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Silver Lake Resources Ltd ("Silver Lake" or "the Company") is pleased to present this Quarterly Activities Report.



Les Davis
Managing Director

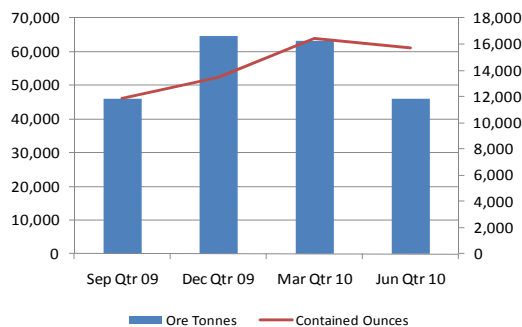
QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 June 2010

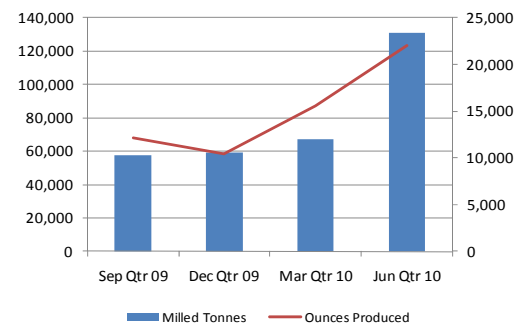
Highlights

- 70% increase in JORC resource inventory to 2.5 million oz of gold at a sustained high grade
- Significant drill intersections at the Magic deposit including 11 metres at 59.4 g/t Au
- June Quarter operating cashflow A\$14.2 million
- Cash & Bullion on hand totalling A\$36.1 million
- 35% increase in full year gold in ore production totalling 66,671 oz
- Full year (unaudited) pre-tax profit of A\$16.7 million
- Record quarterly ounces produced totalling 22,000 oz
- Acquired North Monger Project with near term production potential

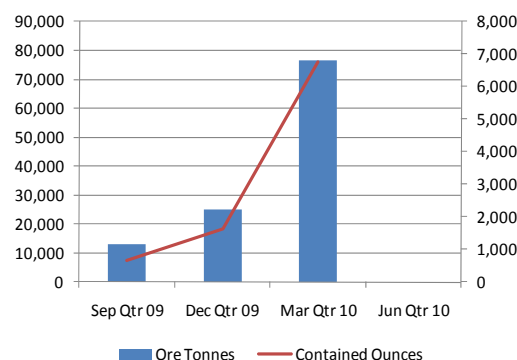
Operations - Underground



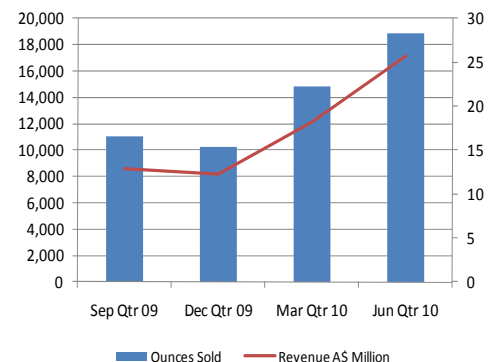
Operations - Processing



Operations - Open Pit



Gold Sales & Revenue



Quarterly Overview

Silver Lake's strategy is to develop large production centres at Mount Monger and at the Murchison with multiple mines at each centre. Further strategic milestones were reached during the quarter, including:

Mount Monger Operations:

- mining from two underground mines at the Mount Monger Operations (Daisy Milano and Daisy East);
- successful exploration leading to a 177% increase in the company's JORC Resource inventory at Mount Monger at a sustained high grade which now totals 1.1 million ounces of gold (refer to table 3) providing an extended mine life and additional potential ore sources; and
- acquisition of North Monger with near term production potential at Wombola Pit and Wombola Dam.

Murchison Projects:

- successful exploration on multiple fronts has increased the company's resource inventory in the Murchison by 37% to 1.3 million ounces of gold at a sustained high grade (refer to table 3) enhancing the near term production potential of the Murchison; and
- ongoing work on low capital milling and production options in this area.

Operations

Quarterly gold in ore production from the Mount Monger Operations totalled 15,749 ounces including:

Daisy Milano 11,749 ounces; and

Daisy East 4,000 ounces.

Gold in ore production was lower than the previous quarter due to no open pit production. A mining study is nearing completion for Costello and mining studies have commenced for Wombola Pit and Wombola Dam.

Full year gold in ore production totalled 66,671 ounces, 35% higher than the previous year. Ore stocks at the end of the quarter totalled 50,000 tonnes containing 4,000 ounces of gold.

Gold produced for the quarter totalled 22,019 ounces, 42% higher than the previous quarter. Full year gold produced totalled 60,146 ounces, 27% higher than the previous year.

