



August 26, 2008

**SOLITARIO EXPLORATION & ROYALTY CORP. EXPANDS  
PLATINUM-PALLADIUM MINERALIZATION ON ITS PEDRA BRANCA  
PROJECT, BRAZIL**

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**RECEIVES PROPERTY PAYMENT ON ITS BONGARÁ ZINC  
PROPERTY, PERU**

**Denver, Colorado:** Solitario Exploration & Royalty Corp. (AMEX: **XPL**; TSX: **SLR**) announces significant new platinum-palladium ("PGM") drill hole assay results that expand previously defined mineralization on its Pedra Branca project in northeastern Brazil. Additionally, Solitario received a \$200,000 property payment from Votorantim Metais that allows Votorantim to continue its option to earn an interest in Solitario's high-grade Bongará zinc property in Peru.

**Pedra Branca Drilling**

The recently completed Pedra Branca core drilling program consisted of 27 drill holes totaling 1,839 meters. Results for the first 17 drill holes have thus far been received from four separate prospects: Curiu (8-holes), Cedro II and III (4 holes each), and Cedro V (1-hole). Complete assay results are appended to this news release and a drill hole map can be viewed at [www.solitarioxr.com](http://www.solitarioxr.com). Highlights of the program include:

<u>Prospect</u>	<u>Drill Hole</u>	<u>Interval – Meters*</u>	<u>Grade - GPT PGM + Gold</u>
Curiu	CU-20	21.5	2.29
	CU-22	29.6	2.17
	CU-23	8.0	4.22
	CU-26	16.8	4.23
Cedro III	CD-34	4.1	3.79
	CD-35	13.8	2.56
Cedro II	CD-36	19.3	1.42
	CD-38	5.7	2.24

*\*No estimate of true width of mineralized intercepts shown above can yet be made.*

All work conducted during 2008 is being funded by Solitario's venture partner, Anglo Platinum Ltd., through the jointly held Brazilian subsidiary, Pedra Branca Mineração ("PBM"). To date, Anglo Platinum has earned a 15% interest in PBM (Solitario owns 85%). Anglo can earn a 51% interest by spending a total of \$7.0 million and a further 9% interest (to 60%) by spending an additional \$10 million. To date Anglo Platinum has funded approximately \$3.5 million for exploration activities.

Chris Herald, President and CEO, stated, "We are particularly pleased with these results as the higher grade Curiu deposit has expanded to the north and southwest. Perhaps of even more importance, is that at Cedro II there is a possibility of up to 350 meters of mineralization in-between two areas of mineralized drill holes, and at Cedro III we have now demonstrated at least 350 meters of continuous mineralization that is completely open down-dip. Additionally, all mineralization reported is less than 100 meters in depth. These drill results have confirmed potential for further delineation and expansion at all three prospects. Results from ten additional holes will be reported when received. These holes are located at the Cedro I, V and VI prospects."

Surface work continues on the vast 178,514-hectare Pedra Branca project area where geochemistry, geology, magnetic surveys and satellite imagery are being utilized to prioritize areas of new potential. Based on this work, at least two new drill targets are being developed for the next round of drilling.

The drill hole information contained within this release is reported under a quality control program supervised by Mr. Walt Hunt, Chief Operating Officer for Solitario, 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 SGS Geosol, Minas Gerais, Brazil and ALS Chemex Inc., North Vancouver, Canada, both ISO9001:2000 registered companies. In addition to the laboratory's quality control program, a check assay program is ongoing."

### **Bongará Payment Received**

Solitario recently received an earn-in payment of \$200,000 from its venture partner, Votorantim Metais. Votorantim is currently conducting an aggressive three-core rig drilling program on Solitario's high-grade Bongará zinc project in northern Peru. All three rigs are operating in the extreme southern portion of the Florida Canyon deposit in a large 1,500 by 750 meter area where only two holes were previously drilled, both intersecting strong zinc mineralization. Initial assay results are expected in the coming weeks.

