

13 March 2025Company Announcement Officer
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

DRILLING COMMENCED AT THE ELSIENORA PROJECT

HIGHLIGHTS

- **Diamond Drilling has commenced at the Elsiénora Project (EL9588), acquired in 2023 and located adjacent to the Company’s Tuena Gold Project.**
- **Initial program to target the Picker, Barite and Elsiénora Prospects, which all have potential to host “McPhillamys” style gold mineralisation.**
- **Significant historic drilling across the Picker and Elsiénora Prospects include¹:**
 - **18m @ 0.44g/t Au, 5.4g/t Ag and 0.18%Ba** from 27 metres,
 - **8m @ 0.55g/t Au, 23.2g/t Ag and 0.24%Ba** from 26 metres, and
 - **21m @ 0.89g/t Au** from 207 metres.
- **Silver Mines will complete an initial ~1,700m of diamond drilling to target silver and gold mineralisation.**

Jo Battershill, Silver Mines Limited CEO, comments “*We are very excited to be commencing a diamond drilling program at this highly prospective gold project. Historical results from previous explorers have firmed up the prospectivity and conceptualised correctly the potential for McPhillamys Style gold mineralisation. In our view, however, the historic drilling didn’t fully test the concept and our initial diamond drilling program should fill in some of those knowledge gaps. The extensive, and highly prospective Godolphin-Copperhannia Fault corridor remains vastly underexplored, and Silver Mines holds a commanding exploration package across this structure. We look forward to updating the market as the program progresses.*”

Introduction

Silver Mines Limited (ASX:SVL) (“Silver Mines” or “the Company”) is pleased to announce that drilling has commenced at the Tuena Gold Project, located 80 kilometres south of the city of Orange in New South Wales (Figure 2).

¹Refer to Silver Mines Limited announcement 24 January 2025 “*Drilling of the Elsiénora Project set to Commence*”.

The Elsenora Project (“the Project”) was acquired as an Exploration Licence Application (“ELA”) in 2023 and forms part of the Tuena Gold Project portfolio. The Project has previously been held by Alkane Resources Ltd (“Alkane”), Balamara Resources and various other companies from the 1970s. Previous exploration has included diamond and RC drilling, geophysical surveys and various surface geochemical surveys. The Project has been considered highly prospective for both orogenic gold and volcanogenic massive sulphide mineralisation styles. Alkane considered the Project prospective for a third mineralisation style being sulphide-rich disseminated gold-silver-barium (epigenetic VMS style) which is analogous to the McPhillamys Gold Deposit near Blayney. Review of historic data by the Company shows that the Project has significant underexplored potential for gold and silver mineralisation, for example: the Picker Prospect representing a McPhillamys style target worthy of drill testing.



Figure 1: Drill rig set up at the Picker Prospect.

