

Aura Silver to Undertake Two Major Drilling Campaigns in 2011 – Taviche Project Drilling Underway

Major drilling initiatives have begun in Mexico and will commence in Nunavut in May of 2011 by Aura Silver Resources Inc. (TSX.V: AUU). The company is developing two high-grade gold-silver properties with the addition of new targets south and west of Fortuna's San Jose mine as well as a new Meadowbank-like (Agnico Eagle) target in Nunavut, Canada.

"The more we explore on our properties the more we uncover new targets which could develop into generative projects this year" says Aura Silver CEO Robert Boaz.

Mexico's Higo Blanco & San Jose District Are Primary Targets for Drilling Program in Mexico

Aura Silver's exploration permits were recently renewed at its Taviche and Alma Delia concessions in Oaxaca, Mexico, allowing the company to continue exploration of a high-grade silver zone discovered at its Higo Blanco project. Further, recent community approval has been granted for drilling on its West Taviche property just two kilometers west of Fortuna's San Jose Mine.

Previous exploration at the Higo Blanco project indicates that the gold zone first discovered in the Mezcal Vein structure at hole HBET-01 (0.68 g/t gold equivalent from surface to 38.75 meters) continues deeper, with grades increasing at depth. Drilling to date has revealed that the gold mineralization is spatially associated with the previously reported high-grade silver mineralization. The gold-bearing

stock work flanks and caps the silver-bearing silicified limestone breccias. The extension of the shallow (less than 100 meters) gold-silver mineralization to the northwest is also a high priority target.

Drill results are expected before the second quarter, setting the stage for an extensive infill drilling program intended to move the company closer to developing an NI 43-101 resource estimate.

Drilling Commenced On West Taviche's La Noria District; Reconnaissance Started South of San Jose with 2.1 g/t Gold over 22.1 Meters Reported

The Company will be continuing work on its West Taviche property

with close proximity to Fortuna Silver's San Jose Mine. The company's West Taviche concession adjoins and surrounds Fortuna's property, land locking the San Jose mine. Fortuna's San Jose Mine is now under pre-production development. Historically, the San Jose Mine produced 19.2 million ounces of silver and 144,000 ounces of gold.

"We believe San Jose's Trinidad deposit may extend onto the western and northern portion of our West Taviche concession," says Boaz. "Our geologists also believe San Jose's Bonanza Vein may extend onto our property to the south."

Aura Silver has commenced a detailed mapping and sampling program immediately south of San Jose and along the same vein system that hosts their Bonanza and Trinidad ore shoots. The Santa Maria-Donaji area is a broad zone, up to 500 meters wide, of anastomosing quartz veins up to several meters wide; the zone can be traced for over 2 kilometers into the gold-rich Portillo area.

Drilling in 2008 at the Portillo prospect, immediately to the south of Donaji discovered quartz-sulfide vein breccias, sheeted veins and stock work in all holes completed during the program. These holes included sections containing 2.12 grams per tonne gold over 22.1 meters in hole EP01-08 and 23.6 grams per tonne gold over 0.85 meters in Hole EP03-08, all less than 100 meters below the surface. Previous surface sampling at Portillo also returned grades of between 5.2 and 18.2 grams per tonne gold.



Ground Geophysics Indicate Source of High-Grade Gold/Silver on Greyhound Property in Nunavut

Aura Silver recently completed a ground geophysics exploration program on its 100%-owned Greyhound property covering Aura Lake in Nunavut, Canada. The ground-based, induced polarization survey has outlined specific targets for the company's drilling program scheduled for May of 2011.

The gold and silver zone was confirmed by a recent soil sampling survey and indicates that the high grade gold and silver rock samples reported are likely indigenous to the south portion of Aura Lake. High-grade precious metal mineralization has been confirmed over a 500 meter strike length to the east and south of the Lake. The samples collected in a 30,000 square-meter area included assays ranging up to 5,380 g/t Ag and averaging 1,472 g/t Ag in a seven-sample set. Southeast of Aura Lake, three out of four samples taken contain high-grade gold (0.35 to 0.93 troy oz/tonne) and 20-69 g/t silver; the fourth sample contains 171 troy oz/t of silver with anomalous gold.

