

→ Midas
(new)

**SILVER GRAIL RESOURCES LTD.
TEUTON RESOURCES CORP.**
207-675 W. Hastings Street
Vancouver, BC V6B 1N2
Phone: (604) 682-3680 Fax: 682-3992
Toll Free: 1-800-879-2333
Websites: www.silvergrail.com & www.teuton.com

885376

SW- Dec. 19/06

NEWS RELEASE

WIDE GOLD ZONE INTERSECTED AT MIDAS PROPERTY

December 18, 2006, Vancouver, BC: Silver Grail Resources Ltd. (“Silver Grail”) (“SVG”—TSX-V; “KD7”—Frankfurt) and Teuton Resources Corp. (“Teuton”) (“TUO”:TSX-V; “TFE”—Frankfurt) are pleased to announce the discovery of bulk tonnage style gold mineralization in diamond drilling at the Midas property. The Midas property is located 30 km east of the deep-water port of Stewart, British Columbia.

Broad widths of gold mineralization were intersected in all three holes testing the 3 Oz vein zone. **The best result was in Hole SDN-06-02 which returned a wide interval of gold mineralization grading 2.52 g/t gold (0.07 oz/ton) over 32.4 metres. True width is estimated at 29.2 metres or 96 feet.** Within this intersection, a sub-interval ran 26.77 g/t gold (0.78 oz per ton) over 0.7 metres.

“These are the first holes to test the 3 Oz vein area and with the success of this program we are very much looking forward to further drilling in 2007, particularly as this zone is open in all directions,” stated D. Cremonese, P.Eng., President and CEO of Silver Grail and Teuton. “We are especially intrigued by the potential for a bulk tonnage type gold deposit. Willoughby Creek, locally well-known as a rich, placer gold bearing stream, flows directly below the discovery. This new zone could well be one of the primary sources for gold in Willoughby Creek.”

Midas Property—Stewart Eskay Creek Region

The Midas property lies within the Stewart-Eskay Creek region of northwestern British Columbia, an area with a long mining history. Famous precious metal mines within the region include the formerly producing Premier mine and the currently producing Eskay Creek mine, the latter one of the highest-grade gold and silver mines in North America.

Due to strong gold and silver prices, exploration in the region has quadrupled over the past four years. A significant portion of the \$25+ million spent locally in 2006 was aimed at proving up bulk tonnage, low grade gold or gold-copper deposits. “These kinds of targets are much sought after right now in the Stewart region,” explains President D. Cremonese, P.Eng. “In 2006, Silver Standard carried out a major drill program at its Snowfield gold zone, and just recently announced a multi-million ounce gold resource grading 1.45 g/t gold at a 0.5 g/t cutoff. Pinnacle Mines and Mountain Boy Resources are also drilling off a bulk tonnage target at the Silver Coin-Kansas property about 20 km north of Stewart with an average grade of 1.6 g/t”.

Midas Drilling

Complete results from the 4 holes drilled on the Midas property are as follows:

Hole (SDN-)	Zone	From (metres)	To (metres)	Interval (metres)	Silver (g/t)	Gold (g/t)	TWF*
06-01	EM#1						NC**
06-02	3 Oz	78.33	126.01	47.68	10.4	1.77	0.90
...including		92.05	124.45	32.40	12.5	2.52	
...including		123.00	124.45	1.45	86.4	20.70	
...including		123.00	123.70	0.70	92.7	26.77	
06-03	3 Oz	75.29	153.60	79.24	2.6	0.68	0.74
...including		108.81	153.60	44.79	4.1	0.97	
...including		108.81	124.05	15.24	2.5	1.48	
...including		122.53	124.05	1.52	2.4	4.30	
06-04	3 Oz	85.50	243.68	158.18	3.5	0.44	0.54
...including		135.94	242.50	106.56	4.9	0.61	
...including		151.49	157.58	6.09	5.4	1.67	

