

ASX ANNOUNCEMENT

17 January 2013

Integration Update

Silver Lake Resources Ltd ("Silver Lake") is pleased to provide an update on the integration process following the completion of the merger with Integra Mining Ltd ("Integra") on 11 January 2013.

As outlined in the Scheme Booklet announced to the ASX on 16 November 2012 the merger of the two companies is expected to deliver operational and corporate synergies of \$30-\$40 million per annum. These synergies flow from the proximity of the operating mines, processing plants and tenement holdings at the combined Mount Monger Operations in the Eastern Goldfields of Western Australia (refer to figure 1).

Silver Lake has a compelling project pipeline (refer to figure 2) and has commenced the process of optimising the combined Mount Monger projects to extract maximum production and value from the operations and is considering a range of options including:

- the treatment of high and low grade ore sources through the Lakewood & Randalls mills;
- expanding Randalls mill which could be fed from multiple open pit and underground ore sources;
- sharing mains power allotments;
- realising operational efficiencies through shared technical services providers and consolidating corporate activities; and
- optimising overall exploration expenditure through a more targeted programme across the expanded tenement package.

Silver Lake expects the results of the optimisation for the combined Mount Monger project pipeline to be announced in the June 2013 quarter.

The integration of Integra's operational personnel into the Mount Monger Operations has gone smoothly. Currently production to the Lakewood & Randalls mills is being sourced from the underground operations, Maxwells open pit and the drawing down of large surface stockpiles containing ~98,000 oz of gold (as of December 2012).

As part of the operational and corporate synergies significant progress has already been made including:

- Resignation of Integra directors effective 1 January 2013 and requested delisting of Integra from the ASX on 14 January 2013. The closing of the Integra corporate office and integration of required Integra employees into Silver Lake's corporate office is also well advanced. These savings are expected to be ~\$5 million per annum.
- Following a thorough review of the operational and exploration requirements for the combined Mount Monger/Randalls Operations, 24 positions were made redundant resulting in a saving of \$3.5 million per annum.
- A review and prioritisation of the Mount Monger/Randalls/Aldiss projects has resulted in a reduction in exploration expenditure per annum from a previously combined total of \$33 million down to \$18 million.

- Discussions with service providers have begun to install mains power to the underground operations at Mount Monger, replacing the current diesel generators. This requires an upgrade to the feeder system in Kalgoorlie Boulder. Costs and timelines to complete the scope of work are in progress. Once completed the estimated cost saving is \$3-\$4 million per annum.
- Corporate systems are being integrated and this process has been simplified by accounting for Integra as a wholly owned subsidiary from 1 January 2013.
- Integra's banking facilities are being terminated and replaced with Silver Lake's recently announced \$75 million facilities.
- Silver Lake's web site (www.silverlakeresources.com.au) is in the process of being updated and contains a link on the home page to Integra's web site that contains all of the historic information prior to January 2013.

Further operational reviews are underway and will be announced as the integration and optimisation processes progress.

Pro-forma gold sales for the December 2012 quarter from the combined Mount Monger Operations was 45,495 ounces (SLR 28,123 ounces & IGR 17,372 ounces) with carryover bullion on hand totalling 4,764 ounces. Month end processes are being finalised and the detailed quarterly activities report will be released later this month.

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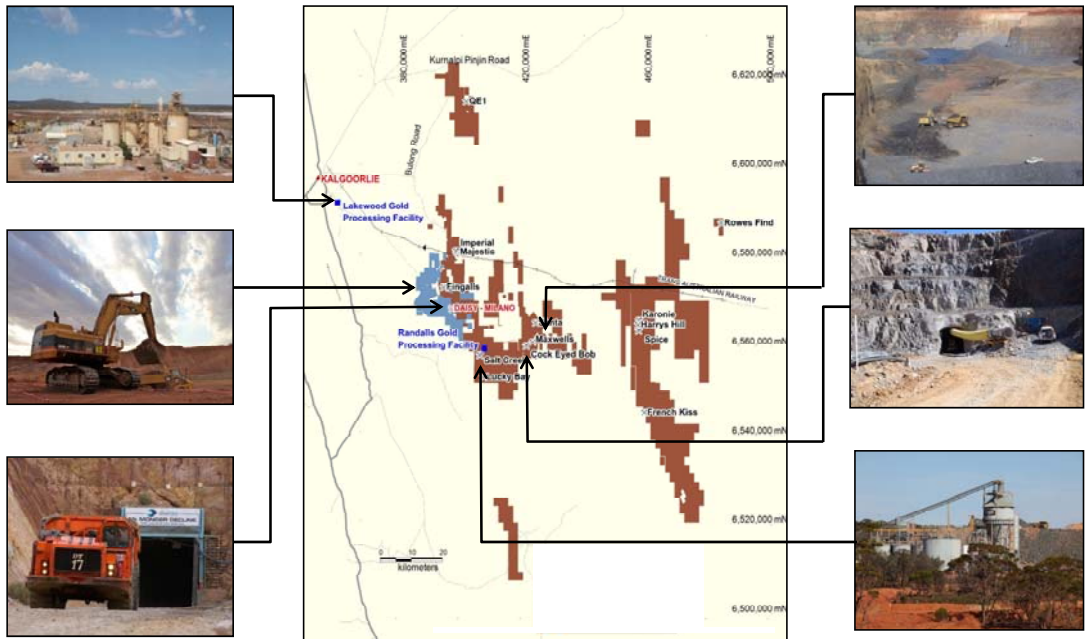


Figure 1: Mount Monger Operations location plan.

