

Daisy East Exploration Update

Highlights

- Daisy East (discovered July 2009) is delivering highly encouraging results:
 - Drilling has defined a ~200 vertical metre mineralised structure
 - Ore driving on the 8 level totals 140 metres in length at mined grades of ~10 g/t Au
 - Mineralisation remains open along strike, up and down dip
 - Ongoing drilling programme continues to deliver high grade results:
 - 0.9 metres at 235 g/t Au (including 0.35 metres at 555 g/t Au)
 - 1.3 metres at 129 g/t Au (including 0.30 metres at 489 g/t Au)
 - 0.2 metres at 337 g/t Au
 - 0.2 metres at 200 g/t Au
-

Silver Lake Resources Ltd ("Silver Lake") is pleased to announce an update on exploration at Daisy East located 40 metres to the east of Daisy Milano (refer to figure 1) at its Mount Monger Operations.

Underground diamond drilling is ongoing from various levels within Daisy Milano targeting the new discoveries of Daisy East, Emma and Rosemary extension that are located 40 metres, 70 metres and 120 metres respectively to the east of Daisy Milano (refer to figure 3).

Daisy East

Drilling at Daisy East has increased the mineralised structure to ~200 vertical metres which is open along strike, up and down dip (refer to figure 2). Approximately 140 metres of ore development has been completed on the 8 level at mined grades of ~10 g/t Au.

Recent drilling assays from the 8 level continue to deliver high grade results (refer to table 1). Drilling from the 16 level continues to intersect Daisy East mineralisation with visual gold in the drill core. Assays are pending.

"We are three months into a nine month drilling programme and Daisy East is already proving to be a high grade, minable resource similar to Daisy Milano. Results to date support our view that a sizable resource with near term production potential is imminent" said Silver Lake's Managing Director Les Davis.

"Drilling and mining is continuing and we will have a maiden resource calculated for Daisy East in June 2010. Furthermore, the latest assays indicate thicker high grade mineralisation below the 8 level which is highly encouraging." Mr Davis added.

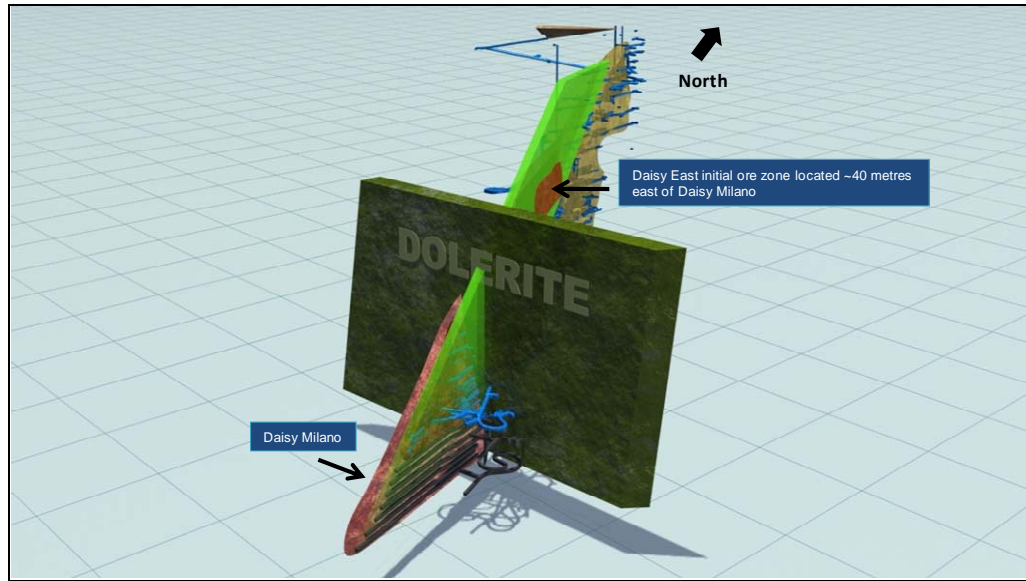


Figure 1: Schematic view showing location of Daisy East at time of discovery in July 2009. Green areas are conceptual target zones.

