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(SYMBOL: "SEG" TSX)

SILVER EAGLE MINES ANNOUNCES INCREASED RESOURCES

Toronto, Ontario – Silver Eagle Mines Inc. (TSX: SEG) is pleased to report an increase in Indicated and Inferred Resources at its wholly-owned Miguel Auza Property in Zacatecas, Mexico. Since the filing on SEDAR of its most recent technical report in respect of the Miguel Auza Project, dated January 18, 2008 (the "Technical Report"), an intensive diamond drill campaign has resulted in an increase in the **Indicated Resource from 21.3M oz Ag Eq¹ to 24.3M oz Ag Eq¹** while the **Inferred Resource has increased, from 8.9M oz Ag Eq¹ to 11.7M oz Ag Eq¹**.

The following tables summarize the new Indicated and Inferred Resource estimates, respectively.

Indicated Mineral Resources

Zone	Tonnes	Grade					Contained Metal
		Au	Ag	Pb	Zn	Ag Eq ¹	
	(t x 1,000)	(g/t)	(g/t)	(%)	(%)	(g/t)	(Oz x 1,000)
Calvario A	1,563	0.18	159	2.40	2.45	365	18,332
Calvario B	126	0.23	174	3.48	4.29	506	2,044
Calvario C	77	0.17	185	2.79	2.90	382	944
Milagro	293	0.22	146	1.88	1.94	312	2,934
Total Indicated	2,059	0.19	159	2.41	2.51	353	24,254

Inferred Mineral Resources

Zone	Tonnes	Grade					Contained Metal
		Au	Ag	Pb	Zn	Ag Eq ¹	
	(t x 1,000)	(g/t)	(g/t)	(%)	(%)	(g/t)	(Oz x 1,000)
Calvario A	757	0.21	125	1.58	2.60	310	7,543
Calvario B	27	0.10	61	1.10	0.89	145	127
Calvario C	28	0.04	48	1.00	1.16	139	123
Milagro	11	0.11	27	1.06	1.15	122	44
North Zone	152	0.33	731	0.68	0.51	791	3,855
Total Inferred	975	0.22	215	1.41	2.18	373	11,692

1. *The May 2008 Resource estimate was prepared under the supervision of Silver Eagle's qualified person Dr. Christopher Hodgson, P. Eng.*

- *CIM definitions were followed for mineral resources.*
- *Indicated Mineral Resources were estimated using a cutoff net smelter return of US\$ 40, based on metal prices, plant recoveries and smelter terms as per notes below.*
- *Inferred Mineral Resources were estimated using a cutoff net smelter return of US\$ 30, based on metal prices, plant recoveries and smelter terms as per notes below.*
- *A minimum mining width of 1.0 m was used.*
- *Equivalent Ag grades and contained ounces were estimated based on US\$600/oz gold, US\$11/oz silver, US\$0.65/lb lead, and US\$1.00/lb zinc.*
- *Equivalent Ag grades and contained ounces were estimated based on gold, silver, lead and zinc plant recoveries as per the most recent metallurgical test work and smelter terms.*
- *Mineral resources that are not mineral reserves do not have demonstrated economic viability.*
- *Rows and columns may not add exactly due to rounding.*

Information with respect to data verification, key assumptions, parameters and methods used to estimate the mineral resources, as well as other relevant information in respect of the Company's Miguel Auza Project, is contained in the Technical Report.

Silver Eagle's President and CEO, Mr. Terrence Byberg, said "I am very pleased by the increase in resources, and especially by an increase of 8% in silver equivalent grade of indicated resources. The additional inferred resources of 2.8M oz Ag Eq¹ are all located in the Calvario Vein at depth below the previously indicated resource and between Martinez #1 and Calvario shafts. All drill intercepts used in the calculation of the inferred resources are above the minimum cutoff NSR value of indicated resources, but have been excluded from the indicated resource category since the spacing of these drill intercepts averages about 100 metres, too widely separated for inclusion as indicated resources. Silver Eagle plans to conduct in-fill drilling in this area as and when ramp development has advanced to the point where underground drilling is feasible. We will now focus our diamond drills on the high grade North and East Zones."

With this update to the mineral resources, the Company pushed back the completion of the pre-feasibility study of its Miguel Auza Mine, which had been scheduled for April 2008, in order to include these new results. The fully updated pre-feasibility study will be forthcoming.

PROJECT UPDATE

The deepest hole drilled by the Company to date, located centrally in at the mineral resource area, intersected the vein at 460 metres vertical depth, indicating that the Calvario Vein continues to be open at depth. "We are excited by the continuity of the Calvario Vein and also about the new veins we are finding that lie parallel to the main Calvario Vein," commented Terry Byberg, President and CEO.

Development of the mine continues and the Company has now accessed the Calvario Vein system on four separate horizons, the lowest being the 146 metre level. The Company's bulk sampling program has seen the completion of the milling of the oxide material and the Company is currently stockpiling exclusively sulphide material. While the mill was processing the balance of the oxide material initially recovered from the mine, 20,000 tonnes of sulphide material was also extracted and stockpiled on surface in advance of the mill plant being converted to process the sulphide material. With these modifications, the plant now produces both a lead and a zinc concentrate for shipping to the refinery, with most of the silver content reporting to the lead concentrate. The mill conversion was completed in March 2008 and is now processing sulphides at a rate of 150 tonnes per day. Construction has commenced on a mill expansion. Silver Eagle is now focusing on diamond drilling the high grade silver veins in the North and East Zones at the Miguel Auza Mine site, with three company owned drill rigs, and has also commenced a preliminary exploration program on its other Mexican properties, outside the immediate Miguel Auza Mine area

ABOUT SILVER EAGLE

Silver Eagle Mines Inc. is a TSX-listed (TSX: SEG), Canadian-based mining company exploring and redeveloping an historic silver property in the heart of the Mexican precious metals belt. The Company's primary asset is its wholly-owned Mexican subsidiary, San Pedro Resources, S.A. de C.V., which controls the fully-permitted Miguel Auza Mine and adjacent properties in Zacatecas, Mexico. The property includes the mineral rights to 41,498 hectares, hosts past-producing mines and has the necessary infrastructure and a trained mining work force nearby. The Miguel Auza Mine generated its first revenue in the 2nd quarter of 2007 as a result of the Company's bulk sampling program.

ON BEHALF OF THE BOARD OF DIRECTORS OF SILVER EAGLE MINES INC.

“Terrence H. Byberg”
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