



Corporate Presentation

February 2021

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Silver Mines Limited Introduction

BOWDENS SILVER A MAJOR ASSET FOR DEVELOPMENT

Feasibility complete for 2.0 Mtpa development.

Submitted for Development Approval.

One of the largest undeveloped silver deposits globally.

Major Exploration Targets at Bowdens and surrounds:

Confirmed significant high-grade extensions to mineralisation close to mine.

Discovered new base-metal massive sulphide including gold.

Discovered porphyritic felsic intrusion under the current resource.

Commenced 10,000 metre drilling program.

TUENA GOLD PROJECT

Exciting new gold project, initial drilling (4,000 metres) complete, results pending.

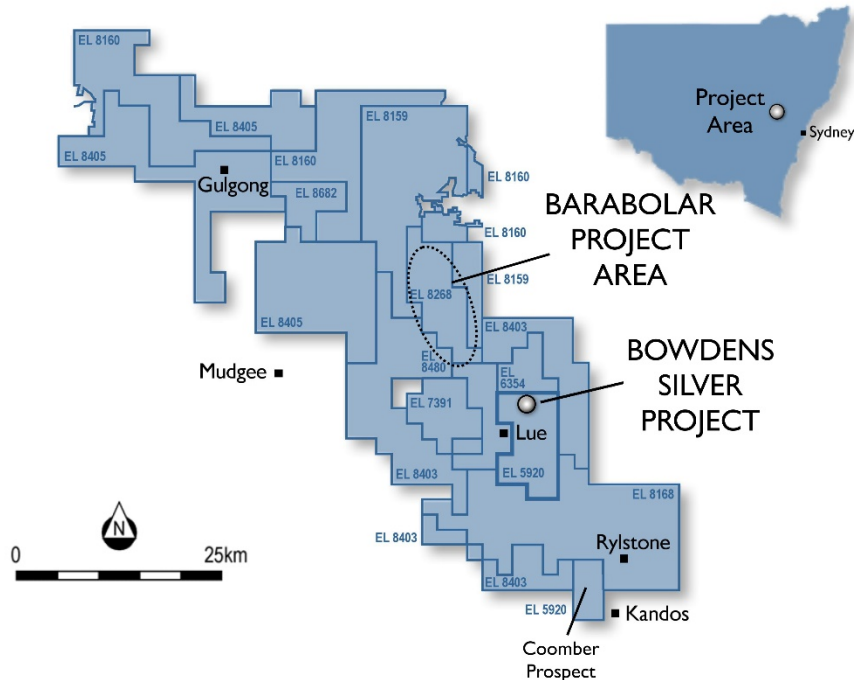
Substantial land package adjoining and south of McPhillamys Gold Project (Regis Resources).

Silver Mines Limited Snapshot

<u>Capital Structure</u>		ASX:SVL		
Shares on Issue		1,178.3m ¹	Options	
Current Share Price		A\$0.275	Sept 2021 @ \$0.06	111.8m
Undiluted Market Capitalisation		A\$324.0m	Aug 2021 @ \$0.10	4.65m
Cash (end December 2020)		A\$33.6m ¹	3 year milestone @ \$0.20	5.0m
<u>Directors</u>		<u>Institutional Shareholders</u>		
Keith Perrett, Chairman		Sprott		Konwave
Anthony McClure, Managing Director		Regal		Brick Lane
Peter Langworthy, Non Executive Director				
Jonathan Battershill, Non Executive Director				
<u>Assets</u>				
Bowdens Silver	Mineral Resources	163 Moz Silver	275 Moz Silver Equivalent	
	Ore Reserve	66 Moz Silver	97 Moz Silver Equivalent	
Major Exploration Package Central New South Wales, Australia, Bowdens Silver Extensions and the Barabolar Project, Tuena Gold Project – exciting new gold exploration play.		High order targets include precious metals epithermal, base metal VMS, Orogenic Gold, Intrusion Related Porphyry.		

1. Including a \$30m (before costs) placement as announced 15th February 2021.

Quality Jurisdiction - New South Wales, Australia



- New South Wales, Australia a quality jurisdiction.
- Major minerals projects in the state include;
 - Cadia/Ridgeway, Newcrest (650,000oz Au, 65,000t Cu pa).
 - Cowal, Evolution (260,000oz Au pa).
 - Northparkes, CMOC (60,000t Cu, 50,000oz Au pa).
 - Plus coal mining exports (170 million tonnes pa).

Bowdens Silver – A Major Asset

- 100% owned.
- Mineral Resource 275 Moz silver Eq (163 Moz silver).
- The largest undeveloped silver deposits in Australia and one of the largest in the world.
- Feasibility Study complete.
- Development Application and Environmental Impact Statement (EIS) submitted.
- Primary aspects of EIS show very positive outcomes across the board.
- Public exhibition period closed in July 2020, outstanding support locally.
- Clear pathway to development approval.
- Quality projects with strong employment outcomes are required post COVID-19.

