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NEWS RELEASE

WILDCAT SILVER UPDATED PEA MORE THAN DOUBLES EXPECTED ANNUAL SILVER PRODUCTION TO 15.5 MILLION OUNCES IN FIRST FIVE YEARS

Vancouver, B.C., October 1, 2012 – Wildcat Silver Corporation (TSX: WS) ("Wildcat" or "the Company") is pleased to announce the results of the updated National Instrument (NI) 43-101 compliant Preliminary Economic Assessment ("PEA") for its 80%-owned Hermosa project located in Santa Cruz County, Arizona.

Highlights

Hermosa's updated PEA has been prepared based on the most recent mineral resource estimate as announced on August 9, 2012. In addition, the metallurgical process incorporated into the PEA is based on the recently announced simplified process that produces silver/gold doré. This updated PEA currently considers Hermosa as a predominantly silver project with gold and minor amounts of copper production and does not include the recovery of other base metal by-products (remaining copper, zinc and manganese), which offers potential significant upside. Additional metallurgical testwork for the economic recovery of these by-product metals is currently underway.

Highlights from the Hermosa PEA include:

- Average annual silver production of 15.5 million ounces (first five years), with years one and two producing 23.4 million ounces and 19.8 million ounces, respectively.
- Mine life of 16 years
- Base case* - After-tax NPV (5%) of $658 million, after-tax IRR of 31.9%, and payback of 1.7 years
- Spot case* - After-tax NPV (5%) of $1.05 billion, after-tax IRR of 43.4% and payback of 1.4 years
- Average cash costs of $8.29 per ounce, net of gold and minor copper by-product credits (first five years)
- Average throughput of 14,920 tonnes per day (tpd), or 5.44 million tonnes per annum (tpa)
- Initial capital expenditures of $627 million (includes 25% contingency of $96 million)

* Base case assumes a silver price of $28.75/oz, gold price of $1,525 and a copper price of $3.50/lb. Spot case assumes a silver price of $34.60, gold price of $1,773 and copper price of $3.73. NPV = Net Present Value; IRR = Internal Rate of Return.

"This has been a defining year for Hermosa," said Don Taylor, Wildcat's President and COO. "As a result of the three significant milestones we achieved in 2012: expanding our resource by 160% from 2010, discovering a new mineral zone and simplifying our metallurgical process, we have completed a PEA demonstrating all-round positive project economics. Hermosa is now one of the largest silver projects in the USA with estimated average annual production of over 15 million silver ounces per year for the first five years. In addition, metallurgical testwork currently underway is focused on recovering additional by-product metals, which has the potential to provide further value to an already very robust project."

Economic Analysis

The economics in the updated PEA is based on 60/40 pricing (base case) which is the weighted average of 60% of the three-year historical prices and 40% of two-year forward market prices. For comparison, the economics were also calculated based on spot prices (spot case). It should be noted that in this press release all dollars are

United States Dollars, all tonnes are metric tonnes and all ounces are troy ounces. Project metrics are calculated on a 100%-ownership basis. A summary of the results are provided below.

	Base Case	**Spot Case**
After-tax NPV (0%)	$1.027 billion	$1.586 billion
After-tax NPV (5%)	$658 million	$1.048 billion
After-tax NPV (7.5%)	$528 million	$860 million
After-tax IRR	31.9%	43.4%
Payback	1.7 years	1.4 years
Silver Price ($ per ounce)	$28.75	$34.60
Gold Price ($ per ounce)	$1,525	$1,773
Copper Price ($ per lb)	$3.50	$3.73

Mining and Processing

The Hermosa project is based on a conventional open-pit 14,920 tpd operation. This is equivalent to 5.4 million tonnes per annum (tpa), which is comprised of 2.7 million tonnes of Manto Oxide material per year and 2.7 million tonnes of Upper Silver Zone material per year. Average annual production is estimated to be 15.5 million ounces of silver for the first five years, with years one and two producing 23.4 million ounces and 19.8 million ounces, respectively. Average annual LOM silver production is estimated at 7.9 million ounces over a mine life of 16 years.

Wildcat has incorporated the recently discovered Upper Silver Zone, which lies above and adjacent to the Manto Oxide Zone, into the current PEA mine plan. As a result, since this new zone was previously considered as overburden, the waste to ore (strip) ratio has been reduced significantly to 2.8 to 1.

Mineral processing will be through the calcining of the Manto Oxide material (manganese hosted silver minerals) followed by traditional agitated cyanide leaching and recovery of silver and gold by standard Merrill-Crowe to produce a silver/gold doré. The calcining, which heats the material in a reducing environment is performed in a direct fired kiln and is similar to the process used in the cement industry to turn limestone into cement, but at a lower temperature for the Manto Oxide material. The Upper Silver Zone material will be crushed and then combined with the calcined Manto Oxide material, allowing for a single, grinding/cyanide leach and Merrill Crowe circuit for all of the material processed.

