

For Immediate Release

TAHOE RESOURCES ANNOUNCES UPDATED NI 43-101 RESOURCE AND POSITIVE PRELIMINARY ECONOMIC ASSESSMENT FOR ESCOBAL PROJECT

VANCOUVER, B.C. (November 29, 2010) – **Tahoe Resources Inc.** (TSX: THO) is pleased to announce the completion of an updated National Instrument (NI) 43-101 compliant resource estimate and an independent Preliminary Assessment (PA) for its 100% owned Escobal Project in southeastern Guatemala. The PA defines a 3,500 tonne per day underground mining operation which would produce metals concentrates with very high silver content.

Highlights (all figures in U.S. Dollars)

- Significantly enhanced resource confidence: Indicated silver resource has been expanded by 144% to 245.2 million ounces at 500 g/t average grade. Inferred silver resource amounts to 71.7 million ounces at 271 g/t average grade.
- Feasibility-level metallurgical testing has confirmed recoveries averaging 87% for silver and 75% for gold in metal concentrates.
- Mine life is 18 years at a planned production rate of 3,500 tonnes per day, with direct employment of approximately 500 employees in Guatemala.
- Years one through five production averages over 19 million silver ounces per year at a total cash cost of less than \$3.00 per ounce silver (net of by-product credits) which would make Escobal one of the largest and lowest cost silver mines in the world.
- After-tax net present value at a 5% discount (NPV₅) amounts to \$ 1.729 billion.
- After-tax internal rate of return (IRR) is 51% on an initial capital cost of \$326.6 million with a payback of 1.5 years.
- Over 90% of the project surface rights have been acquired, with the remainder under negotiation or under contract.
- Significant upside remains in the Escobal vein trend and in other regional opportunities.

“We are extremely pleased with the Preliminary Assessment which projects Escobal to be one of the world’s premier silver mines in terms of size, cost and economics,” said Kevin McArthur, President and Chief Executive Officer of Tahoe Resources. “The project design incorporates features which will provide the highest levels of environmental protection, workforce safety and operating efficiency, while minimizing community impacts. It is our intent to responsibly build this mine for the benefit of all stakeholders – governments, employees, communities and shareholders. We are now very focused on completing the remaining permitting and feasibility efforts leading to a construction decision in early 2012.”

Updated Mineral Resource Estimate¹

The Escobal vein has been drilled along a strike length of approximately 1,700 metres and a vertical extent of 800 metres. The resource estimate was updated by Mine Development Associates (MDA) incorporating data from nearly 12,000 samples from 220 diamond drill holes totaling 61,469 metres.

The mineral resource estimate for the Escobal deposit contains 245.2 million ounces of silver classified as Indicated resources and 71.7 million ounces of silver classified as Inferred

resources, with significant amounts of gold, lead, and zinc reported in both resource categories. A summary of the Indicated and Inferred resources, using a cut-off grade of 150 grams per tonne silver equivalent, is provided in the following table (grades refer to average grades):

Classification	Tonnes (M)	Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver (M oz)	Gold (k oz)	Lead (k t)	Zinc (k t)
Indicated Resource	15.3	500	0.51	0.80	1.34	245.2	250	122	204
Inferred Resource	8.3	271	0.40	0.58	1.04	71.7	116	48	86

¹ Mineral resources that are not mineral reserves do not have demonstrated economic viability; August 24, 2010 is the effective cut-off date for data inclusion in the resources estimate.

MDA modeled and estimated the Escobal deposit resources by refining the geologic model, evaluating the drill data statistically, interpreting mineral domains on cross sections and level plans, analyzing the modeled mineralization statistically to establish estimation parameters, and estimating silver, lead, gold, and zinc grades into a three-dimensional block model using inverse distance cubed (ID³).

Silver-equivalent Indicated resources total 300.3 MM ounces at an average grade of 612 g/t and silver-equivalent Inferred resources total 95.2 MM ounces at an average grade of 359 g/t.

Preliminary Assessment

The PA calculates a Base Case after-tax NPV₅ of \$ 1.729 billion, with an after-tax IRR of 51%. The initial capital cost of the project is estimated to be \$326.6 million with sustaining capital costs over the remaining mine-life estimated at \$ 102.2 million. The payback period for the Base Case is estimated at 1.5 years after reaching commercial production. Economic sensitivities at different metals prices and discount rates were calculated as follows:

