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SOLITARIO REPORTS OUTSTANDING SURFACE AND UNDERGROUND DRILLING RESULTS ON ITS BONGARÁ HIGH-GRADE ZINC PROJECT, PERU

Denver, Colorado: Solitario Exploration & Royalty Corp. (NYSE Amex: **XPL**; TSX: **SLR**) announced outstanding drilling results on its high-grade Bongará zinc joint venture project in Peru. Included in these results are underground drill holes V-240 that intersected 26.85 meters grading 13.45% zinc+lead (“Zn+Pb”) and V-244 that intersected 32.1 meters grading 11.4% Zn+Pb; and surface drill holes V-234 that intersected 5.9 meters grading 24.1% Zn+Pb and drill hole V-235 that intersected 7.2 meters grading 14.9% Zn+Pb. Significant silver values were also encountered in these holes.

Exploration Drilling

The 2011 program was managed and entirely funded by Solitario's joint venture partner Votorantim Metais (“Votorantim”). The Bongará project hosts the high-grade Florida Canyon zinc deposit where zinc mineralization has been intersected over a four square kilometer area. The deposit is open to expansion in all directions. During the fourth quarter of 2011, Votorantim added two underground core rigs and another surface core rig bringing the total rig count to four.

Solitario has received assay results from 18 surface holes and 5 underground drill holes, with assays from many additional holes pending. Fourteen of the 18 holes intersected strong mineralized intervals. Surface drilling reported in this release is focused on the Karen-Milagros zone located in the northern part of the Florida Canyon mineralized system. All underground drilling is being conducted in the San Jorge zone situated in the southwestern part of Florida Canyon. All underground drill holes reported in this release were fan-drilled from underground drill station #4.

Chris Herald, President and CEO of Solitario commented, "The Bongará project has advanced to a new and exciting stage with the onset of detailed underground drilling, augmenting the continuation of surface exploration. Drilling results continue to come in strong adding both new resources and increasing the confidence level of existing resources. Votorantim will be advancing the project through pre-feasibility by the end of 2012, including additional surface and underground drilling.

The twelve best intercepts from the first 23 holes drilled in 2011 are:

Drill Hole Number	Intercept* (meters)	Zinc %	Lead %	Zinc+Lead %	Silver Gpt
V-223 (S)	3.8	9.92	1.94	11.86	15.06
V-224 (S)	6.2	7.60	0.18	7.78	5.40
V-225 (S)	6.7	6.51	0.20	6.71	4.00
V-227 (S)	7.7	6.27	0.53	6.80	7.37
	6.0	12.58	2.85	15.43	22.18
V-234 (S)	5.9	18.21	5.89	24.10	40.42
V-235 (S)	7.2	10.84	4.06	14.90	34.35
V-238 (S)	4.3	8.08	1.30	9.38	16.17
	4.7	7.06	0.56	7.62	3.74
V-240 (U)	26.85	13.20	0.25	13.45	16.39
V-241 (U)	3.30	13.31	1.17	14.48	40.52
V-244 (U)	32.10	9.64	1.76	11.40	18.80

* True thickness has not been estimated for each individual intercept, but in most cases represents at least 75% of true thickness. (S) = surface drill hole; (U) = underground drill hole

A complete listing of recent assay results are appended below and simplified drill hole maps can be accessed at <http://www.solitarioxr.com/art/2011Bong.pdf>. Additional project information is found at <http://www.solitarioxr.com/bongara.html>.

The drill hole information contained within this release is reported under a quality control program reviewed by Mr. Walt Hunt, COO for Solitario Exploration & Royalty Corp., who is a qualified person as defined by National Instrument 43-101. Samples are derived from 50% splits of HQ and NQ (2.5 and 1.9 inch) diameter core. Samples are then shipped via secured third-party land and air transportation companies and analyzed by ALS Chemex Inc., North Vancouver, Canada, an ISO9002 registered company.

Road Construction & Underground Tunneling

In addition to surface and underground core drilling, Votorantim has now completed 15 kilometers of road construction and is targeting an additional 5 kilometers of construction during the next several months. During 2011, Votorantim also completed 590 meters of underground tunneling and development of eight underground drill stations to conduct detailed drilling of a portion of the San Jorge zone. Approximately 14,500 meters of drilling are planned from these drill stations over the next several months. To date, about 6,000 meters of underground drilling has been completed. Assay results for much of this drilling are pending.

Bongará Agreement with Votorantim Metais

Votorantim Metais can earn up to a 70% interest in the project by committing to place the project into production based upon a positive feasibility study. After earning 70%, Votorantim Metais has further agreed to finance Solitario's 30% participating interest for construction. Solitario will repay the loan facility through its cash flow distributions.

About Solitario

Solitario announced (August 26, 2009) a joint venture arrangement with Ely Gold & Minerals on Ely's advanced Mt. Hamilton Gold project in eastern Nevada. Solitario is currently moving the project through feasibility, which is expected by the end of January, 2012. Solitario is a gold, silver, platinum-palladium, and base metal exploration and royalty company actively exploring in Brazil, Mexico, and Peru. Besides Votorantim, Solitario has significant business relationships with Minera Buenaventura, Newmont Mining and Anglo Platinum. Solitario is traded on the NYSE Amex ("XPL") and on the Toronto Stock Exchange ("SLR"). Additional information about Solitario is available online at www.solitarioxr.com

About Votorantim Metais

Votorantim Metais belongs to a privately held Brazilian business conglomerate that is a leader in every market segment in which it operates, including cement, pulp and paper, metals, chemicals, orange juice, and finance. The metals business division accounted for 29% of revenues from production of zinc, nickel, steel and aluminum. Votorantim Metais is the world's fifth largest primary zinc producer with three operating zinc smelters and two operating zinc mines. It owns the Cajamarquilla zinc smelter and is the majority shareholder of Milpo, both located in Peru. Votorantim Metais also has operations in the United States and China.