Bowdens Silver Timeline

September 2017

*Mineral Resource Complete
(275 Moz Ag Eq)*



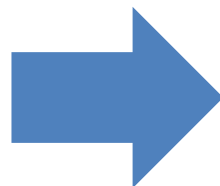
May 2018

*Ore Reserve Complete
(97 Moz Ag Eq)*



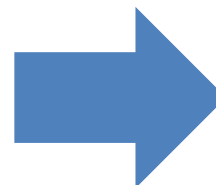
June 2018

*Feasibility Study
Complete*



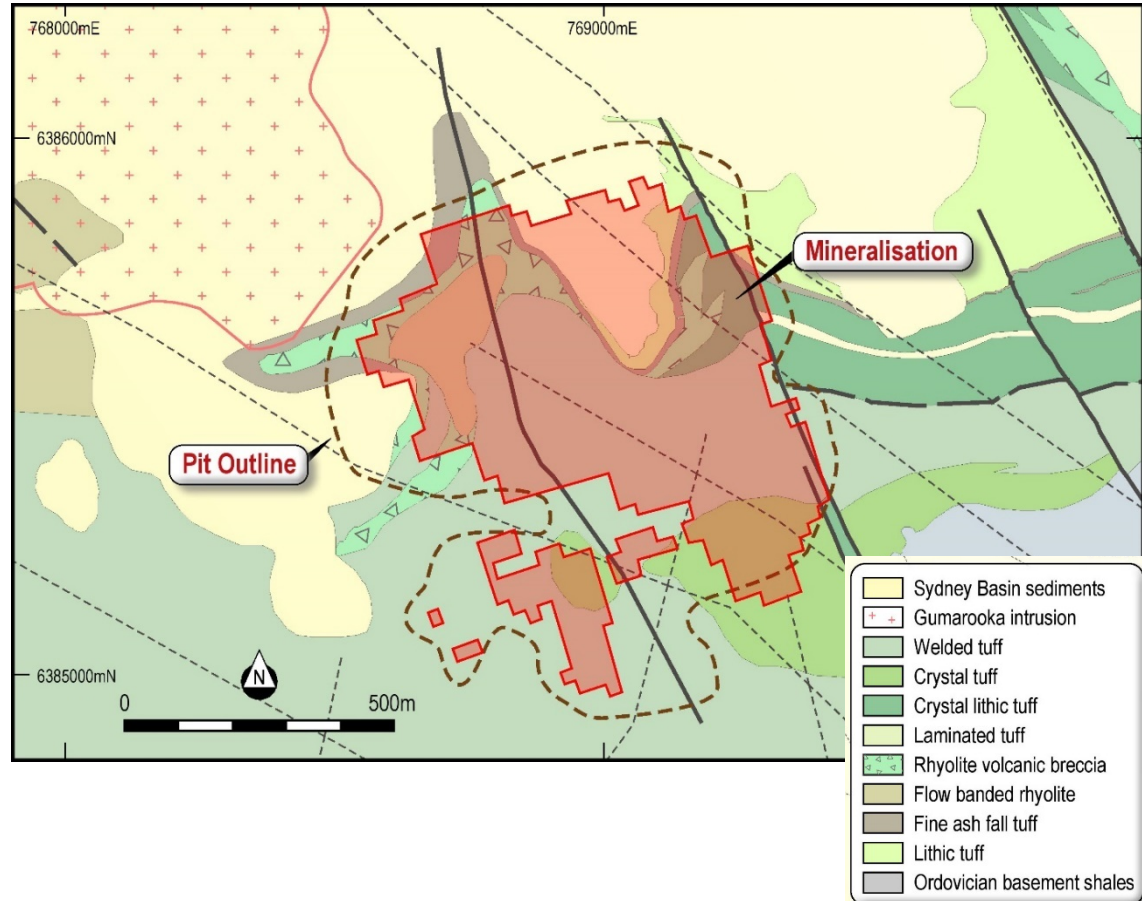
May 2020

*EIS Complete
DA Submission*



2020/21

*Approval
Processes
& Optimisation*



Bowdens Silver Feasibility Study - Sensitivities

	2018 Upside Case ²		2018 Base Case ¹	
Physical Metrics	Unit	Value	Unit	Value
Production Life	Years	16.5	Years	16.5
Ore Mined	Mt	29.9	Mt	29.9
Waste Mined	Mt	48.2	Mt	48.2
W:O Strip Ratio	x	1.6	x	1.6
Ag Recovered in Concentrate	Moz	52.91	Moz	52.91
Zn Recovered in Concentrate	kt	108.0	kt	108.0
Pb Recovered in Concentrate	kt	79.3	kt	79.3
Financial Metrics	AUD M	USD M	AUD M	USD M
Revenue	2,162.0	1,621.5	1,899.5	1,424.7
Operating Expenses	1,353.9	1,015.5	1,340.8	1,005.6
Operating Margin	808.0	606.0	558.7	419.0
Capital Costs	AUD M	USD M	AUD M	USD M
Initial	248.0	186.0	246.0	184.5
LOM Sustaining	68.3	51.2	53.9	40.4
Unit Costs (Silver Basis)	AUD/ounce	USD/ounce	AUD/ounce	USD/ounce
C1 Costs	15.52	11.64	15.47	11.60
All in Sustaining Cost (AISC)	17.53	13.15	17.25	12.94

Bowdens Silver Feasibility Study - Sensitivities (cont.)

	2018 Upside Case A\$m ²	2018 Upside Case US\$m ²	2018 Base Case A\$m ¹	2018 Base Case US\$m ¹
Revenue (LOM)	2162.0	1621.5	1899.5	1424.6
EBITDA (Average first 3 years)	116.5	87.4	88.7	66.5
NPV ₅ (Pre Tax)	317.5	237.9	143.9	107.9
IRR	32.8%	32.8%	20.8%	20.8%
NPV ₅ (Post Tax)	192.2	144.1	70.6	52.9
IRR	24.1%	24.1%	14.6%	14.6%

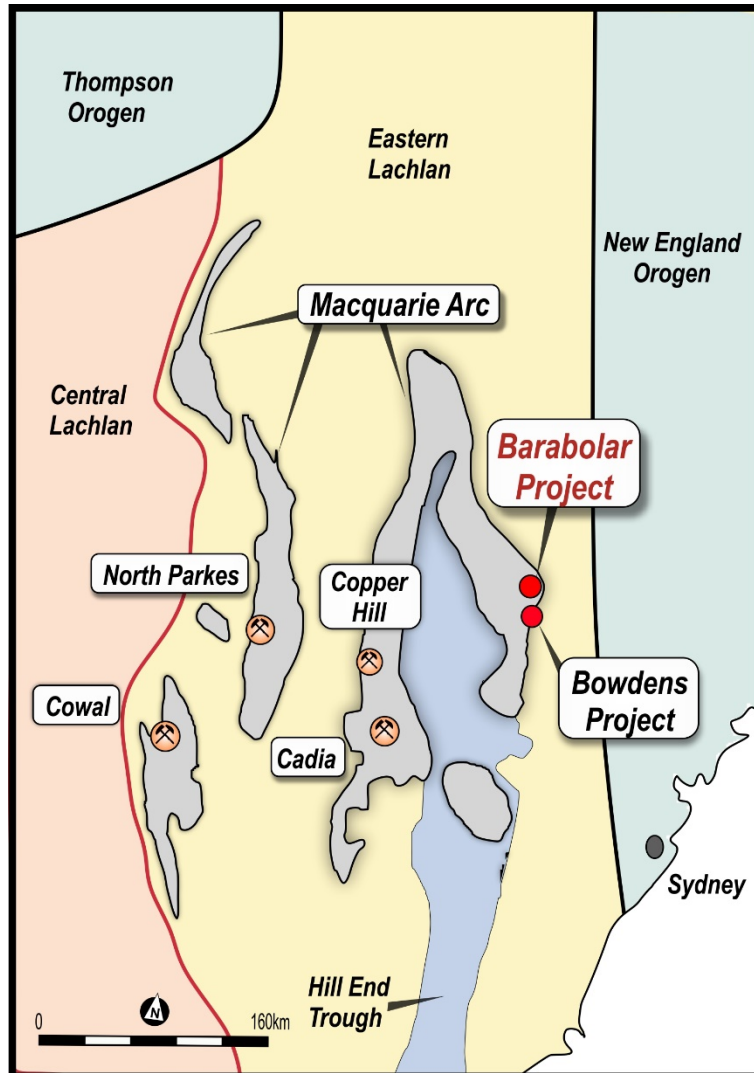
1. 2018 Feasibility Study Base Case: Silver prices assumed were LOM averages US\$20.90 /oz, a zinc price of US\$1.25 /lb and a lead price of US\$1.00 /lb.
2. 2018 Feasibility Study Upside Case: Silver prices assumed were LOM averages US\$25.00 /oz, a zinc price of US\$1.25 /lb and a lead price of US\$1.00 /lb. For further information refer to ASX release of 14th June 2018.

