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ASX ANNOUNCEMENT **14 July 2008**

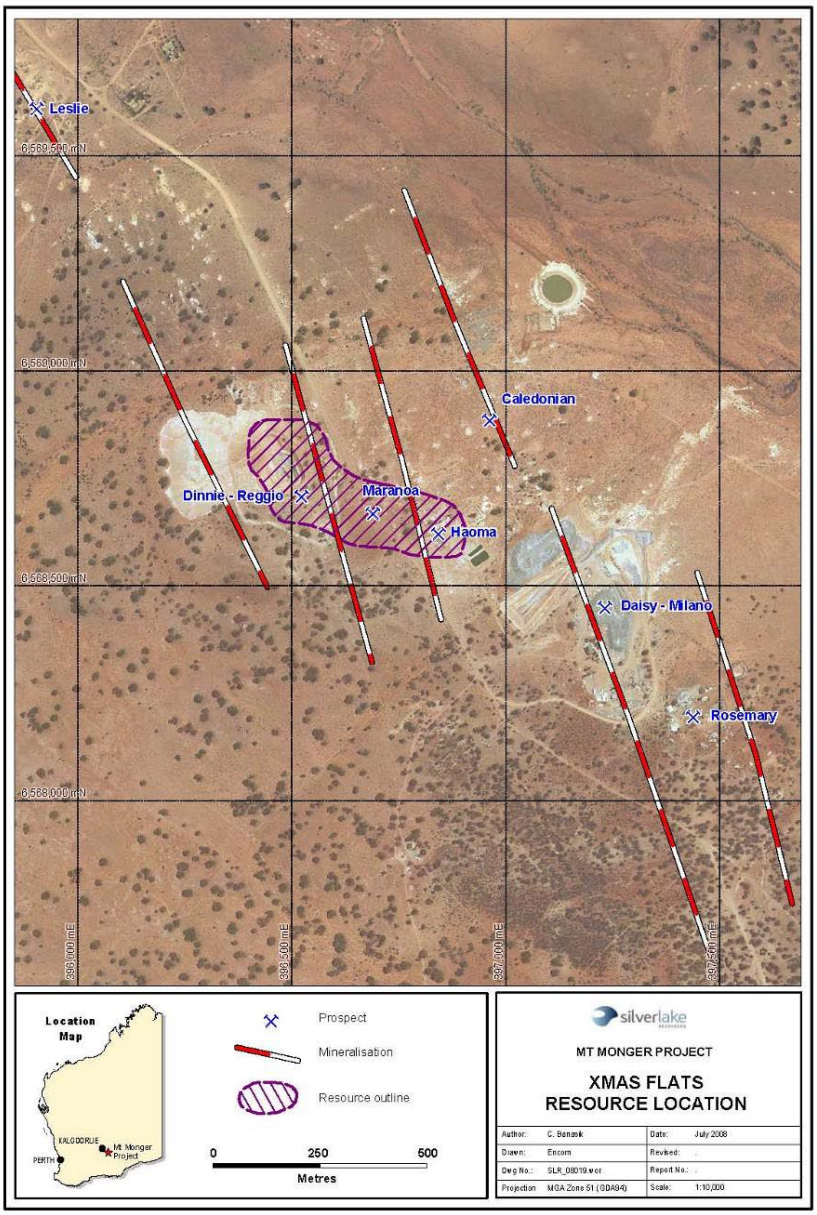
New Open Pit Resource Unlocks Further Production Opportunities at Mount Monger

Highlights

Silver Lake Resources Ltd ("Silver Lake", or "the Company") has positioned itself to exploit additional near-term production opportunities at its Mount Monger operation:

- a new 51,100 oz gold resource (see Table 1, overleaf) at Christmas Flats;
- Haoma drilling results affirm the down-plunge extension of high-grade mineralisation; and
- processing facility successfully commissioned with focus now on maximising utilisation.

Figure 1 - Christmas Flats location



Christmas Flats – New 51,100 oz Resource

The new gold resource at Christmas Flats is accessible by open pit mining. Figure 2 presents a section through a portion of the resource.