	<u>Low Case</u>	<u>Base Case</u>	<u>Upside Case</u>
Silver price (\$/oz)	\$15.00	\$18.00	\$25.00
Gold price (\$/oz)	\$900.00	\$1,100.00	\$1,300.00
Lead price (\$/lb)	\$ 0.80	\$ 0.95	\$ 1.00
Zinc price (\$/lb)	\$ 0.80	\$ 0.90	\$ 1.00
After-tax NPV ₀ (\$billion)	\$2.145	\$2.951	\$4.662
After-tax NPV ₅ (\$billion)	\$1.234	\$1.729	\$2.783
After-tax NPV ₇ (\$billion)	\$1.004	\$1.421	\$2.309
After-tax IRR	41%	51%	70%
Payback (years)	1.9	1.5	1.1
Years 1-5 average silver production (moz)	19.7	19.7	19.7
Years 1-5 average total cash cost (\$/oz)	\$2.78	\$2.47	\$2.44
Years 1-5 average annual cash flow (\$million)	\$190	\$ 246	\$369

Mr. McArthur added, "One feature of the world's best mines is the ability to repay capital investment in a short period of time. At today's spot metals prices, expected Escobal payback occurs approximately one year after the start of commercial production - and the low total cash costs should allow the mine to remain profitable through any conceivable market price fluctuations. Furthermore, Escobal is a new discovery with very little regional exploration to-

date. We expect to see resource growth over time and have incorporated future expansion possibilities into the design concept."

Mining and Processing

The PA is based on an underground mine operation, mine backfill plant, tailings filtration, processing and concentrate production facility and the infrastructure capable of operating at 3,500 tonnes per day.

Extraction of the mineral resources will utilize longhole stoping methods, with paste backfill used to fill open voids. The mine will be developed via two primary development declines for the transportation of personnel, equipment, and materials, as well as transport of the mined resources to the surface for processing. Additional primary development will include two ventilation shafts and drifts connecting the primary declines. A total of 13,000 meters of primary and secondary underground development is contemplated during the 18-year mine life. The primary declines will also serve as platforms for exploration and definition drilling during the feasibility phase of the project.

Mineral processing will use differential flotation to produce lead and zinc concentrates for sale to a third-party smelter. Feasibility-level test work completed to date on the sulfide resources demonstrates recoveries of 87% for silver, 75% for gold, 83% for lead, and 83% for zinc, with the majority of precious metals reporting to the lead concentrate. Based on current test results, the lead concentrates are expected to contain very high levels of silver, between 15,000 and 30,000 grams per concentrate tonne, with very little in the way of penalty elements. Concentrates will be bagged and delivered to port in sea containers.

Over the mine life, mine production is expected to total 22.6 million tonnes at average diluted grades of 415 g/t silver, 0.47 g/t gold, 0.71% lead, and 1.22% zinc. Average total cash cost is expected to be \$3.05 per silver ounce over the 18-year mine life, net of gold and base metal by-product credits.

Capital Costs

Capital costs for the Escobal Project include all project costs commencing January 1, 2010. The project capital costs were prepared by M3 Engineering and Technology Corporation of Tucson, Arizona. Initial capital costs are summarized as follows:

	<u>\$ million</u>
Underground Development	\$21.1
Mine Equipment & Underground Infrastructure	\$45.7
Process Plant & Tailings Facility	\$96.8
General Site Facilities	\$28.8
Power	\$11.8
Water	\$8.3
Freight/Duties/Utilities/Commissioning	\$26.8
<hr/> Subtotal	<hr/> \$239.3
Contingency	\$39.0
Owners Cost & EPCM	\$48.3
<hr/> Total	<hr/> \$326.6

Sustaining capital costs over the remainder of the mine-life amount to \$102.2 million primarily attributed to underground development and equipment replacement costs.

Operating Costs

M3 Engineering also prepared the operating cost estimates, working closely with Tahoe management personnel. Base Case unit costs are as follows:

Mining	\$27.99 per ore tonne processed
Processing	\$19.63 per ore tonne processed
G&A	\$6.72 per ore tonne processed
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Operating Costs	\$54.34 per ore tonne processed
Concentrate Treatment & Freight	\$17.06 per ore tonne processed
Concentrate Shipping	\$100 per dry metric tonne concentrate
Zinc Concentrate Treatment	\$275 per dry metric tonne concentrate
Lead Concentrate Treatment	\$220 per dry metric tonne concentrate
Silver Refining Charge	\$0.50 per payable troy ounce
Gold Refining Charge	\$8.00 per payable troy ounce

Project Timeline

The Escobal project feasibility study is underway and is expected to be completed in 2011. Baseline studies and environmental documentation has been ongoing for nearly two years. Permitting for full mine operations is scheduled concurrent with the feasibility study and it is expected that the mine can be fully financed and ready for a construction decision by May 2012.

Underground exploration declines in the East and Central Zones are planned to commence in 2011. An application to amend the current exploration permit is on file with regulatory agencies and permits are expected early in 2011. The exploration declines will allow for efficient in-fill drilling and for deep drilling in the deposit with minimal surface disturbance.

Construction is expected to commence in May 2012, subject to project financing and acquisition of all necessary permits. Production is projected for late 2013 with commercial production being reached in early 2014.

Exploration Program

In 2009 and the first half of 2010, exploration programs at Escobal were designed to improve confidence in the established Inferred resource. This program succeeded in expanding the 2010 Indicated resource by 144% to 245.2 million silver ounces.