Bowdens Silver Exploration

A Major Silver System



Regional Geology

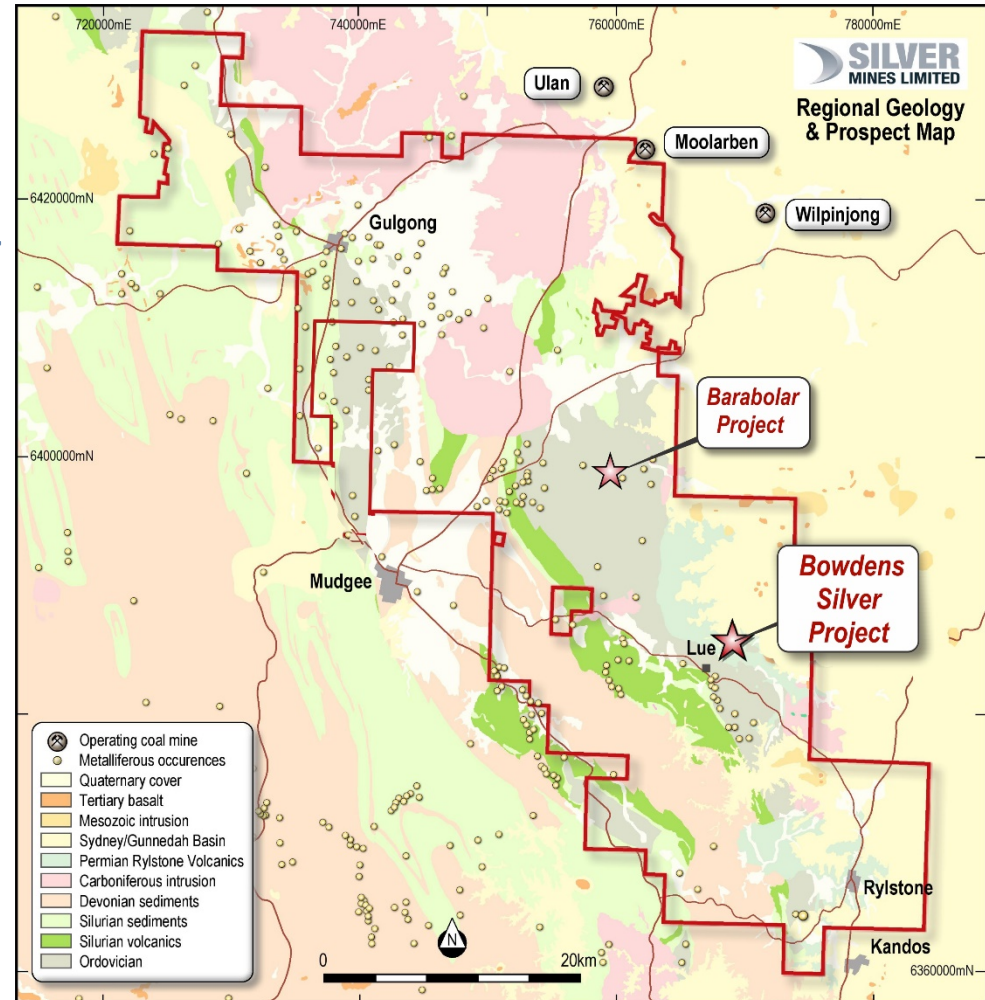


Basement Paleozoic geology, Central NSW

- The Ordovician Macquarie Arc/Lachlan Fold Belt of Eastern Australia contains preserved porphyry volcanic arc environments.
- Macquarie Arc of NSW contains world-class;
 - Cadia/Ridgeway,
 - Cowal,
 - Northparkes and others.
- The Bowdens portfolio demonstrates that the eastern limb of the Macquarie Arc has the potential for significant mineral systems.
- Substantial work by UNSW.

Regional Geology

- Extensive tenement holding (2007 km² = 496,000 acres) controlled by Silver Mines.
- Northeast corner of Lachlan Fold Belt & Macquarie Arc.
- Wide range of prospective deposit types over different time periods (Ordovician, Siluro-Devonian, Carboniferous and Permian).
- Mineral deposit styles/potential include:
 - Cadia/Ridgeway style Porphyry (Cu-Au-Mo).
 - Epithermal (Au-Ag).
 - McPhillamy's style Shear hosted gold with base-metal association.
 - Woodlawn style Volcanogenic Massive Sulphide (VMS).
 - Bowdens Style epithermal (Ag-Zn-Pb).

