



International Silver, Inc.



**INTERNATIONAL SILVER INC.(OTC QB: ISLV)
SIGNS LETTER OF INTENT ON CASELTON TAILINGS**

Tucson, Arizona - October 17, 2011 - International Silver Inc. (**OTCQB: ISLV**) is pleased to announce that it has signed a Letter of Intent with the owner of the Caselton Tailings ponds, Aurum LLC. International Silver Inc. and Aurum LLC, will execute the formal Joint Venture Agreement to recover the precious metal values from the tailings and remediate the site for future use in conjunction with International Silver 's Pioche Mines Project.

The Caselton Tailings are located adjacent to the International Silver Inc. Caselton Concentrator near Pioche Nevada and were originally derived from historic operations at the Caselton #2 Mine, the Prince Mine and the Pan American Mine. According to an independent engineer's report (Mine Development Associates, 2/21/2003) the tailings consist of approximately 2,009,000 tons of mineralized material grading 0.906 ounces per ton silver and 0.028 ounces per ton gold. This would equate to 1,819,800 ounces of silver and 55,710 ounces of gold contained in the material prior to application of a recovery factor. The estimate was derived from a total of 493 auger drilled and trench samples collected on regular intervals across the tailings ponds. The samples were subjected to chemical analysis at two separate certified laboratories and were also split for metallurgical test work.

International Silver Inc. will conduct further independent validation sampling and metallurgical testing to re- confirm tonnage, grades and recovery of the precious metal values. A final feasibility study and N.I. 43-101 report will be produced prior to commencement of operations. Environmental permitting has been initiated which will include a new lined tailings impoundment pond and processing at International Silver's Caselton Concentrator, a 2,000 tpd flotation plant located less than one mile from the tailings impoundment area and its Prince Mine.

The Company will operate the Caselton Tailings Project while finalizing confirmation drilling and metallurgical testing of a large tonnage, near surface resource of fully oxidized zinc, silver, gold, lead and manganese ore at its adjacent Prince Mine. A metallurgical testing program to confirm that the ore is free leaching with sulfuric acid and amenable to solvent extraction and electrowinning of zinc (to produce special high grade cathode zinc) and sulfur dioxide leaching of manganese to produce manganese

sulfate (a fertilizer and/or feed to manganese electro-winning to electro-manganese dioxide, EMD) with silver, gold and lead recovered through flotation to a high grade lead-silver-gold concentrate. At the same time, re-start planning of its Pan American Mine located 14 miles from the Caselton Concentrator will be on-going.

CORPORATE PROFILE

International Silver Inc. is a publicly traded exploration company whose properties are located in the United States principally in Nevada and California.

International Silver Inc. owns the Pan American Silver Mine, Prince Mine and Caselton Concentrator collectively known as the Pioche Mines Project, an exploration stage silver, gold, lead, zinc and manganese project in Nevada. The company also has the Calico Silver Project in San Bernardino County, California.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This press release contains forward-looking statements and are based on our current expectations, assumptions and estimates. Forward looking statements carry certain risks regarding an assumed set of economic conditions and courses of action, including: (a) whether International Silver, Inc. (“the Company”) will be able to obtain sufficient financing to continue to meet its operational goals; (b) the Securities and Exchange Commission (“SEC”) permits companies engaged in exploration or mining activities to file reports with the SEC to disclose only those mineral deposits that a company can economically and legally extract or produce and views such representations with a great amount of uncertainty; and (c) other risk factors and matters disclosed in the Company’s SEC filings, including its Form 10-K for the period ending December 31, 2010 and its reports on Form 8K filed with the SEC, both of which may be accessed at www.sec.gov. No information contained in this press release should be construed as a representation or indication, in any manner whatsoever, of the present or future value of the Company or its common stock. Readers of information contained in this press release should carefully review the Company’s filings with the SEC that contain important information regarding the Company. The Company disclaims any responsibility to update forward looking statements made herein.

For further information, please visit the Company's website: internationalsilverinc.com or contact Matthew J. Lang, Vice President Administration & Investor Relations (520)889-2040 ext. 10 or mlang@internationalsilverinc.com

ON BEHALF OF THE BOARD

"Harold R. Shipes"

Harold R. Shipes, President & CEO