### **About Solitario**

Solitario is a gold, silver, platinum-palladium, and base metal exploration company actively exploring in Brazil, Mexico and Peru. Solitario has significant business relationships with Anglo Platinum, Newmont Mining and Votorantim Metais. Solitario has approximately US\$22 million in cash and marketable securities and no debt. Solitario is traded on the American Stock Exchange (AMEX: XPL) and on the Toronto Stock Exchange (TSX: SLR). Additional information about Solitario is available online at [www.solitarioxr.com](http://www.solitarioxr.com)

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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.

<b>Drill Hole Results</b>								
<b>Prospect</b>	<b>Hole Number</b>	<b>From meters</b>	<b>To meters</b>	<b>Interval meters</b>	<b>Platinum g/t</b>	<b>Palladium g/t</b>	<b>Gold g/t</b>	<b>PGM+Au g/t</b>
<b>Curio Prospect</b>	<b>CU-20</b>	0.00	21.51	<b>21.5</b>	0.70	1.46	0.14	<b>2.29</b>
		30	31.47	<b>1.47</b>	0.18	1.30	0.17	<b>1.65</b>
	<b>CU-21</b>				n/a			
	<b>CU-22</b>	0.00	29.56	<b>29.6</b>	0.89	1.20	0.09	<b>2.17</b>
		33.73	41.74	<b>8.0</b>	0.29	0.90	0.12	<b>1.31</b>
	<b>CU-23</b>	24.00	32.00	<b>8.0</b>	1.14	3.00	0.08	<b>4.22</b>
	<b>CU-24</b>	14.10	19.33	<b>5.2</b>	1.04	0.85	0.01	<b>1.90</b>
	<b>CU-25</b>	27.00	28.87	<b>1.9</b>	0.23	0.94	0.04	<b>1.21</b>
	<b>CU-26</b>	0.00	16.80	<b>16.8</b>	1.19	2.86	0.18	<b>4.23</b>
		0.00	6.00	<b>6.0</b>	0.71	1.55	0.03	<b>2.29</b>
<b>CU-27</b>	13.85	15.00	<b>1.2</b>	1.19	2.73	0.09	<b>4.01</b>	
				n/a				
<b>Cedro III Prospect</b>	<b>CD-32</b>				n/a			
	<b>CD-33</b>	0.00	3.46	<b>3.5</b>	0.28	0.85	0.03	<b>1.16</b>
		9.00	10.00	<b>1.0</b>	0.71	0.65	0.01	<b>1.38</b>
	<b>CD-34</b>	1.85	3.84	<b>2.0</b>	0.28	0.96	0.01	<b>1.25</b>
		29.50	33.60	<b>4.1</b>	1.24	2.54	0.01	<b>3.79</b>
	<b>CD-35</b>	20.59	34.34	<b>13.8</b>	0.91	1.62	0.03	<b>2.56</b>
		37.90	39.89	<b>2.0</b>	0.28	0.77	0.00	<b>1.05</b>
	54.75	58.68	<b>3.9</b>	0.24	0.43	0.26	<b>0.93</b>	
<b>Cedro II</b>	<b>CD-36</b>	82.31	101.61	<b>19.3</b>	0.55	0.86	0.01	<b>1.42</b>
	<b>CD-37</b>				n/a			
	<b>CD-38</b>	15.31	21.00	<b>5.7</b>	0.69	1.55	0.01	<b>2.24</b>
		68.75	73.00	<b>4.3</b>	0.49	0.77	0.01	<b>1.28</b>
<b>CD-39</b>	24.00	26.00	<b>2.0</b>	0.14	0.62	0.01	<b>0.77</b>	
<b>Cedro V</b>	<b>CD-40</b>	14.00	16.00	<b>2.0</b>	0.73	0.35	0.00	<b>1.08</b>