

Haoma Results Extend Mount Monger Field Another Mine Accessible From Existing Infrastructure

Highlights

- **Haoma deposit is delivering highly encouraging results:**
 - **High grade mineralised zone increasing in size**
 - **Drilling to date has defined the mineralised zone over a 300 metre vertical extent that remains open along strike to the south and at depth**
 - **Strike extent to date averages 120 metres in length**
 - **Strike extent increasing to 220 metres at depth ~500 metres below the surface**
- **Ongoing drilling programme continues to deliver high grade results including:**
 - **2.0 metres at 19.0 g/t Au**
 - **5.0 metres at 7.3 g/t Au**
 - **1.4 metres at 13.5 g/t Au**
 - **1.7 metres at 12.8 g/t Au; and**
 - **0.9 metres at 35.2 g/t Au (including 0.2 metres at 136 g/t Au).**
- **Located ~200 metres to the west of current decline infrastructure**
- **Maiden resource to be announced in January 2011**
- **Mining study commencing and decision to mine expected June quarter 2011**

Silver Lake Resources Ltd ("Silver Lake") is pleased to announce assay results from ongoing exploration at its Mount Monger Operations (refer to figure 1).

The Haoma deposit (refer to figures 2 and 4) is a historic underground mine located approximately 200 metres west of the Daisy Milano decline and was mined at a grade of 28.9 g/t Au. Mining ceased at approximately 180 metres below surface due to the orebody plunging onto a neighboring tenement. Silver Lake now controls the consolidated Mount Monger region and therefore can mine the down plunge extent of the previous workings.

Assay results (refer to table 1 and figure 3) have been received from the ongoing underground drilling programme from various levels within Daisy Milano. These results are typical of the narrow vein quartz hosted mineralisation at Daisy Milano and Daisy East. Multiple intersections in the same drill holes suggest that there are multiple close spaced mineralised veins within the deposit. The mineralisation remains open along strike to the south and at depth.

A maiden resource for Haoma will be announced as part of the company's next resource upgrade in January 2011. A mining study will commence early in 2011 with an expected decision to mine in the June quarter 2011.

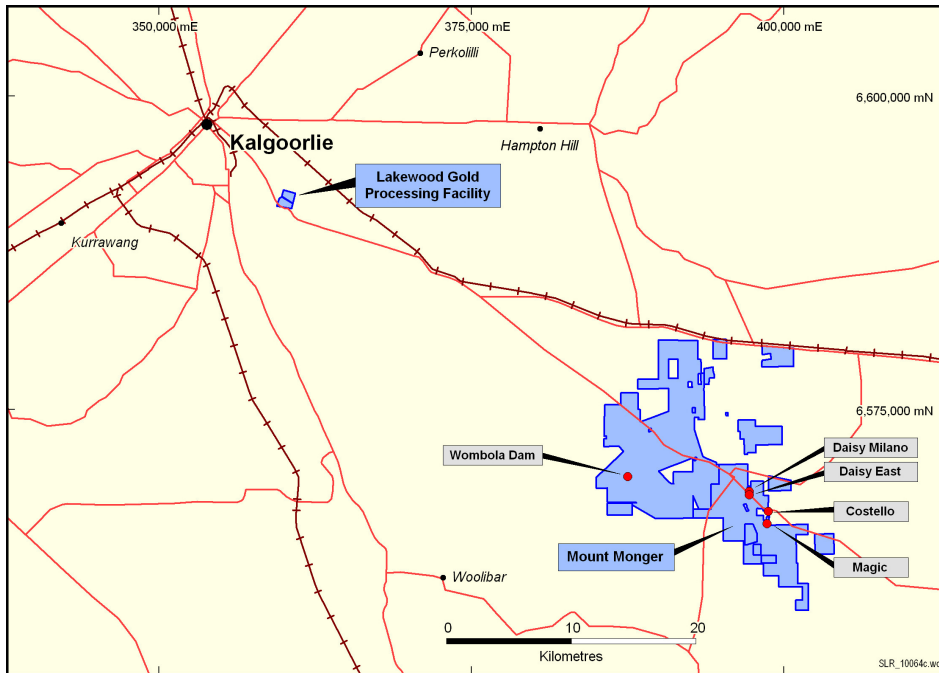


Figure 1: Mount Monger Operations location plan.

