



RX ANNOUNCES RESOURCE ESTIMATE AND 2012 YEAR-TO-DATE EVALUATION MINING PRODUCTION UPDATE FOR ITS DRUMLUMMON MINE PROJECT

TORONTO, ONTARIO – February 22, 2012 – RX Gold and Silver Inc. (“RX” or the “Company”)(TSX-V: RXE)(OTCQX:RXEF) is pleased to announce that it has received the results of an independent National Instrument (NI) 43-101 compliant mineral resource estimate on its 100% owned Drumlummon Mine project in Marysville, Montana (“Resource Estimate”). This is the inaugural Resource Estimate commissioned under the Company’s current Board and Management and was completed by Tetra Tech Wardrop (“Wardrop”) of Toronto, Ontario with an effective date of December 31, 2011.

Highlights:

- The Resource Estimate of gold equivalent ounces using a 0.1 ounce per Ton (oz./T) (3.42 gram per tonne (g/t)) gold equivalent cut-off grade is approximately:
 - 52,500 gold equivalent ounces comprised of 166,063 Tons (150,650 tonnes) grading 0.316 oz./T (10.83 g/t) in the “Measured and Indicated” category; and
 - 50,500 gold equivalent ounces comprised of 170,505 Tons (154,680 tonnes) grading 0.296 oz./T (10.15 g/t) in the “Inferred” category.
- The Company began its tonnage ramp-up at its Drumlummon Mine and produced concentrate from evaluation mining procedures containing approximately 2,360 oz. gold and 46,800 oz. silver from January 1 to February 15, 2012 – with material increases seen onward from February 1, 2012 on both production and grade.
- The detailed in-fill drilling of the resources in the Charly vein of the Drumlummon Mine was completed as part of the \$2.5 exploration budget completed under the direction of the Company’s current management.
- Resource Estimate drilling also focused on areas of the Drumlummon Mine known as the “D-Block” of the Drumlummon vein and the Xmas vein (see Figure 1) which can easily be accessed from existing infrastructure within the Drumlummon Mine.
- The Company’s 2012 exploration program will test opportunities to expand the resource through exploration of the extensions of known mineralization and in the area between the Drumlummon and “9-Hour” workings, formerly known as the “contested” grounds and now referred to as “Drumlummon South” (see Figure 1).

Mr. Darren Blasutti, President and CEO of RX, stated “I’m pleased that the exploration team was able to delineate this resource in such a short period of time. With the new resources situated so close to our existing infrastructure we expect be able to continue mining operations for at least the next 3 years with little additional capital. We now have enough operating run-way to start focusing on discovery of new mineralized zones and veins with our 2012 exploration budget.”

Mineral Resource Estimate by Classification:

The mineral resources were estimated using criteria consistent with the CIM Definition Standards (2010) and in conformity with CIM “Estimation of Mineral Resources Best Practice” (2003) Guidelines. A total of 767 underground chip samples and drill holes was compiled (comprised of approximately 590 drill-hole intersections and 175 chip samples). The measured resource is based on underground chip sampling while the indicated resource is based on drill holes spaced with an average of 75 feet. The table below was prepared using various cut-off values for gold.

Category	Au eq oz cut-off	Tons	Au eq oz	Au oz	Ag oz	Grade Au eq oz/T	Grade Au oz/T	Grade Ag oz/T
Measured	0.05	19,435	11,509	8,735	182,292	0.592	0.449	9.380
	0.1	13,593	11,041	8,376	175,132	0.812	0.616	12.884
	0.15	11,001	10,731	8,142	170,103	0.975	0.740	15.463
	0.2	10,167	10,579	8,041	166,835	1.041	0.791	16.409
	0.25	9,767	10,496	7,990	164,673	1.075	0.818	16.859
	0.3	9,401	10,390	7,904	163,344	1.105	0.841	17.376
	0.35	8,592	10,131	7,710	159,106	1.179	0.897	18.517
Indicated	0.05	261,229	49,588	43,269	415,278	0.190	0.166	1.590
	0.1	152,471	41,494	36,072	356,319	0.272	0.237	2.337
	0.15	88,157	33,778	29,011	313,275	0.383	0.329	3.554
	0.2	64,589	29,786	25,380	289,536	0.461	0.393	4.483
	0.25	52,954	27,118	22,988	271,413	0.512	0.434	5.125
	0.3	42,070	24,138	20,335	249,878	0.574	0.483	5.940
	0.35	35,253	21,952	18,434	231,179	0.623	0.523	6.558
Measured + Indicated	0.05	280,664	61,097	52,004	597,570	0.218	0.185	2.129
	0.1	166,063	52,535	44,448	531,451	0.316	0.268	3.200
	0.15	99,158	44,508	37,153	483,379	0.449	0.375	4.875
	0.2	74,756	40,366	33,421	456,371	0.540	0.447	6.105
	0.25	62,722	37,613	30,977	436,085	0.600	0.494	6.953
	0.3	51,471	34,527	28,240	413,222	0.671	0.549	8.028
	0.35	43,845	32,083	26,144	390,285	0.732	0.596	8.901
Inferred	0.05	243,503	55,964	48,748	474,228	0.230	0.200	1.948
	0.1	170,505	50,455	43,833	435,210	0.296	0.257	2.552
	0.15	112,159	43,221	37,207	395,223	0.385	0.332	3.524
	0.2	72,272	36,363	30,871	360,965	0.503	0.427	4.994
	0.25	53,838	32,238	27,116	336,592	0.599	0.504	6.252
	0.3	42,328	29,105	24,266	318,032	0.688	0.573	7.513
	0.35	38,303	27,814	23,092	310,275	0.726	0.603	8.101

