



## UNITED MINING GROUP CONFIRMS STRIKE EXTENSION AT CRESCENT SILVER MINE PROJECT

**VANCOUVER, BRITISH COLUMBIA**, May 16, 2011 - United Mining Group, Inc. ("UMG" or the "Company") (TSX:UMG)(OTCQX:UMGZF)(FRANKFURT:UM8) is pleased to announce that its previously reported \$4.3 million drilling program has received initial results from the **Alhambra Zone** on its surface program at the Crescent Silver Mine project, located near Kellogg, Idaho. Surface drilling for the lateral extension of the **South Zone** has commenced and underground exploration drilling on the vertical **South Zone** is scheduled to commence in mid May.

In 2010, UMG acquired 973 acres of exploration lands adjoining, and immediately west and northeast of the Crescent deposit, increasing landholdings by approximately 265% (see news releases dated October 12, 2010 and December 14, 2010). The western block contains the on-strike extension of the silver-bearing veins at the Crescent deposit. The acquisition of these lands provides a high-priority exploration target for the Company, and an aggressive drill program has been planned (see news release dated March 17, 2011).

Geologic mapping and surface drilling of the new, western claim block has commenced on schedule despite late-season snow cover. To date, four diamond drill holes, varying between 714 feet and 970 feet in total depth, have intersected the Alhambra fault in the vicinity of the historic Dawn adit. The Dawn adit is a shallow working located about 2000' west of the identified Alhambra resource. Historic sampling of the Dawn adit reported an average silver grade of 12 ounces per ton silver over an average vein width of 2.6 feet for 53 feet along the fault. UMG management considers it highly encouraging that the four diamond drill holes are silver-bearing. The drill results corroborate the historic evidence that the silver-bearing hydrothermal process, including deposition within the Alhambra structure, was active in the area. Additional drill testing of the Alhambra fault is planned within the current program.

| DDH | Depth to Alhambra Fault Intersection | Angle to Core Axis | Total Depth of Hole | Highest Grade Intersection | Description                 |
|-----|--------------------------------------|--------------------|---------------------|----------------------------|-----------------------------|
| C-1 | 783'                                 | 45°                | 867'                | 2.2' of 4.8 opt Ag         | sheared wall rock and gouge |
| C-2 | 902'                                 | 56°                | 970'                | 1.5' of 2.2 opt Ag         | fault breccia and gouge     |
| C-3 | 653'                                 | 35°                | 798'                | 2.0' of 4.5 opt Ag         | sheared wall rock and gouge |
| C-4 | 632'                                 | 45°                | 714'                | 2.8' of 1.1 opt Ag         | fault breccia and gouge     |

The next fan of holes to be drilled will target the lateral extension of the **South vein shear zone**, a parallel structure to the Alhambra fault. These holes will be the first time that drilling has tested the structure within the new claim block. Company geologists believe that the South vein

is the same structure as the Yankee Girl vein of the Sunshine Mine, suggesting a strong persistence over at least 10,000 feet of strike length. A small, historic working, the Luka adit, is believed to represent the continuation of the South vein structure westward into the new claim block. Drilling began on the fan on May 6<sup>th</sup>, and the core is expected to provide valuable information regarding the strike extension of the South vein structure, and the nature of its intersection with structures projected to the east out of the Bunker Hill Mine.

Drilling is being carried out by American Drilling Corp. of Spokane, Washington. Samples are analyzed by American Analytical Services, an ISO 17025-accredited laboratory located in Osburn, Idaho. All results reported are fire assays.

For the locations of drill hole collars C-1, C-2, C-3, and C-4, as well as the Crescent Silver Mine known resource and the limits of the company's exploration concessions, please refer to the company's website at [www.unitedmininggroup.com](http://www.unitedmininggroup.com).

In compliance with NI 43-101, Lawrence Dick, Ph.D., P.Geo., is the Qualified Person responsible for the accuracy of this news release.

The Company also announces the appointment of Donna Moroney as Corporate Secretary effective March 14, 2011.

ON BEHALF OF UNITED MINING GROUP, INC.

**"Charles Pitcher"**

Chief Executive Officer

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. Forward looking statements in this press release include that we will build a second access slot to the west half of the South Vein resource area at the same elevation; that the South Vein is completely open to depth from previous drilling; that stope testing and pre production development will continue on the current resource; that we can build a senior silver-producing mining company based on aggressive exploration and development of the Crescent Silver Mine project and through the acquisition of additional precious metals interests; The Company's actual results and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: results of exploration activities and development of mineral properties, fluctuations in the marketplace for the sale of minerals, the inability to implement corporate strategies, the inability to obtain financing, currency fluctuations, general market and industry conditions and other risks disclosed in the Company's filings with Canadian Securities Regulators.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.