FOR MORE INFORMATION, CONTACT:

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This press release includes certain "Forward-Looking Statements" within the meaning of section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Solitario, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Development of Solitario's properties are subject to the success of exploration, completion and implementation of an economically viable mining plan, obtaining the necessary permits and approvals from various regulatory authorities, compliance with operating parameters established by such authorities and political risks such as higher tax and royalty rates, foreign ownership controls and our ability to finance in countries that may become politically unstable. Important factors that could cause actual results to differ materially from Solitario's expectations are disclosed under the heading "Risk Factors" and elsewhere in Solitario's documents filed from time to time with Canadian Securities Commissions, the United States Securities and Exchange Commission and other regulatory authorities.

BONGARA 2011 SURFACE DRILLING RESULTS

Hole No.	From (meters)	To (meters)	Interval (meters)	Mineralization (Assay Results)
V-223	244.60	248.40	3.80	9.92% Zn, 1.94% Pb, 15.06g/t Ag.
V-224	139.10	145.30	6.20	7.60% Zn, 0.18% Pb, 5.40g/t Ag.
	242.50	248.70	6.20	4.64% Zn, 2.43% Pb, 13.83g/t Ag.
V-225	294.90	297.90	3.00	6.84% Zn, 0.06% Pb, 1.70g/t Ag.
	251.80	252.5	0.70	4.21% Zn, 1.08% Pb, 5.30g/t Ag.
	264.50	271.20	6.70	6.51% Zn, 0.20% Pb, 4.00g/t Ag.
V-226	292.50	297.50	5.00	2.54% Zn, 3.10% Pb, 2.48g/t Ag.
	Trace Mineralization			
V-227	286.00	293.70	7.70	6.27% Zn, 0.53% Pb, 7.37g/t Ag.
	296.70	297.40	0.70	5.72% Zn, 0.04% Pb, 1.00g/t Ag.
V-228	301.70	307.70	6.00	12.58% Zn, 2.85% Pb, 22.18g/t Ag.
V-228	272.60	273.80	1.20	3.50% Zn, 0.76% Pb, 4.486g/t Ag.
V-229	290.00	291.60	1.60	0.83% Zn, 0.90% Pb, 3.38g/t Ag.
V-230	Hole aborted due to cave			
V-231	Hole aborted due to cave			
V-232	347.60	349.30	1.70	7.43% Zn, 0.09% Pb, 2.62g/t Ag.
	353.70	355.40	2.30	3.30% Zn, 0.28% Pb, 1.93g/t Ag.
V-233	357.40	359.40	2.00	1.95% Zn, 0.49% Pb, 3.23g/t Ag.
	391.40	392.10	0.70	6.71% Zn, 0.11% Pb, 1.40g/t Ag.
V-234	350.50	356.30	5.90	18.21% Zn, 5.89% Pb, 40.42g/t Ag.
	370.20	373.00	2.80	6.57% Zn, 1.58% Pb, 10.37g/t Ag.
V-235	337.20	339.90	2.70	10.91% Zn, 1.62% Pb, 9.56g/t Ag.
	361.20	364.90	3.70	3.23% Zn, 0.05% Pb, 1.08g/t Ag.
	369.50	376.70	7.20	10.84% Zn, 4.06% Pb, 34.35g/t Ag.
V-236	370.10	370.80	0.70	9.73% Zn, 0.70% Pb, 4.70g/t Ag.
	374.30	377.80	3.50	8.09% Zn, 0.07% Pb, 1.97g/t Ag.
V-237	382.60	385.30	2.70	10.55% Zn, 0.38% Pb, 5.16g/t Ag.
V-238	88.50	92.80	4.30	8.08% Zn, 1.30% Pb, 16.17g/t Ag.
	229.90	232.60	2.70	1.41% Zn, 1.07% Pb, 7.69g/t Ag.
	369.10	373.80	4.70	7.06% Zn, 0.56% Pb, 3.74g/t Ag.
V-239	356.50	357.50	1.00	1.82% Zn, 0.06% Pb, 0.33g/t Ag.
	365.50	366.50	1.00	5.28% Zn, 0.23% Pb, 0.95g/t Ag.
V-247	378.10	382.10	4.00	3.85% Zn, 0.32% Pb, 2.40g/t Ag.

BONGARA 2011 UNDERGROUND DRILLING RESULTS

Hole No.	From (meters)	To (meters)	Interval (meters)	Mineralization (Assay Results)
V-240 (Drill Station 4)	60.00	86.85	26.85	13.20% Zn, 0.25% Pb, 16.39g/t Ag
V-241 (Drill Station 4)	58.60	61.90	3.30	13.31% Zn, 1.17% Pb, 40.52g/t Ag
	71.40	72.90	1.50	38.99% Zn, 0.01% Pb, 113.00g/t Ag
	76.60	76.90	0.30	12.05% Zn, 0.00% Pb, 30.20g/t Ag
V-242 (Drill Station 4)	55.20	55.70	0.50	25.30% Zn, 6.29% Pb, 57.50g/t Ag
V-243 (Drill Station 4)				Trace Mineralization
V-244 (Drill Station 4)	71.00	103.1	31.10	9.64% Zn, 1.76% Pb, 18.80g/t Ag
	105.30	107.1	1.80	2.28% Zn, 0.28% Pb, 4.84g/t Ag