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SILVER LAKE COMPLETES ACQUISITION OF HARTE GOLD

Silver Lake Resources Limited (“Silver Lake” or the “Company”) is pleased to confirm that it has completed the acquisition of Harte Gold Corp (“Harte Gold”) and now owns, through Hart Gold, a 100% interest in the Sugar Zone mine and associated 81,287 hectare land package in a prolific gold district in Northern Ontario. Ontario is a tier one mining jurisdiction and the acquisition of the Sugar Zone mine adds a third operation to Silver Lake’s production portfolio, all of which are situated in highly endowed mining jurisdictions.

Final consideration for the acquisition of Harte Gold is US\$102 million. In closing the acquisition, Silver Lake has also elected to close out Harte Gold’s out of the money hedge book for US\$24.8 million. To capitalise on the prevailing gold price, Silver Lake contemporaneously entered into a US\$22 million gold pre-pay for 11,928 ounces to be delivered over the next 12 months.

The Sugar Zone mine is in an established mining province, within close proximity to transport corridors, grid power, established mining services and suppliers. The Sugar Zone mine commenced production in 2019 and is one of Ontario’s most recent and highest grade gold mines. The most recent Mineral Reserve (dated 30 December 2020) is 797,000 ounces¹ at 7.2 g/t.

In calendar year 2021, the Sugar Zone mine produced 257,281 tonnes at 6.5 g/t for 51,453 ounces, which was consistent with Harte Gold’s revised guidance range.

Silver Lake has commenced a review of operations at the Sugar Zone mine with the objective of delivering material operational improvements and a low capital intensity growth strategy to leverage the installed infrastructure and current mineral resource.

The most recent Mineral Resource (dated 30 September 2020) of 1.64 million ounces grading 10.9 g/t² remains open along strike and at depth with inadequate exploration work beyond the existing Mineral Resource which supports the potential for additional discoveries.

Silver Lake now holds one of the largest exploration properties within a prolific metals district in Canada. Future regional exploration will benefit from the significant data acquisition and drill programs completed by Harte Gold during the past two years. The Sugar Zone acquisition complements Silver Lake’s strategy of delivering superior returns for shareholders by positioning Silver Lake as a leading gold growth stock on the ASX with a balanced portfolio of operations and growth projects in tier 1 mining jurisdictions, supported by a robust balance sheet and free cashflow generation.

1. The Mineral Reserve is a Foreign Estimate and is not reported in accordance with the JORC code, refer page 3 for further details
2. The Mineral Resource is a Foreign Estimate and is not reported in accordance with the JORC code, refer page 3 for further details

Summary of Key Acquisition terms

Silver Lake completed the acquisition of Harte Gold through the Canadian CCA process. The acquisition comprised a number of transactions with a blend of cash and scrip consideration totalling US\$102 million.

Harte Gold acquisition

Silver Lake purchased BNP Paribas (“BNP”) debt facilities at par value of US\$65.3 million. In parallel, Silver Lake negotiated an exclusive right with BNP to have the flexibility to close out or novate Harte Gold’s hedge book with BNP undertaking not to support an alternative transaction which did not close out the hedge book.

Silver Lake made available a debtor in possession loan of C\$10.8 million (US\$8.5 million), of which C\$1.9 million (US\$1.5 million) was drawn at closing. The undrawn cash will be returned to Silver Lake.

CCA and bankruptcy process costs were US\$1.6 million.

Silver Lake issued 27.0 million fully paid ordinary shares to Harte Gold and paid US\$5.9 million in cash following the realisation of proceeds from the subsequent sale of shares, to satisfy the US\$33.8 million finance facility obligations owed by Harte Gold to Appian Capital Advisory LLP (“Appian”).

Harte Gold’s cash position at closing is -C\$6.5 million, with no debt and payables balance of -C\$10.3 million.