Gold bullion sold for the quarter totalled 18,851 ounces at an average realised price of A\$1,366 oz for A\$25.7 million revenue. Gold bullion sold for the year totalled 54,969 ounces at an average realised price of A\$1,257 for A\$69.1 million revenue. Bullion refined and not sold at the end of the quarter totalled 3,078 ounces.

Cash operating costs for the quarter were A\$553 per ounce and operating cashflow was A\$14.2 million. Cash and bullion on hand as of 30 June 2010 totalled A\$36.1 million.

Exploration

Successful exploration throughout the year has delivered a 70% increase in the company's JORC Resource inventory to 2.5 million ounces of gold as of 30 June 2010 (refer to table 3).

Not all of the recent drilling success has been included in the latest inventory as drilling is ongoing. A further resource upgrade will be announced in January 2011 to include:

- expanded resources at Magic and Daisy East;
- maiden resources for Lena South, Leviticus and Numbers in the Murchison; and
- other resources as defined by our ongoing drilling campaigns over the next six months.

The company announced a number of significant intersections at the Magic deposit located 3km south of Daisy Milano during the quarter, including 11 metres at 59.4 g/t.

Mount Monger	Units	Jun Qtr 2010	Mar Qtr 2010	Dec Qtr 2009	Sep Qtr 2009	Full Year 09/10	Full Year 08/09
<u>Daisy Milano (including low grade)</u>							
Ore hoisted	Tonnes	36,119	61,233	62,722	48,651	208,725	150,820
Mined grade ¹	g/t Au	10.1	7.2	6.3	7.3	7.5	10.0
Gold in ore hoisted	Oz	11,749	14,187	12,746	11,353	50,035	48,609
<u>Daisy East</u>							
Ore hoisted	Tonnes	9,902	2,009	2,481	2,000	16,392	-
Mined grade	g/t Au	12.5	34.8	9.7	9.7	14.5	-
Gold in ore hoisted	Oz	4,000	2,246	771	621	7,638	-
<u>Christmas Flat - Open Pit</u>							
Ore hoisted	Tonnes	-	76,607	25,192	13,000	114,799	3,000
Mined grade ¹	g/t Au	-	2.7	2.0	1.6	2.4	2.0
Gold in ore hoisted	Oz	-	6,715	1,610	673	8,998	193
Total Ore hoisted ²	Tonnes	46,021	139,849	90,395	63,651	339,916	162,863
Mined Grade ²	g/t Au	10.6	5.2	5.2	6.2	6.1	9.4
Gold in ore hoisted	Oz	15,749	23,148	15,127	12,647	66,671	49,272
Ore Milled ²	Tonnes	131,018	67,424	59,124	57,777	315,343	160,103
Head grade ²	g/t Au	5.5	7.5	5.7	6.8	6.2	9.7
Contained gold	Oz	23,285	16,168	10,904	12,664	63,021	50,067
Recovery	%	95	96	96	96	95	95
Gold produced	Oz	22,019	15,537	10,435	12,155	60,146	47,334
Gold refined & sold ²	Oz	18,851	14,844	10,225	11,049	54,969	48,353

Table 1: Mount Monger Operations production statistics

Notes to Table 1:

1: Daisy Milano production for April 2010 & May 2010 has been reconciled through the mill. June 2010 production was still being milled at the end of the quarter. 69,500 tonne of Christmas Flat ore production has been reconciled through the mill. Stockpiled ore continues to be processed.

2: Ore mined and milled is from all ore sources. Bullion refined and not sold at the end of the quarter totalled 3,078 ounces.

Mount Monger Operations

- **Safety**

There were no Lost Time Injuries (“LTI’s”) during the quarter with the 12 month moving average Lost Time Injury Frequency Rate (LTIFR) standing at zero.

- **Underground production - Daisy Milano**

Underground ore production for the quarter totalled 36,119 tonnes at an average grade of 10.1 g/t Au for 11,749 oz.

High grade ore was predominately sourced from the 2501 and 2601 stopes and strike driving to the south on the 27 and 28 levels was completed with the high grade zones intersected to the south as expected. Stope sequencing is continuing on the 21, 22 and 23 levels in the lower grade zones north of the dolerite dyke retreating back to the higher grade zones to the south (refer to figure 1 for grade contours). Access development commenced to the 29 and 30 levels. Decline development below the 30 level will commence in the forthcoming quarter.

Approximately 60% of the ounces produced for the quarter came from stoping activities with the balance from level development.

Due to the successful underground drilling programme extending the mineralisation down to 800 vertical metres, the June 2010 resource at Daisy Milano has increased to 623,700 ounces of gold. It is expected that mine development will progressively extend down to 800 vertical metres where the mineralisation is still open at depth.

A 520 metre deep ventilation shaft is planned to be excavated from the 27 level to the surface over the coming year to increase primary ventilation flow allowing increased production from independent mining fronts at Daisy Milano, Daisy East and other near mine production sources. The cost of the ventilation shaft, ventilation fan and surface infrastructure is budgeted at A\$5 million.

