

SILVER PHOENIX RESOURCES INC.

4631 – 75TH Ave NE

PO Box 134 Canoe BC V0E 1K0

Tel: 250-832-0336 Fax: 250-832-0338

www.silverphoenixresources.com

info@silverphoenixresources.com

Shares Outstanding 6,900,520

**CNSX symbol: SP
December 19, 2011**

Canoe, BC Canada – Silver Phoenix Resources Inc. is pleased to announce a non-brokered private placement (the Offering) to raise up to \$250,000.00 by the issuance of up to 500,000 Flow Through Units at a price of \$0.50 per Unit.

Each Flow-Through Unit consists of one common share in the capital of the Corporation (a “Flow-Through Share”) and one non-flow-through common share purchase warrant (a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one non-flow-through common share in the capital of the Corporation (a “Warrant Share”) until 5:00 p.m. (Vancouver Time) on the date which is 24 months following the Closing Date (as Defined herein) at a price of \$0.70. Non-Flow-Through common share are being offered on the same terms to interested subscribers.

A finder’s fee may be paid pursuant to the policies of the CNSX. There may be insider participation in the above Offering, for which no Finders fee will be paid.

The proceeds raised from the issuance of the Flow Through Units will be used for exploration of the companies 100% owned River Jordan property. The property has a historical resource of 2.6 million tonnes from 16,000 feet of drilling. The estimated tonnage of the light rare earth and niobium bearing extrusive carbonatite unit is on the order of 33,750,000 tonnes, no ore grade is currently established. **This historical estimate predates National Instrument 43-101 legislation.** The goals of Silver Phoenix Resources are to make the historical resource NI 43-101 compliant.

Mitsui Mining and Smelting Co. Ltd. and Itochu Corporation have an option to earn a 50% interest in Imperial Metals Ruddock Creek Property by funding \$20 Million. Ruddock Creek Property, which is 80 Km North West, is similar in setting and mineralogy to the River Jordan Property.

The above offering is subject to all regulatory and board approvals.

On Behalf of:

Silver Phoenix Resources Inc.

“William James Murray”

William James Murray, CEO & President