Suite 4, Level 3
South Shore Centre
85 South Perth Esplanade
South Perth WA 6151
TEL +61 8 6313 3800
FAX +61 8 6313 3888
ABN 38 108 779 782

ASX ANNOUNCEMENT **5 December 2012**

High Grade, Near Surface Zinc Intersections At Mount Eelya

Highlights

- **Latest assay results from Mount Eelya included near surface zinc grades of 9.9%**
- **Assay results received included:**
  - 7.0 metres at 9.9% Zn, 1.2% Cu, 0.3 g/t Au, & 12 g/t Ag from 29 metres (including 1.3 metres at 34.6% Zn from 29.6 metres); and
  - 2.3 metres at 9.9% Zn, 0.5% Cu & 17 g/t Ag from 19 metres
- **Potential for 10 km base metal/gold corridor unfolding**

Silver Lake Resources Ltd ("Silver Lake") is pleased to announce an update on drilling activities at Mount Eelya within the Eelya Complex part of the Murchison project located 600 km North of Perth (refer to figure 5). Silver Lake is undertaking a $20 million exploration programme targeting copper and other base metals within the Eelya Complex.

Background – Eelya Complex

The Eelya Complex has been stripped of its laterite by erosion, exposing moderately weathered bedrock. The granodiorite which forms the core of the complex is described as unusual by the Geological Survey of Western Australia because it has the field relationships of post-tectonic granite yet it is completely recrystallised. It is flanked by felsic schists composed of varying amounts of muscovite, sericite, quartz, chlorite and minor pyrite.

Only limited base metals exploration was conducted in the region by previous explorers during the 1970's. This work included mapping, geochemical sampling and some drilling. Massive sulphide mineralisation hosted by felsic volcanic rocks was identified, as were extensive gossanous zones at surface. The region hosts a felsic volcanic rock complex that indicates the potential for volcanic massive sulphide ("VMS") mineralisation as well as other potential styles of mineralisation.

Silver Lake commenced drilling at the Eelya Complex in September 2011 and since then mineralisation has been intercepted along a 10 km mineralised corridor including Hollandaire, Mount Eelya and Colonel (refer to figure 4). The Rapier pit (refer to figure 4) is located within this corridor and was mined by Newcrest in 1993. Gold ore mined from the open pit totalled 113,000 tonnes at an average grade of 2.97 g/t au for ~11,000 oz. The ore was associated with pyrite, quartz with minor chalcopyrite, pyrrhotite and molybdenite.

Mount Eelya

The Mount Eelya area is located ~6 km north of Hollandaire (refer to figure 4) and is characterised by a thick tonalite intrusion that contains both mafic and sediment clasts. Mineralisation is hosted within an iron rich sediment layer within this tonalite. Mineralisation is dominated by chalcopyrite and sphalerite with lesser amounts of magnetite and haematite. Based on limited information to date the geology appears different to the Hollandaire Copper/Gold deposit.

Assays have been received from the recent drilling programme (refer to table 1 and figures 1,2 & 3). These assays contain copper, gold, silver and high concentrations of zinc up to 34.6% within 20 to 30 metres metres of the surface. Further drilling is planned upon completion of down hole geophysics.

Hole ID	Northing	Easting	rL	Azimuth (Deg)	Dip (Deg)	From (m)	To (m)	Down hole Interval (m)	Grade Zn %	Grade Cu %	Grade g/t Au	Grade g/t Ag
12EEDD001	6977464	612903	453	45	-50	29.00	36.00	7.0	9.9	1.2	0.3	12
including						29.60	30.90	1.3	34.6	0.3	0.1	6
12EEDD003	6977440	612944	454	45	-50	19.00	21.30	2.3	9.9	0.5	0.0	17
12EEDD003	6977408	612982	454	45	-50	34.27	35.30	1.0	0.3	0.5	0.0	3
12EEDD004	6977396	612914	454	45	-70	154.33	157.15	2.8	0.2	1.3	0.3	5

Table 1: Mount Eelya assay results

"We are encouraged with the base metal and gold mineralisation intersected along a 10 km trend zone from Hollandaire in the south to Colonel in the north" said Silver Lake's Managing Director Les Davis.

