

# EMGOLD MINING CORPORATION

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## **EMGOLD FINDS HIGH GRADE GOLD AT ITS BUCKSKIN RAWHIDE PROPERTY, NEVADA, INCLUDING 9.0 OPT and 7.4 OPT GOLD CHIP SAMPLES IN THE BLACK EAGLE VEIN**

Emgold Mining Corporation (EMR: TSX-V) (“Emgold” or the “Company”) is pleased to report the results of initial exploration activities at its Buckskin Rawhide property, located about 40 miles south of Fallon, Nevada. The property is located in the Rawhide Mining District and is situated adjacent to Fronteer Gold Inc.’s Regent gold-silver deposit and to Rawhide Mining Company’s Rawhide Mine. Initial surface sampling of the Black Eagle Vein included two high grade gold chip samples assaying 9.0 and 7.4 ounces per ton (“opt”) gold respectively (see details below).

The Buckskin Rawhide property is a volcanic-hosted, structurally controlled, epithermal gold-silver prospect in the Walker Lane gold belt of western Nevada. The Walker Lane is a regional shear zone and known gold trend that hosts large and small historic and currently operating gold-silver mines, including mines of the Comstock Lode, Tonopah District and Rawhide District. Buckskin Rawhide geology and mineralization are associated with structures from the Walker Lane along with lithologic units and structures of the Rawhide caldera.

Emgold’s initial surface sampling on the Black Eagle Vein was intended to check historic results from past owners of the property and to develop further understanding of gold and silver mineralization on the Black Eagle Fault. Small-scale historic mining and prospecting occurred on the Black Eagle Vein from the years 1907 to 1920 as indicated by several adits, a shaft, and four narrow stopes that were mined through to surface. Several companies explored the Buckskin Rawhide property between the years 1982 through 2001, but apparently only Kennecott Minerals Company examined the Black Eagle Vein. Kennecott’s prior exploration attempted to identify open pit targets and included surface rock sampling and shallow reverse-circulation drilling.

The Black Eagle Fault is a prominent north-trending structure situated on the west side of Emgold’s claim block. The surrounding bedrock is volcanic and includes latite and vent breccia. The gold-silver mineralization is related to the fault and occurs over a measured strike length of 1,100 feet (and open to extension). This mineralized zone is called the Black Eagle Vein and consists of fault gouge, quartz veins, and silicified wall rocks overprinted with iron-manganese oxides. Within the Black Eagle Vein is a zone 300 feet in strike length that has been identified, to date, containing high grade gold, which is interpreted to be a steep dipping shoot.

Emgold took chip samples in rock outcrops across and along the Black Eagle Vein structure. Because sample locations were based on available rock exposures, spacing between sites along strike varied from 10 to 98 feet. Chip samples were also taken across exposed segments of the vein at sample lengths of 12 to 24 inches, but did not represent the true or total thickness of the vein. Sample weights varied from one to two pounds.

The first set of assays (Assay 1 in the table below) resulted in several samples with very high grades up to 9.0 opt gold. To check these results, sample rejects (the unused portion of sample in the original bags) were then used to assay the highest grade samples a second time (Assay 2 in the table below). Also, a metallic screen fire assay was conducted on high grade sample EBE 10-29 to determine the presence of fine gold. The additional testing verified the high grades and that much of the gold is fine-grained (below 150 mesh).

**Table 1**  
**Gold and Silver Assays**  
**Black Eagle Vein, Buckskin Rawhide Property, NV**

Sample No.	Assay 1- Gold (opt)	Assay 2- Gold (opt)	Assay 1-Silver (opt)	Assay 2-Silver (opt)
EBE 10-9	0.017		0.49	
EBE 10-20	0.014		0.06	
EBE 10-21	0.030		0.08	
<b>EBE 10-23</b>	<b>9.000</b>	<b>7.278/7.746</b>	<b>17.58</b>	<b>18.20</b>
EBE 10-24	0.994	0.863/0.972	7.21	6.90
EBE 10-25	0.079		1.30	
EBE 10-26	0.123		23.91	
EBE 10-27	0.220		3.04	
EBE 10-28	0.399		5.78	
<b>EBE 10-29</b>	<b>7.347</b>	<b>7.403 (m)</b>	<b>7.39</b>	
EBE 10-30	0.021		0.39	
EBE 10-34	0.005		0.13	
EBE 10-35	0.316		3.42	
EBE 10-36	0.003		0.55	
EBE 10-37	0.016		0.77	
EBE 10-39	0.010		0.46	
EBE 10-40	0.859	0.744/0.786	1.05	1.07
EBE 10-41	0.033		0.21	
EBE 10-42	0.031		0.23	

All samples are chip samples taken over 12 inch lengths except EBE 10-9, EBE 10-20, and EBE 10-21, which are over 24-inch lengths. These are not true widths across the vein.

(m) is a metallic screen fire assay.

Assay 2 column includes duplicate assays if conducted.

American Assay Laboratories, Inc. of Sparks, Nevada, conducted the laboratory analyses. Mr. Robert Pease, Chief Geologist of the Company and a Qualified Person as defined in National Instrument 43-101, participated in and directly supervised the sampling program. It should be noted that sampling was preliminary in nature and not conclusive evidence of the likelihood of the occurrence of a mineral deposit. However, the results of this first sampling program justify further exploration of the property.