Post completion of the ventilation shaft in June 2011 the underground infrastructure can support multiple mining fronts with the view of underground production ramping up to ~200,000 ounces per annum by 2014 (pending further exploration success at Emma, Rosemary, Haoma and Maranoa).

- **Underground production - Daisy East**

Underground ore production for the quarter totalled 9,902 tonnes at an average grade of 12.5 g/t Au for 4,000 oz.

Production is currently being sourced from development ore on the 9, 14 and 15 levels and another stoping panel has been completed on the 8 level (discovery drive). An internal decline has commenced from the 10 level which is planned to break through to the 14 level incline.

Ore development will be the primary source of Daisy East production for the coming year as the ventilation shaft is being constructed. Post completion of the ventilation shaft, waste development to the 300 metre vertical extent of the current mineralisation will have been completed allowing stoping blocks to commence and production ramp up to occur.

Ongoing drilling and development at Daisy East has resulted in a maiden JORC Resource of 114,600 tonnes at 38.7 g/t Au for 142,600 ounces (refer to table 3).

- **Gold Production - Lakewood Gold Processing Facility**

Record mill production occurred during the quarter. 131,018 tonnes were milled at 5.5 g/t Au for 22,019 ounces recovered. Mill feed consisted of 57% hard rock and 43% oxide (soft rock). Ore stocks at the end of the quarter totalled 50,000 tonnes containing 4,000 ounces of gold.

- **Gold Sales**

18,851 ounces were refined and sold at an average realised price of A\$1,366 oz during the quarter. Bullion refined and not sold at the end of the quarter totalled 3,078 ounces.

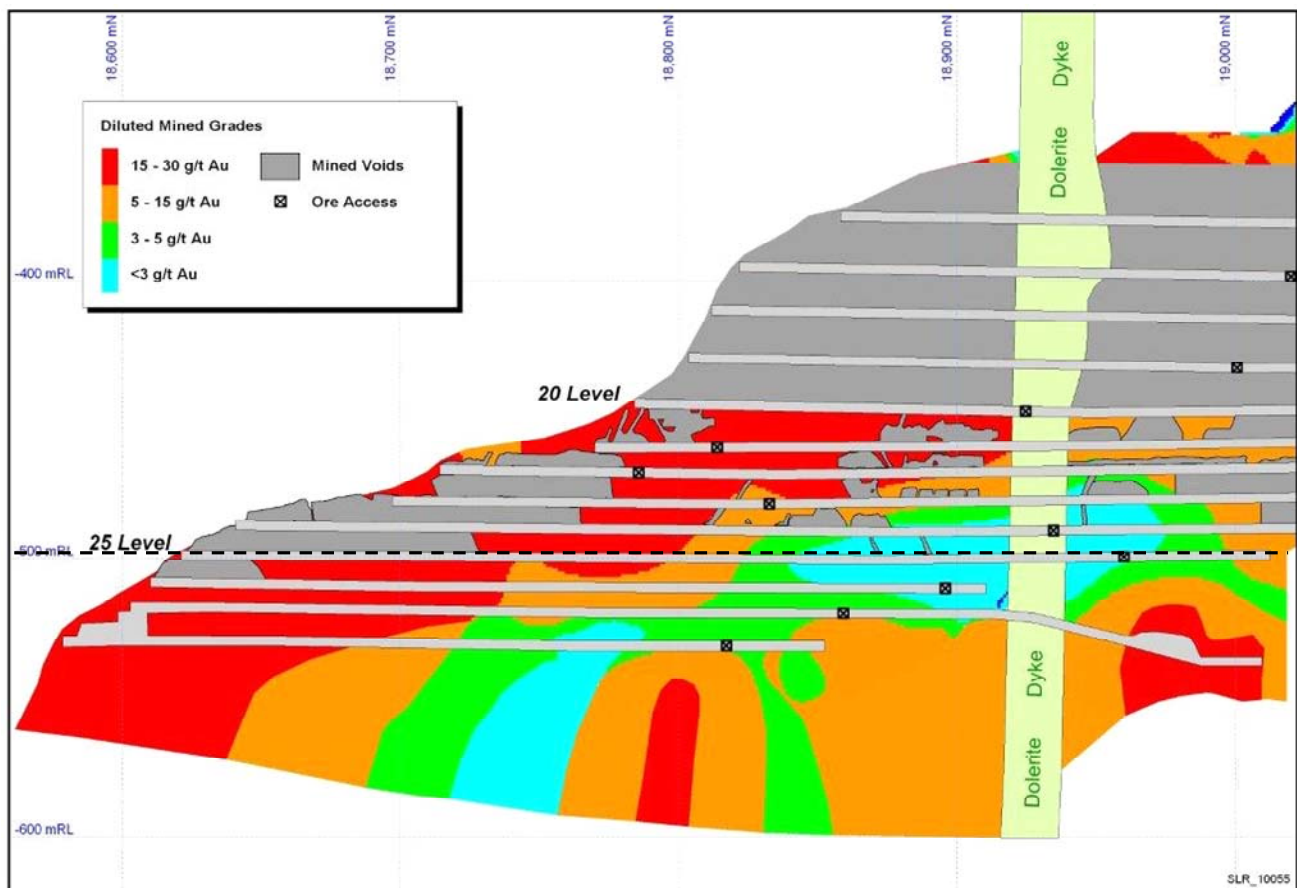


Figure 1: Long section of Daisy Milano and Daisy Deeps indicating gram metre contours.