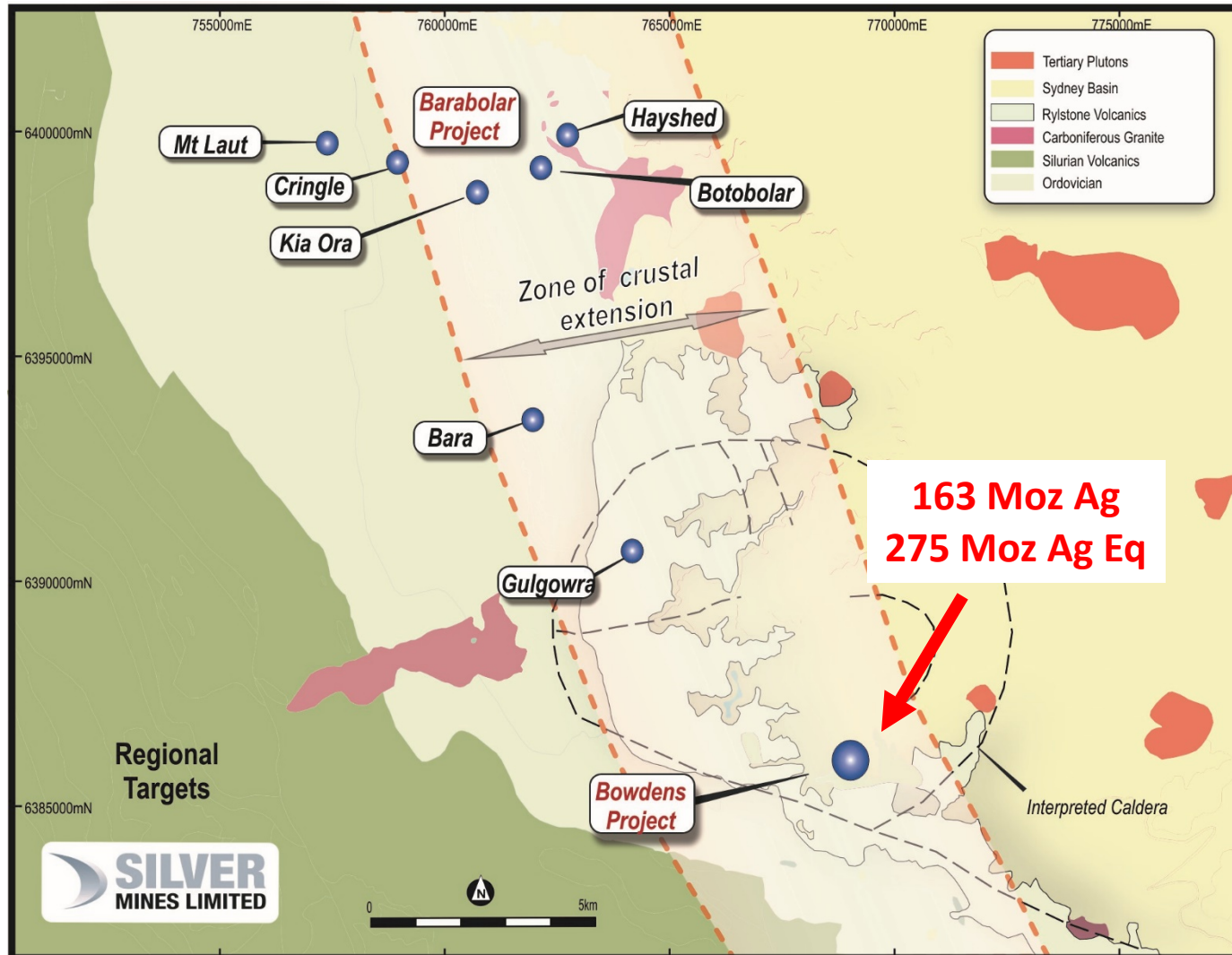


SILVER MINES LIMITED
Regional Geology & Prospect Map

Barabolar Project

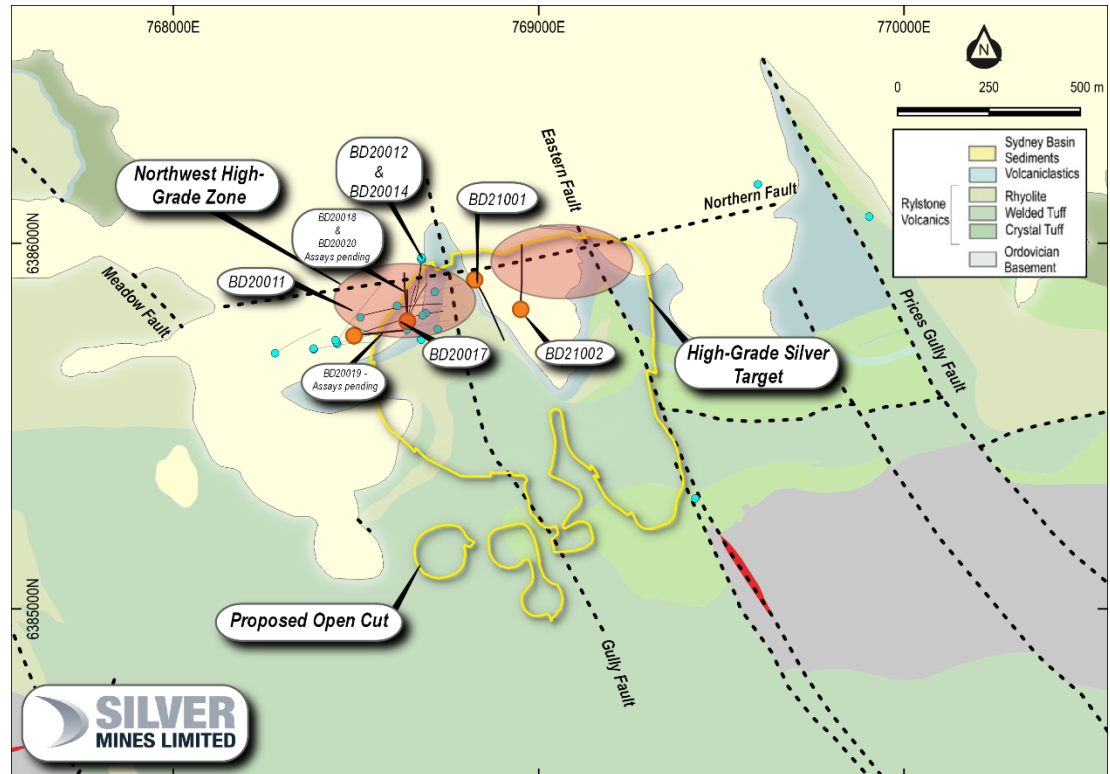
Bowdens Silver Project

Site Geology

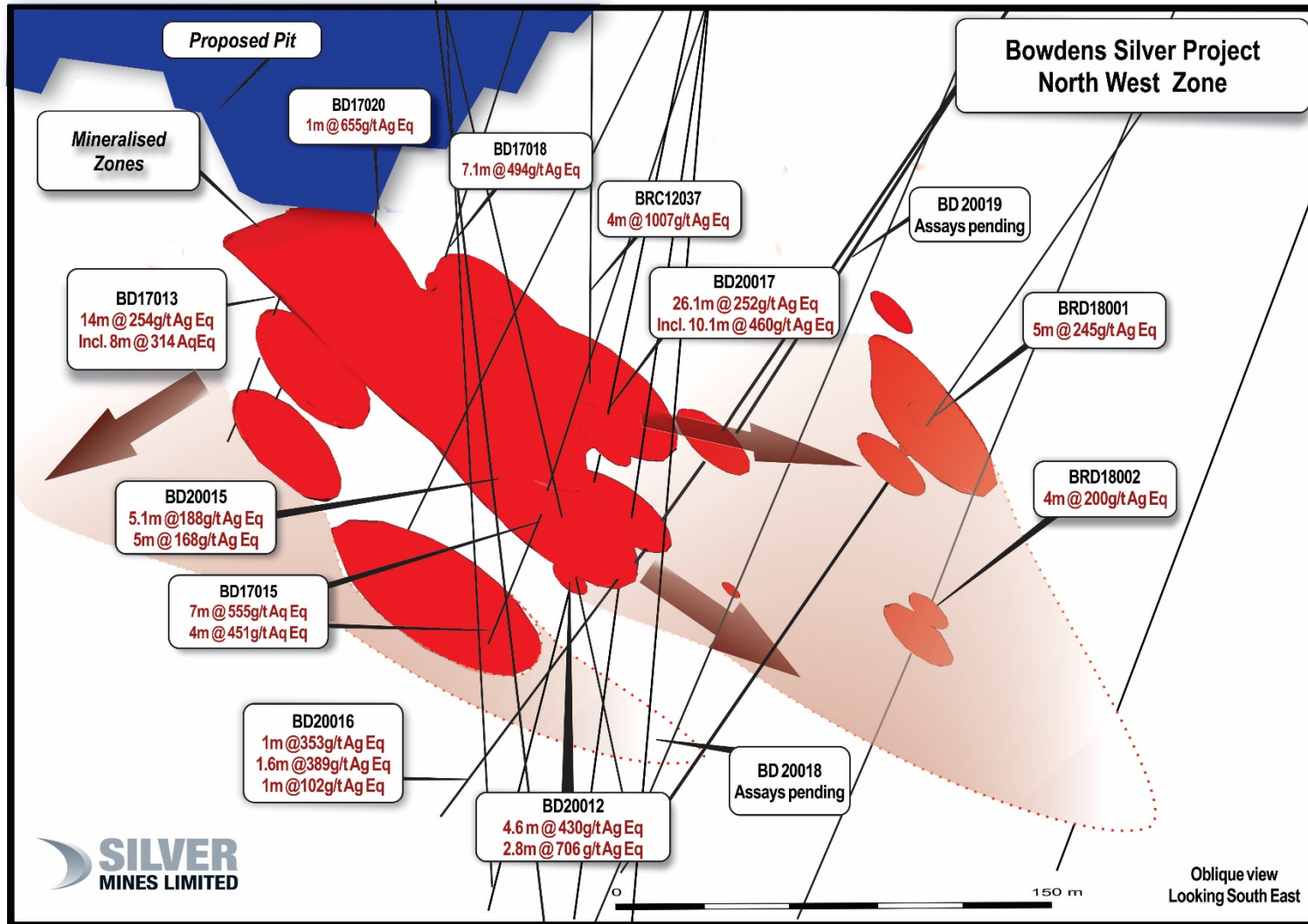


Bowdens Silver Extensions

- First target is Northwest Zone that contains high-grade silver with zones up to 15 metres thick, 200 metres wide and 250 metres down plunge.
- Open in several directions.
- Also to target buried porphyry source and structural control in the NW target corridor.
- 10,000 metres drilling underway.
- Two diamond drilling rigs on site.