"This trend zone also hosts the previously mined Rapier gold deposit and now the recent drilling has intersected near surface high grade zinc at Mount Eelya. Limited drilling to date is encouraging and the base metal and gold potential within this trend is unfolding" Mr Davis added.

For further information please contact

Les Davis
Managing Director
+61 8 6313 3800
contact@silverlakeresources.com.au

Figure 1: Drill hole 12EED0011 showing drill core with sphalerite & pyrite.

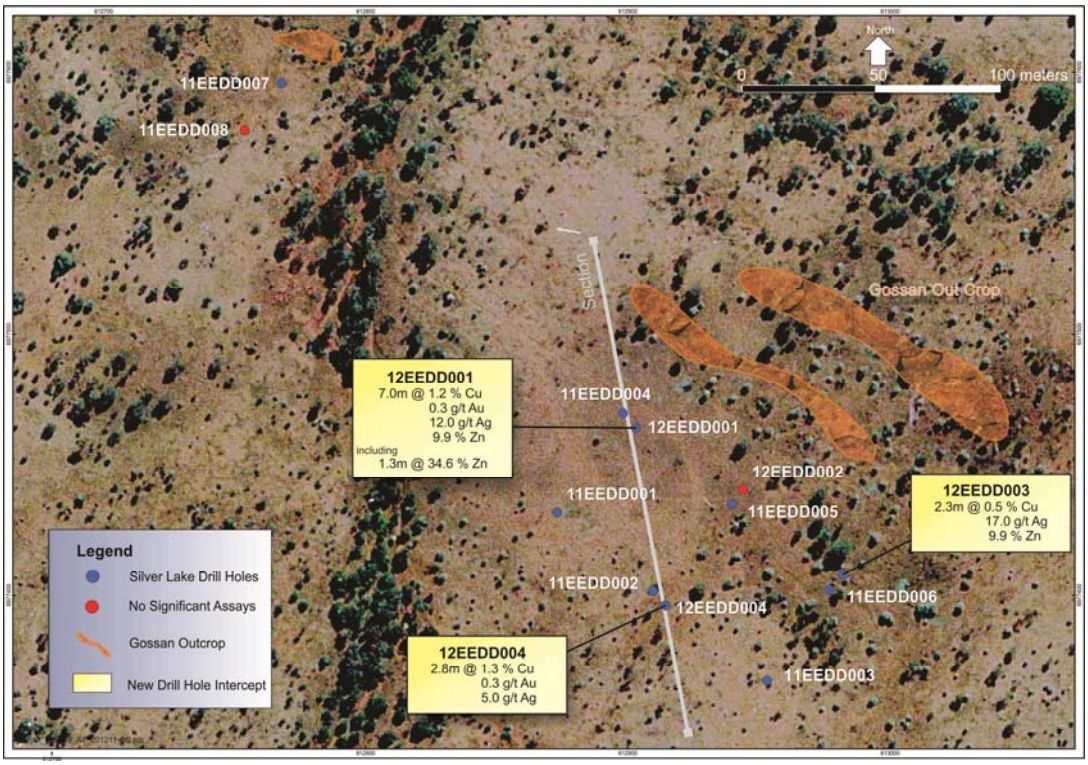

Figure 2: Aerial view of drill hole collar locations at Mount Eelya.