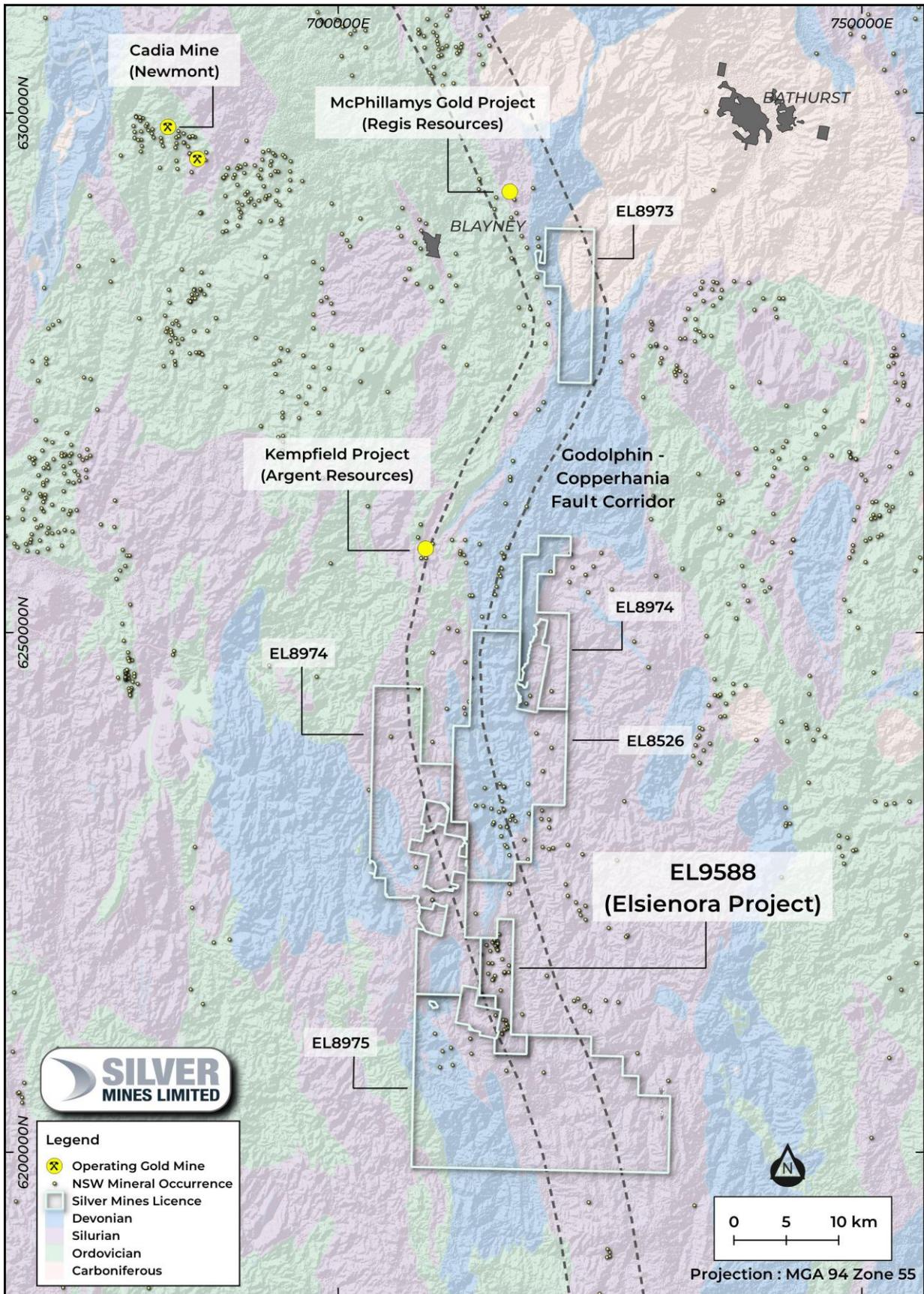


Figure 2: Location of the Elsenora Project within the Tuena Gold Project.

