Silver Standard Resources Inc.

Drilling At Challacollo Expands Silver Mineralization Below Historic Workings

Vancouver, B.C. -- Silver Standard Resources Inc. is pleased to report the intersection of thick sequences of silver mineralization over a 600-meter strike length below Cerro Challacollo at its Challacollo silver property in northern Chile. This mineralization was encountered in a 17-hole, 2,500-meter program of reverse circulation drilling that was completed in June. The program was designed to test the northern section of the Lolon vein over a strike length of 1,100 meters as well as Challacollo Sur and the San Francisco vein. Silver Standard optioned Challacollo from Sociedad Contractual Minera Septentrion (SCMS) of Santiago, Chile, sole owner of the property located in the Region of Tarapaca 130 kilometers southeast of Iquique.

The Lolon vein underlying Cerro Challacollo was tested by nine holes consisting of CHAG-15 to 19 and CHAG 21 to 24. These holes defined a 600-meter long zone of higher grade silver mineralization over significant intervals ranging from 13.1 to 78.7 feet. Three holes intersected two sections of vein: previously reported CHAG-15 intersected mineralization with assays of 10.2 ounces of silver per ton over 49.2 feet and 9.1 ounces of silver per ton over 52.5 feet. This hole is flanked by two others (CHAG 14 and 18) that also cut two sections of the vein.

The best new results were obtained in CHAG-16, 22 and 23. CHAG-16 encountered 6.8 ounces of silver per ton over an interval of 36.0 feet and CHAG-22 intersected 6.4 ounces of silver per ton over 62.3 feet, including 9.4 ounces of silver per ton over 32.8 feet. CHAG-23, which cut the Lolon vein about 75 meters from CHAG-22, intersected 8.5 ounces of silver per ton over 49.2 feet. See the attached table and accompanying map for additional detail on values, true widths and hole locations.

CHAG-20 tested the San Francisco vein located approximately 800 meters southwest of the Lolon vein. This hole indicated potential for high-grade mineralization over narrow widths with an assay of 16.4 ounces of silver per ton over 6.6 feet.

Based on the results of this program, Silver Standard will continue with its option to purchase the property. Under the terms of an agreement with SCMS, Silver Standard will pay a total consideration of US$1.5 million staged over two years, subject to an existing 2% royalty and a 2% royalty to the property vendors that can be purchased for US$1.5 million at any time. The purchase price includes a 5.0% vendor finder's fee. The company also plans to update a previously reported polygonal resource consisting of indicated resources totalling 10.2 million ounces of silver plus inferred resources of an additional 36.9 million ounces.

All assays were submitted for preparation and analysis by ALS Chemex at its Antofagasta, Chile, facilities. Samples with up 100 grams of silver per tonne were fire assayed with an AA finish and a fire assay with gravimetric finish was run on all samples containing more than 100 grams of silver per tonne silver as determined by ICP analysis. One in 10 samples were duplicate assayed at ALS Chemex's office in Vancouver and selected high-grade samples were analyzed a second time for accuracy. Ken McNaughton, P.Eng., vice president, exploration, supervised the Challacollo drilling program and is a Qualified Person as defined by Canada's National Instrument 43-101.

Silver Standard is a significant, well-financed silver resource company with projects in Australia, Argentina, Chile, Mexico, and the United States. With $18.3 million in cash, Silver Standard is actively advancing its portfolio with fall drilling programs planned at Bowdens in Australia and Manantial Espejo in Argentina.

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