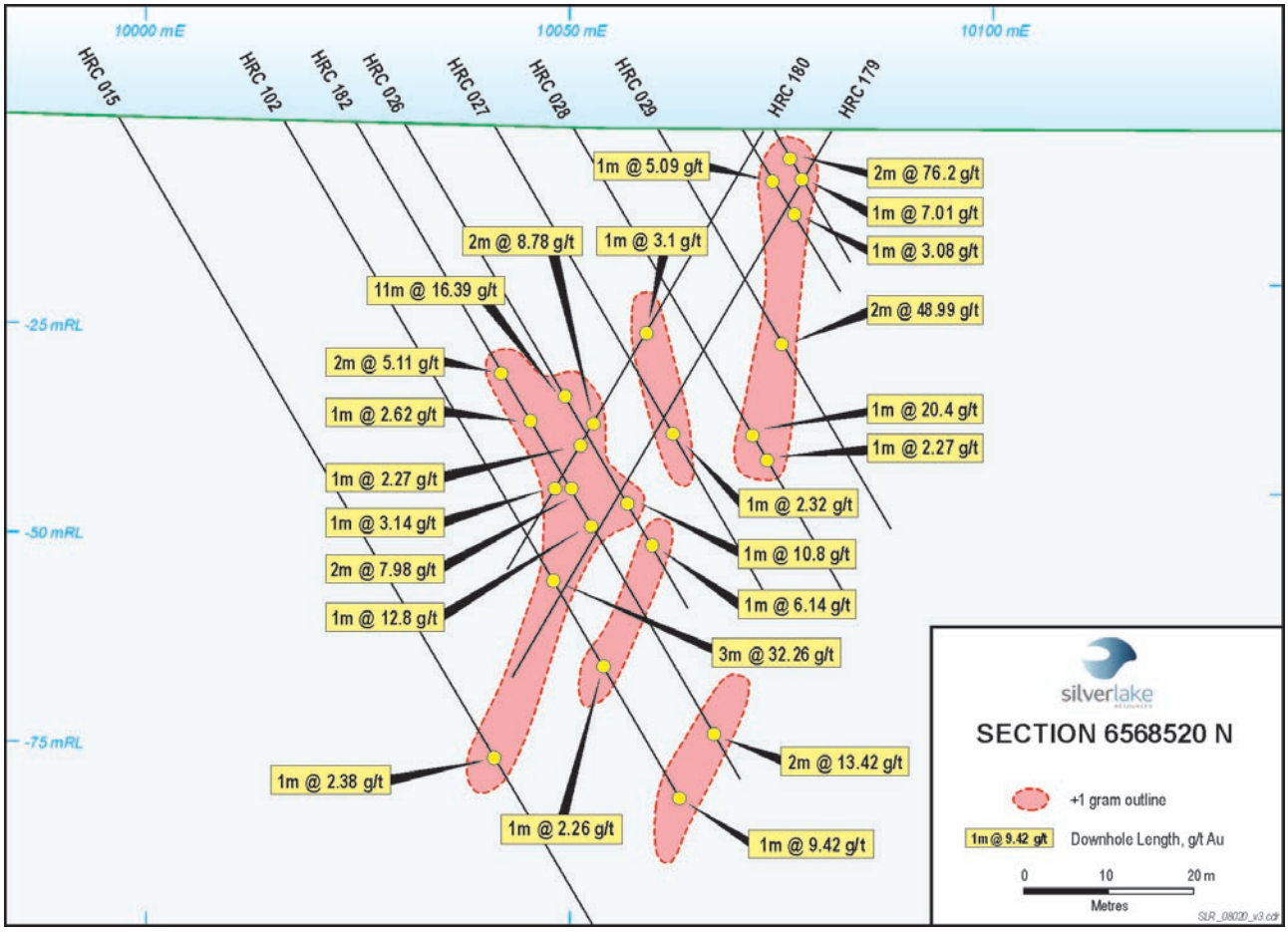


Figure 2 – Section through Christmas Flats resource

"Our discovery of the near-surface resource at Christmas Flats will stimulate a lot of activity at Silver Lake in coming months as we conduct geotechnical evaluation, metallurgical test work, and look to put an optimal pit design around the resource" said Silver Lake's Managing Director, Les Davis.

The Christmas Flats resource increases Silver Lake's total open pit inventory at Mount Monger to 658,700 tonnes at 3.62 g/t Au for 76,600 oz. It also increases the total resource inventory at Mount Monger by 19% which now totals 909,700 tonnes at 11.13 g/t Au for 325,500 oz*.