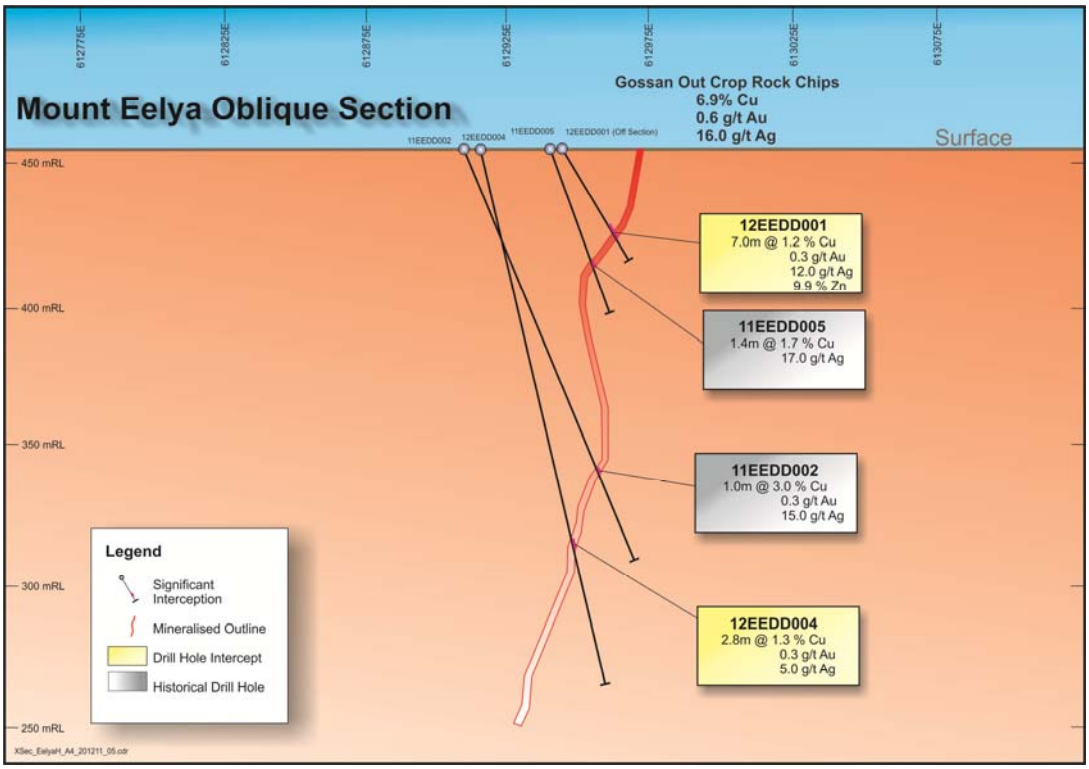

Figure 3: Mount Eelya schematic cross section.

