

## Initial High Grade Drilling Results at Caledonian

### Highlights

- Initial high grade diamond drilling and RC results indicate continuity of Caledonian trend along strike and at depth
- High grade intercepts include:
  - 2.5 metres at 19.62 g/t Au (including 0.5 metres at 95.38 g/t Au)
  - 0.3 metres at 11.99 g/t Au
  - 1.0 metre at 10.24 g/t Au
- Potential to further increase resource base and expand multi-mine operation at Mount Monger

Silver Lake Resources Ltd ("Silver Lake" or "the Company") is pleased to announce initial drilling results from its Caledonian exploration programme at the Mount Monger Operations.

The Caledonian trend is located 200 metres from Silver Lake's existing underground operation at Daisy Milano (see Figure 1).

Assay results received to date from the diamond drilling and RC programme greater than 3 g/t Au are shown in Table 1.

Hole ID	Northing	Easting	From (m)	To (m)	Down Hole Interval	Grade g/t Au
08MGDD009	6569093	396941	155.0	155.3	0.3	11.99
08MGDD011 (including)	6568934	397019	134.0 134.0	136.5 134.5	2.5 0.5	19.62 95.38
08MGRC006	6568936	397101	52.0	53.0	1.0	5.28
08MGRC006	6568936	397101	71.0	72.0	1.0	4.19
08MGRC007	6568951	397038	132.0	133.0	1.0	10.24
08MGRC007	6568951	397038	136.0	137.0	1.0	5.39
08MGRC007	6568951	397038	172.0	173.0	1.0	4.46

Table 1 - Drilling and assay results

The initial 16 hole drilling programme is continuing and to date 14 holes have been completed with remaining assays expected in May/June.

“Our objective is to turn Mount Monger into a multi-mine operation during 2008. The Caledonian drilling results are therefore highly encouraging as they indicate an additional production source adjacent to the Daisy Milano infrastructure. We are also looking to the Haoma project for additional underground production and for open cut production from the Lorna Doone and Costello deposits,” said Silver Lake’s Managing Director Les Davis.

