

## **RXE Announces Name Change to "RX Gold & Silver Inc." and Board Approves \$5 Million Exploration Budget**

TORONTO, ONTARIO – January 17, 2012 – RX EXPLORATION INC. ("RXE" or the "Company") (TSX-V: RXE)(OTCQX:RXEXF) announced that it has changed its name to RX Gold & Silver Inc. Shareholders of the Company approved the name change at the Company's Annual and Special Meeting held on January 12, 2012. The name change will be effective, and the common shares of the Company will begin trading under the new name on the TSX Venture Exchange ("TSX-V"), upon acceptance by the TSX-V. It is the view of the Board and management that the new name more accurately reflects the vision of the Company as it transitions into commercial production in fiscal 2012. The Company does not intend to change the ticker symbol (RXE on TSX-V or RXEXF on OTCQX) under which its common shares are currently listed. The Company's website will also be changing to rxgold.com.

Further, each of the following directors nominated by management of the Company as set forth in the management information circular dated December 14, 2011 (the "Circular") was elected: Hugh Agro, Darren Blasutti, Alex Davidson, Louis Dionne, John F. O'Donnell, Paul Parisotto, John Ryan and Lorie Waisberg. Consistent with the Company's commitment to good governance practices, the Board had previously adopted a policy regarding majority voting in the election of directors. Accordingly, as described in the Circular, shareholders were provided with the opportunity to vote for each director, or withhold their vote on an individual basis.

### **RXE Progress Update**

The Company announced that on the strength of its exploration program in 2011 as disclosed in its press release dated December 21, 2011, the Board had approved a \$5M exploration budget for 2012 which will be funded from revenues generated from the Company's continuing evaluation mining efforts. The 2012 exploration budget is primarily focused on (i) underground drilling focused on the area of ground between the Drumlummon and 9-Hour workings formerly known as "The Contested Ground" and the Castletown Vein; and (ii) surface drilling focused on the 9-Hour Workings and the northern and southern extensions of the Drumlummon Vein. In addition soil geochemical anomalies detected in the 2011 program will be followed-up with detailed sampling, trenching and drilling as appropriate and it is proposed to conduct an area-wide airborne survey which will include magnetic, electromagnetic and spectroscopic methods.

The Company also announced that it had filed its application for a full operating permit in late December 2011 thereby achieving another of its objectives for the year. The application contemplates a minimum 500 ton/day mining rate at the Drumlummon mine and the construction of a 100% owned 700 ton/day milling complex on the Company's existing land near the Drumlummon mine. While the permit application is pending the Company can continue evaluation mining as it has under the terms of its existing permits. The Company is targeting a mining rate of 300 tpd for processing in calendar Q1 2012, moving up to 350 tpd in calendar Q2 2012 while progressing to the ultimate long-term goal of 500 tpd.

Further, the Company expects the updated NI 43-101 resource estimate report to be completed by Tetra- Tech by mid-February 2012 which will enable completion of technical studies by the end of March 2012 and further facilitate the Company's evolution to commercial production.

### **Cautionary Statement Regarding Forward Looking Information**

This press release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes, but is not limited to, the Company's expectations, intentions, plans, and beliefs with respect to, among other things, the Drumlummon property. Often, but not always, forward-looking information can be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may", and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions, or statements about future events or performance. Forward-looking information is based on the opinions and estimates of the Company as of the date such information is provided and is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward looking information. This includes the ability to develop and operate the Drumlummon property, risks associated with the mining industry such as economic factors (including future commodity prices, currency fluctuations and energy prices), failure of plant, equipment, processes and transportation services to operate as anticipated, environmental risks, government regulation, actual results of current exploration activities, possible variations in ore grade or recovery rates, permitting timelines, capital expenditures, reclamation activities, social and political developments and other risks of the mining industry. Although RXE has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. Readers are cautioned not to place undue reliance on such information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, and projections of various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

On Behalf of the Board

Darren Blasutti  
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