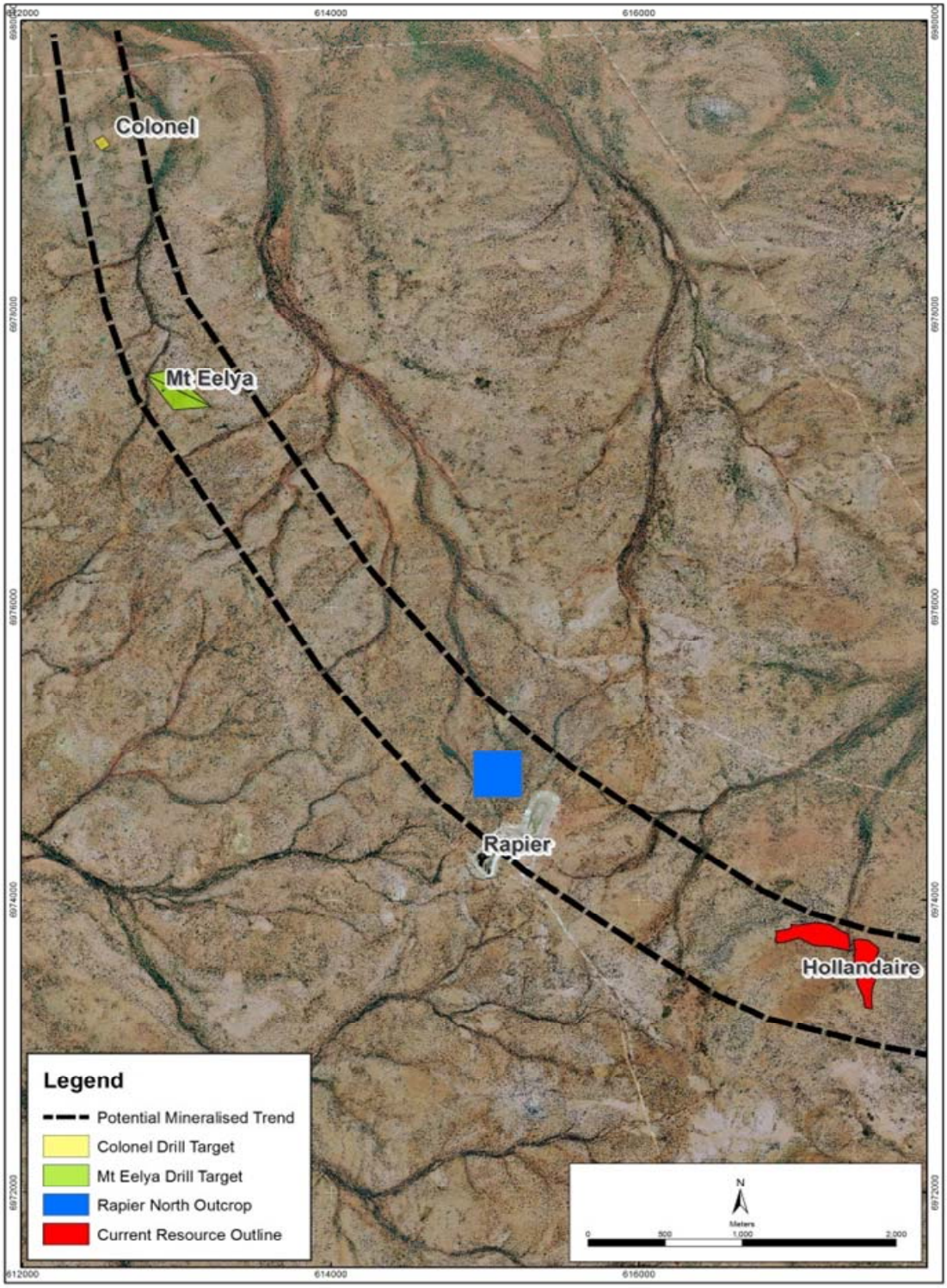

Figure 4: Ariel view of potential mineralised trend north of the Hollandaire deposit.