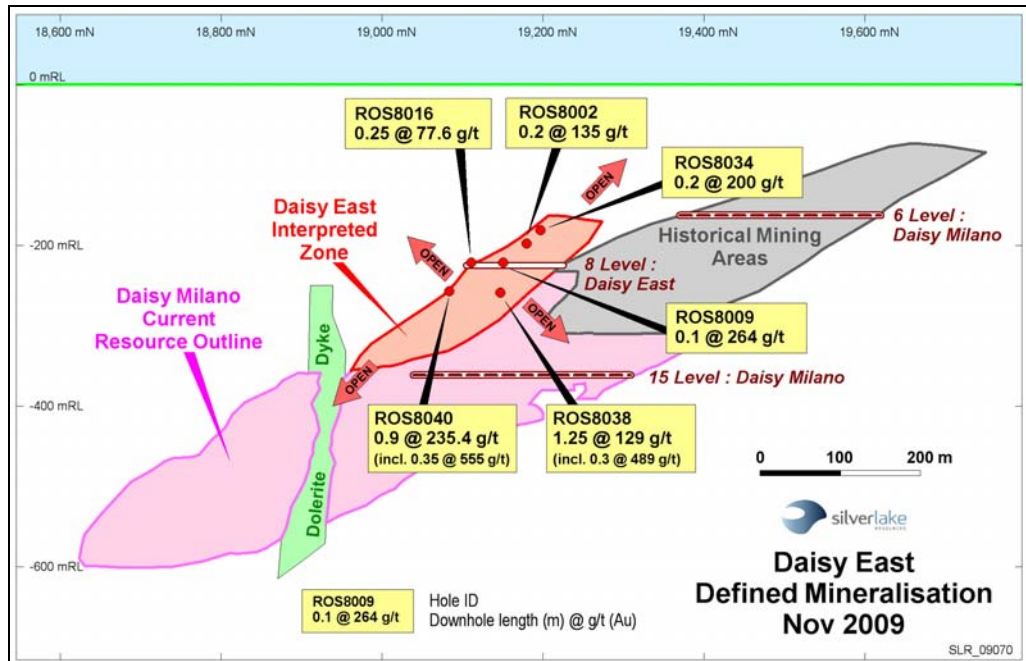


Figure 2: Long section (looking west) showing Daisy East mineralisation as at November 2009 with Daisy Milano mineralisation in the background. Post and pre mined mineralisation at Daisy Milano is approximately 500,000 oz and endowed with >1,000 oz per vertical metre. Selected intercepts ROS8034, ROS8038 and ROS8040 are from current assays and remaining intercepts are from previously announced assays.

Hole ID	Northing	Easting	From (m)	To (m)	Down hole Interval (m)	Grade g/t Au
ROS8025	19158	10344	39.20	39.40	0.20	337.0
ROS8025	19161	10348	44.00	44.30	0.30	10.3
ROS8034	19197	10351	64.08	64.28	0.20	200.0
ROS8035	19185	10359	36.17	36.37	0.20	39.5
ROS8037	19178	10350	60.34	60.54	0.20	12.3
ROS8038	19147	10349	86.75	88.00	1.25	129.0
				(including)	0.30	489.0
ROS8040	19083	10335	91.35	92.25	0.90	235.4
				(including)	0.35	555.0

Table 1: Drilling and assay results for Daisy East greater than 4 g/t Au

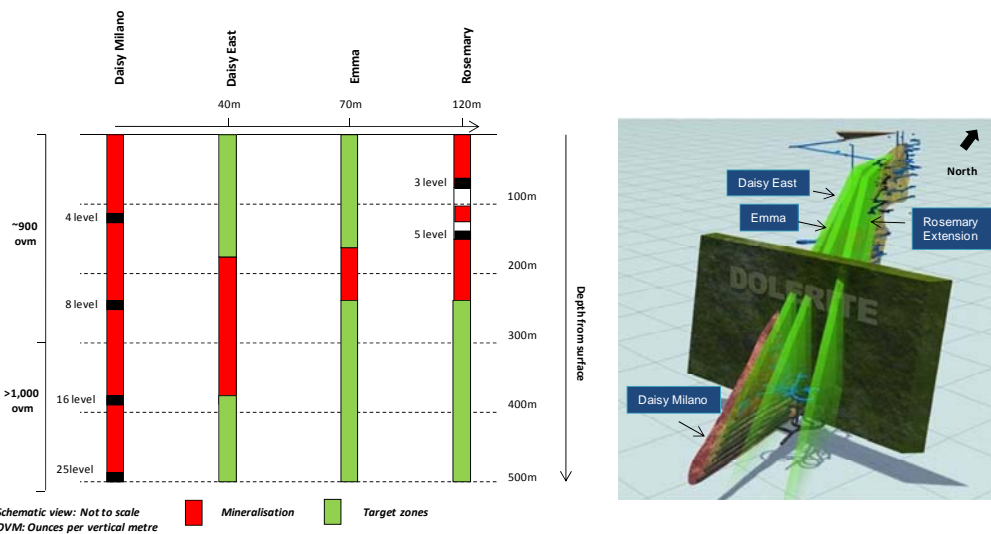


Figure 3: Schematic view of Daisy Milano, Daisy East, Emma and Rosemary. Green areas are conceptual target zones.

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

For further information please contact

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

About Silver Lake Resources Ltd:

Silver Lake is a gold producer and explorer with a resource base of 1.5 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.

Resource Category	Ore t	Grade g/t Au	Total oz
Measured	117,100	41.3	155,700
Indicated	4,627,800	3.4	507,300
Inferred	5,122,200	5.0	825,300
Total	9,867,100	4.7	1,488,400

Rounding may give rise to unit discrepancies in this table.

Silver Lake's Mount Monger Operation contains the Daisy Milano underground mine and the Christmas Flat open pit 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 Daisy East, 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 300,000 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 to increase its global gold resource base from 1.5 million ounces to 5 million ounces within two years.

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.

Notes to Table 1:

- Assay method is 40 gram fire assay.