Previous surface sampling by other companies from years 1982-2001 indicated the presence of both low and high grade gold, with grades being similar to those obtained by Emgold. Historic results included a channel sample six feet in length across the Black Eagle Vein that assayed 0.56 opt gold, and a chip sample that was 2.3 opt gold. Although no details regarding the sampling methods exist, these historic results suggest that high grade gold is present.

Kennecott, according to internal company reports, drilled six reverse circulation holes near the Black Eagle Fault in the year 2000. Drillhole RK2789 intersected a mineralized zone 10 feet thick containing 0.21 opt gold, and drillhole RK2829 encountered a zone 15 feet thick that averaged 0.15 opt. However, neither the drilling method nor the number of drillholes was adequate to define high grade shoots. Also, the quality assurance of Kennecott's drilling is unknown. Regardless, that drilling indicates that mineralized structures exist.

Emgold believes additional exploration activity is warranted on the property, including a core drilling program on the Black Eagle Vein. Estimated cost of a first phase of drilling is US\$500,000. The Company plans to complete this drilling in 2011, subject to available funds. If adequate mineralization were to be found in the first phase, more drilling would be necessary to define a resource.

Emgold acquired the Buckskin Rawhide Property in December, 2009. It is currently under a lease and option to purchase agreement with Nevada Sunrise LLC, a private company. Since Emgold acquired the Buckskin Rawhide Property, the adjacent Regent Property was acquired by Fronteer Development Inc. (FRG: TSX, NYSE, AMEX) through its acquisition of Nevada Eagle Resources Inc., formerly a wholly-owned subsidiary of Gryphon Gold Corporation.

The Buckskin Rawhide Property is also adjacent to the Rawhide Mine, formerly owned and operated by Kennecott Rawhide Mining Company, a subsidiary of Kennecott Minerals Inc. In 2010, Kennecott Minerals Inc. sold the Rawhide Mine to a private company called Rawhide Mining Corporation. Rawhide Mining Corporation is continuing to recover gold from existing heap leach pads at Rawhide Mine.

Emgold's President Dave Watkinson stated "We are encouraged by these initial exploration results, which reinforces our opinion that the Buckskin Rawhide property has been under-explored. In addition to the Black Eagle Vein, other exploration targets have been identified that have yet to be examined. We believe that Buckskin Rawhide is a strategically located in relation to the Rawhide and Regent properties, and we look forward to doing further work on the site."

### **Information Regarding Emgold**

Emgold is currently in the advanced stage of permitting the Idaho-Maryland Project, located in Grass Valley, CA. The Idaho-Maryland Mine was once the second largest underground gold mine in California and is reported to have produced 2.4 million ounces of gold at an average recovered grade of 0.43 ounce per ton. It is adjacent to the Empire Mine, Newmont Mining Corporation's first operating gold mine and historically California's largest underground gold mine. Empire Mine is reported to have produced 5.8 million ounces of gold. The Grass Valley Mining District is reported to have produced over 17 million ounces of gold from 1850 to 1956. Both the Idaho-Maryland Mine and Empire Mine shut down in 1956 due to the fixed price of gold at US\$35 per ounce and rising labor and supply costs after WWII.

The Idaho-Maryland Project contains a NI 43-101 compliant measured and indicated resource of 472,000 ounces of gold at a grade of 0.28 ounces per ton and an inferred resource of 1,002,000 ounces of gold at a grade of 0.39 ounce per ton, estimated as at March 1, 2007 (See Emgold's NI 43-101 compliant Technical Report titled "Idaho-Maryland Mine Project" dated December 8, 2009 at [www.emgold.com](http://www.emgold.com) or, filed under the Company's profile at [www.sedar.com](http://www.sedar.com)).

Emgold has a number of earlier stage exploration properties including the Buckskin Rawhide Property in Nevada, the Stewart Property in British Columbia, and the Rozan Property in British Columbia. The Rozan Property is currently optioned to Valterra Resource Corporation. Emgold just completed a CDN \$500,000 flow through financing which it intends to use to further explore the Stewart Property in 2011.

Information in this news release that is of a scientific or technical nature was prepared by Mr. Robert Pease, Professional Geologist (California), Chief Geologist of the Company and a Qualified Person as defined in National Instrument 43-101.

For more information about Emgold, the Idaho-Maryland Gold Project and the Buckskin Rawhide, Stewart, and Rozan Properties, please visit [www.emgold.com](http://www.emgold.com).

**On behalf of the Board of Directors**

**David G. Watkinson, P.Eng.**  
President & CEO

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This news release may include certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, including statements regarding the Company's plans and expectations for the Buckskin Rawhide property and mineral resource estimates for the Idaho-Maryland Project, are forward-looking statements and are based on a number of assumptions, including but not limited to the assumptions underlying the estimated resources outlined in the Technical Report and remain valid, that the demand for and price of gold remains constant or increases and does not experience a material decline, and that the Company will be able to raise the capital required to hold and develop the Idaho-Maryland Project and to further explore the Buckskin-Rawhide Property. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include changes the price of gold, the price of the company's shares, the costs of labour, equipment and other costs associated with exploration, development and mining operations, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at [www.sedar.com](http://www.sedar.com) or the Company's website at [www.emgold.com](http://www.emgold.com).