Ongoing exploration is designed to meet four objectives: further defining Escobal vein extensions through surface drilling; commencement of the underground exploration decline in early 2011 to provide drilling platforms for in-fill drilling and deep extensional drilling; upgrading twelve other veins in the district to drill-ready status; and exploring new targets through the regional exploration program. The exploration budget for 2011 amounts to \$3.5 million, excluding the underground decline project.

Exploration drilling continues to expand the known limits of the Escobal vein down-dip and laterally under post-mineral cover. Drilling in these areas is testing targets indicated by recently completed structural analysis and clay-alteration interpretations of the Escobal vein and surrounding satellite veins. Three diamond drills are currently testing these project targets. Drilling in 2011 is designed to delineate new ore shoots within the Escobal structure through wider and deeper extensional step-outs. This program will be carried out principally from surface collars with underground drilling planned later in the year when drill stations are in place along the planned exploration decline.

As Escobal transitions into project development in 2011, a portion of our exploration effort will move to a regional focus. Using the geologic model developed at Escobal, prospective areas will be evaluated throughout the region while a more concentrated effort will be made to upgrade and drill viable targets that lie within Tahoe's currently held concession areas. Twelve veins in addition to the Escobal vein have been discovered on the Company's concessions. During 2010, clay alteration studies were completed over most of these occurrences and interpretation is underway for determining drill targets for 2011.

Preliminary Economic Assessment Contributors

The Escobal preliminary economic assessment was conducted by M3 Engineering and Technology Corporation of Tucson, Arizona under the supervision of Conrad Huss, PE, Daniel Roth, PE, and Tom Drielick, PE. The updated resource estimate was completed by Mine Development Associates of Reno, Nevada under the supervision of Paul Tietz, CPG. Huss, Roth, Drielick and Tietz are Qualified Persons as defined by NI 43-101 and are independent of Tahoe Resources Inc. as defined in Section 1.4 of NI 43-101 and Section 3.5 of Companion Policy 43-101CP to NI 43-101. Mr. Tietz verified the mineral resource data herein by conducting a site visit, which included verifying drill locations and survey data, reviewing sample handling, data collection procedures, and independent verification sampling; completing a full audit of the assay database and review of the QA/QC data; and analysis of core recovery and its relationship to metal grades.

Metallurgical testing was performed at FLSmidth-Dawson Metallurgical Laboratories in Salt Lake City, Utah. Pakalnis & Associates of Vancouver, BC conducted the preliminary geotechnical analysis. Consultoria y Tecnologia Ambiental, S.A. of Guatemala City performed the environmental baseline work.

About Tahoe Resources Inc.

Tahoe's strategy is to develop the Escobal Project into a profitable mining operation and to position itself as a leading silver producer with high quality, low cost assets in the Americas. The PA has been filed with SEDAR and additional information is available on Tahoe's website: www.tahoeresourcesinc.com.

Tahoe's shares are traded on the Toronto Stock Exchange under the symbol THO.

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Qualified Person Statement

This news release has been reviewed by Charles Muerhoff, Licensed Geologist and Technical Services Director for Tahoe Resources Inc., a Qualified Person as defined by NI 43-101.

Cautionary Note

The PA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the Preliminary Assessment will be realized. For a full description of known risks that could materially affect potential development of the project, see the Company's May 27, 2010 long-form prospectus under the heading "Risk Factors" which are incorporated by reference herein and are available on www.sedar.com under the Tahoe Resources profile.

Forward Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, which is also referred to as "forward-looking statements." Wherever possible, words such as "plans," "expects," or "does not expect," "budget," "scheduled," "estimates," "forecasts," "anticipate" or "does not anticipate," "believe," "intend," and similar expressions or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved, have been used to identify forward-looking information. In particular, this news release describes future events and conditions related to Tahoe's plans for exploration and studies at the Escobal project. Forward-looking information is based on management's reasonable assumptions, estimates, expectations, analyses and opinions on the date of this news release. These are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, Tahoe's ability to carry on exploration and development activities, the timely receipt of required approvals, the price of silver and other metals, Tahoe's ability to operate in a safe, efficient and effective manner and Tahoe's ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Tahoe's actual results, programs and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, many of which are beyond the Company's control. These factors include, but are not necessarily limited to, results of exploration activities and development of mineral properties, the interpretation of drilling results and other geological data, the uncertainties of resource and reserve estimations, receipt and security of mineral property titles, receipt of licenses to conduct mining activities, country risks, project cost overruns or unanticipated costs and expenses, the availability of funds, fluctuations in metal prices, currency fluctuations, and general market and industry conditions. There is no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on this information. Tahoe does not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws. For more information about the risks and challenges of Tahoe's business, investors should review Tahoe's prospectus available at www.sedar.com.

For further information, please contact:

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