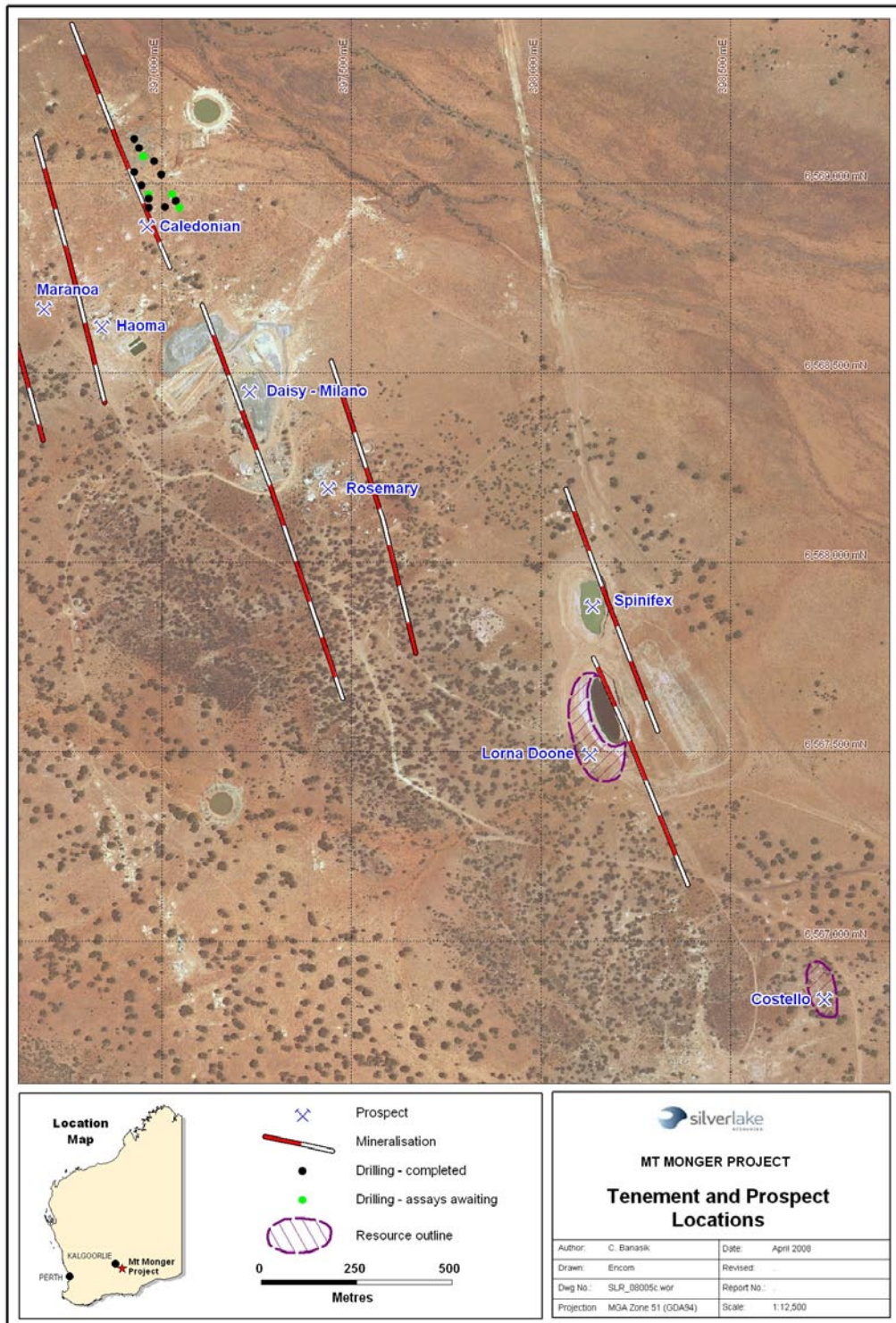


Figure 1 - Location Plan

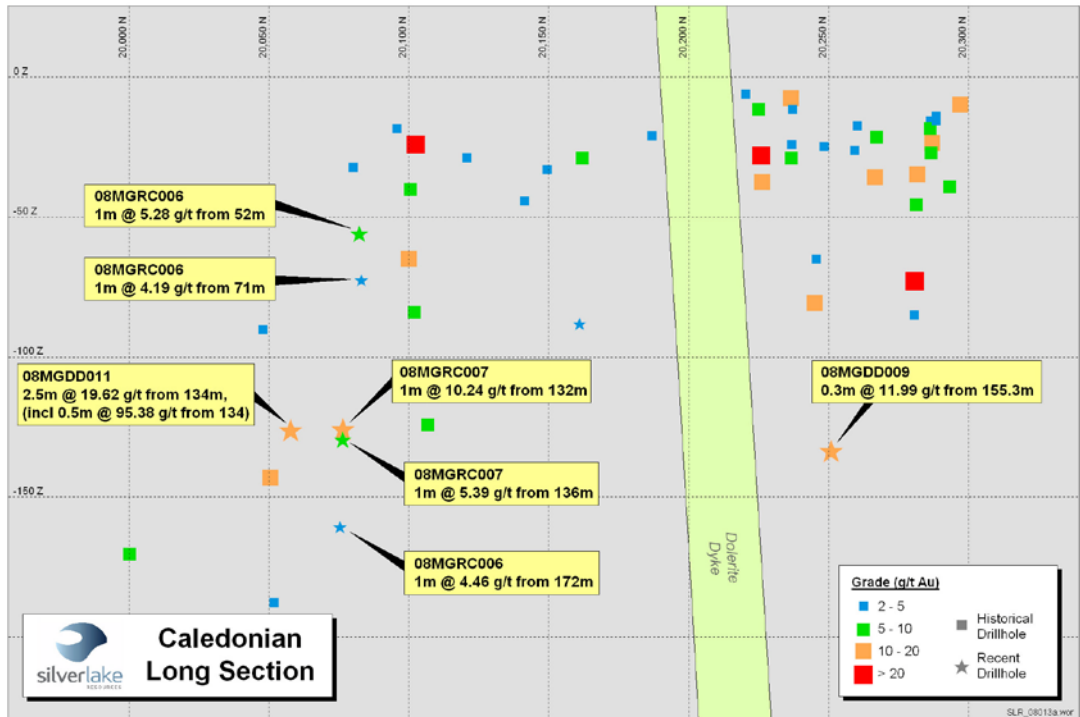


Figure 2 - Caledonian long section showing historic and current drilling with assays greater than 3 g/t Au

For more information about Silver Lake and its projects please visit our web site at [www.silverlakeresources.com.au](http://www.silverlakeresources.com.au).

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About Silver Lake Resources Ltd:

Silver Lake is a gold production and exploration company with a resource base of 1.1 million oz across its portfolio of assets including the Mount Monger goldfield and its Murchison projects (Tuckabianna, Comet, Moyagee and Rothsay).

Resource Category	Ore Tonnes	Grade g/t Au	Total oz
Measured	93,600	37.9	114,400
Indicated	2,917,700	3.7	344,300
Inferred	2,919,900	6.8	642,200
<b>Total</b>	<b>5,931,300</b>	<b>5.8</b>	<b>1,100,600</b>

Silver Lake's core project is the Mount Monger Operation containing the Daisy Milano mine located 50 km south east of Kalgoorlie. Silver Lake commenced operations at Daisy Milano in December 2007 with the following objectives:

- production of 10,000 to 15,000 oz Au by 30 June 2008;
- ramp up production to 35,000 to 40,000 oz Au pa rates by July 2008; and
- produce at a Gold Institute Standard cash operating cost of A\$450 to A\$490 oz once production has ramped up to 35,000 to 40,000 oz Au pa.

Mount Monger also has multi mine potential with the Lorna Doone and Costello open cut deposits presently being assessed for mining. The Caledonian trend also shows potential as a near term production source.

Silver Lake owns the 300,000 tpa Lakewood Gold Processing Facility located 5 km east of Kalgoorlie and 45 km from the Daisy Milano mine that is undergoing modifications and a refurbishment programme. Recommissioning of the facility and processing of the Daisy Milano ore is planned to commence in April 2008.

Silver Lake commenced its fully funded exploration programme in January 2008 and is targeting 2.5 million to 5 million oz Au in resource.

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**Competent Person's Statement**

*The information in this report that relates to Exploration Results are based on information compiled by Mr Christopher Banasik who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Banasik is a full time employee of Silver Lake Resources Ltd, and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 edition of the JORC Code. Mr Banasik has given his consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

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Notes to Table 1:

1. Assay method is 40 gram fire assay.
2. Holes denoted MGRC are reverse circulation drill holes and samples are 1 metre composites.
3. Holes denoted MGDD are surface diamond drill holes and samples are based on lithological domains or mineralised veins. Minimum sample length is 0.2 metres.