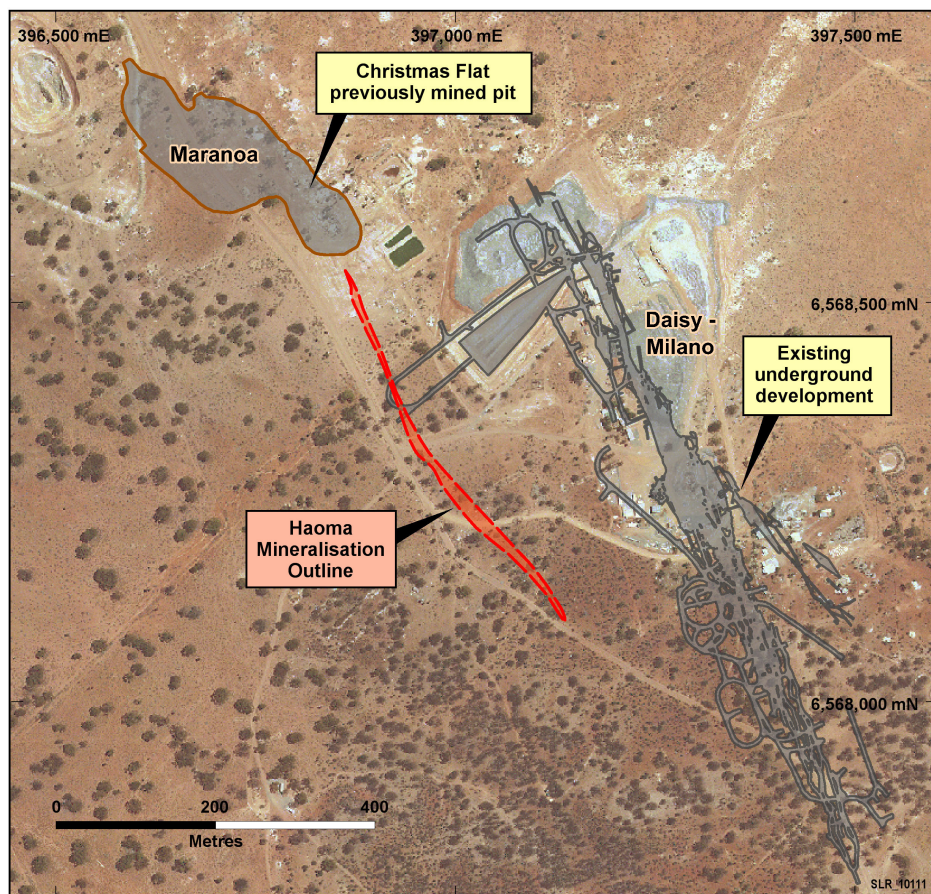


Figure 2: Haoma location plan showing close proximity to Daisy Milano infrastructure.