Area above dotted line (500 vertical metres or 25 level) is referred to as Daisy Upper and area below is referred to as Daisy Deeps.

The red and orange areas are the high grade zones and the green and blue areas are the lower grade zones.

Grey areas shown are the mined voids.

Long section represents footwall mineralisation only and excludes hanging wall mineralisation.

- Unit Costs

Cash operating costs¹ for the quarter were A\$553 per oz. Cash operating costs were marginally higher than the previous quarter due to lower ounces mined over the fixed cost base as a result of no open pit production. Full year cash operating costs were 8% lower than the previous year.

	Units	Jun Qtr 2010	Mar Qtr 2010	Dec Qtr 2009	Sep Qtr 2009	Full Year 09/10	Full Year 08/09
<u>Cash Operating Cost</u> ¹	<u>A\$oz</u>	<u>553</u>	<u>490</u>	<u>742</u>	<u>746</u>	<u>597</u>	<u>647</u>

Waste development costs² for the quarter were A\$225 per oz. Waste development costs were higher than the previous quarter due to developing Daisy East. Full year waste development costs were higher than the previous year due to developing Daisy East and Christmas Flat open pit. The financial benefit of increased waste development costs during the year has not been fully realised as Daisy East is in early stage production and approximately 40% of ounces mined from Christmas Flat remain to be processed.

	Units	Jun Qtr 2010	Mar Qtr 2010	Dec Qtr 2009	Sep Qtr 2009	Full Year 09/10	Full Year 08/09
Waste Development Cost ²	A\$oz	225	163	212	342	228	95

Total cash costs³ for the quarter were A\$822 per ounce.

Cost Centre	Units	Jun Qtr 2010	Mar Qtr 2010	Dec Qtr 2009	Sep Qtr 2009	Full Year 09/10	Full Year 08/09
<u>Cash Operating Cost</u> ¹	<u>A\$oz</u>	<u>553</u>	<u>490</u>	<u>742</u>	<u>746</u>	<u>597</u>	<u>647</u>
Waste Development Cost ²	A\$oz	225	163	212	342	228	95
Royalties	A\$oz	44	39	37	35	39	38
<u>Total Cash Cost</u> ³	<u>A\$oz</u>	<u>822</u>	<u>692</u>	<u>990</u>	<u>1,123</u>	<u>864</u>	<u>780</u>
Average realised price	A\$oz	1,366	1,231	1,206	1,152	1,257	1,200
Revenue	A\$M	25.7	18.3	12.3	12.7	69.1	58.0

Table 2: Mount Monger Operations financial statistics

Notes to Table 2.

1: Cash operating costs include all direct underground and open pit mining costs, road transport and processing costs during the period of occurrence.

2: Waste Development costs include all underground capital decline development and waste ore access development costs and costs for mining open pit waste material during the period of occurrence.

3: Total cash cost are inclusive of cash operating costs, waste development cash costs and royalties.

Exploration and Development - Mount Monger

Exploration activities are ongoing at the company's Mount Monger Operations (refer to figure 2 for location plan and drilling targets).