Notes:

1. "Au eq oz" – Gold equivalent measured as the combination of reported gold and silver. Gold price is calculated as \$1,450 oz./T and silver as \$24.00 oz./T.
2. The information provided in the Resource Estimate was prepared by Dr. Robert Morrison P. Geo. of Tetra Tech Wardrop who is an independent Qualified Person as defined under (NI) 43-101. Dr. Morrison has reviewed and approved the contents of this news release that relate to the Resource Estimate.
3. Resources were estimated using Datamine software from data provided by RX using a three dimensional block model (5 feet by 5 feet by 20 feet).
4. Data verification was undertaken by Wardrop staff prior to development of the block model.
5. The gold equivalent resources were calculated using a \$1450 gold and \$24 silver price.
6. The main structures that host the mineralized veins were interpreted as a three dimensional wireframe domain. These were used to estimate resources and constrain grades.
7. Interpolation parameters were derived on geostatistical analyses conducted on 3 foot composite drill-hole data. Block grades have been estimated using "Ordinary Kriging" interpolation method and the mineral resources have been classified based on proximity and continuity of mineralization in accordance with CIM best practices.
8. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may also be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. Even though evaluation mining has been undertaken in areas of the Drumlummon Mine with M&I class mineral resources there is no certainty that inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

Wardrop is currently in the process of completing the NI 43-101 compliant technical report which will support the Resource Estimate and include mining information and recommendations for further work. The technical report will be filed within 45 days of this news release on SEDAR (www.sedar.com) and made available on the Company's website (www.rxgold.com).

Exploration Program:

The \$2.5 million exploration program from September to December, 2011 at the Drumlummon Mine was primarily in-fill drilling focused on developing the necessary resources to sustain production levels for the next 3 years. The previously announced \$5 million 2012 program in the Company's news release dated January 17, 2012 will not only be focused on delineating additional resources in proximity of existing infrastructure but will also be focused on exploring new areas which could provide potential longer term mining opportunities. The drilling will explore the Drumlummon South area (to the south of the main Drumlummon Mine workings) as well as the down dip extensions of known shoots of mineralized material (see Figure 2).

Mr. Jim Atkinson, Vice President, Exploration, stated “The development of resources in the formerly mined Drumlummon and Xmas veins as well as the newly discovered Charly vein bodes well for the continued expansion of the mineral resource at the Drumlummon Mine. Our immediate plans are to explore the down dip and along strike extensions of the known mineralization where we think there is excellent potential. Further, we are very excited to be drilling in the Drumlummon South area at the start of the second quarter of 2012.”

Production Update:

The Company is continuing to evaluate mining and production procedures and techniques at its 100% owned Drumlummon Mine and leased Philipsburg mill. From January 1 to January 31, 2012, the Company processed approximately 6,950 dry Tons of mineralized material, with an average grade of 0.14 oz./T gold and 2.28 oz./T silver and produced concentrate containing approximately 960 oz. gold and 15,900 oz. silver. From February 1 to February 15, 2012, the Company processed approximately 4,950 dry Tons of mineralized material, with an average grade of 0.28 oz./T gold and 6.24 oz./T silver and produced concentrate containing approximately 1,400 oz. gold and 30,900 oz. silver. Much of the mineralized material that has supported the Company’s evaluation mining operations since May 2011 has been sourced from areas not included in the new Resource Estimate. The Company expects this trend to continue for the foreseeable future, with approximately one third of production coming from areas not included in the Resource Estimate.

