



TREASURY METALS

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NEWS FOR IMMEDIATE RELEASE:

Treasury Metals Submits Proposal for the Acquisition of Sierra Minerals

February 3rd, 2009

TSX:TML

TORONTO, Canada – Treasury Metals Inc. (“Treasury” or the “Company”), a growth orientated gold focused exploration and development company, confirmed today that it has submitted a non-binding proposal for the acquisition of all of the issued and outstanding common shares of Sierra Minerals Inc. (“Sierra”) pursuant to a takeover bid or other business combination transaction.

Treasury proposes that Sierra shareholders would receive 0.8 common shares of Treasury for each 1.0 outstanding common share of Sierra. This exchange ratio implies a Sierra share price of \$0.22 based on Treasury's closing share price as of January 27, 2009, and represents an 18% premium above the closing price of Sierra.

Treasury currently holds 6.5 million shares of Sierra, representing approximately 9%, of the issued and outstanding shares of Sierra. In addition, Treasury holds a 2.5% NSR on the Cerro Colorado gold mine.

“Treasury’s proposed business combination offers all shareholders immediate and sustainable value creation and represents a very attractive investment opportunity, providing increased liquidity from Treasury’s diverse base of retail shareholders as well as fresh branding for what we perceive as a gold-hungry market,” said Scott Jobin-Bevans, President and CEO of Treasury. “Our vision is to create a mid-tier gold producer within the next two years and we believe that combining Treasury and Sierra is an important step toward attaining this goal through consolidation in the fragmented junior gold sector.”

The proposal is also subject to the negotiation of appropriate lock-up agreements with Sierra’s major shareholders, restructuring Sierra’s existing debt and obtaining additional financing to meet the combined entity’s working capital needs, all on terms satisfactory to Treasury.

In addition, the proposal is subject to the negotiation of a definitive support agreement, due diligence, and the agreement of each company’s respective board of directors.

About Treasury Metals Inc.

Treasury Metals Inc. is a mineral exploration and development company with a growth-orientated strategy to acquire and develop quality gold assets in The Americas. The Company’s flagship asset is the 100% owned Goliath Project, an advanced-stage, high-grade gold deposit with the potential for additional silver, lead and zinc credits. The 100% owned Lara Project is an advanced stage, high-grade base and precious metals project with significant potential for additional resources in its Lara Deposit. The Company also has an existing royalty revenue from

Sierra Minerals' (TSX:SIM) Cerro Colorado Mine in Mexico and other monetizable assets. The management team and board are seasoned mining industry veterans with proven track records. As a spin-off company of Laramide Resources (TSX:LAM), Treasury benefits from a strong existing shareholder base. The Company web site is: www.treasuremetals.com.

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Forward-looking Information

Securities regulators encourage companies to disclose forward-looking information to help investors understand a company's future prospects. This press release contains statements about our future financial condition, results of operations and business. These are "forward-looking" because we have used what we know and expect today to make a statement about the future. Forward-looking statements usually include words such as may, expect, anticipate, believe or other similar words. We believe the expectations reflected in these forward-looking statements are reasonable. However, actual events and results could be substantially different because of the risks and uncertainties associated with our business or events that happen after the date of this press release. You should not place undue reliance on forward-looking statements. As a general policy, we do not update forward-looking statements except as required by securities laws and regulations.