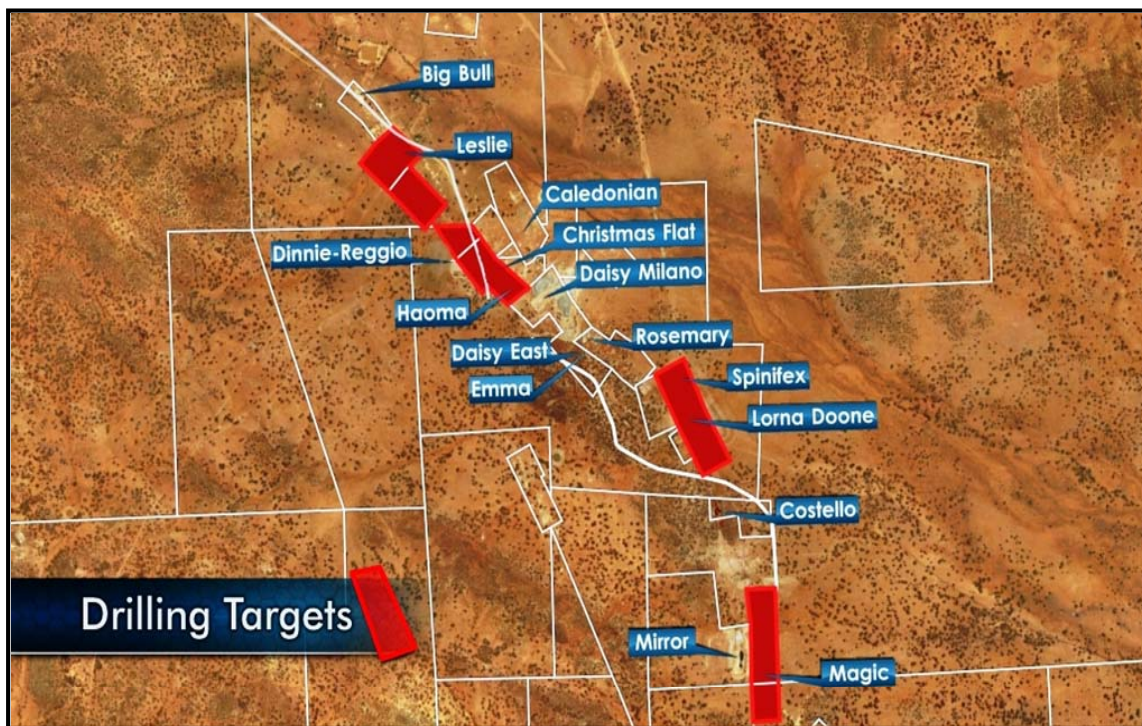


Figure 2: Mount Monger projects location plan showing drilling targets.

- **Daisy Deeps**

The area within the Daisy Milano mineralised system below 500 vertical metres from the surface is referred to as Daisy Deeps (refer to Figure 1). Underground drilling has confirmed that the mineralisation extends to an 800 metre depth which remains open.

Drilling throughout the year at Daisy Deeps (including Daisy Milano) has resulted in a 142% increase to the JORC Resource which now totals 754,400 tonnes at 25.7 g/t Au for 623,700 ounces (refer to table 3).

Refer to ASX announcement 29 July 2010 for further information.

- **Daisy East**

Ongoing drilling and development at Daisy East has increased the mineralised structure to over 200 vertical metres and resulted in a maiden JORC Resource of 114,600 tonnes at 38.7 g/t Au for 142,600 ounces (refer to table 3).

Drilling is ongoing to define the northern extent of the mineralisation.

Refer to ASX announcement 29 July 2010 for further information.

- **Magic**

Assay results were received during the quarter for a 3 hole diamond and 20 hole RC drilling programme at the Magic deposit located 3 kilometres south of the Daisy Milano mine (refer to figure 2 for location). This drilling was designed to test the mineralisation around the planned open pit shell to the north, south and at depth.

The drilling programme intersected significant mineralisation of 11 metres at 59.4 g/t Au from 251 metres and 10 metres at 19.1 g/t Au from 52 metres.

Drilling to date has increased the JORC Resource at Magic by 172% to 1.09 million tonnes at 4.4 g/t Au for 152,800 ounces (refer to table 3).

Applications have been submitted for the next drilling sites and drilling will recommence targeting the thick high grade mineralised zones in the forthcoming quarter. It was planned to commence open pit mining at Magic in the December 2010 quarter however, given the potential significance of the deposit, drilling will be the focus in the near term.

Refer to ASX announcement 25 May and 29 July 2010 for further information.

- **Costello**

Assay results were received during the quarter for a 2 hole diamond and 69 hole RC drilling programme at the Costello deposit located 2 kilometres south of the Daisy Milano mine (refer to figure 2 for location plan). This drilling was designed to infill and extend the mineralisation to finalise the open pit shell and mining study.

The drilling programme intersected near surface, thick, high grade mineralisation that remains open at depth and to the north and south. Numerous drill holes intersected mineralisation outside of the previous resource. This drilling has resulted in a 123% increase to the JORC Resource which now totals 243,200 tonnes at 3.2 g/t Au for 25,000 ounces (refer to table 3).

A mining study is nearing completion for Costello and all required regulatory documentation has been submitted to allow for timely commencement of the project. Metallurgical test work has been completed and the ore is free milling and ideally suited for processing at LGPF.

Refer to ASX announcement 1 June and 29 July 2010 for further information.

- **Emma & Rosemary**

Further drilling is being planned and geological interpretations are ongoing at Emma and Rosemary.

Refer to figure 2 for location plan.

- **North Monger**

The recent acquisition of North Monger includes a gold resource of 80,300 ounces (refer to table 3).

Mining studies have commenced for Wombola Pit and Wombola Dam with the view of commencing production in the near term. Exploration targets are being ranked and drilling will commence in the September 2010 quarter.

Refer to ASX announcement 5 July 2010 for further information.

Exploration and Development - Murchison

Exploration activities are ongoing at the company's Murchison projects (refer to figure 3 for location plan).