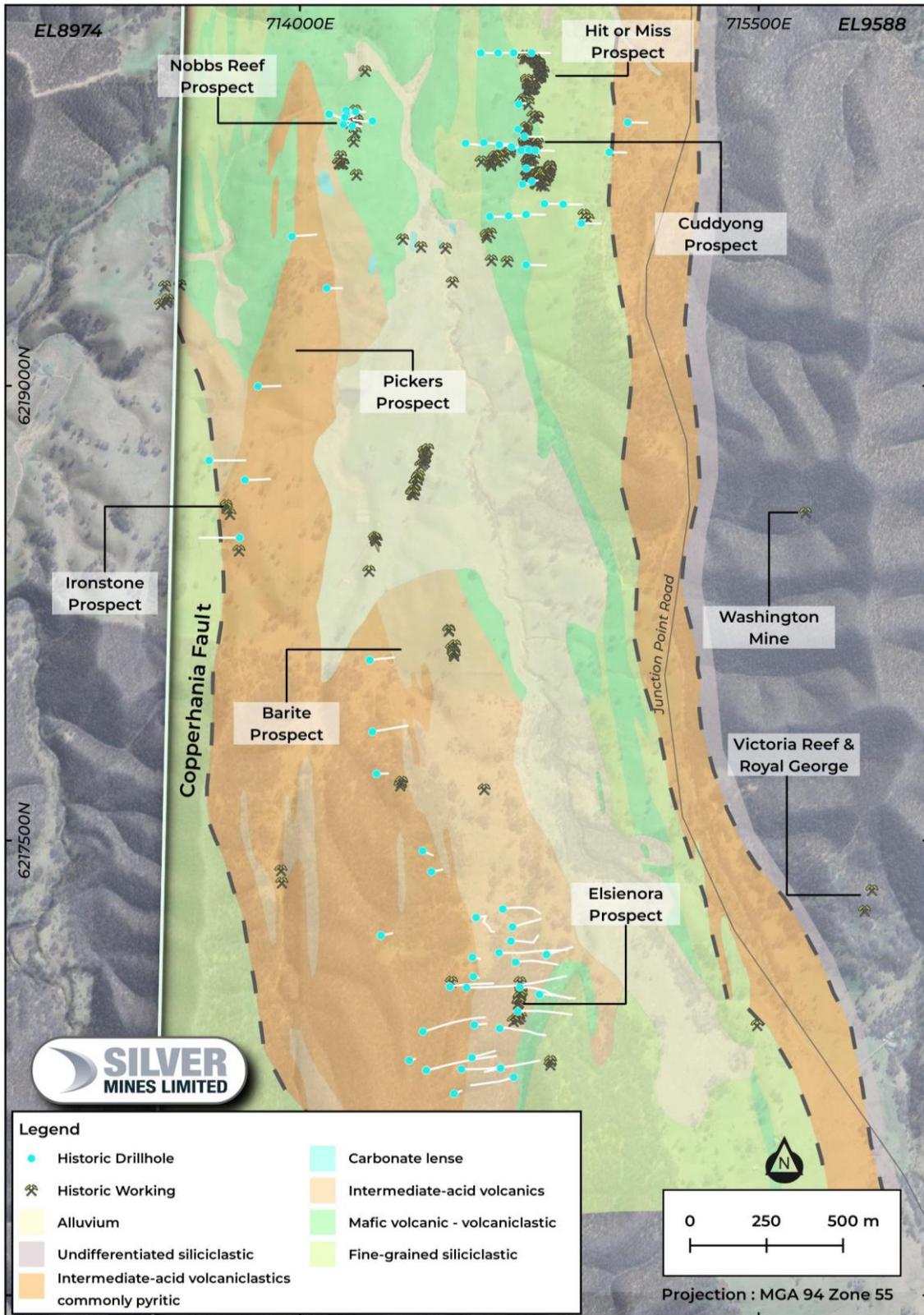


Figure 3: Elsenora Project geology and prospects.