New Gold Zone Discovered Northeast of Aura Lake Similar to Geology at Agnico Eagle's Meadowbank Mine

Aura has also discovered a new mineralized zone approximately 20 kilometers northeast of Aura Lake. This area is comprised of similar geological attributes as that of Agnico Eagle's (AEM:TSX) Meadowbank mine (which is just 46 kilometers north of our property), as evidenced by the presence of a probable thrust fault, complex tight folds and highly strained rocks of amphibolite grade, intermittent but multiple parallel magnetite-iron formations and pyrrhotite dominated sulphides with quartz veins and quartz-vein stockworks. The two highest assays of 3.85 and 4.09 g/t Au come from two showings on separate units of iron formation roughly one kilometer apart which illustrates the extensive nature of the iron formation and multiple gold and/or sulphidized prospects.

"This is an exciting phase of our

TAVICHE SILVER-GOLD PROJECT IN OAXACA STATE, MEXICO



Aura Silver's 2011 drill campaign at its Taviche Project in Mexico is focusing on large targets at its Higo Blanco and West Taviche properties in the San Jose District.



GREYHOUND GOLD-SILVER PROJECT IN NUNAVUT, CANADA

Recent soil sampling at the Greyhound project in Nunavut, Canada uncovered high-grade precious metal mineralization east and south of Aura Lake. Samples assayed up to 5,280 g/t Ag and 0.93 troy oz/tonne Au.





Drill operating at Taviche Project in Mexico. Aura Silver's 2011 drill campaign at its Taviche Project in Mexico is focusing on large targets characterized by broad, high grade silver intervals as high as 3,932 g/t silver equivalent and will test for deeper gold.

40 kilometers north of the community of Baker Lake and south of Agnico-Eagle's Meadowbank mine. Although the property is situated in the high Arctic, the local infrastructure is excellent. An all-weather road from Baker Lake to the Meadowbank mine crosses through our Greyhound property, within one kilometer of Aura Silver's gold/silver zone discovery.

High-Grade Copper Drill Target Also Delineated at Greyhound Project

work at Greyhound," says Boaz. "The newly discovered gold and silver zones, both at Aura Lake and Greyhound North-East will be our primary focus in May. We will then initiate more work on our high-grade copper-zinc VMS district just northeast of Aura Lake. We have barely scratched the surface in understanding the project's precious and base metal potential."

The Greyhound property comprises approximately 37,000 hectares located

Data acquired in late 2010 from surface and soil sampling surveys, in combination with earlier airborne MEGATEM geophysical survey results, has delineated a possible source for the high grade copper-zinc float samples grading 9.2% copper and 18.5% zinc found 850 meters northeast of Aura Lake on its Greyhound



Surface sampling leads to newly discovered gold and silver zone at Greyhound Project in Nunavut, Canada.

property, approximately 41 kilometers north of Baker Lake, Nunavut.

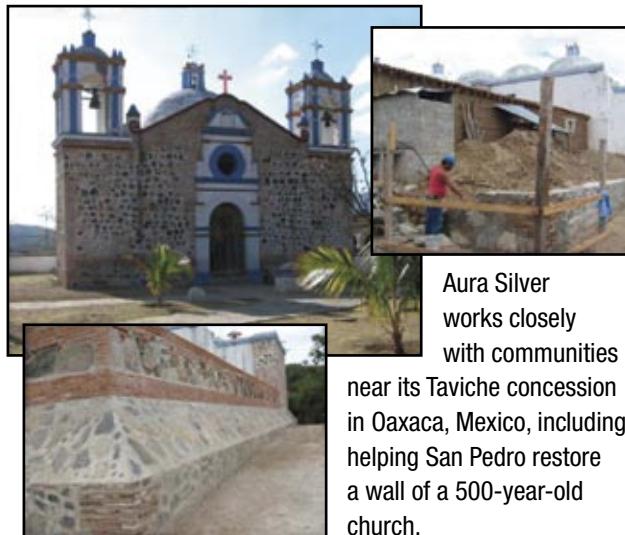
The initial discovery of high grade base metal-bearing angular float boulders led to an interpretation that these may have been derived from the volcanic rocks to the southwest. Subsequent drilling in 2010 revealed a much more complex structure. Soil geochemical contents further refined the target area by defining a 600 meter-long copper-zinc