Resource Category	Ore t	Grade g/t Au	Total oz
Indicated	206,500	3.5	23,000
Inferred	247,200	3.5	28,100
Total	**453,700**	**3.5**	**51,100**

Table 1 - Christmas Flats resource

**Refer to ASX announcement dated 21 April 2008 for details on existing resource base at Mount Monger*

Haoma – Multiple Lodes Extend Down Plunge

At depth below the Christmas Flats resource, underground drilling from the Daisy Milano decline has encountered multiple high grade gold intersections consistent with the interpreted down-plunge extensions of the historically exploited Haoma, Austin, and Maranoa lodes (see Figure 3 and Table 2).

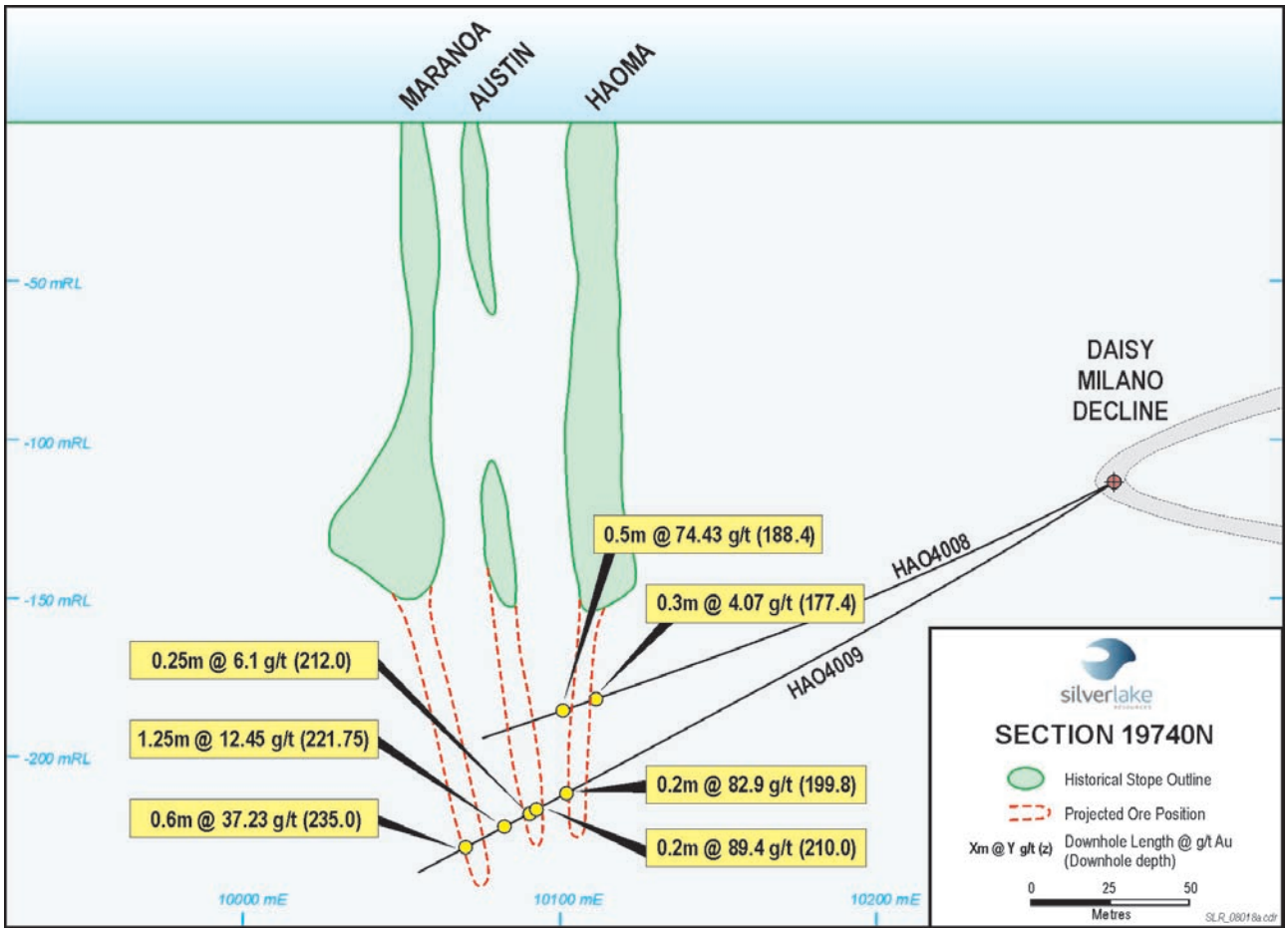


Figure 3 – Haoma, Austin and Maranoa cross section

Hole ID	Mine Grid Northing	Mine Grid Easting	Mine Grid rL	Depth From (m)	Depth To (m)	Downhole Length	Grade g/t Au
HAO4001	19756.65	10275.08	-113.958	177.0	177.5	0.5	7.75
HAO4002	19756.71	10275.10	-114.016	189.0	189.5	0.5	2.00
HAO4003	19756.72	10275.17	-114.232	191.6	192.3	0.7	13.56
HAO4004	19756.6	10275.22	-114.401	190.5	191.3	0.8	2.10
				206.0	206.5	0.5	3.60