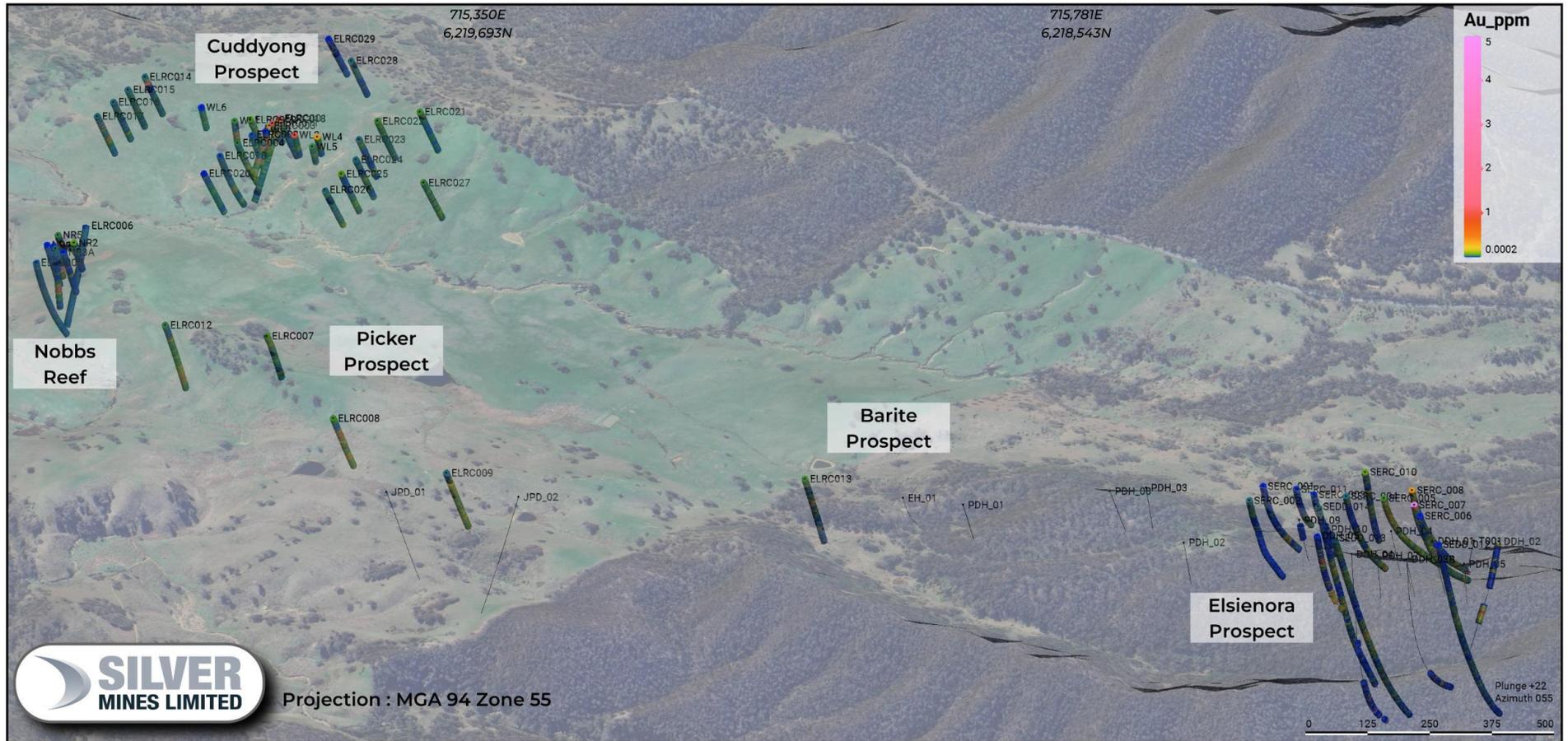


Figure 4: Oblique view (3D) of the Elsiehora Project with all historic drilling by gold assay.

About Silver Mines Limited

Silver Mines Limited is an Australian based minerals exploration and development company. The Company’s flagship asset is the Bowdens Silver Project located in central New South Wales, approximately 26 kilometres east of Mudgee (Figure 5). The consolidated project area comprises 2,115 km² (521,000 acres) of titles covering approximately 80 kilometres of strike of the highly mineralised Rylstone Volcanics. Multiple target styles and mineral occurrences have potential throughout the district including analogues to Bowdens Silver, high-grade silver-lead-zinc epithermal and volcanogenic massive sulphide (VMS) systems and copper-gold targets.

Bowdens Silver is the largest undeveloped silver deposit in Australia with substantial resources and a considerable body of high-quality technical work completed. The project boasts outstanding logistics for mine development. In addition to Bowdens Silver, the Company is also actively exploring for gold at its Tuena Gold Project.

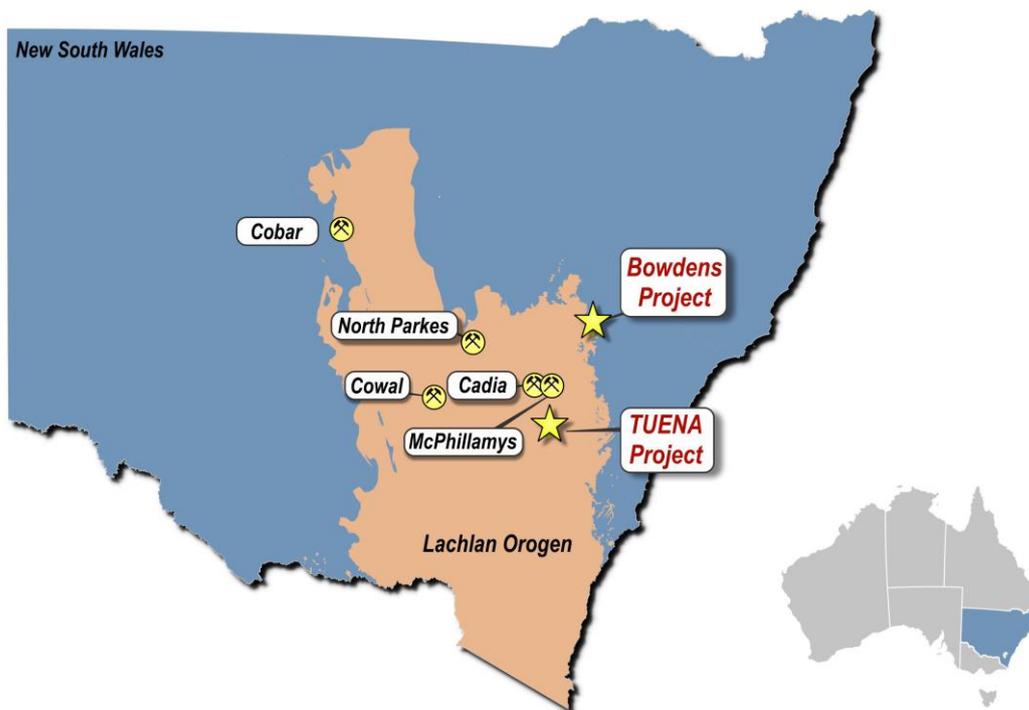


Figure 5: Silver Mines Limited Project locations in NSW.

This document has been authorised for release to the ASX by the Company’s Managing Director, Mr Jonathan Battershill.

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Competent Persons Statement

The information in this announcement that relates to Exploration Results has been extracted from various Silver Mines ASX announcements and are available to view on the Company's website at www.silvermines.com.au or through the ASX website at www.asx.com.au (using ticker code "SVL").

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.