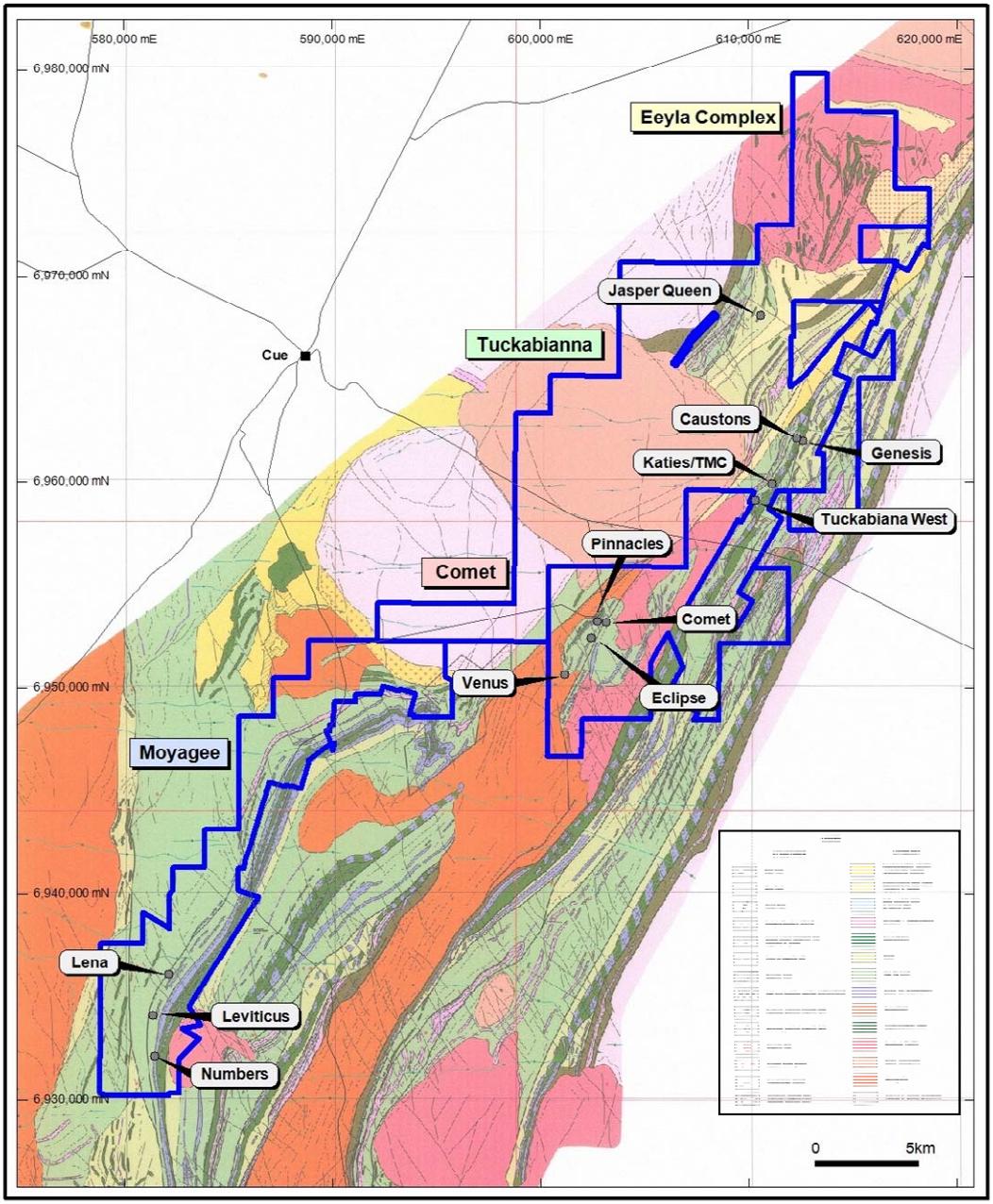

Figure 5: Murchison project location plan.

About Silver Lake Resources Ltd:

Silver Lake is an ASX 200 gold producing and exploration company with projects located in highly prospective regions including the Mount Monger and Murchison goldfields and the Great Southern district of Western Australia. Silver Lake's strategy is to develop large production centres at Mount Monger, in the Murchison and the Great Southern with multiple mines at each centre.

Silver Lake has announced that an agreement has been reached with Integra Mining Ltd (ASX IGR: "Integra") to acquire Integra's Mount Monger assets by a Scheme of Arrangement ("Scheme"). The combined business JORC Resources and JORC Ore Reserves will comprise:

- 6.6 million ounces of gold inclusive of 1.8 million ounces of reserve;
- 10.4 million ounces of silver; and
- 140,000 tonnes of copper.

Upon completion of this transaction Silver Lake will become one of the largest all-Australian gold producers.

In the Murchison, Silver Lake is developing a second mining operation with multiple mines feeding a central processing facility. A 1.2 million tonne per annum mill has been acquired for this project and production is expected to commence in the March 2013 quarter.

At the Eelya Complex, part of the Murchison project, a high grade Copper discovery has been made at Hollandaire. The Hollandaire deposit contains copper, gold, silver & zinc with grades up to 45% Cu, 5.5 g/t Au and 256 g/t Ag.

In the Great Southern, Silver Lake owns the large Kundip and Munglinup exploration projects covering over 2,500 sqkm. Post ramp up of Mount Monger and development of the Murchison in 2013, Silver Lake will increase regional gold exploration at Kundip with the view of establishing a third gold mining centre (with potential copper and silver credits).