Bowdens Silver Extensions



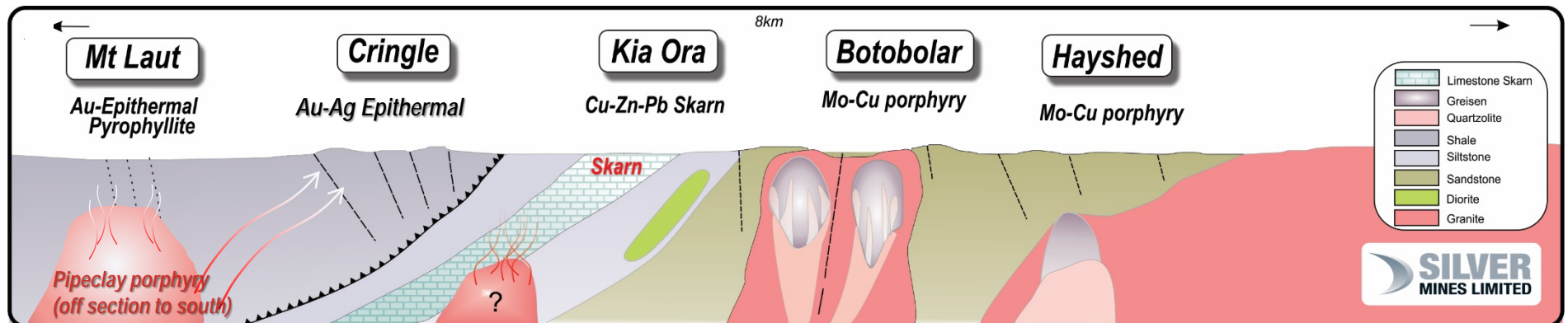
Barabolar Project

Unlocking a Major Mineralised System

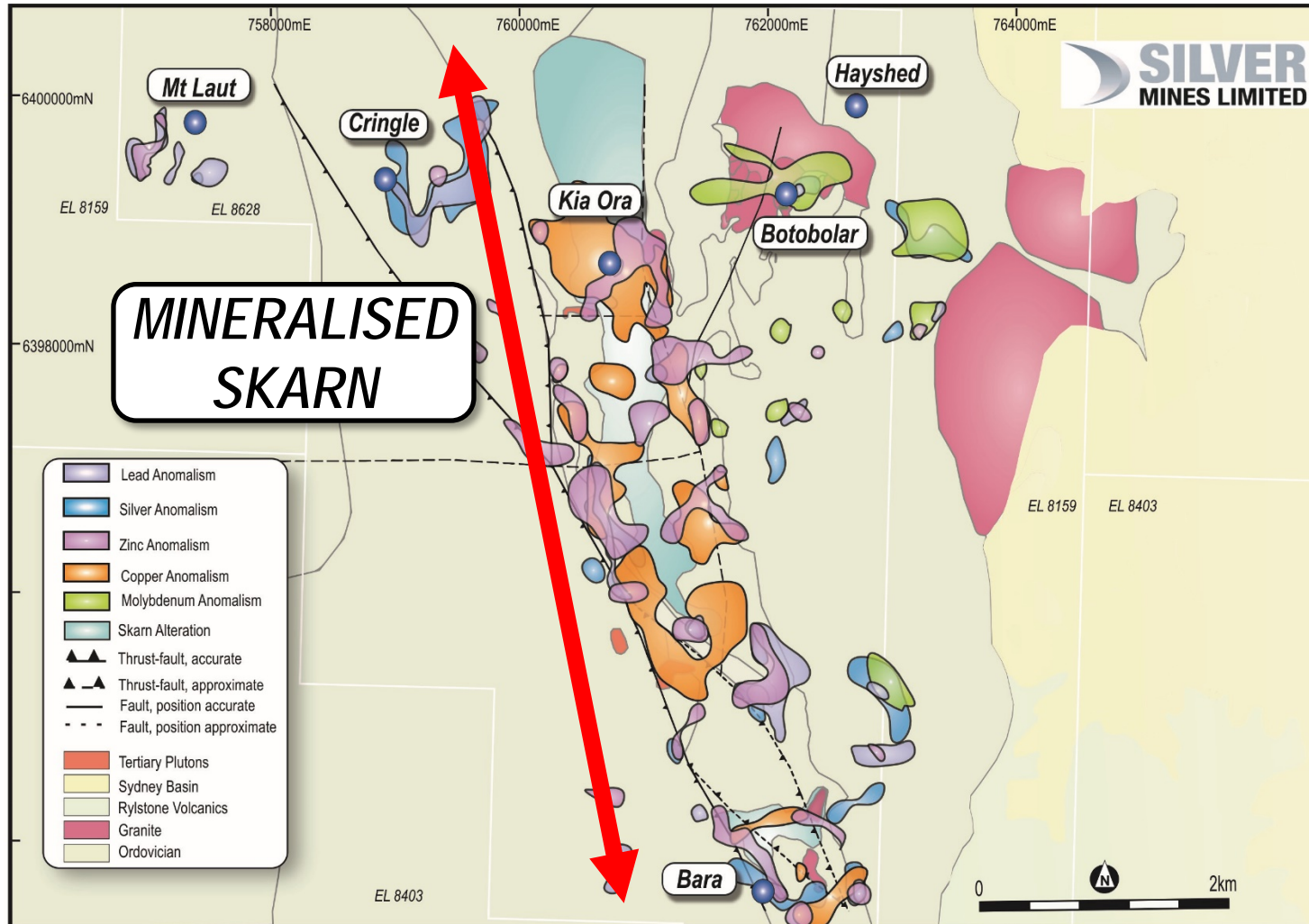


Unlocking a Major Mineralised System

- Barabolar Project area located 10 kilometres northwest of Bowdens.
- 9000 x 2000 metre corridor of base-metal and precious metal soil anomalies.
- Mineralised skarn mapped over 5000 by 800 metres.
- Porphyry system type alteration assemblages.
- Several high order prospects:
 - Cringle Au-Ag epithermal.
 - Kia Ora Skarn (and proximal porphyry): Cu-Ag-Zn-Au.
 - Botobolar / Hayshed: abundant coarse molybdenite in associated felsic porphyry.

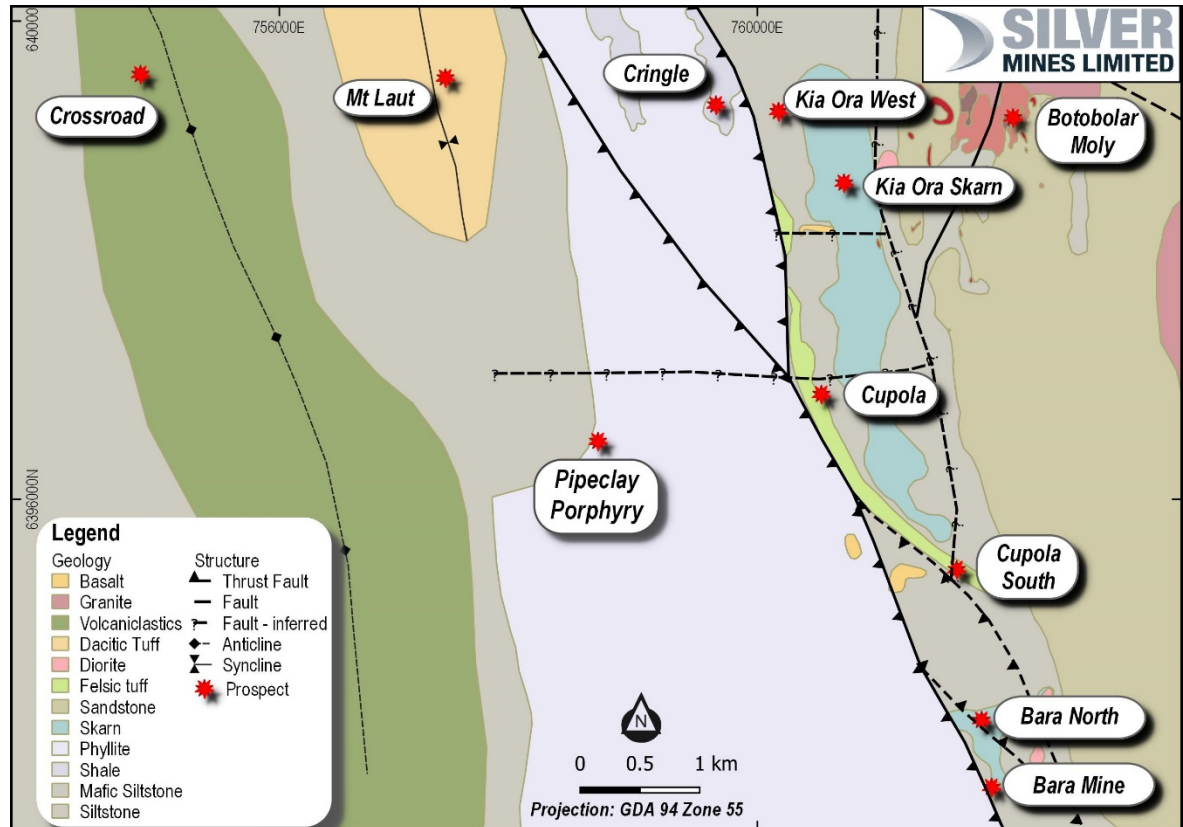


Unlocking a Major Mineralised System



Geophysics and Drilling

- Induced Polarisation (IP) program (~30 line kms) completed.
- Substantial gravity survey completed with interpretation being finalised.
- Drilling program first half 2021 (subject to approvals).



