

ASX ANNOUNCEMENT

10 December 2007

Silver Lake Brings Daisy Milano Back Into Production

Silver Lake Resources Ltd ("Silver Lake") is pleased to announce that production has recommenced at its recently acquired Daisy Milano gold mine, with the first ore trucked out of the mine under Silver Lake's ownership on Monday 10 December 2007.

"Silver Lake previously announced that production would recommence in the March quarter 2008, and thanks to the commitment of our team we are delighted to have well and truly beaten that target," Managing Director Les Davis said.

Silver Lake expects to produce 10,000 - 15,000 oz of gold from Daisy Milano by 30 June 2008, and ramp up to 35,000 - 40,000 oz of gold per annum production rates from 1 July 2008. Infill exploration drilling has commenced on levels 17 through 20 to underpin the next 12 months' production.

"To go from an emerging gold producer to an actual gold producer in less than 4 weeks from taking ownership of the mine is an exceptional achievement and delivers on our strategy of near term production," Mr Davis added.

"This tremendous result is a testament to the care and maintenance regime implemented in March 2007 under Perilya's ownership; and to the operational capability of Silver Lake's new management team and the production crew we have already attracted to Daisy Milano."

In a difficult resource industry recruitment climate Silver Lake has assembled an experienced and capable management team who are rapidly executing the company's strategy:

- Daisy Milano Resident Manager David Crockford has extensive experience in narrow vein mining methods and contract mining gained from previous roles including MPI Mines' Black Swan Nickel Mine, and Leviathan Resources in Coolgardie.
- Exploration Manager Noel Ong has 16 years' experience in the mineral exploration industry working in gold and other commodities. He has previously held positions with Great Central Mines, Ashton Mining, Australasian Gold Mines, and Golder & Associates.
- Commercial Manager Peter Armstrong's 25 years' industry experience includes senior commercial roles with Normandy Mining, WMC Resources and Newcrest. Peter has experience across a range of businesses including gold, nickel, copper, coal, and iron ore.

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 Limited:

Silver Lake is a gold production and exploration company with a resource base of 3.88 million tonnes at 6.7 g/t Au for 830,000 oz of gold across its portfolio of assets including the Mount Monger goldfield and its Murchison projects (Moyagee, Tuckabianna and Rothsay).

Silver Lake's core project is the Daisy Milano mine situated on the Mount Monger tenements located 50 kilometres south east of Kalgoorlie. Silver Lake commenced production at Daisy Milano in December 2007, targeting 10,000-15,000 oz of gold by 30 June 2008.

Silver Lake has a 300,000 tpa processing facility located 5km east of Kalgoorlie that is undergoing modifications and a refurbishment programme. The first gold pour from Daisy Milano ore is planned for February 2008.

Silver Lake will also commence its 3 year, \$15 million exploration programme early in 2008.