



360 Bay St., Suite 1010
 Toronto, ON M5H 2V6
 Tel: 416.361.1101
 Fax: 416.361.9280
info@silvereaglemines.com
www.silvereaglemines.com

FOR IMMEDIATE RELEASE

October 17, 2007

(SYMBOL: "SEG" TSX)

SILVER EAGLE MINES ANNOUNCES SIGNIFICANT RESOURCES INCREASE

Toronto, Ontario – Silver Eagle Mines Inc. (TSX: SEG) is pleased to report an increase in indicated resources in excess of 500%, at its wholly owned Miguel Auza Property in Zacatecas, Mexico. Since announcing its initial resource estimate in April of 2006, an intensive diamond drill campaign has resulted in an increase in the **indicated resource from 3.2M oz Ag Eq² to 21.1M oz Ag Eq¹** while the **inferred resource has decreased slightly, from 9.4M oz Ag Eq² to 9.1M oz Ag Eq¹**. Wayne Valliant P.Geol., of Scott Wilson Roscoe Postle Associates Inc has audited and approved our updated resource estimate and is preparing the technical report.

The following tables summarize the new indicated and inferred resource estimates, respectively, as approved by Mr. Valliant:

Indicated Mineral Resources

Zone	Tonnes	Grade					Contained Metal
		Au	Ag	Pb	Zn	Ag Eq	Ag Eq
	(t x 1,000))	(g/t)	(g/t)	(%)	(%)	(g/t)	(Oz x 1,000)
Calvario A	1,496	0.18	147	2.08	2.13	326	15,698
Calvario B	169	0.21	120	2.40	3.09	357	1,940
Milagro	351	0.17	143	1.88	1.86	302	3,414
Total Indicated	2,016	0.18	144	2.07	2.16	325	21,052

Inferred Mineral Resources

Zone	Tonnes	Grade					Contained Metal
		Au	Ag	Pb	Zn	Ag Eq	Ag Eq
	(t x 1,000))	(g/t)	(g/t)	(%)	(%)	(g/t)	(Oz x 1,000)
Calvario A	476	0.19	150	1.32	1.28	272	4,153
Calvario B	19	0.06	56	1.02	0.64	124	77
Calvario C	122	0.14	130	1.84	1.28	259	1,013
North	177	0.22	625	0.63	0.44	676	3,840
Total Inferred	794	0.20	250	1.24	1.08	356	9,083

1. *The October 2007 Resource estimate was prepared under the supervision of Silver Eagle's qualified person Dr. Christopher Hodgson, P, Eng., and audited by Wayne Valliant P.Geo., of Scott Wilson Roscoe Postle Associates Inc.*

- *CIM definitions were followed for mineral resources.*
- *Indicated mineral resources were estimated using a cutoff net smelter return of US\$ 40, based on metal prices, plant recoveries, and smelter terms as per notes below.*
- *Inferred mineral resources were estimated using a cutoff net smelter return of US\$ 30, based on metal prices, plant recoveries, and smelter terms as per notes below.*
- *A minimum mining width of 1.0 m was used.*
- *Equivalent Ag grades and contained ounces were estimated based on US\$600/oz gold, US\$11/oz silver, US\$0.65/lb lead, and US\$1.00/lb zinc.*
- *Equivalent Ag grades and contained ounces were estimated based on gold, silver, lead, and zinc plant recoveries as per the most recent metallurgical test work and smelter terms.*
- *Mineral resources that are not mineral reserves do not have demonstrated economic viability*
- *Rows and columns may not add exactly due to rounding.*

2. *The resource information presented in the April 2006 resource estimate Technical Report and used herein was prepared under the supervision of an independent "Qualified Person" within the meaning of National Instrument 43-101 and is contained in a report entitled "Technical Report Miguel Auza Property" by Wayne Valliant, P. Geo, dated April 2006 which was prepared in accordance with National Instrument 43-101. The report is available for inspection at the Company's office during business hours. Silver equivalents were calculated using US\$450/oz Au; US\$7.00/oz Ag; US\$0.40/lb Pb; US\$0.60/lb Zn. The cut-off NSR value included a 70% overall mill + smelter recovery as determined by preliminary metallurgical test work.*

Silver Eagle's President and CEO, Mr. Terrence Byberg, said "We are very pleased with the resource update and will form the basis of the pre-feasibility study currently in progress in respect of the Miguel Auza Mine. Our diamond drilling program will continue at the mine site with a goal of further enhancing the resource and life of mine plan. To this end, we currently have one contracted drill and two Company owned drills working on the Property from surface. We are also in the process of purchasing an additional diamond drill which can be used either on surface or underground".

Silver Eagle will be taking part in the Cambridge House Toronto Resource Investment Conference being held at the Metro Convention Centre on October 21/22, at Booth 317.

ABOUT SILVER EAGLE

Silver Eagle Mines Inc. is a TSX-listed (TSX: SEG), Canadian-based mining company exploring and redeveloping an historic silver property in the heart of the Mexican precious metals belt. The Company's primary asset is its wholly-owned Mexican subsidiary San Pedro Resources, S.A. de C.V., which controls the fully permitted Miguel Auza Mine and adjacent properties in Zacatecas, Mexico. The property includes the mineral rights to 41,498 hectares, hosts past producing mines, and has all necessary infrastructure and a trained mining work force nearby. The present resource consists of an indicated mineral resource of 21.1M oz Ag Eq¹ and inferred mineral resource of 9.1M oz Ag Eq¹. The Miguel Auza Mine generated its first revenue earlier this year and is currently processing a 30,000 tonne bulk sample through its on-site mill which has been expanded to a daily capacity of up to 200 tonnes per day of oxides. Silver Eagle continues to diamond drill the Miguel Auza Mine site with 3 drill rigs and has also commenced a preliminary exploration program on its other Mexican properties, outside the Miguel Auza Mine area.

ON BEHALF OF THE BOARD OF DIRECTORS OF SILVER EAGLE MINES INC.

“Terrence H. Byberg”
President & CEO

For more information contact:

Terrence H. Byberg, President & CEO
Phone: (416) 361-1101
Fax: (416) 361-9280
Email: info@silvereaglemines.com

Robin Cook, Account Manager
Phone: (416) 868-1079 x228
Fax: (416) 868-6198
Email: robin@chfir.com

*If you would like to receive press releases via email please contact Catarina@chfir.com
Please specify “Silver Eagle press releases” in the subject line.*

Or visit the Company’s website at: www.silvereaglemines.com

This news release contains “forward-looking information” which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances, management’s estimates or opinions should change, except as required by securities legislation. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

(The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.)