Silver Lake's exploration programme is targeting[1] 10 million oz Au over time.

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves 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.

The information on exploration targets are based on a conceptual range of targets as follows:

Tonnage range:	*50 million to 100 million tonnes*
Grade range:	*3 g/t Au to 8 g/t Au*
Ounces:	*5 million to 10 million*

	Measured Resources			Indicated Resources			Inferred Resources			Total Resources		
Deposit	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	139.2	18.6	83.1	705.5	14.6	331.1	763.7	8.3	203.8	1,608.3	12.0	618.1
Haoma	701.7	11.1	250.4	396.3	13.5	172.0	78.8	11.3	28.6	1,176.9	11.9	451.1
Haoma West	-	-	-	45.0	8.7	12.6	145.7	10.1	47.3	190.7	9.8	59.9
Christmas Flat	-	-	-	338.6	4.1	44.1	448.5	6.3	91.3	787.1	5.3	135.4
Costello	-	-	-	-	-	-	111.0	4.0	14.3	111.0	4.0	14.3
Lorna Doone	-	-	-	-	-	-	128.0	3.1	12.8	128.0	3.1	12.8
Magic	-	-	-	749.2	4.1	98.3	1,071.0	5.2	178.0	1,820.2	4.7	276.3
Wombola Pit	-	-	-	197.0	3.6	22.9	72.7	3.2	7.5	269.8	3.5	30.5
Wombola Dam	288.6	3.8	35.1	271.7	3.2	28.3	143.7	2.8	12.9	704.0	3.4	76.3
Hammer & Tap	-	-	-	-	-	-	350.2	2.4	27.4	350.2	2.4	27.4
Total Mount Monger	**1,129.5**	**10.2**	**368.6**	**2,703.3**	**8.2**	**709.3**	**3,313.3**	**5.9**	**623.9**	**7,146.2**	**7.4**	**1,702.1**
Tuckabianna - OP	-	-	-	4,050.0	2.1	270.0	4,430.0	1.9	270.0	8,480.0	2.0	540.0
Tuckabianna - UG	-	-	-	1,350.0	4.2	180.0	2,410.0	4.2	330.0	3,760.0	4.2	510.0
Comet - OP	36.0	0.6	0.7	2,324.0	2.5	186.8	250.0	1.4	10.0	2,610.0	2.4	197.5
Comet - UG	-	-	-	1,060.0	4.6	160.0	730.0	3.7	90.0	1,790.0	4.2	250.0
Moyagee - OP	-	-	-	960.0	2.1	70.0	1,410.0	2.2	100.0	2,370.0	2.2	170.0
Moyagee - UG	-	-	-	80.0	3.3	10.0	1,630.0	4.0	210.0	1,710.0	4.0	220.0
Murchison - OP	36.0	0.6	0.7	7,334.0	2.2	526.8	6,090.0	2.0	380.0	13,460.0	2.1	907.5
Murchison - UG	-	-	-	2,490.0	4.3	350.0	4,770.0	4.0	630.0	7,260.0	4.1	980.0
Hollandaire	-	-	-	-	-	-	2,800.0	0.4	34.1	2,800.0	0.4	34.1
Total Murchison	**36.0**	**0.6**	**0.7**	**9,814.0**	**2.8**	**879.3**	**13,660.0**	**2.4**	**1,044.1**	**23,520.0**	**2.8**	**1,921.6**
Kundip	-	-	-	4,390.0	3.4	481.3	4,550.0	2.1	307.2	8,940.0	2.7	788.5
Trilogy	310.0	2.4	23.9	5,750.0	0.7	136.4	180.0	0.6	4.5	6,240.0	0.8	163.8
Total Great Southern	**310.0**	**2.4**	**23.9**	**10,140.0**	**1.9**	**617.7**	**4,730.0**	**2.0**	**311.7**	**15,180.0**	**2.0**	**952.3**
Total Silver Lake	**1,475.5**	**8.3**	**393.2**	**22,657.3**	**3.0**	**2,206.3**	**21,703.3**	**2.8**	**1,979.7**	**45,846.2**	**3.1**	**4,576.0**

Table 2: June 2012 Resource *Rounding may give rise to unit discrepancies in this table*

Notes to table 2:

Gold resources are inclusive of ore reserves.

