

SILVER PHOENIX RESOURCES INC.

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NEWS RELEASE

January 9, 2009

**SILVER PHOENIX OPTIONS WAVERLEY/TANGIER PROPERTY TO
ARMADILLO**

Silver Phoenix Resources Inc. announces that Silver Phoenix Resources Inc. and Armadillo Resources Ltd. have entered into an option agreement whereby Armadillo can earn a 70% interest in Silver Phoenix's Waverley/Tangier property subject to acceptance from the TSX Venture Exchange.

To earn their interest 60% Armadillo must:

- [a] Pay Silver Phoenix \$335,000.00 over 4 years, as follows.
 - (i) \$60,000 within 10 days of approval by the TSX;
 - (ii) \$75,000 after the first year;
 - (ii) \$100,000 after the second year; and
 - (iv) \$100,000 after the third year;
- [b] Incur exploration expense of at least \$3,000,000 as follow:
 - (i) Incur exploration expense of \$200,000.00 the first year;
 - (ii) Incur exploration expense of a further \$300,000.00 by the second anniversary;
 - (iii) Incur exploration expense of a further \$1,000,000.00 by the third anniversary;
 - (iv) Incur exploration expense of a further \$1,500,000.00 by the fourth anniversary for a total of \$3,000,000.00;
- [c] Issue Silver Phoenix 625,000 shares of ARO over 4 years, including 175,000 on signing and 150,000 per year for next three years; and
- [d] Fund all further exploration expense required in order to produce a feasibility study and then fund and produce a feasibility study made in accordance with National Instrument 43-101 by December 31, 2015.

Armadillo can acquire a further 10% in the Property for a total of 70% by supplying Silver Phoenix's share of the costs to put the Property into commercial production under a Joint Venture basis.

Silver Phoenix Resources Inc. will retain a 3% Net Smelter Royalty. In addition, Silver Phoenix is to be paid, starting the sixth anniversary a Minimum Advance Royalty of \$150,000.00 per year.

The Property being subject to the grant of Option is not the full Waverly Tangier Property but all of the mineral claims but three. The Waverly Tangier Property is fully described in the National Instrument 43-101 Report which was previously SEDAR filed by Silver Phoenix.

ON BEHALF OF THE BOARD OF DIRECTORS OF SILVER PHOENIX

William J. Murray, President and CEO