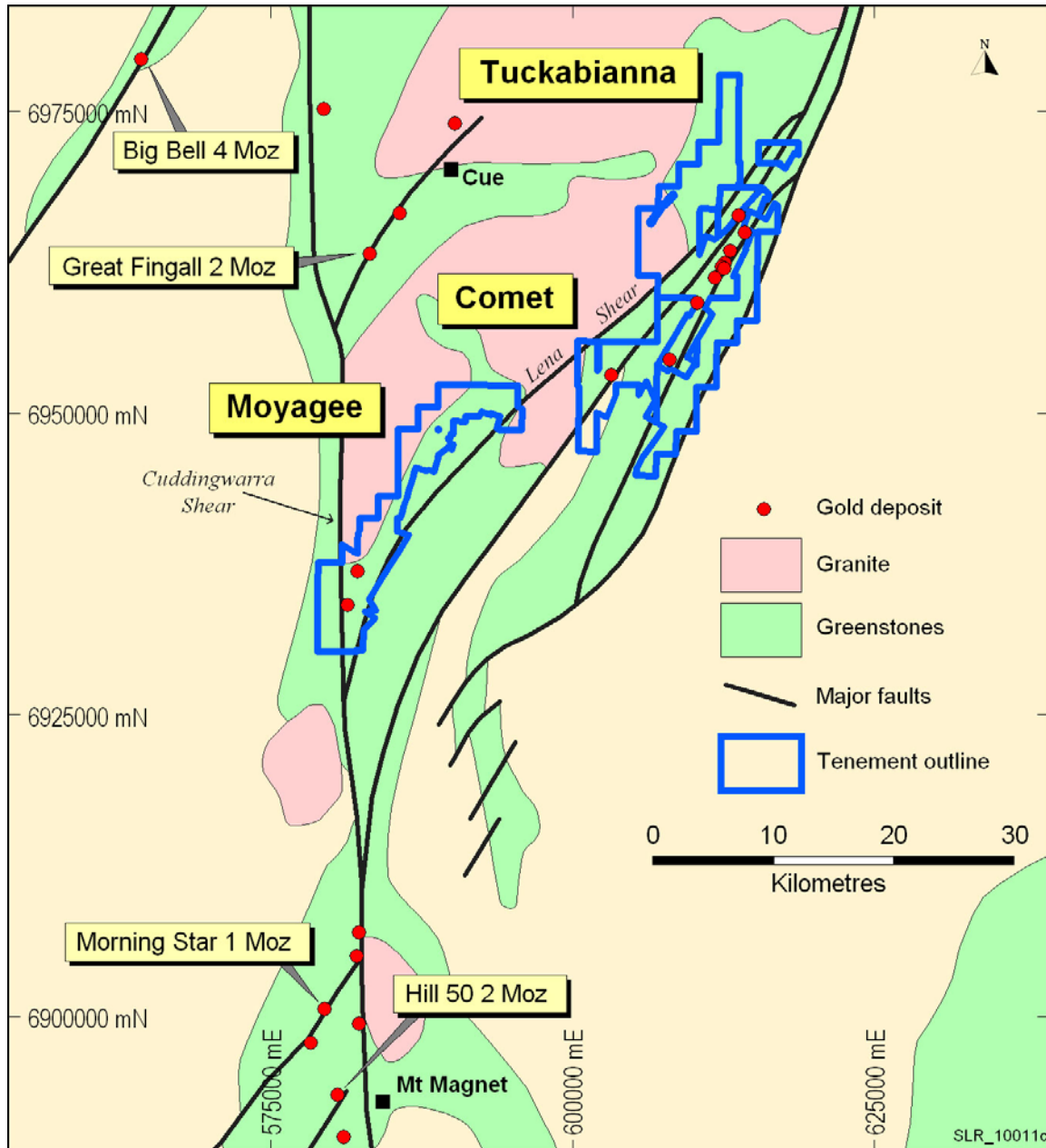


Figure 3: Murchison projects location plan.

Tuckabianna

Drilling during the quarter focused on the highly prospective, 13 km long Tuckabianna main zone (refer to figure 4) that has already produced 375,000 oz of gold from open pit mines and the new discovery of Genesis, 200 metres east and parallel to the Tuckabianna main zone.

As a result of successful drilling throughout the year the Tuckabianna JORC Resource has increased by 51% and now totals 8.9 million tonnes at 2.40 g/t Au for 679,600 ounces (refer to table 3).