*TWF True Width Factor

1 metre = 3.28 feet 1 g/t = 0.029 oz/ton

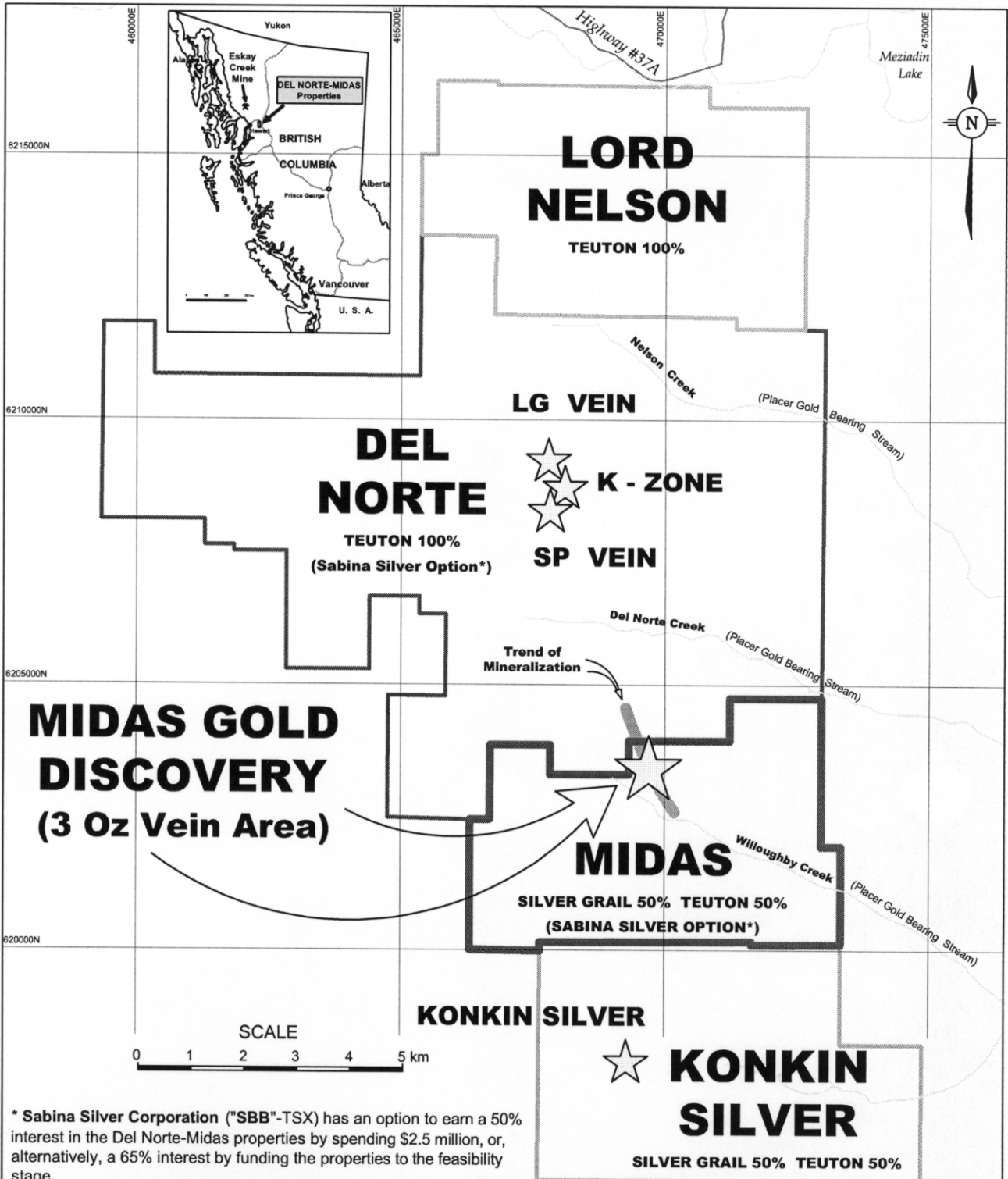
**NC Hole not completed; abandoned due to technical issues

The three holes drilled on the 3 Oz vein tested the vein/shear over a vertical difference of approximately 300 metres on one section (see Figs 1 & 2). The upper portion of this section between surface and the intersection in Hole SDN-06-02 represents an outstanding target for further drilling in 2007, the more so because surface samples indicate the potential for higher grades. Grab and chip samples have ranged from trace to 29.65 g/t (0.86 oz/ton) in gold, and float samples from trace to 102.8 g/t (3 oz/ton) gold.

The 3 Oz vein/shear lies within a northerly trending alteration zone marked by pronounced clay alteration with local areas of silicification. Host rocks include various pyroclastics with admixed epiclasts. At present, geological mapping is too limited to trace the alteration zone conclusively but a series of linear magnetic lows, suggestive of the destruction of primary magnetic minerals, indicates a strike length of up to 2 km and more.

The 2006 program was financed and operated by Sabina Silver Corporation ("Sabina"). Sabina has an option to earn a 50% interest in the Midas property (as part of the Del Norte property option) by spending \$2.5 million in exploration. Sabina may increase its interest to 65% by taking the property to the feasibility stage.