	Proved Reserves			Probable Reserves			Total Reserves		
	Ore tonnes '000s	Grade	Total '000s	Ore tonnes '000s	Grade	Total '000s	Ore tonnes '000s	Grade	Total '000s
Mount Monger - Underground	-	-	-	2,023.8	5.4	350.4	2,023.8	5.4	350.4
Mount Monger - Open Pit	222.8	1.6	11.3	344.6	1.8	19.7	567.4	1.7	31.0
Mount Monger - Surface Stockpile	324.9	2.7	27.7	-	-	-	324.9	2.7	27.7
Murchison	-	-	-	4,871.3	2.7	424.8	4,871.3	2.7	424.8
Murchison - Surface Stockpile	77.0	1.0	2.5	-	-	-	77.0	1.0	2.5
Kundip Project	-	-	-	2,810.0	3.4	307.2	2,810.0	3.4	307.2
Trilogy Project	310.0	2.2	22.0	4,320.0	0.8	112.9	4,630.0	0.9	134.9
Total Ore Reserve	934.7	2.1	63.5	7,130.0	1.8	420.1	15,304.4	2.6	1,278.5

Table 3: June 2012 Ore Reserve *Rounding may give rise to unit discrepancies in this table*

	Measured Resources					Indicated Resources					Inferred Resources					Total Resources				
	Ore tonnes '000s	Grade	Increment	Total '000s	Unit	Ore tonnes '000s	Grade	Increment	Total '000s	Unit	Ore tonnes '000s	Grade	Increment	Total '000s	Unit	Ore tonnes '000s	Grade	Increment	Total '000s	Unit
Kundip Project																				
Silver	-	-	g/t Ag	-	oz	4,390.0	2.5	g/t Ag	353.9	oz	4,550.0	2.1	g/t Ag	314.2	oz	8,940.0	2.3	g/t Ag	668.1	oz
Copper	-	-	% Cu	-	t	4,390.0	0.4	% Cu	15.6	t	4,550.0	0.3	% Cu	14.7	t	8,940.0	0.3	% Cu	30.2	t
Trilogy Project																				
Silver	310.0	41.2	g/t Ag	406.6	oz	5,750.0	48.0	g/t Ag	8,859.6	oz	180.0	12.0	g/t Ag	73.4	oz	6,240.0	47.0	g/t Ag	9,339.7	oz
Copper	310.0	0.3	% Cu	0.9	t	5,750.0	1.1	% Cu	62.3	t	180.0	0.8	% Cu	1.4	t	6,240.0	1.0	% Cu	64.6	t
Hollandaire																				
Silver	-	-	-	-	oz	-	-	-	-	oz	2,800.0	5.0	g/t Ag	457.8	oz	2,800.0	5.0	g/t Ag	457.8	oz
Copper	-	-	-	-	t	-	-	-	-	t	2,800.0	1.6	% Cu	45.1	t	2,800.0	1.6	% Cu	45.1	t
Total Resource																				
Silver	**310.0**	**40.8**	**g/t Ag**	**406.6**	**oz**	**10,140.0**	**28.3**	**g/t Ag**	**9,213.5**	**oz**	**4,730.0**	**2.5**	**g/t Ag**	**386.6**	**oz**	**17,980.0**	**18.1**	**g/t Ag**	**10,465.5**	**oz**
Copper	**310.0**	**0.3**	**% Cu**	**0.9**	**t**	**10,140.0**	**0.8**	**% Cu**	**77.8**	**t**	**7,530.0**	**0.8**	**% Cu**	**61.2**	**t**	**17,980.0**	**0.8**	**% Cu**	**140.0**	**t**

Table 4: September 2012 base metal resource *Rounding may give rise to unit discrepancies in this table*