The Company has completed batch and pilot plant testing on a total of approximately six tonnes of Manto Oxide and Upper Silver Zone material. Silver recoveries have consistently been above 80 percent for the Manto Oxide material, with silver recoveries in some of the batch kiln tests having exceeded 90 percent while those in the continuous direct fired rotary kiln tests have now achieved up to 89 percent. Wildcat has optimized the grind size of the Upper Silver Zone material and developed a grade/recovery curve for incorporating into future mine modeling activities. Testing has returned silver recoveries of up to 52 percent on the Upper Silver Zone material. In the PEA, average silver and gold recoveries are estimated at 82 percent and 90 percent, respectively, for the Manto Oxide Zone and 40 percent and 90 percent, respectively, for the Upper Silver Zone.

Currently, minor amounts of copper are also recovered in the leaching process as a copper sulfide concentrate. In the PEA, average copper recoveries are estimated at 20 percent. The Company has completed preliminary test work for treating the leach tails to recover zinc by flotation and manganese by magnetic separation. Metallurgical test work continues in an effort to further recover the remaining copper, zinc and manganese. The recovery of these by-products would be incorporated into the process should they prove to be economically viable.

A summary of the production and processing metrics from the PEA are summarized below:

Average throughput (tonnes per day)	14,920 tpd
Average annual silver production (first five years)	15.5 million ounces
Average annual silver production (LOM)	7.9 million ounces

Average silver recoveries (Manto Oxide Zone)	82%
Average gold recoveries (Manto Oxide Zone)	90%
Average silver recoveries (Upper Silver Zone)	40%
Average gold recoveries (Upper Silver Zone)	90%
Mine life	16 years
Strip ratio	2.8:1

Capital Costs

The initial capital cost for the construction of the Hermosa project is estimated at $531 million, plus a 25% contingency of $96 million for a total of $627 million. Total capital cost also includes $31 million in pre-development capital. A break-down is provided in the table below:

Mining equipment	$29 million
Mine pre-development	$31 million
Process plant and tailings	$269 million
General site and ancillary facilities	$43 million
Gas and power supply	$43 million
EPCM	$51 million
Owner's costs	$38 million
Other	$27 million
Sub-total	$531 million
Contingency (25%)	$96 million
Total initial capital	$627 million

The mine plan includes additional mine capital totalling $40 million in years one through four and sustaining capital is expected to be $152 million over the life of mine.

Operating Costs

Total operating costs are estimated at $20.89 per tonne of ore processed and include mining, processing, royalties, general and administration (G&A) costs, reclamation and property and severance taxes. The processing costs per tonne for the Manto Oxide material are estimated to be $16.91 per tonne and $9.29 per tonne for the Upper Silver Zone for an overall average of $13.10 per tonne.

The estimated operating costs per tonne of material processed included in the PEA are as follows:

Operating costs ($ per tonne processed)	
Mining (including stripping)	$4.99
Processing	$13.10
G&A	$1.14
Other (including royalties)	$1.66
Total operating costs ($ per tonne)	**$20.89**

Average annual cash costs are estimated to be $8.29 per ounce of silver over the first five years, net of gold and minor copper by-product credits. LOM average annual cash costs net of by-products are estimated to be $11.89 per ounce of silver. There is the potential to significantly reduce cash costs per ounce of silver should the recovery of additional copper, zinc and manganese by-products be economically attainable.

Mineral Resource Estimate

The updated PEA is based on the previously reported mineral resource estimate, which was announced on August 9, 2012. The resource includes drill and assay data up to March 2012 which contains a total of 343 holes (76,630 metres) and is summarized below. *It should be noted that mineral resources that are not mineral reserves do not have demonstrated economic viability.*

Hermosa Mineral Resource Estimate								
Zone	**Type**	**Tonnes (000)**	**Ag (g/t)**	**Au (g/t)**	**Mn (%)**	**Zn (%)**	**Cu (%)**	**Contained Silver Ounces (000s)**
Measured Mineral Resource*								
Manto	Oxide	36,744	66.64	0.09	7.12	1.81	0.07	78,725
Upper Silver	Mixed	57,038	29.64	0.07	0.85	0.12	0.02	54,360
Total Measured		**93,782**	**44.14**	**0.07**	**3.31**	**0.78**	**0.04**	**133,085**
Indicated Mineral Resource*								
Manto	Oxide	39,713	41.52	0.06	5.69	1.66	0.06	53,008
Upper Silver	Mixed	60,685	25.36	0.06	0.95	0.16	0.02	49,481
Total Indicated		**100,398**	**31.75**	**0.06**	**2.83**	**0.75**	**0.04**	**102,489**
Measured and Indicated Mineral Resource*								
Manto	Oxide	76,457	53.59	0.07	6.38	1.73	0.06	131,733
Upper Silver	Mixed	117,722	27.44	0.06	0.90	0.14	0.02	103,841
Total Measured & Indicated		**194,180**	**37.73**	**0.07**	**3.06**	**0.77**	**0.04**	**235,574**