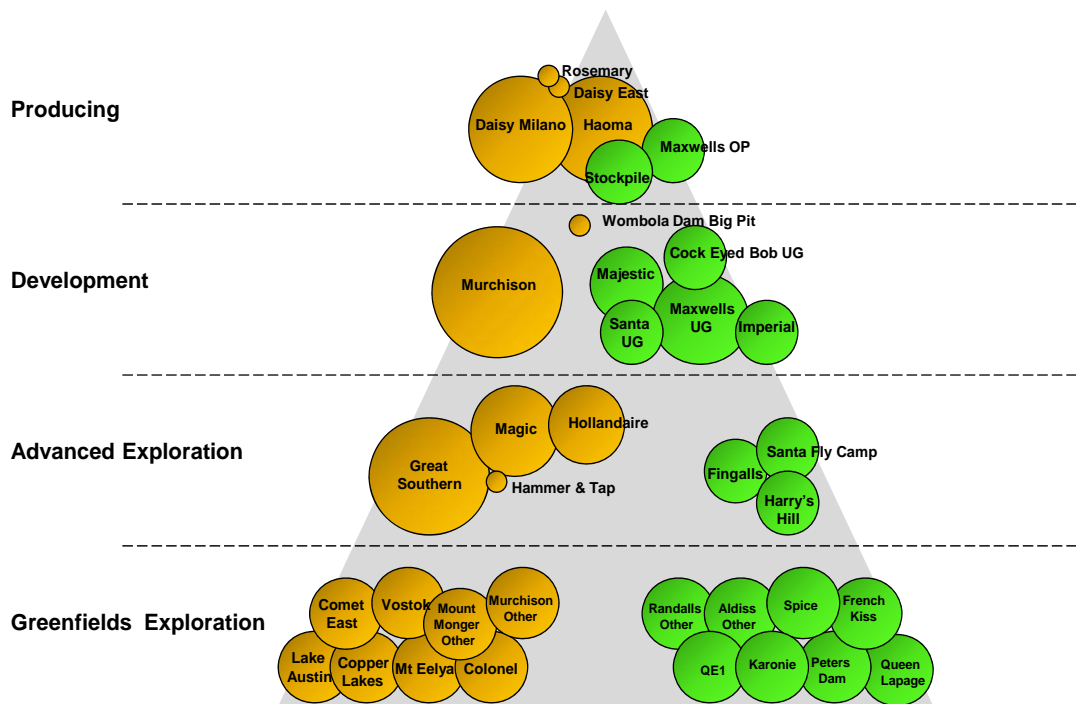


Figure 2: Silver Lake's project pipeline.

About Silver Lake Resources Ltd:

Silver Lake is a large, all-Australian, ASX 200 gold producing and exploration company with multiple mines and multiple mills operating in the Eastern Goldfields and Murchison districts of Western Australia.

Silver Lake's land position in Western Australia covers 5,000 sqkm of highly prospective under explored tenements containing gold, silver, copper & zinc.

Silver Lake currently has JORC Resources and JORC Ore Reserves containing:

- 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.

In the Murchison, Silver Lake has commenced mining and commissioning of the 1.2 million tonne per annum processing facility with production expected to commence in the March 2013 quarter. Provision has also been made at the processing facility for the addition of a base metals circuit.

Nearby to the Murchison project is the Eelya Complex, which is prospective for gold and base metals. A high grade copper/gold discovery has already been made at the Hollandaire deposit which contains copper, gold & silver. A pre-feasibility study is underway at Hollandaire.

In the Great Southern, Silver Lake owns the large Kundip and Munglinup exploration projects covering over 2,500 sqkm. Post 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 has a commitment to long term exploration targeting¹ 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:

<i>Tonnage range:</i>	<i>80 million to 120 million tonnes</i>
<i>Grade:</i>	<i>~3 g/t Au</i>
<i>Ounces:</i>	<i>7 million to 10 million</i>

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
Total Mount Monger	3,371.5	4.3	466.6	21,528.3	3.2	2,191.3	9,093.3	3.8	1,098.9	33,993.1	3.4	3,756.8
Hollaider	-	-	-	-	-	-	100.0	0.5	18.0	1,100.0	0.5	18.0
Total Murchison	36.0	0.6	0.7	8,474.0	3.2	879.0	11,960.0	2.7	1,028.0	20,470.0	2.9	1,907.7
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	3,717.5	4.1	491.2	40,142.3	2.9	3,688.0	25,783.3	2.9	2,438.6	69,643.1	3.0	6,616.8

	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	2,415.7	1.7	129.6	7,564.4	3.3	793.4	9,980.1	2.9	923.0
Murchison	77.0	1.0	2.5	4,871.3	2.7	424.8	4,948.3	2.7	427.3
Great Southern	310.0	2.2	22.0	7,130.0	1.8	420.1	7,440.0	1.8	442.1
Total Ore Reserve	2,802.7	1.7	154.1	19,565.7	2.6	1,638.3	22,368.4	2.5	1,792.4

Table 1: JORC Gold Resources & Ore Reserves as of June 2012

Rounding may give rise to unit discrepancies in this table

Notes to table 1:

Gold resources are inclusive of ore reserves.

	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	8,859.4	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	
Hollaider																					
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 2: September 2012 base metal resource

Rounding may give rise to unit discrepancies in this table