the additional technical and operational expertise that Befesa



provides, we expect this improving trend to continue into the future as we optimize the operations of our existing kiln and plan for expansion,” said Stephen G. Roman, Chairman, President and CEO of Silvermet.

The formation of Befesa Silvermet included a cash injection into this joint venture company, of which approximately \$5.3 million remains available to be invested in major capital improvements to the existing kiln or investment in additional kiln capacity.

About Silvermet:

The Waelz kiln operations in Iskenderun, Turkey were acquired by Silvermet in February 2009 and have been in production since May 2009. Electric arc furnace dust is a waste product of steel mills and is processed through a Waelz kiln to recover zinc. Silvermet holds a 49% interest in a joint venture company, Befesa Silvermet, which holds 100% of the Turkish operations.

Befesa is headquartered in Spain and operates a number of Waelz kilns throughout Europe.

For further information, please contact:

Stephen G. Roman, Chairman, President & CEO

Silvermet Inc.

Tel: (416) 203-8336

Website: www.silvermet.ca

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