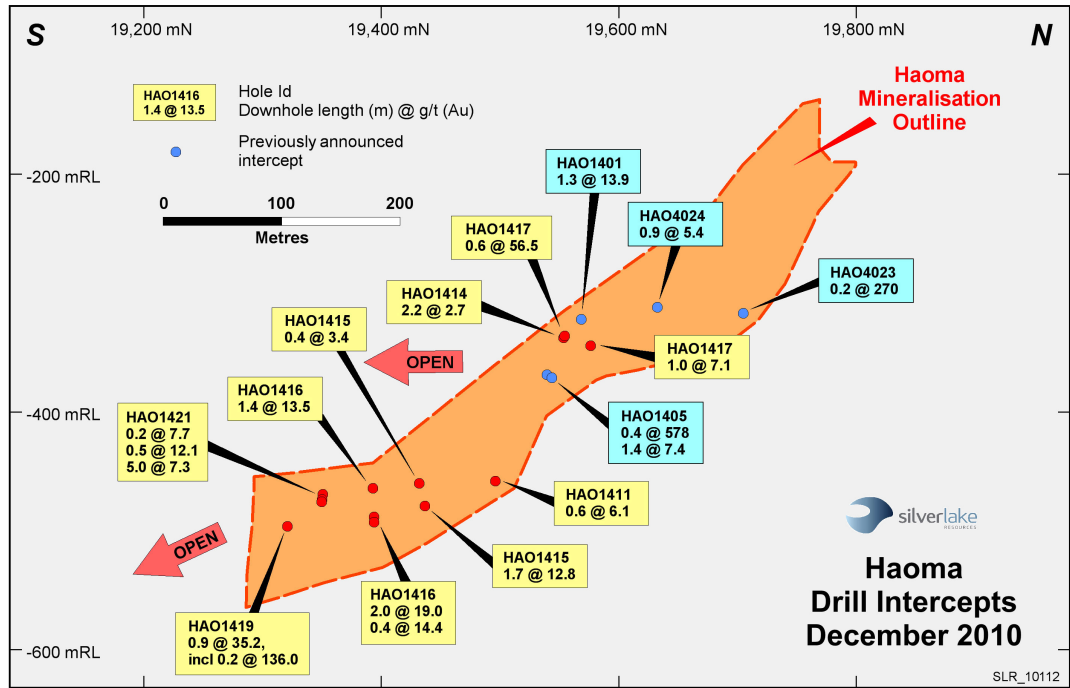


Figure 3: Haoma long section showing recent intercepts.

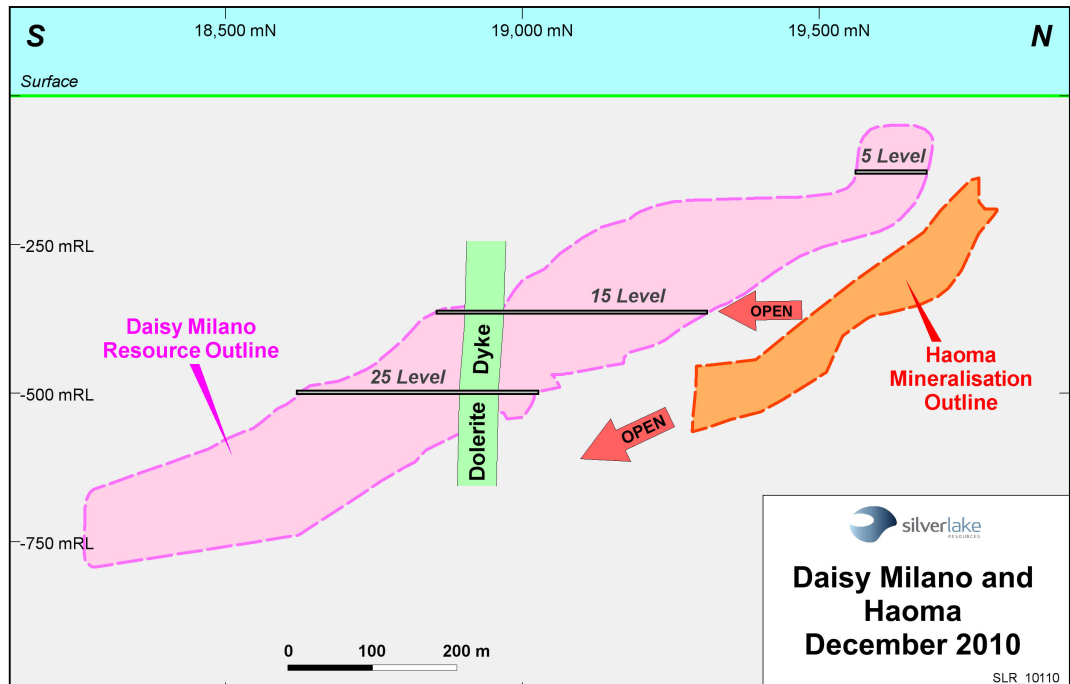


Figure 4: Long section (looking west) showing Haoma mineralisation as at December 2010 with Daisy Milano mineralisation in the foreground. Post and pre mined mineralisation at Daisy Milano is approximately 900,000 oz and endowed with >1,000 oz per vertical metre.