HAO4005	19757.72	10275.08	-114.155	199.6	200.1	0.5	3.11
HAO4007	19755.93	10275.33	-114.277	179.35	179.75	0.4	2.34
HAO4008	19755.95	10275.18	-114.093	177.4	177.7	0.3	4.07
				188.4	188.9	0.5	74.43

Table 2- Haoma drilling results grading >2 g/t Au

continues overleaf

Hole ID	Mine Grid Northing	Mine Grid Easting	Mine Grid rL	Depth From (m)	Depth To (m)	Downhole Length	Grade g/t Au
HAO4009	19755.94	10275.31	-114.402	199.8	200.0	0.2	82.90
				210.0	210.2	0.2	89.40
				212.0	212.25	0.25	6.10
				221.75	223.0	1.25	12.45
				235.0	235.6	0.6	37.23
HAO4010	19755.84	10275.33	-114.349	195.5	196.0	0.5	15.90

Table 2- Haoma drilling results grading >2 g/t Au

"Most significantly, these results confirm our view that the high grade Haoma structure extends across the lease boundary that previously restricted mining efforts. Now we are positioned to access these lodes from the Daisy Milano decline, just 200 lateral metres to the east" said Mr Davis. "All of these lodes are open down plunge, right on our doorstep, and we are now assessing our options to develop them." (See Figure 4)