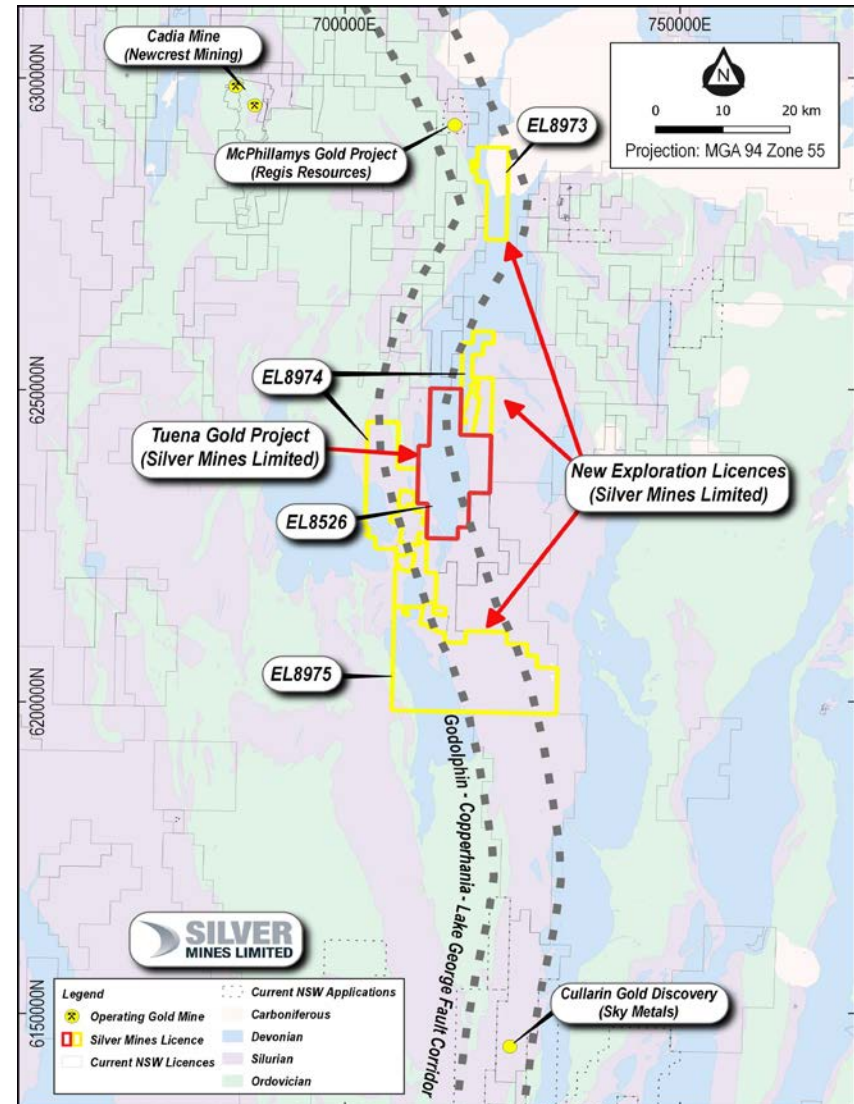
Tuena Gold Project

Unlocking a New Mineralised System



Tuena Gold Project

- Located south of Blayney in New South Wales.
- Historic goldfield with minimal exploration work in the modern era.
- Clear geological analogies to the McPhillamys Gold Project (2.0 Moz gold).
- Mineral system and old gold workings extend over at least 6 kilometres of strike.
- Airborne magnetics and radiometrics survey completed.
- Tenement position expanded with 747 km² of exploration licenses, all granted, all 100%.
- 4,000m RC drilling program complete, final results pending.
- Initial results include 4.0 metres @ 6.88 g/t gold from 98 metres in TRC20010



Looking Forward

- **Strong Market for Precious Metals.**
- **Bowden Silver Development Application submitted with a clear pathway approvals.**
- **Bowdens high-grade targets being addressed in expanded 10,000 metre drilling program**
 - Drill results continuing through first half 2021.
 - High-grade results adjoining and below current Mineral Resource area.
 - 275 Moz silver Eq system open to north, east and at depth.
- **Tuena Gold Project is an exciting new gold exploration play.**
 - Substantial old gold workings and anomalism with no modern drilling.
 - Located south of 2.0 Moz gold McPhillamys (Regis Resources).
 - Initial 4,000 metres drilling program complete, final results pending.



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Appendices



Appendix 1 – Bowdens Silver Resource (as at September 2017)

30 g/t Ag Eq Cut	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Million Ounces Silver	Million Ounces Silver Eq.
Measured	76	72	45	0.37	0.25	111	175
Indicated	29	59	31	0.38	0.25	29	55
Measured & Indicated	105	68	41	0.37	0.25	140	230
Inferred	23	60	31	0.40	0.28	23	45
Total	128	67	40	0.38	0.26	163	275

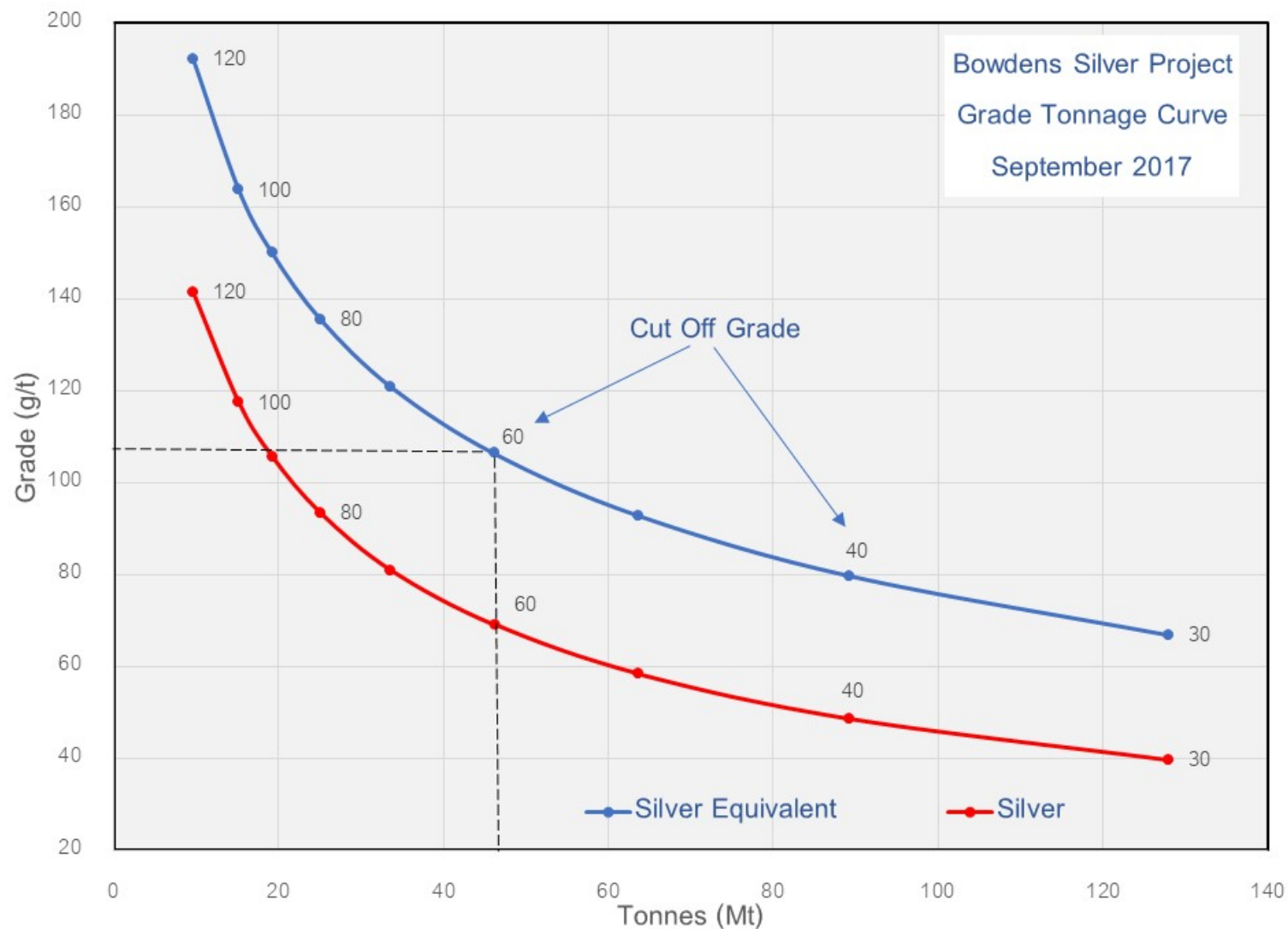
The Bowdens Mineral Resource Estimate has been compiled by H&S Consultants Pty Ltd using Multiple Indicator Kriging and the reporting is compliant with the 2012 JORC Code and Guidelines. For full disclosures refer to the Silver Mines Limited announcement of 19 September 2017.