| Hole ID | Northing | Easting | From (m) | To (m) | Down hole Interval (m) | Grade g/t Au |
|---------|--------------------|---------|----------|--------|------------------------|--------------|
| HAO1411 | 19496 | 10095 | 258.40 | 259.00 | 0.6 | 6.1 |
| HAO1415 | 19437 | 10100 | 254.25 | 255.95 | 1.7 | 12.8 |
| HAO1416 | 19393 | 10129 | 222.40 | 223.85 | 1.4 | 13.5 |
| HAO1416 | 19394 | 10112 | 251.62 | 253.63 | 2.0 | 19.0 |
| HAO1416 | 19394 | 10109 | 257.10 | 257.50 | 0.4 | 14.4 |
| HAO1417 | 19554 | 10088 | 235.60 | 236.20 | 0.6 | 56.5 |
| HAO1417 | 19576 | 10065 | 268.85 | 269.80 | 1.0 | 7.1 |
| HAO1419 | 19321 including | 10141 | 254.90 | 255.80 | 0.9 | 35.2 |
| | | | | | 0.2 | 136.0 |
| HAO1421 | 19351 | 10144 | 223.30 | 223.52 | 0.2 | 7.7 |
| HAO1421 | 19350 | 10141 | 228.35 | 228.81 | 0.5 | 12.1 |
| HAO1421 | 19350 | 10140 | 230.75 | 235.72 | 5.0 | 7.3 |

Table 1: Drilling and assay results for Haoma greater than 4 g/t Au.

“Our Three Daisy Milano strategy is built around having three independent mines accessed from existing infrastructure and each producing 60,000 ounces per annum by 2014. This strategy is being de-risked with Daisy Milano producing 60,000 ounces per annum for ~10 years and Daisy East ramping up to 60,000 ounces per annum in FY12” said Silver Lake’s Managing Director Les Davis.

The Haoma deposit and other near mine ore sources are delivering into this strategy and proof of concept is certainly building. The latest assay results support our belief in a long life, high grade operation at Mount Monger” Mr Davis added.

For more information about Silver Lake and its projects please visit our web site at www.silverlakeresources.com.au.

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About Silver Lake Resources Ltd:

Silver Lake is an ASX 300 gold producing and exploration company with a resource base of 2.5 million oz in highly prospective regions including the Mount Monger goldfield and the Murchison (Tuckabianna, Comet, and Moyagee). Silver Lake's strategy is to develop large production centres at Mount Monger and at the Murchison with multiple mines at each centre.

Silver Lake's Mount Monger Operation contains the Daisy Milano and Daisy East underground mines and the Costello open pit located 50 km south east of Kalgoorlie.

Mount Monger has additional multi mine potential underpinned by emerging open pit production from Costello, Wombola Dam and Wombola Pit deposits. Furthermore the discoveries of Emma and the extension of the Rosemary lode show potential as near term production sources.

Gold ore from Mount Monger is transported to Silver Lake's 600,000 tpa Lakewood Gold Processing Facility located 5 km south east of Kalgoorlie and 45 km from the Daisy Milano mine.

In the Murchison ongoing exploration is focusing on extending current resources that have previously been constrained by limited drilling particularly below 100 metres depth. Our strategy is to delineate sufficient resources to sustain a 100,000 oz per annum operation.

Silver Lake's exploration programme is targeting¹ 5 million oz Au in resource.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is 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.

1: Information that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Notes to Table 1:

- Assay method is 40 gram fire assay.