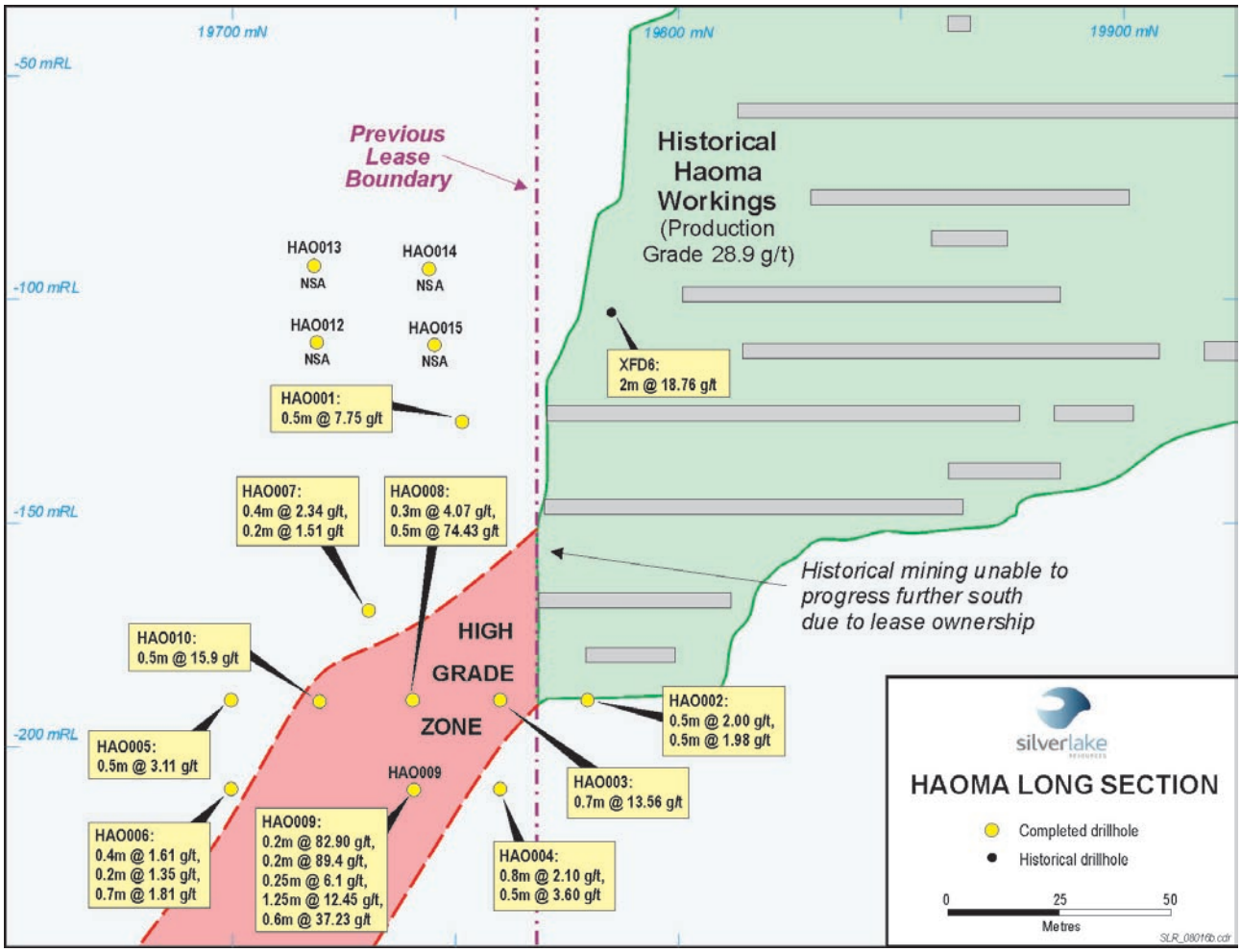


Figure 4 - Haoma long section

Silver Lake will calculate a resource for Haoma underground in the forthcoming quarter.

Mount Monger Operations Update

These new developments follow the successful commissioning of the Company's Mount Monger operation. In summary:

- the Daisy Milano mine unreconciled production to 30 June 2008 was in line with expectations;
- at the Lakewood Gold Processing Facility ("LGPF") some minor commissioning and reliability issues during May saw lower than planned recoveries (88% vs expected 97%) that were partially offset by higher than expected gravity circuit recoveries (80% vs expected 75%); and
- Ore stockpiles as of 30 June 2008 are estimated to contain ~3,700 recoverable oz, with all FY2008 ore to be treated by mid July 2008. Following the completion of this milling campaign, the Company will finalise its reconciliation of production to 30 June 2008 which will be reported in our forthcoming quarterly report.

"Notwithstanding a few unexpected issues with the plant commissioning, the underground mine is ramping up to full production allowing the Company to now focus on mine expansion options from the various open pit and underground targets at Mount Monger and take the LGPF processing plant to full capacity to position Silver Lake for a profitable FY2009" said Mr Davis.

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 a gold producer and explorer with a resource base of 1.2 million oz in highly prospective regions including the Mount Monger goldfield and the Murchison (Tuckabianna, Comet, Moyagee and Rothsay). Silver Lake's strategy is to develop large production centres at Mount Monger and at the Murchison with multiple mines at each centre.

Resource Category	Ore t	Grade g/t Au	Total oz
Measured	93,600	37.9	114,100
Indicated	3,124,300	3.7	367,300
Inferred	3,167,100	6.6	670,200
Total	6,385,000	5.6	1,151,700

Silver Lake's Mount Monger Operation contains 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 less than $500/oz once production has ramped up to 35,000 to 40,000 oz Au pa.

Mount Monger has multi mine potential with the Christmas Flats, Lorna Doone and Costello open cut deposits presently being assessed for mining. The Haoma lode and Caledonian trend also show potential as near term production sources.

Gold ore from Mount Monger is transported to Silver Lake's 300,000 tpa Lakewood Gold Processing Facility located 5 km east of Kalgoorlie and 45 km from the Daisy Milano mine.

