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Silver Swan Group completes A\$7 million funding

Silver Swan Group (ASX: SWN) has emerged out of a trading halt raising \$7 million in funding via a private placement at 33 cents per share. Mercator Gold (AIM: MCR) is a significant shareholder in Silver Swan.

What is especially impressive is that demand for SWN stock was so strong that the size of the placement was significantly increased. The placement price arrived at was also substantially higher than predicted, putting a higher "floor" under the stock.

Intriguingly, a single cornerstone investor stumped up \$2 million in the placement. A further 15.1 million shares were placed at 33 cents per share. An options exercise also raised a further \$1 million.

The higher funding will enable SWN to aggressively drill further holes at the recent significant discovery at its Austin project in Western Australia, where the latest diamond drilling has produced substantial new copper and zinc intersections.

With little fanfare, SWN has carefully defined its drill targets and encountered significant intersections of copper and zinc at Austin. The results to date are reminiscent of significant volcanogenic copper-zinc mineralisation. Interestingly, this style of mineralisation usually occurs with multiple deposits within a mining camp or area.

The interest will be just how large is the resource potential of the known metal system at Austin.

Assays from the first hole in the Company's latest diamond drilling programme intersected 61m @ 1.9% copper from a depth of 58m down-hole, including high grade intervals to 9%Cu and 61m @ 5.4g/t silver. In addition to copper and silver, the mineralisation continues to record significant zinc and gold assays. This was the second >60m intersection of high grade copper for SWN. The diamond drilling programme at Austin is continuing. Further drilling will focus on Austin, Copper Hills.

Managing Director, Dr Susan Vearncombe said she was delighted with the support the company has received during the capital raising process "which is a strong endorsement of the company's exploration methodology and success to date."

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