

NEWS RELEASE

Cerro Jumil Preliminary Economic Assessment Very Positive

Vancouver, B.C., September 8, 2009: Esperanza Silver Corp. (EPZ) is pleased to announce the results of a recently completed Preliminary Economic Assessment (PEA) of its 100%-owned Cerro Jumil project in the State of Morelos, Mexico. The base case pre-tax net present value is US\$46.7 million with a five percent discount rate and the internal rate of return is estimated at 19.5% using \$800 gold.

The study was completed by Vector Engineering Inc. with Mine Development Associates and Lyntek Inc. providing design and cost estimates for the mine and process areas respectively. The Technical Report can be found on Esperanza's [website](#).

The preliminary economic assessment is based on gold resources previously reported by the company ([News Release Oct 1, 2008](#)). New drilling is planned for the fourth quarter of this year to increase the resource base.

The project's sensitivity to gold price is:

Cerro Jumil Preliminary Economic Assessment Project Sensitivity to Gold Price			
	Base Case		
Gold Price (US\$/ounce)	\$800	\$900	\$950
NPV (5%, US\$ Millions)	\$46.7	\$76.7	\$91.7
IRR	19.5%	28.4%	32.8%

The base case assumptions are:

Cerro Jumil Preliminary Economic Assessment Summary Results - Base Case (US Dollars)	
Costs:	
Pre-production Capital	\$48.7 M
Pre-stripping	\$9.2 M
Contingency	\$7.5 M
Working Capital	\$6.8 M
Total	\$72.2 M
Average Cost/Tonne Ore Mined	\$6.84
Cash Cost/Ounce Au Produced	\$418

Operational Features:	
Gold Price	\$800 per ounce
Avg. Annual Gold Production	52,000 ounces
Life of Mine (current resources)	7.6 years
Annual Mining/Stacking Rate	2.8 M tones per year
Overall Gold Recovery	68%
Strip Ratio	2.6 : 1
Royalty Rate (NSR)	3%
<i>This assessment is preliminary in nature and includes inferred resources in addition to measured and indicated resources. Inferred resources are considered too geologically speculative to have economic considerations applied to them so as to categorize them as a proven or probable reserve. There is no certainty that the PEA results will be realized.</i>	

The PEA base case envisions the Cerro Jumil project as a conventional open-pit/heap-leach gold operation, using well-proven technology. The base case incorporates the use of company-owned mining equipment for all open-pit mining operations. The process design calls for two-stage crushing of run-of-mine ore to a nominal size of less than two inches. Crushed ore is stacked on leach pads in 6-metre lifts and irrigated with solution to dissolve the gold. The solution is collected and gold is recovered in a series of carbon columns. Precious metals (the ore contains a nominal amount of silver) are then stripped from the carbon and recovered by electrowinning. The resultant sludge is smelted to produce a doré which is shipped offsite for final refining.

Three other development scenarios were also considered as part of the PEA. These include (i) owner mining with no crushing, (ii) contract mining with crushing and (iii) contract mining with no crushing. These alternatives had less favorable outcomes, but will be subject to future evaluation as new metallurgical and cost data is collected.

A further objective of the PEA was to provide detailed recommendations to collect other data necessary for a final feasibility study. A budget of US\$4.8 million was recommended for additional drilling, geotechnical investigations, and continued metallurgical test work among other programs. Metallurgical testing is on-going and Esperanza is preparing for a new drilling campaign to start by the fourth quarter of 2009.

Bill Pincus, Esperanza's President, said, "We're extremely pleased that this assessment has yielded such positive results and are anxious to take Cerro Jumil to the next level of its development; currently we have the funding to do so. Shortly we will begin a new drill program which includes substantial in-fill plus exploration drilling. We anticipate converting certain material now characterized as waste into resources. This would have a positive affect on the project's gold production levels, mine life and returns."

About Esperanza

Esperanza is a gold and silver company focused on advancing the development of its two principal properties: the 100%-owned Cerro Jumil gold project in Morelos State, Mexico and the San Luis gold and silver joint venture in Peru. It also actively generates and investigates other exploration prospects in Peru and Mexico.

QUALIFIED PERSON: *Richard Kehmeier, CPG, MSc is an Independent Qualified Person in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and principal author of the Cerro Jumil Project Preliminary Economic Assessment. He has verified the data disclosed in this news release.*

SAFE HARBOR: *Some statements in this release are forward-looking in nature. The United States Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for certain forward-looking statements. Such statements include statements as to the potential of the Cerro Jumil property, the ability to finance further exploration, permit drilling and other exploration work, and the availability of drill rigs. The forward-looking statements involve risks and uncertainties and other factors that could cause actual results to differ materially, including those relating to exploration and bringing properties into production. Please refer to a discussion of some of these and other risk factors in Esperanza’s Form 20-F filed with the U. S. Securities and Exchange Commission. The forward-looking statements contained in this document constitute managements’ current estimates as of the date of this release with respect to the matters covered herein. Esperanza expects that these forward-looking statements will change as new information is received and that actual results will vary, possibly in material ways. Forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the company does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, investors should not place undue reliance on forward-looking statements.*

RESOURCES: *The terms "measured resource", "indicated resource" and "inferred resource" used in this news release are Canadian geological and mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council as may be amended from time to time by the CIM. Mineral resources that are not mineral reserves do not have demonstrated economic viability. We advise U. S. investors that while such terms are recognized and permitted under Canadian regulations, the SEC does not recognize them. U. S. investors are cautioned not to assume that any part or all of the mineral deposits in the measured, indicated, and inferred categories will be converted into reserves.*

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