A pre-feasibility study has been commissioned to develop Silver Lake's second multi-mine production centre at the Murchison. The study is expected to be completed in the December 2008 quarter.

Silver Lake commenced its exploration programme in January 2008 targeting 2.5 million to 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.

Appendix 1: Notes relating to the Christmas Flats Mineral Resource Statement

Geology

The dominant rock types hosting the gold mineralisation are felsic and mafic units. The former comprises felsic to intermediate pyroclastic rocks and coarse volcanogenic sediments. The overlying mafic unit comprises high magnesium basalt with thin chert members. Both units are intruded by layered ultramafic to mafic sills and dykes of felsic porphyry. Gold mineralisation is hosted by thin (0.1 metre to 1.0 metre wide), sub-vertical dipping quartz veins within north to north-east trending shear zones. Some east-west trending cross cutting veins are also known to be mineralised.

The Christmas Flats resource is a potential open pit and in the area of the mineralisation there is weathered and transitional andesitic rocks which form part of the ore profile.

Data Density

The area known as Christmas Flats has been extensively drilled using aircore, RAB, RC and diamond drilling. Within the resource the drill density is on average 25 metres by 20 metres.

Geological Interpretation

Resource outlines are generated by creating wireframes of interpreted zones of grade continuity. The wireframes are snapped to drill holes and converted into a orebody solid model. This interpretation was carried out by Jeremy Clark of Runge Limited (an independent Perth based consulting firm specialising in geological modelling and resource estimation).

Drilling Technique

The drill hole data used was obtained by surface aircore, RAB , RC and diamond drilling.

Accuracy of Location of Sampling Points

All drill collars were surveyed by mine surveyors or licensed land surveyors. Christmas Flats is drilled on a local grid referenced back to the National Grid system. Drill holes are routinely surveyed downhole using either Eastman single shot or electronic multishot cameras and gyroscopic downhole surveying equipment. Some of the holes (<5%) did not have down hole survey data and these holes were excluded from the interpretation and the resource calculation.

The exact location of some of the historical stope voids is uncertain as is the exact location of historical shafts and drives. Although there is a high level of data density the resource classification has been limited to Indicated and Inferred.

Sampling Techniques

Diamond drill core was whole, half or quarter core sampled and submitted for assaying. The minimum sample interval was 0.1 metre to a maximum of 1.1 metres. Sample intervals were constrained to geological boundaries defined by lithology, alteration or structure.

RC samples were generally sampled at 4 metre intervals in areas not interpreted to be ore zones and at 1 metre intervals within interpreted ore zones. Samples were riffle split in preparation for assay.

Drill Core Recovery

Drill core recovery exceeds 98%.

Specific Gravity

A specific gravity of 1.8 was used for oxide ore, 2.2 for transitional ore and 2.7 for fresh ore.

Quality of Assay Data

Sample preparation and assaying of samples was done by AMDEL Laboratories Ltd in Kalgoorlie. The fire assay method used by the laboratory was the FA1 or the FA1UG method. This used a 40 gram charge and had a detection limit of 0.01 ppm Au with an accuracy of +/- 10% for assays of greater than 0.5 ppm Au. The screen fire assay method was used whenever visual gold was observed by the geologist logging a drill hole. This method was also used on sample coarse rejects when assays were unexpectedly high or low.

Quality of Data Description

All drill holes were logged by mine site geologists and external specialists. Features relating to lithology, alteration type, alteration intensity, vein type, vein intensity as well as structural features are captured and stored in an electronic database. Drill core is also photographed.

Some of the historical data used had observations relating to colour and texture and whether the rock type drilled was calcrete, sheared or fresh. The lithologies documented in the historical data were easily correlated to lithological codes used currently.

Estimation Techniques

Three dimensional orebody outlines and block models were generated by Runge. The grade interpolation method was Inverse Distance Squared based on drillhole data and geological interpretations provided by Silver Lake.

Cut-off Grades

Usual statistical methods were used to determine the top cut for the gold distribution. The orebody style leads to a high top cut due to the high nugget. The lower cut-off grade used is 1 g/t Au as this is the marginal cost of transport and milling combined.

Metallurgical Considerations

No metallurgical test work has been done to date on the samples collected by Silver Lake. This is planned in the near future as part of a mining study.