1. Bowdens' silver equivalent: $\text{Ag Eq (g/t)} = \text{Ag (g/t)} + 33.48 \cdot \text{Pb (\%)} + 49.61 \cdot \text{Zn (\%)}$ calculated from prices of US\$20/oz silver, US\$1.50/lb zinc, US\$1.00/lb lead and metallurgical recoveries of 85% silver, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited.
2. Bowdens Silver Mineral Resource Estimate is reported to a 30g/t Ag Eq cut off and extends from surface and is trimmed to 300 metres RL which is approximately 320 metres below surface representing a potential volume for open-pit optimisation models.
3. In the Company's opinion, the silver, zinc and lead included in the metal equivalent calculations have a reasonable potential to be recovered and sold.
4. Variability of summation may occur due to rounding.

Appendix 2 - Bowdens Silver Resource (as at September 2017)

Cut off g/t Ag Eq	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Million Ounces Silver	Million Ounces Silver Eq.
0	397.2	30.7	17.6	0.18	0.12	225	392
10	261.7	43.7	25.2	0.26	0.17	212	368
20	185.2	54.6	31.7	0.32	0.21	189	325
30	127.9	66.8	39.6	0.38	0.26	163	275
40	89.2	79.7	48.6	0.43	0.29	139	229
50	63.6	92.8	58.4	0.47	0.33	119	190
60	46.1	106.3	69.1	0.51	0.36	102	158
70	33.7	120.8	80.9	0.54	0.39	87	131
80	25.1	135.5	93.4	0.57	0.42	75	109
90	19.2	149.9	105.6	0.59	0.45	65	93
100	15.1	163.7	117.5	0.62	0.47	57	80
120	9.6	192.3	141.4	0.67	0.53	44	59

Bowdens Silver Resource



Appendix 3 – Bowdens Silver Ore Reserve (as at May 2018)

	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Silver Eq. Million Ounces	Silver Million Ounces	Zinc Kilo- tonnes	Lead Kilo- tonnes
Proved	28.6	102.2	69.75	0.44	0.32	93.85	64.05	125.11	91.43
Probable	1.3	84.4	53.15	0.43	0.29	3.60	2.27	5.74	3.91
Total	29.9	101.4	69.01	0.44	0.32	97.45	66.32	130.84	95.33

The Bowdens Reserve has been compiled by AMC Consultants Pty Ltd and is based on the September 2017 Mineral Resource Estimate generated for Silver Mines by H & S Consultants Pty Ltd (see ASX announcement 19 September 2017). For full disclosures refer to the Silver Mines Limited announcement of 30 May 2018.

- Calculations have been rounded to the nearest 100,000 t, 0.1 g/t silver and 0.01% zinc and lead grades respectively. The Ore Reserve is reported by economic cut-off grade with appropriate consideration of modifying factors including costs, geotechnical considerations, mining and process recoveries and metal pricing.
- Bowdens' silver equivalent: $\text{Ag Eq (g/t)} = \text{Ag (g/t)} + 33.48 * \text{Pb (\%)} + 49.61 * \text{Zn (\%)}$ calculated from prices of US\$20/oz silver, US\$1.50/lb zinc, US\$1.00/lb lead and metallurgical recoveries of 85% silver, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited.

Competent Persons Statements

Ore Reserve

The information in this report that relates to Ore Reserves within the Bowdens Silver Project is based on information compiled or reviewed by Mr Adrian Jones of AMC Consultants Pty Ltd who is a consultant to the Company. Mr Jones is a member of the Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC code). Mr Jones consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Mr Jones visited the Bowdens mine site during April 2017 to review the operations, consider the conditions of the site, and assess the data collection methods and techniques used by site personnel.

The Ore Reserve has been prepared by Mr Adrian Jones, AMC Consultants Pty Ltd, after peer review of the mining section of the Feasibility Study. Other experts relied upon include H & S Consultants Pty Ltd, GR Engineering Services Limited, ATC Williams Pty Limited. and Jacobs Australia Pty Limited, for Mineral Resources, Metallurgy & Process Design and Tailing Storage Facility design. Work on environmental, marketing and logistics and the financial modelling were undertaken by other consultants on behalf of the Company and certified by representatives of Silver Mines.

Mineral Resources

The information in this report that relates to Mineral Resources is based on work compiled by Mr Arnold van der Heyden who is a Director of H & S Consultants Pty Ltd. Mr van der Heyden is a Member and Chartered Professional (Geology) of the Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC code). Mr van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Exploration and Drill Results

The information in this report that relates to mineral exploration drill results from the Bowdens Silver Project and Tuena Gold Project is based on information compiled or reviewed by Dr Darren Holden who is an advisor to the company. Dr Holden is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC code). Dr Holden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.