anomaly (up to 323 ppm Cu and up to 185 ppm Zn) adjacent to two distinct MEGATEM anomalies located under an unnamed lake.

"Our geologists have been intrigued by the high copper-zinc values since they were found in 2008. We have confirmed through our soil sampling program that there is a high potential for discovery of buried base metal mineralization within the vicinity of Aura Lake," says Boaz. "In addition to drilling for precious metals in the spring of 2011 a concerted effort will be directed toward the high value copper target."

Investment Considerations

Aura Silver is currently well funded to complete current drill programs in Mexico and Nunavut, Canada. Investor demand has been enthusiastic.



Aura Silver works closely with communities near its Taviche concession in Oaxaca, Mexico, including helping San Pedro restore a wall of a 500-year-old church.

"Aura Silver takes pride in the outstanding contribution of its team of geologists to the success of our properties and their potential future success," says Aura Silver CEO Robert Boaz. "The company believes this team is its primary asset and its expertise bodes well for the longer term accretion of share value. With this strong geological team and proven high-grade gold and silver projects amid a continuing strong momentum in the gold and silver markets, Aura Silver is well positioned for success and potential share price appreciation."

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**AN INVESTMENT
OPPORTUNITY IN SILVER,
GOLD & BASE METALS
IN OAXACA, MEXICO
& NUNAVUT, CANADA**



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Shares Outstanding:

79.2 million

52 Week Trading Range:

Hi: C\$0.59 Low: C\$0.095



Quick **FACTS**

■ **Taviche Project / Oaxaca, Mexico / Joint Venture**

Aura Silver and its joint venture partner Intrepid Mines are exploring the Taviche Silver-Gold Project located in Mexico's San José Mining District. Recent drilling has yielded multiple zones of significant silver and gold mineralization, as well as the strong potential for a copper porphyry deposit.

■ **Greyhound Project / Nunavut / 100% owned**

Aura Silver's high grade gold, silver and base metal project at Greyhound Lake in Canada's Nunavut Territory appears to host both high-grade gold and silver mineralization as well as a classic volcanogenic massive sulphide (VMS) district located within a virtually unexplored Archean greenstone belt.

Aura Silver Resources Inc. is focused on two projects situated on some of the most prospective silver ground in North America and in jurisdictions that provide safe legal and political environments for mining companies.

Aura Silver has identified an extensively mineralized jasperoid zone on surface at its flagship silver property, the Taviche project in Oaxaca, Mexico. Drill results include numerous high grade silver intervals ranging as high as 3,932 g/t silver equivalent with gold content ranging in excess of 0.5 g/t. One interval of 11.95 meters contained 478.4 g/t silver equivalent. A newly discovered zone of high grade silver extends over 300 meters along a 1.1 km untested strike length and carries exceptional grades of silver over wide intervals.

Aura Silver is also exploring the Greyhound project, a highly prospective gold, silver and base metal property within an Archean greenstone belt in northern Canada. The company has initiated a ground-based induced polarization survey on a newly discovered gold and silver zone at Greyhound Lake in Nunavut, Canada. The IP survey is designed to outline specific targets for the next drill program on this highly prospective area. A recent sampling survey yielded samples assaying up to 28.8 g/t Au and 5,380 g/t Ag. A potential volcanogenic-associated massive sulfide system could be the source of the 18.5% zinc and 9.2% copper samples found to the west, 800 meters north of Aura Lake.