

SMG Indium Resources Ltd. Announces \$1 Million Stock Repurchase Program

NEW YORK, May 23, 2012 /PRNewswire/ -- SMG Indium Resources Ltd. (the "Company") (OTCBB: SMGI, SMGIW, SMGIU), today announced a program authorizing the repurchase of up to \$1 million of the Company's common stock, par value \$.001 per share (the "Common Stock") through May 31, 2013.

Under this program, Common Stock repurchases may be made from time to time in the open market at prevailing market prices or through privately negotiated transactions at the discretion of the Company's manager, Specialty Metals Group Advisors LLC. The timing of open market and privately negotiated purchases will be dependent on market conditions and other corporate considerations, including price, corporate and regulatory requirements and alternative investment opportunities. The program is expected to be funded from existing cash balances. The Company is not obligated to repurchase any particular amount of Common Stock during any period and may choose to suspend or discontinue the repurchase at any time.

Shares of Common Stock repurchased by the Company through the repurchase program will become authorized but unissued shares. As of May 23, 2012, the Company has 8,832,301 shares of Common Stock outstanding.

"We believe it is the right time to initiate a share repurchase plan and to opportunistically repurchase shares at a deep discount to our underlying Net Market Value ("NMV")* which was approximately \$3.55 per share on May 18, 2012. By repurchasing shares below NMV, we would be, in essence, purchasing physical indium at a substantial discount to the current spot market price. This would be an accretive use of capital to boost our NMV," said Alan C. Benjamin, Chief Executive Officer.

The Company's management welcomes the opportunity to meet and speak with shareholders. Please email Richard A. Biele at rbiele@smg-indium.com for further information. We wish to thank all of our existing shareholders for their continued support.

*** We use the term NMV per share when we discuss the value of the Company. We define the term NMV, as used in this release, as the product of multiplying the number of kilograms of indium held by the Company at any given point by the spot price for indium as published by Metal Bulletin PLC and posted on Bloomberg L.P., plus cash and other Company assets, less any liabilities divided by the Common Stock outstanding. The use of the term NMV is a non-GAAP financial measurement. The Company's GAAP net book value per Common Stock was approximately \$3.60 on March 31, 2012.*

About SMG Indium Resources Ltd.

SMG Indium Resources Ltd. purchases and stockpiles the metal indium and believes it maintains the largest strategic stockpile of indium held outside of the People's Republic of China. Our strategy is to achieve long-term appreciation in the value of our indium stockpile, and not to actively speculate with regard to short-term fluctuations in indium prices. Our indium is insured and physically stored at a Brink's Global USA facility located in the United States. Our shareholders have the ability to effectively purchase an interest in indium in a manner that does not directly include the risks associated with ownership of companies that explore for, mine or process indium. For more information please contact: info@smg-indium.com

Disclosure Notice

This press release may contain forward-looking statements regarding SMG Indium Resources Ltd. current expectations of future events that involve risks and uncertainties, including, without limitation, and not limited to indium price volatility from supply and demand factors, international export quotas that could affect the availability of indium and our ability to purchase indium, lack of any internationally recognized exchanges for indium, limited number of potential suppliers of indium and potential customers who purchase indium, disruption of mining

operations, technological obsolescence, substitution of other materials decreasing the demand for indium, regulatory requirements regarding indium, risks associated with international economic and political events, lack of operational liquidity, lack of investment liquidity, factors affecting our NMV, and changes in interest rates. Such statements are based on management's current expectations and are subject to a number of substantial risks and uncertainties that could cause actual results or timeliness to differ materially from those addressed in the forward-looking statements. Factors that may cause such a difference are listed from time to time in reports filed by the Company with the U.S. Securities and Exchange Commission (SEC), including but not limited to risks described in our 2011 Annual Report on Form 10-K as filed with the Securities and Exchange Commission under the caption "Risk Factors." We undertake no obligation to publicly update any forward-looking statements. <http://www.smg-indium.com>

CONTACT: Richard A. Biele, +1-212-984-0635