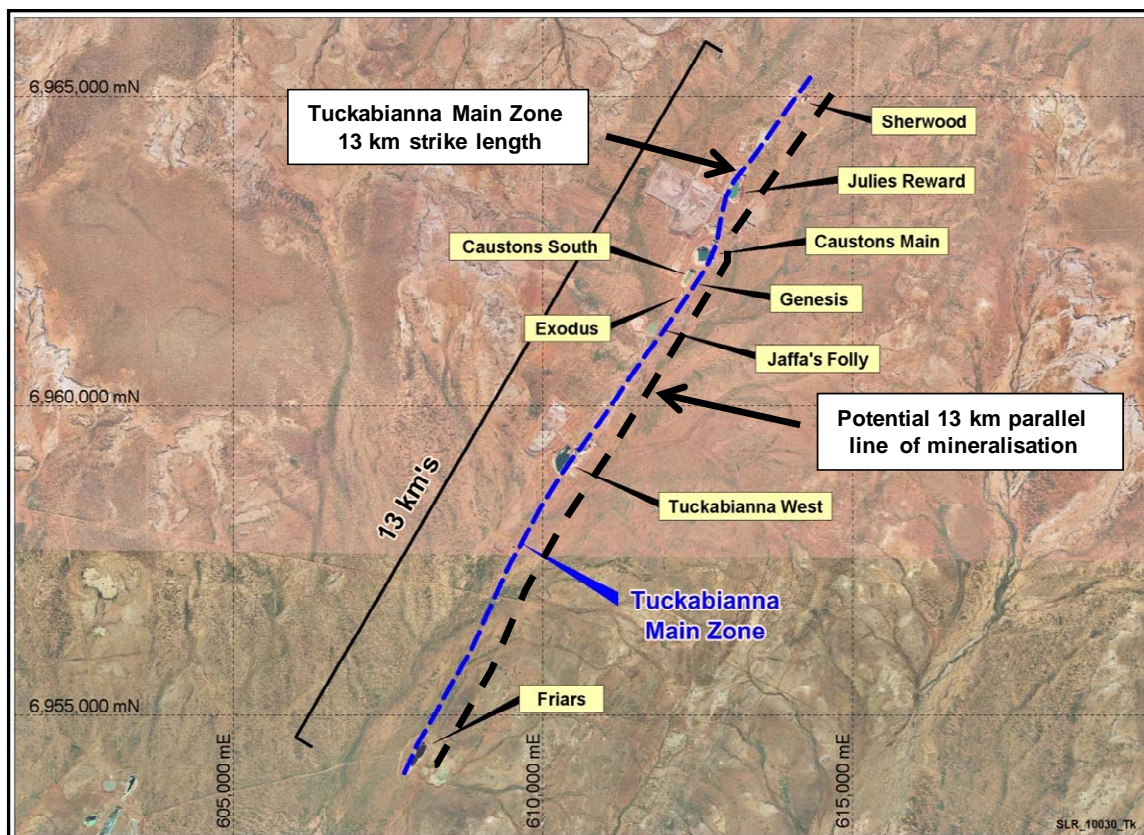


Figure 4: Aerial view of 13km long Tuckabianna main zone showing previous open pit mines that produced 375,000 oz of gold.

- **Caustons South, Exodus & Genesis**

A 17 hole RC and 3 hole diamond drilling programme was completed at Caustons South and Genesis deposits during the quarter (refer to figure 4 for location plan) for a total of 2,286 drill metres. The drilling programme was designed to extend the mineralisation south and at depth in both deposits. Assay results are expected early in the September 2010 quarter.

Previous drilling in these areas has resulted in a maiden JORC Resource totalling 1.6 million tonnes at 2.4 g/t Au for 121,000 ounces (refer to table 3)

Refer to ASX announcement 29 July 2010 for further information.

Comet

A 19 hole RC and 9 hole diamond drilling programme was completed at the Comet deposit during the quarter (refer to figure 3 for location plan) for a total of 2,975 drill metres. The drilling programme was designed to extend the mineralisation south and at depth. Assay results are expected early in the September 2010 quarter.

Previous drilling in this area has resulted in a 43% increase in the JORC Resource to 4.0 million tonnes at 3.3 g/t Au for 417,800 ounces (refer to table 3)

Refer to ASX announcement 29 July 2010 for further information.

Moyagee

The Moyagee Project (refer to figure 3 for location plan) contains 35 km of the highly prospective Lena Shear zone. The Lena deposit is located in this shear zone and already has a JORC Resource of 820,000 tonnes at 8.5 g/t Au for 224,200 oz (refer to table 3). Lena South, Leviticus and Numbers prospects are also contained within the Lena shear zone (refer to figure 5 for location plan).

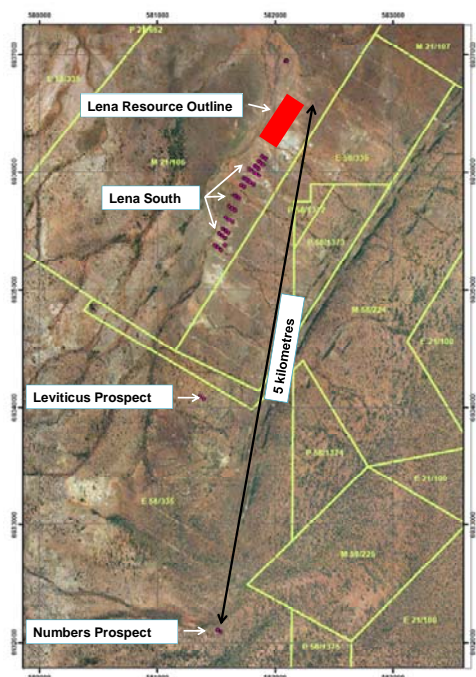


Figure 5: Aerial view of Lena, Lena South, Leviticus and Numbers locations.

