

NEWS RELEASE June 3rd, 2009

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TSX-V Trading Symbol: SNS

SNS Silver Clarifies Owners Position on Sunshine Mine

Vancouver, B.C. June 3rd, 2009– SNS Silver Corporation (“SNS” or the “Company”) (TSX-V: SNS) notes that Sunshine Precious Metals Inc. President Robert Mori (owners of the Sunshine silver mine adjacent to SNS Crescent silver mine) has publicly announced his desire to return the Sunshine mine to operational status with SNS Silver as mine operator.

Appearing on the popular Korelin Economics Report radio broadcast this past weekend, Mr. Mori stated in an interview with show host Al Korelin, that “As far as I’m concerned, SNS is going to have the Sunshine mine” [Link to interview http://www.kereport.com/weekendshow/weekends-may2909-seg2.html](http://www.kereport.com/weekendshow/weekends-may2909-seg2.html)

During the interview, Mr. Mori made it clear that Minco Silver, despite their claims to the contrary, does not possess a valid assignment on the lease. After the interview, Mr. Mori commented, "Minco's 'book tricks' and crafty language cannot change the fact that they neither asked, nor did they ever receive, an assignment of the lease from Sunshine pursuant to the terms of the contract." He added further, "The reason Sunshine specifically insisted on vetting potential assignees was precisely to prevent this type of situation -- Sunshine is a responsible steward of the land and environment and will do what is necessary to prevent the mine from falling into underfinanced and unqualified hands." It is standard practice in mining leases and/or joint venture agreements that the underlying land owner has the right to approve or reject the transfer of control to a third party.

Mr. Mori commented further on the situation, "Its a sad situation when the shareholders of a company suffer as a result of poor management decisions -- whether it be those of Sterling Mining or Minco." He explained, "Even though the terms of the Lease Agreement were readily available on the SEC website, the management of Minco apparently felt they could disregard these terms and instead gamble with five million dollars of their shareholder's money" Mr. Mori concluded, "I would be acting highly irresponsible to entrust the mine and its employees to a company that blatantly takes such risks."

“We needed to put people to work so I did a contract, which I consider to be valid, with SNS Silver. I will never do a contract with Minco,” Mr. Mori continued. He said that despite claims made by Minco and Sterling in bankruptcy court, Sterling Mining Co. gave him every indication that it had vacated the mine and the lease.

Based on documents filed by Minco in a Shoshone County action filed last year between Sunshine and Sterling, it appears that Minco may have illegally entered into an agreement with Sterling regarding a possible assignment of the underlying lease. When Andrew Grundman (SNS Director and former General Manager of Sunshine) was asked about this, he stated: “Although it was definitely ambiguous in their respective SEC filings, it appeared last year that Minco and Sterling might have attempted to assign the lease in violation of the contract terms.” He continued, “Sunshine immediately contacted both Sterling and Minco to ascertain whether they had attempted an assignment and both companies emphatically denied having done so.”

Mr. Grundman explained, “Sterling was provided a notice of default regarding the assignment notwithstanding the denial, so that in the event of a later change of position by either party the cure period for the default pursuant to the lease agreement would have expired.” He continued, “It is important to understand that although the Bankruptcy Court has ruled that the lease was not terminated, this is not a “final ruling,” as there is still the issue of

reconsideration and appeal.” He also noted, “Although many commentators believe that “cures” can only consist of monetary damages, the Court is allowed to consider the actions of the parties in obfuscating the existence of the purported assignment.” He concluded, “The only persons with authority to assign the lease to Minco were the General Manager and the President of SPMI– Minco simply never received an assignment to the lease and the unexecuted assignment filed with the Court proves that.”

David Greenway, President and CEO of SNS Silver, said Mr. Mori’s comments and the subsequent announcement that SPMI would revise the terms of SNS Silver’s lease of the Sunshine Mine from SPMI. This will reflect on-going maintenance costs and reinforce his company’s commitment to the care, maintenance and ultimate reopening of the Sunshine mine.

“This game is not in the interest of the miners in the silver valley, it is only in the interest of Minco’s management. They are preventing the mine from becoming operational again by legal wrangling. Mr. Greenway continued.

“What’s lost is the fate of the Sunshine mine and its miners. All parties involved need to sit down and discuss the situation and come up with a settlement that is equitable and workable.

It is my sincere hope that we can get past this. I look forward to this matter being resolved so we can get our miners back to work this summer,” Mr. Greenway said.

SNS Silver Corporation (TSX VENTURE: SNS) is an exploration mining company, whose assets include a number of near term production projects in geopolitically secure Idaho, USA. The 100% owned Crescent Mine consists of 24 patented mining claims over approximately 350 acres. A comprehensive drill and mine rehabilitation program was completed in 2008 and production will supplement the company’s operations at its recently acquired Sunshine Mine. These adjacent properties operated independently to produce nearly 400 million ozs of silver historically and their recent merger is expected to enhance exploration opportunities on their once disputed boundary. SNS also benefits from a partnership arrangement with Premium Exploration Ltd. to jointly develop two near term gold production projects in central Idaho; Buffalo Gulch and Friday/Petsite.

This press release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Security Exchange Act of 1934, and involves a number of risks and uncertainties. Important factors that could cause actual results to differ materially from the Company’s expectations are disclosed in the Company’s documents filed from time to time with the TSX Venture Exchange and the British Columbia Securities Commission. All statements, other than of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

SOURCE: SNS Silver Corp.

SNS Silver Corp. David Greenway President/CEO (604) 689-0896 or Toll

Free: 1-800-663-4567 Email: dg@snsilver.com Website:

www.snsilver.com