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SOLITARIO EXPLORATION & ROYALTY REPORTS SOLID DEVELOPMENT AND EXPLORATION PROGRESS ON ITS BONGARÁ ZINC PROJECT, PERU

Denver, Colorado: Solitario Exploration & Royalty Corp. (NYSE Amex: **XPL**; TSX: **SLR**) announced solid progress on development and exploration activities on its high-grade Bongará zinc project in Peru. Included in these activities are access road construction, underground tunneling to further define mineralization and surface exploration drilling. The program is being 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.

Road Construction

Road construction to access the Bongará project area began in late-October of this year. Approximately 60% of the alignment to the eastern portion of the property adjacent to the La Union target has now been completed. Previously, access to the deposit has occurred via helicopter and foot-trails. Road construction is planned to continue throughout 2011, until it is completed. Upon completion, access to the property will be greatly improved and provide for more efficient development of the project.

Underground Tunneling

Underground tunneling to more effectively access mineralization began in late-September of this year. Approximately 200 meters of tunnel advancement has been completed of an initial 700 meter program. Tunneling is planned to continue throughout 2011. This tunneling will allow for improved deposit definition and at much lower costs than helicopter assisted deep surface drilling.

Exploration Drilling

Results from twenty-four core holes have been received from three different zones: the San Jorge, San Jorge North and Karen-Milagros. The 2010 drilling program is just now coming to a close and some holes remain to be assayed. The ten best intercepts thus far are:

Drill Hole Number	Intercept* (meters)	Zinc %	Lead %	Zinc+Lead %
V-181	15.4	16.9	0.8	17.7
V-181	18.3	5.6	0.7	6.3
V-181	8.7	14.1	0.1	14.1
V-181	2.4	21.3	0.0	21.3
V-190	11.2	11.6	1.0	12.6
V-190	9.0	7.9	0.0	7.9
V-192	7.5	14.8	0.9	15.7
V-206	4.0	14.5	0.6	15.1
V-188	4.4	6.3	0.8	7.1
V-202	2.5	13.6	0.2	13.8

* True thickness has not been estimated for each individual intercept, but in all cases are thought to represent at least 85% of true thickness

The deposit is open to expansion in all directions. A complete listing of all assay results received thus far are appended below and a drill hole map can be accessed at <http://www.solitarioxr.com/art/BongaraDrillHole0909.pdf>. Additional project information is found at <http://www.solitarioxr.com/bongara.html>.

Chris Herald, President and CEO of Solitario commented, "We are extremely pleased with the solid progress made in 2010 by Votorantim on all development fronts. Votorantim is finalizing 2011 activities that include engineering/infrastructure related studies, detailed resource modeling, permitting, continued exploration drilling, road construction and underground development. With zinc prices remaining strong at approximately US\$1.00 per pound, the economics of this attractive project are further enhanced."

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.

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 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 in Peru and is the majority

shareholder of Milpo, also located in Peru. Votorantim Metais also recently acquired US Zinc, a zinc recycling company based in the USA with a plant located in China.

About Solitario

Solitario recently announced (August 26, 2009) a joint venture arrangement with Ely Gold & Minerals on Ely's advanced Mt. Hamilton Gold in eastern Nevada. Solitario is currently moving the project through feasibility and is conducting a drilling program. 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 has approximately US\$15 million in net cash and marketable securities and no debt. 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

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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.

Interim Bongara Drilling Results, December, 2010							
Zone	Hole #	Starting From (m)	Drilled Thickness (m)	Zn (%)	Pb (%)	Ag (g/t)	Zn +Pb (%)
San Jorge	V_181	167.9	15.4	16.9	0.8	14.4	17.7
	V_181	200.6	18.3	5.6	0.7	8.1	6.3
	V_181	252.9	8.7	14.1	0.1	21.8	14.1
	V_181	291.9	2.4	21.3	0.0	18.0	21.3
	V_181	308.9	6.7 ¹	4.9	0.1	5.0	5.0
	V_181	325.7	0.7	23.8	0.0	7.3	23.8
	V_181	332.1	0.8	38.1	0.0	25.0	38.1
	V_185	350.9	2.2	18.3	0.3	4.9	18.6
	V_190	157.7	11.2	11.6	1.0	11.9	12.6
	V_190	385.0	0.6	18.5	0.0	7.7	18.5
	V_190	428.8	1.6	7.3	0.0	3.5	7.3
	V_190	533.7	9.0	7.9	0.0	4.8	7.9
	V_192	267.8	1.0	17.3	0.2	3.2	17.5
	V_192	314.9	7.5	14.8	0.9	11.1	15.7
	V_199	223.3	3.0 ²	9.3	0.8	7.8	10.1
	V_199	328.2	2.1	5.1	0.9	6.9	6.0
	V_203	263.3	2.7	6.1	0.1	1.4	6.2
	V_206	237.2	4.0	14.5	0.6	4.8	15.1
San Jorge North	V_207	100.0	0.5	34.6	8.2	54.1	42.8
	V_208	102.0	1.8	6.0	0.4	3.8	6.4
Karen-Milagros	V_188	199.9	4.4	6.3	0.8	4.5	7.1
	V_193	104.6	1.2	16.2	1.7	13.3	17.9
	V_202	363.8	2.5	13.6	0.2	2.2	13.8
True thickness for all intervals is believed to be at least 90%							
Core Recovery in all intervals is greater than 88% except ¹ (55%) and ² (67%)							