- Lena South, Leviticus & Numbers

A 39 hole RC drilling programme was completed at the Lena South, Leviticus and Numbers deposits during the quarter (refer to figure 5 for location plan) for a total of 3,525 drill metres. The drilling programme was designed to infill the mineralisation to the south between Lena and Numbers. Assay results are expected early in the September 2010 quarter.

Infill drilling between the previously drilled sections is in progress and a maiden resource will be announced for Lena South, Leviticus and Numbers in January 2011.

- Other

As part of ongoing activities at Rothsay, sampling was undertaken over a 3km strike length on the banded iron formation at the project located adjacent to Gindalbie Metals Ltd's Karara iron ore project. The results were encouraging with the samples averaging 43% Fe. Supplementary activities will be undertaken in the forthcoming quarter.

Resources

The company's JORC Resource inventory has increased significantly and as at 30 June 2010 totalled 2.5 million ounces as detailed below.

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
Cautsons	-	-	-	625.6	3.9	78.2	462.2	3.3	48.9	1,087.8	3.6	127.1
Cautsons 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	-	-	-	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 3: June 2010 Resource Inventory

Rounding may give rise to unit discrepancies in this table

Notes to table 3:

1: Settlement for the North Monger transaction is expected to occur in the September 2010 quarter.

Finance

During the quarter Silver Lake invested in the future growth of the company including accelerated exploration activities at Mount Monger and the Murchison and the acquisition of the North Monger project.

Cash & cash equivalents at the end of the quarter totalled A\$36.1 million comprising:

- ▶ A\$31.9 million in cash; and
- ▶ A\$4.2 million in bullion on hand.

Full year pre-tax (unaudited profit) totalled A\$16.7 million.

The company remains debt free.

Cash Flow (Unaudited)	Jun 2010 Quarter (A\$ Million)
<u>Revenue Receipted & Gold Bullion on Hand¹</u>	<u>26.3</u>
Payment to Operating Suppliers & Employees	(11.3)
Royalties	(0.8)
<u>Operating Cash Flow</u>	<u>14.2</u>
Exploration	(3.6)
Capital Development	(2.1)
Capital Works	(0.3)
<u>Cash Flow from Operations</u>	<u>8.2</u>
Business Development	(0.1)
Corporate Overheads	(0.7)
<u>Net Cash Flow</u>	<u>7.4</u>
Opening Cash in Bank & Bullion	28.7
<u>Closing Cash in Bank & Bullion</u>	<u>36.1</u>

Table 4: Statement of Cash Flows

Notes to Table 4 and cash on hand:

1: Revenue receipted in cash was A\$24.5 million. Gold bullion on hand is the difference in value between bullion on hand at the end of March 2010 quarter and bullion on hand at the end of the June 2010 quarter.

Corporate

Business Development:

- ▶ Silver Lake purchased Cortona Resources Limited's 90% interest and Mr Peter van der Borgh's 10% interest in the North Monger Project. Consideration for the transaction is a cash payment of A\$3 million which will be funded from cash reserves with settlement expected in the September 2010 quarter.

Investor Relations:

- ▶ Managing Director Mr Les Davis conducted a global roadshow in April 2010 and presented an update on the company's activities to numerous international institutions.
- ▶ Silver Lake also presented at a number of investor conferences during the quarter:
 - ▶ 26 April 2010 at the Khandaker Global Mining Investment Conference in New York.
 - ▶ 11 May 2010 at the RIU Conference in Sydney.
 - ▶ 1 June 2010 at the AMEC International Mining Convention in Perth.
- ▶ Silver Lake continued its commitment to the gold industry and shareholders by offering 1oz gold coin(s) to shareholders commemorating the pouring of the company's first 100,000 oz of gold which occurred in May 2010.

- **Issued Share Capital**

Class of Securities	Issued capital
Fully Paid Ordinary Shares	178,757,838

- **Unlisted Options**

Unlisted Options	Exercise price	Expiry date
24,000,000	A\$0.30	31 December 2012
365,000	A\$0.30	29 January 2013

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

For further information please contact

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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 located 50 km south east of Kalgoorlie.

Mount Monger has additional multi mine potential underpinned by emerging open pit production from Magic, Costello and Lorna Doone 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.

The Company continues to review low capital milling options for the Murchison project. Ongoing exploration will focus on extending current resources that are 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 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.