The Company is also pleased to announce that it has hired a full-time general manager for the Drumlummon Mine. Bill Hasz, who has over 25 years’ experience in the mining industry, will start on March, 5, 2012 and report to Bob Taylor, RX’s Chief Operating Officer.

About RX and the Drumlummon Mine:

RX is a gold and silver mining company focused on growth in North America. Currently RX is concentrating on continuing test mining and expanding development at its 100% owned Drumlummon Mine. The Drumlummon Mine is a bonanza style low sulphidation epithermal gold and silver deposit with historic production of approximately one million ounces of gold equivalent. The mine has never been fully exploited or explored and material that was once considered waste is now potentially economic. In addition, the Company has discovered a series of entirely new high-grade gold and silver veins that remain open for expansion in three directions.

Cautionary Statement Regarding Forward Looking Information:

This news 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 RX 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.

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Figure 1. Drumlummon Mine Known Veins

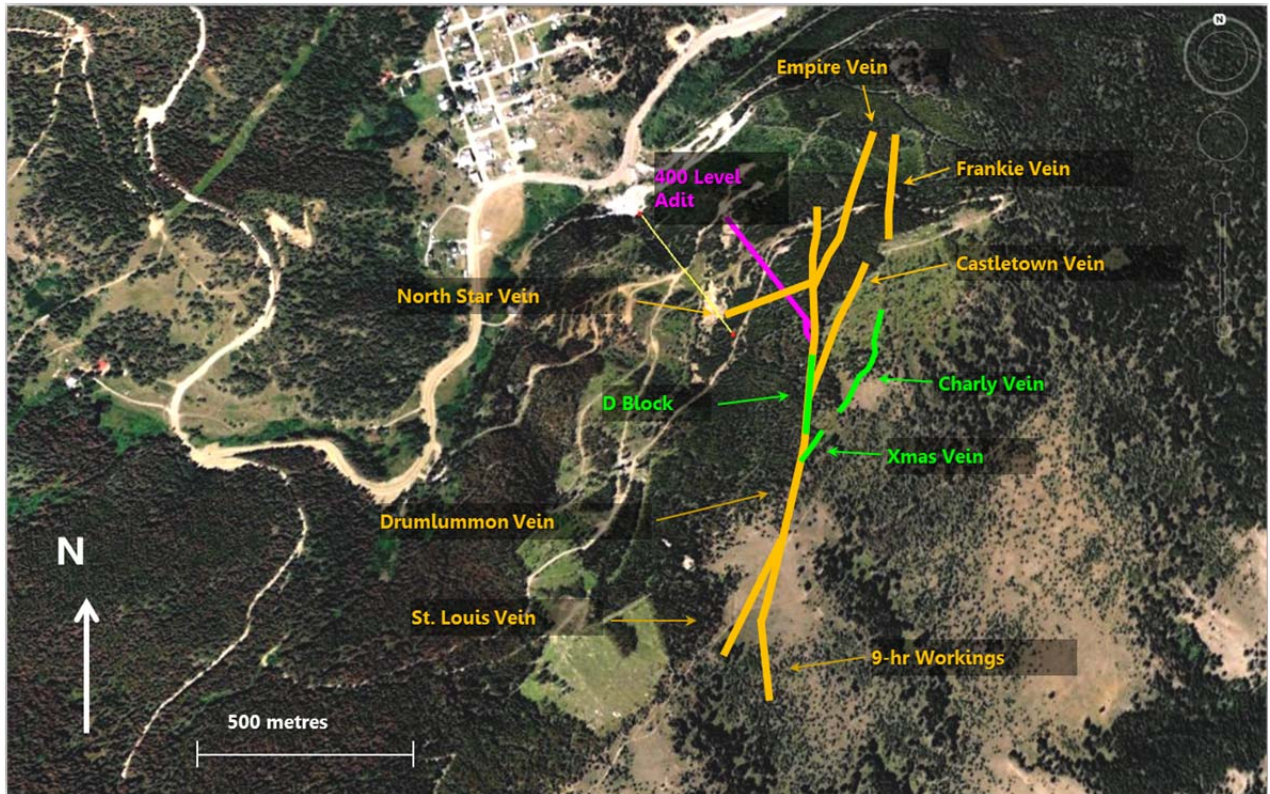


Figure 2. Drumlummon Longitudinal Section

