

**29 March 2019**Company Announcement Officer  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

## **\$3.0 MILLION SHARE PLACEMENT**

Silver Mines Limited (ASX:SVL) ("Silver Mines" or "the Company") is pleased to advise that it has successfully completed a capital raising of A\$3.0 million (before costs) ("Placement") to institutional, professional and sophisticated investors.

Patersons Securities Limited acted as Lead Manager to the Placement.

The Placement was fully subscribed and conducted at an issue price of \$0.05 per share, with participants receiving one SVLOB option (\$0.06 exercise price, expiry 6 September 2021) for every two shares for which they subscribed. The Placement will result in the issue of 60,000,000 shares and 30,000,000 options, which will be issued using the Company's capacity under ASX Listing Rule 7.1.

The funds raised under the Placement will be primarily used for funding exploration at the Barabolar Project, the completion of the Environmental Impact Statement for the Bowdens Silver Project and for general working capital purposes.

The Placement saw the introduction of new institutional shareholders and was well supported by existing shareholders including Managing Director of the Company Mr Anthony McClure who has committed to subscribe for A\$150,000 under the Placement, with such participation to be subject to shareholder approval in accordance with ASX Listing Rule 10.11.

A 2,800 metre drilling program is scheduled to commence next week at the high priority Cringle Gold Prospect within the wider Barabolar Project. Recent work has highlighted an 800 metre strike length of high-grade gold and silver in outcrop at up to 5.9 g/t gold and 107 g/t silver (*refer to release dated 20 March 2019*). Two other significant anomalies identified to the north of these structures are currently being mapped and sampled.

Silver Mines will also conduct further works on the recently identified high grade gold targets at Tuena (*refer to release dated 26 March 2019*) where historical production recorded from the area such as at the Lucky Hit Mine, produced at grades averaging over 60 g/t gold.

Settlement of the Placement is expected to take place on 4 April 2019.

The Company requests that the halt on trading in its securities be lifted with immediate effect.

Yours faithfully  
Silver Mines LimitedTrent Franklin  
Company Secretary