



TREASURY METALS

INCORPORATED

NEWS RELEASE

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Treasury Metals Announces Increase in Size of Goliath Gold Project and Warrant Repricing

TORONTO, Canada – Treasury Metals Inc. (“Treasury” or the “Company”) announced today that it expanded the size of its 100% controlled Goliath Gold Project (the “Property”), located approximately 20 km east of Dryden, Ontario and alongside the Trans-Canada Highway.

The Company acquired and/or staked approximately 1,776 hectares of new mining claims (21 claims comprising 111 units), covering areas contiguous to the current Property boundary. The size of the Goliath Gold Property now stands at approximately 4,467 hectares. In addition to covering about 6 km of prospective strike along trend from the Thunder Lake Gold deposit, the Property also includes numerous areas that show potential to host additional gold mineralization.

The Goliath Gold Project includes the “Thunder Lake Gold Deposit” which contains more than 1.0 million estimated ounces of gold, comprised of 113,000 indicated ounces and 890,000 inferred ounces, using a cut-off grade of 2.0 g/t Au (see NI 43-101 report – “Report on the Goliath Project, Kenora Mining Division, Northwestern Ontario, Canada” dated December 19, 2008 – filed on SEDAR).

Drilling of the Thunder Lake Gold Deposit has intersected the Main Zone over a strike length of 1,700 metres and a thickness of 5 to 30 metres (average width of 7.6 metres) and historic drilling confirmed that anomalous gold mineralization extends over a minimum strike length of 3,500 metres, west and northeast of the deposit.

As previously announced (see Press Release May 28, 2009), the 2009 exploration program will consist of a combination of surface exploration and diamond drilling programs. The Company is planning to carry out property-wide surface exploration, which will include developing drill targets along strike to the west and northeast of the Thunder Lake Gold Deposit. The surface program will also use the Company’s extensive historical database and more recent data from its ground and airborne geophysical surveys to target other areas on the Property. Historical reports describe alteration and anomalous gold concentrations in several areas on the Property that are off-trend from the Thunder Lake Gold Deposit. In conjunction with the surface program, the Company is planning diamond drilling aimed at increasing and upgrading mineral resources within the area of the current resource and along strike and testing exploration targets defined from the surface exploration program.

Warrant Repricing

The Company also announced that it will amend the terms of 912,750 outstanding warrants (the “Warrants”) of the Company and the related warrant indenture to reduce the exercise price of the Warrants from \$2.75 per share to \$0.60 per share (the “Warrant Repricing”). The effective date of the Warrant Repricing is intended to be July 5, 2009.

The Warrants were issued pursuant to a warrant indenture dated as of March 24, 2008, between the Company and Equity Transfer & Trust Company as part of a brokered private placement financing that closed in March 2008. Of the 912,750 Warrants, 87,500 Warrants are held by insiders of the Company.

In connection with the Warrant Repricing, the Company obtained the consent of the holders of the Warrants as required under the related warrant indenture. The Toronto Stock Exchange has conditionally approved the Warrant Repricing, subject to the Company fulfilling all the conditions of such approval, including obtaining the approval of the Warrant Repricing by a majority of the Company’s shareholders voting at a shareholders meeting, excluding the holders of Warrants who are insiders of the Company (the “Disinterested Shareholders”). The

Company obtained the approval of Disinterested Shareholders at its annual and special meeting of shareholders of the Company held on June 10, 2009.

About Treasury Metals

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. Treasury's management team is committed to increasing shareholder value through aggressive exploration and development of its Goliath Gold Project and by pursuing strategic opportunities, including potential acquisitions that meet the Company's corporate goals of expansion and growth toward becoming a future mid-tier gold producer.

The Company's flagship project is the 100% owned Goliath Gold Project, an advanced-stage, high-grade gold deposit with the potential for a multi-million ounce gold resource. Treasury also has royalty revenue from Sierra Minerals' (TSX:SIM) Cerro Colorado Mine in Mexico and other monetizable assets. Treasury has a strong shareholder base and its management team and board are seasoned mining industry veterans with proven track records.

Technical information for the Goliath Gold Project has been reviewed and approved by Scott Jobin-Bevans, Treasury's President and CEO, who is a qualified person under the definitions established by National Instrument 43-101. For additional information on Treasury, please visit the Company's website at www.treasuremetals.com.

Forward-looking Statements

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.