| Deposit | Measured Resources | | | Indicated Resources | | | Inferred Resources | | | Total Resources | | |
|---------------------------|--------------------|--------------|-------------------|---------------------|--------------|-------------------|--------------------|--------------|-------------------|-----------------|--------------|-------------------|
| | Ore t '000s | Grade g/t Au | Total Oz Au '000s | Ore t '000s | Grade g/t Au | Total Oz Au '000s | Ore t '000s | Grade g/t Au | Total Oz Au '000s | Ore t '000s | Grade g/t Au | Total Oz Au '000s |
| Daisy Milano | 70.3 | 24.7 | 55.8 | 457.1 | 23.1 | 339.5 | 227.0 | 31.3 | 228.4 | 754.4 | 25.7 | 623.7 |
| Daisy East | 33.0 | 48.1 | 51.0 | 53.6 | 44.9 | 77.4 | 27.9 | 15.7 | 14.1 | 114.6 | 38.7 | 142.6 |
| Christmas Flat | - | - | - | 152.8 | 3.0 | 14.7 | 238.6 | 3.6 | 27.6 | 391.4 | 3.4 | 42.4 |
| Costello | - | - | - | 115.0 | 3.3 | 12.2 | 128.2 | 3.1 | 12.8 | 243.2 | 3.2 | 25.0 |
| Lorna Doone | - | - | - | - | - | - | 111.0 | 4.0 | 14.3 | 111.0 | 4.0 | 14.3 |
| Magic | - | - | - | 283.8 | 4.4 | 39.7 | 807.2 | 4.4 | 113.2 | 1,091.0 | 4.4 | 152.8 |
| Wombola Pit ¹ | - | - | - | 132.2 | 2.6 | 11.1 | 171.0 | 2.9 | 15.7 | 303.0 | 2.8 | 26.8 |
| Wombola Dam ¹ | - | - | - | 125.1 | 2.6 | 10.3 | 432.0 | 3.1 | 43.2 | 557.2 | 3.0 | 53.5 |
| Total Mount Monger | 103.3 | 32.2 | 106.9 | 1,320.0 | 11.9 | 504.9 | 2,142.7 | 6.8 | 469.3 | 3,565.7 | 9.4 | 1,081.0 |
| Caustons | - | - | - | 625.6 | 3.9 | 78.2 | 462.2 | 3.3 | 48.9 | 1,087.8 | 3.6 | 127.1 |
| Caustons South | - | - | - | 424.8 | 2.0 | 27.6 | 296.5 | 4.2 | 39.6 | 721.3 | 2.9 | 67.2 |
| Tuckabianna | - | - | - | 1,224.0 | 2.2 | 86.6 | 938.0 | 2.1 | 63.3 | 2,162.0 | 2.2 | 149.9 |
| Friars | - | - | - | - | - | - | 402.0 | 1.9 | 24.6 | 402.0 | 1.9 | 24.6 |
| Jasper Queen | - | - | - | - | - | - | 175.0 | 2.6 | 14.6 | 175.0 | 2.6 | 14.6 |
| Gilt Edge | - | - | - | 63.0 | 3.0 | 6.0 | 33.0 | 5.2 | 5.5 | 96.0 | 3.8 | 11.6 |
| Genesis | - | - | - | 353.7 | 1.8 | 20.2 | 11.8 | 2.4 | 0.9 | 365.5 | 1.8 | 21.2 |
| Exodus | - | - | - | 457.4 | 1.6 | 23.7 | 101.3 | 2.8 | 9.0 | 558.7 | 1.8 | 32.6 |
| Julies Reward | - | - | - | 461.3 | 3.2 | 46.7 | 254.7 | 3.4 | 27.8 | 716.0 | 3.2 | 74.6 |
| Sherwood | - | - | - | - | - | - | 349.0 | 2.2 | 24.9 | 349.0 | 2.2 | 24.9 |
| Jaffas Folly | - | - | - | 6.0 | 4.3 | 0.8 | 202.0 | 1.4 | 9.1 | 208.0 | 1.5 | 9.9 |
| Little John | - | - | - | - | - | - | 1,201.0 | 1.8 | 69.5 | 1201.0 | 1.8 | 69.5 |
| TMC/Katies | - | - | - | - | - | - | 850.0 | 1.9 | 51.9 | 850.0 | 1.9 | 51.9 |
| Total Tuckabianna | - | - | - | 3,615.8 | 2.5 | 289.9 | 5,276.4 | 2.3 | 389.7 | 8,892.2 | 2.4 | 679.6 |
| Comet | 36.0 | 0.6 | 0.7 | 2,776.2 | 3.7 | 325.5 | 1,150.3 | 2.5 | 91.5 | 3,962.5 | 3.3 | 417.8 |
| Moyagee | - | - | - | - | - | - | 820.2 | 8.5 | 224.2 | 820.2 | 8.5 | 224.2 |
| Total Murchison | 36.0 | 0.6 | 0.7 | 6,392.0 | 3.0 | 615.5 | 7,247.0 | 3.0 | 705.4 | 13,675.0 | 3.0 | 1,321.6 |
| Rothsay | - | - | - | - | - | - | 591.2 | 7.0 | 132.9 | 591.2 | 7.0 | 132.9 |
| Total Silver Lake | 139.4 | 24.0 | 107.6 | 7,711.7 | 4.5 | 1,120.4 | 9,980.8 | 4.1 | 1,307.5 | 17,831.9 | 4.4 | 2,535.5 |

Table 2: June 2010 Resource Inventory

Rounding may give rise to unit discrepancies in this table