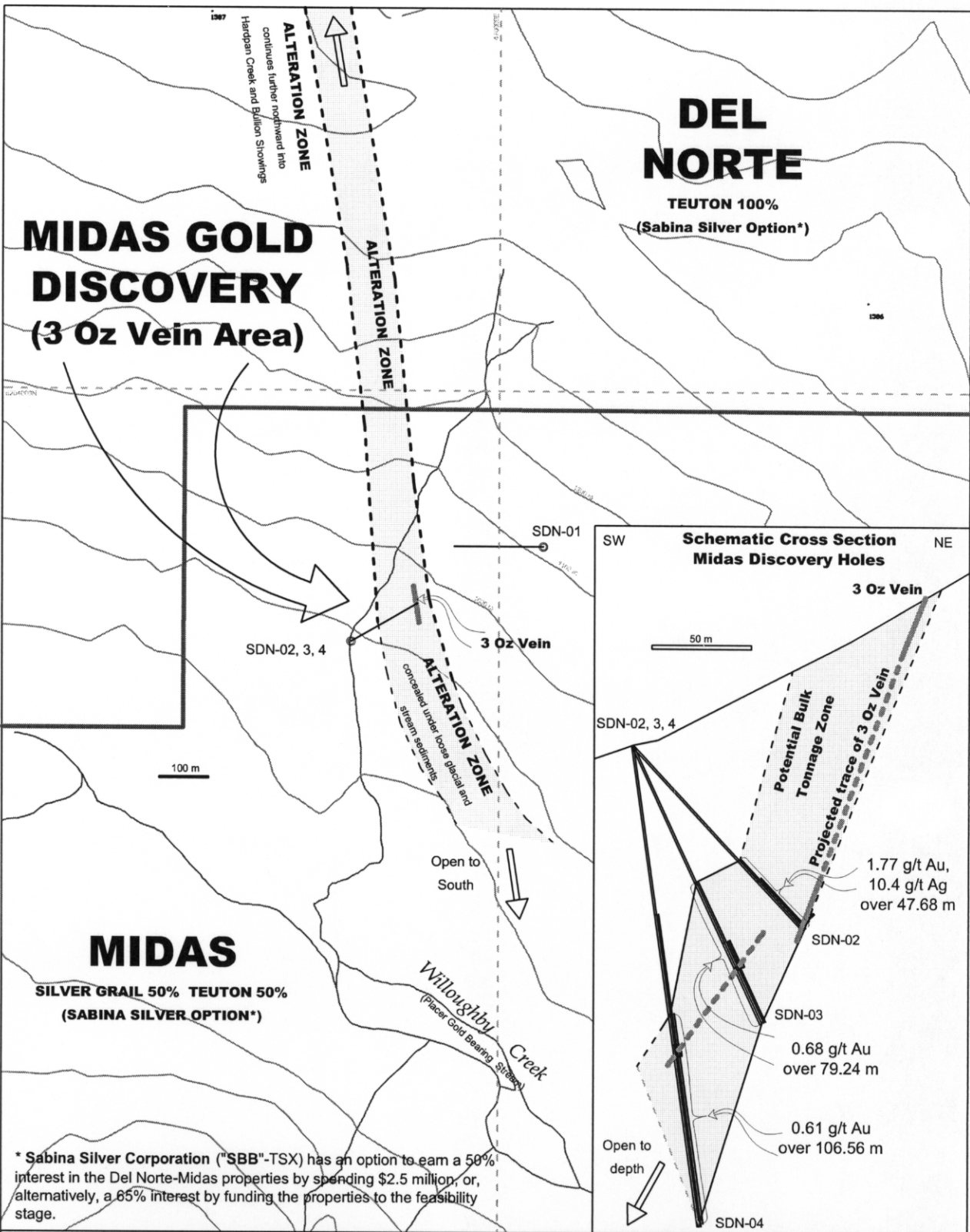
Pioneer Laboratories of Richmond, British Columbia, an accredited facility, performed all of the analyses. A quality control/quality assurance protocol was used in this program including blanks, duplicates and reference standards. Harvey Klatt, P.Geo. is the Qualified Person for Sabina in charge of the 2006 drilling program. Geologist, K. Mastalerz, Ph.D., is the Qualified Person for Silver Grail and Teuton.



* Sabina Silver Corporation ("SBB"-TSX) has an option to earn a 50% interest in the Del Norte-Midas properties by spending \$2.5 million, or, alternatively, a 65% interest by funding the properties to the feasibility stage.

MIDAS GOLD DISCOVERY --- 3 OZ VEIN AREA
SILVER GRAIL RESOURCES LTD. ("SVG"-TSXV)
TEUTON RESOURCES CORP. ("TUO"-TSXV)
DEL NORTE/MIDAS PROJECT

Stewart Region, British Columbia (NTS 104A & 103P)



* Sabina Silver Corporation ("SBB"-TSX) has an option to earn a 50% interest in the Del Norte-Midas properties by spending \$2.5 million, or, alternatively, a 65% interest by funding the properties to the feasibility stage.

MIDAS GOLD DISCOVERY --- 3 OZ VEIN AREA
SILVER GRAIL RESOURCES LTD. ("SVG"-TSXV)
TEUTON RESOURCES CORP. ("TUO"-TSXV)
DEL NORTE/MIDAS PROJECT

Stewart Region, British Columbia (NTS 104A & 103P)