

Silver Standard Acquires Interest In Pirquitas SILVER Project, Argentina

Silver Standard Resources Inc. is pleased to announce that it has reached agreement with Stonehill Capital Management of New York for the acquisition of a 43.4% interest in the Pirquitas Silver project in northern Argentina. Under the terms of the agreement, which remains subject to acceptance by the TSX Venture Exchange, Silver Standard will purchase 434 shares of Sunshine Argentina, Inc., a former subsidiary of Sunshine Mining and Refining Company ("Sunshine") and the holder of the rights to the Pirquitas Silver project.

The Pirquitas project as previously managed by Sunshine has a published proven and probable diluted reserve of 30.4 million tonnes grading 128 grams per tonne silver and 0.17% tin and 0.81% zinc for a total of 129 million ounces of silver, 53,000 tonnes of tin and 248,000 tonnes of zinc using a 40 gram per tonne silver cutoff. The 43.4% interest represents a total of 59 million ounces of proven and probable reserves. Silver Standard has agreed to pay US\$4.34 million on closing, comprised of US\$3 million cash and a convertible note with a one year term and a 10% interest rate, convertible at the election of Stonehill into shares of Silver Standard at a price of \$5.80 per share, being the closing price of the company's shares on Friday, May 17, 2002.

The overall resource available for mining for the main Pirquitas deposit is 27.983 million tonnes at a grade of 161 grams of silver per tonne for a total of 144,750,000 ounces as calculated by MDA of Reno. In addition to this resource, Sunshine had identified jig tails on the property totalling 593,000 tonnes at 234 grams per tonne of silver, 0.37% tin and 0.13% zinc containing 4.4 million ounces. Sunshine also identified further pit area resources of 22.8 million tonnes at 83 grams per tonne silver, 0.6% tin and 0.36% zinc for an additional 60.8 million resource ounces. These estimates for the jig tails and further pit resources external to the MDA calculated resource have yet to be confirmed by independent third parties, however, they speak to the fact that the property has significant on-site exploration potential. The MDA resource, along with the jig tails and further pit area resources, total 209 million resource ounces in all categories of silver or 90 million resource ounces of silver to Silver Standard for the 43.4% interest. The purchase price therefore is US\$0.07 per reserve ounce or US\$0.05 per resource ounce, which fits within Silver Standard's purchase criteria. Silver represents 70% of the metal value of the deposit and no purchase price value has been attributed to the tin or zinc, which represent the other 30% of the metal value of the project.

The Pirquitas project is located 355 kilometres northwest of the city of San Salvador de Jujuy in northern Argentina. The property has seen production from 1933 up to 1990 during which time it produced some 27,300 tonnes of tin and 777,600 kilograms (23 million ounces) of silver from twelve underground mines which were active in the Pirquitas area. The property was purchased by Sunshine in 1995, and Sunshine has spent in excess of US\$25 million outlining the resource on the property and completing a feasibility study in 1999, with supplemental feasibility work in 2000. Sunshine has purchased all of the surface rights covering the mineralization and mill and plant facilities and the project is owned 100% and is unencumbered by any royalties other than those payable to the state.

The property has all permits necessary for production and an operating permit was granted in July 1999. Under the Sunshine feasibility study, capital costs for the project are estimated at US\$133 million with mine construction estimated to take 24 months. The mine is expected to produce 11 million ounces of silver per year as well as 3,200 tonnes of tin and 16,300 tonnes of zinc over a projected 9.3-year mine life. Sunshine estimated total cash operating costs at US\$1.53 per ounce of silver after by-product credits. At US\$5.50 per ounce silver, Sunshine had projected the project would have an acceptable rate of return.

Affiliates of Stonehill Capital and Highwood Partners L.P., creditors of Sunshine, earlier this year exercised their right to acquire 100% of Sunshine Argentina from Sunshine. Silver Standard has concluded its due diligence review of the project and has found Sunshine's work to be technically sound and professional. Silver Standard is of the opinion that much of the technical risk of the project has been addressed by the feasibility study. The company also believes that with current economic conditions in Argentina a review of the reserves and a revision to the feasibility study is in order to better refine the Sunshine numbers.

The Pirquitas project will complement Silver Standard's other Argentine projects, including its 100% interest in its Diablillos project as well as its 50% interest in the Manantial Espejo project in southern Argentina. There will be in-country synergies and cash savings with respect to the Pirquitas project and the current economic conditions in Argentina should in the long-term be positive with respect to project economics.

Affiliates of Highwood Partners of New York, which is a part of a US\$2 billion family of funds, are the majority partner with a 56.6% interest in Pirquitas. Highwood Partners has agreed that Silver Standard will be operator of the project and, until such time as silver prices move up and warrant placing the property in production, the property will be kept on a care and maintenance basis and the costs will be shared pro rata.

The formal agreement and regulatory approvals for the transaction are anticipated for closing on or before June 14, 2002 at

which time Silver Standard will then have total resources and reserves of 505 million ounces of silver and 600 million ounces on a silver-equivalent basis and over Cdn\$18 million in cash. Silver Standard will continue to advance its projects with drill programs planned throughout this year at Challacollo, San Miguel, Bowdens and Manantial Espejo.

The Pirquitas project is one of a few significant undeveloped silver deposits in the world. Silver Standard is pleased that it has been able to acquire an interest in this fully permitted silver project and add it to its extensive silver property portfolio at a cost of only US\$0.07 per reserve ounce.

For further information, contact:

Robert A. Quartermain, President
Silver Standard Resources Inc.
Vancouver, B.C.

Paul LaFontaine, Director,
Investor Relations
Silver Standard Resources Inc.
Vancouver, B.C.
(604) 689-3846
N.A. toll-free: (888) 338-0046
Direct: (604) 484-8212
E-Mail: invest@silverstandard.com

To receive Silver Standard's news releases by e-mail, contact Paul LaFontaine, director, investor relations at invest@silverstandard.com or call (888) 338-0046. The TSX Venture Exchange has neither approved nor disapproved of the information contained herein. The statements that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably from these statements. The risks and uncertainties include those described in Silver Standard's SEC Form 20F as amended.