Inferred Mineral Resource*								
Zone	**Type**	**Tonnes (000)**	**Ag (g/t)**	**Au (g/t)**	**Mn (%)**	**Zn (%)**	**Cu (%)**	**Contained Silver Ounces (000s)**
Manto	Oxide	21,747	39.56	0.06	7.03	2.79	0.10	27,662
Upper Silver	Mixed	57,764	27.65	0.06	0.85	0.17	0.02	51,346
Total Inferred		**79,510**	**30.91**	**0.06**	**2.54**	**0.89**	**0.04**	**79,008**

* The mineral resource is constrained within a Whittle optimized pit shell based on the following metal prices and recoveries:

Metal	Price	Recovery
Silver	$25.76/oz	90%
Gold	$1,300/oz	85%
Manganese	$0.60/lb	95%
Zinc	$0.93/lb	80%
Copper	$3.21/lb	90%

The mineral resource is based on processing costs of US$27.55/tonne for the Manto Oxide Zone. The Upper Silver Zone mineral resource is tabulated using a silver cut-off grade of 8.57 g/t.

Previous mineral resources did not include a resource for gold as no metallurgical test work had been completed to prove its recovery or economic viability. As a result of recent test work the expected recovery included in the above table has been used and gold has been included in the total mineral resource.

Project Schedule

Metallurgical development work is planned using a larger direct-fired, pilot-sized kiln to provide parameters for a full scale commercial operation. Further, the Company is continuing its efforts in recovering its by-product base metals within the Hermosa deposit. The Company expects to complete this additional metallurgical test work for incorporation into a pre-feasibility study by the end of second quarter of 2013.

NI 43-101 Technical Report

The complete updated PEA NI 43-101 Technical Report will be filed on SEDAR (www.sedar.com) within 45 days and will also be available on the Company's website (www.wildcatsilver.com).

PEA Contributors

The Hermosa PEA was prepared by an integrated team led by M3 Engineering and Technology Corporation ("M3") of Tucson, Arizona, under the supervision of Joshua Snider, PE. Other significant contributors to the PEA include Tetra Tech Inc., NewFields, Scott E. Wilson Consulting, Inc. and Easton Process Consulting. In addition, pilot plant testwork was completed by Hazen Research Inc. in Golden, Colorado.

Qualified Person

Joshua Snider, PE, an independent Qualified Person under the standards set forth by NI 43-101, has reviewed the information in relation to the PEA in this press release. Mr. Snider is a Civil Engineer with M3 and has over 15 years of experience in the engineering and mining industry.

Metallurgical test results have been reviewed, verified, and interpreted by Christopher Easton, BSc., a Qualified Person under the standards set forth by NI 43-101. Mr. Easton is the president of Easton Process Consulting Inc. has 23 years of mineral processing and metallurgical engineering experience, and is a Qualified Professional Member in Metallurgy of MMSA.

About Wildcat

Wildcat Silver is a Canadian silver exploration company focused on becoming one of the largest silver producers in the USA by developing its 80% owned Hermosa project located in Santa Cruz County, Arizona. The Company has completed an updated Preliminary Economic Assessment on Hermosa which estimates average annual silver production of 15.5 million ounces for the first five years and a mine life of 16 years. Hermosa's current mineral resource includes a measured and indicated mineral resource of 194 million tonnes averaging 37.7 grams per tonne silver for a total of 236 million ounces of silver and an inferred mineral resource of 80 million tonnes averaging 30.9 grams per tonne silver for a total of 79 million ounces of silver as announced in the August 9, 2012 press release. Wildcat's common shares trade on the TSX under the symbol "WS".

For additional information please visit www.wildcatsilver.com or contact:

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Cautionary Note Regarding Forward-Looking Information

Certain information contained in this press release constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including information concerning the Company's plans for its mineral property in Arizona including, without limitation, the amount of mineral resources, predicted tonnes mined and processed and silver production in any year, estimated capital and operating costs, expected metal recoveries and metal prices, the preparation and timing of further metallurgical testwork and the pre-feasibility study. Forward-looking statements are often, but not always, identified by the use of words such as *may*, *will*, *seek*, *anticipate*, *believe*, *plan*, *estimate*, *budget*, *schedule*, *forecast*, *project*, *expect, intend*, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties. In addition to the assumptions herein, these assumptions include the assumptions described in the Company's management's discussion and analysis for the period ended December 31, 2011 ("MD&A"). The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of silver and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks and Uncertainties" in the MD&A.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof 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, except as required by applicable law.

About Reserves and Resources

This press release uses the terms measured, indicated and inferred resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that: (a) mineral resources are not economic mineral reserves; (b) the economic viability of resources that are not mineral reserves has not been demonstrated; and (c) it should not be assumed that further work on the stated resources will lead to mineral reserves that can be mined economically. In addition, inferred resources are considered too geologically speculative to have any economic considerations applied to them. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for certain preliminary economic assessments. Readers should also refer to the Company's Annual Information Form for the period ended December 31, 2011 and other continuous disclosure documents available at www.sedar.com, which is subject to the qualifications and notes set forth therein.

Cautionary Note Concerning Inferred Mineral Resources

The PEA is preliminary in nature and includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA based on these mineral resources will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.