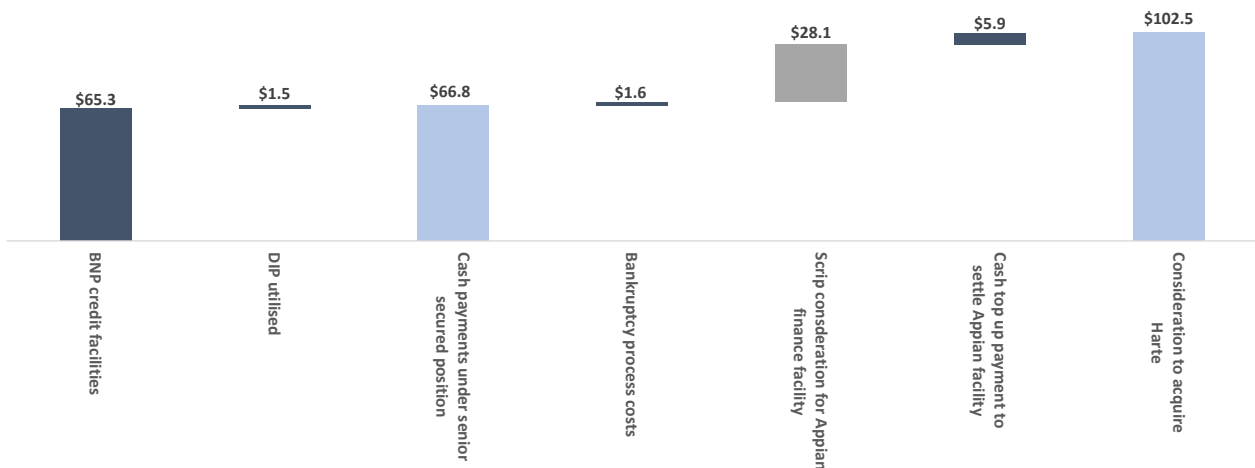


Figure 1: Consideration waterfall of Harte Gold acquisition

Subsequent transactions

Silver Lake notified BNP of its intention to close out the Harte Gold hedge book, which was at the election date US\$24.8 million out of the money. To capitalise on the prevailing gold price and with a modest hedge position at 31 December 2021 (75,500 ounces at an average price of A\$2,378/oz) Silver Lake contemporaneously entered into a US\$22 million gold payment agreement for 11,928 ounces to be delivered over the next 12 months at an average price US\$1,844/oz.

In parallel to the acquisition of Harte Gold, Silver Lake entered into an agreement with an affiliate of Appian to acquire its aggregate 2.0% net smelter royalty (“NSR”) payable on

production from the Sugar Zone mine and on the entire Sugar Zone Property. Silver Lake acquired the NSR for consideration of US\$22.0 million, payable in fully paid ordinary shares priced at the 5 day VWAP up to and including 18 February 2022.

The acquisition and elimination of the NSR will both reduce operating costs and increase operating cashflows, whilst increasing Silver Lake shareholders' leverage to higher gold prices and the significant exploration potential of the Sugar Zone mine and the entire Sugar Zone property.

Sugar Zone Mineral Resources and Mineral Reserves

The Mineral Resources for the Sugar Zone as at 30 September 2020 are estimated at 4.67 million tonnes at 10.9 g/t for 1.64 million ounces and are reported inclusive of any Mineral Reserves. The Mineral Reserves for the Sugar Zone at 31 December 2020 are estimated at 3.5 million tonnes at 7.2 g/t for 797,000 ounces.

The information in this announcement relating to the Sugar Zone Mineral Resources and Mineral Reserves has been extracted from Harte Gold's NI 43-101 Technical Report dated 5 March 2021 ("Technical Report") and filed on SEDAR (www.sedar.com). The Mineral Resources and Mineral Reserves estimates were prepared in accordance with National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators (the "Canadian NI 43-101 Standards"). Accordingly, the Mineral Reserves and Mineral Resources estimates are not, and do not purport to be, compliant with the JORC Code but are classified as "foreign estimates" under the ASX Listing Rules.

Cautionary statement: The foreign estimates are not reported in accordance with the JORC Code. A competent person under the JORC Code has not yet done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.

Sugar Zone Mineral Reserves as of December 31, 2020									
Deposit	Proven			Probable			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
	(000's)	g/t	(000's)	(000's)	(g/t)	(000's)	(000's)	(g/t)	(000's)
Sugar Zone	-	-	-	1,994	7.6	487	1,994	7.6	487
Middle	-	-	-	1,460	6.6	311	1,460	6.6	311
Total Sugar Zone	-	-	-	3,454	7.2	797	3,454	7.2	797

Notes:

- The stated Mineral Reserves comply with the requirements of the Canadian NI43-101 Standards and are classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Definition Standards for Mineral Resources and Mineral Reserves.
- Mineral Reserve estimates reflect the Company's reasonable expectation that all necessary permits and approvals will be obtained and maintained.
- Mineral Reserves are the economic portion of the Indicated Mineral Resources. Mineral Reserve estimates include mining dilution at grades assumed to be zero.
- The Mineral Reserves were estimated as of 31 December 2020 using a gold price assumption of US\$1,450/oz
- A mining cut-off grade of 5g/t Au has been estimated based on operating cost projections, sustaining capital development cost, mining dilution and recovery, royalty payment requirements, and applicable metallurgical recovery.
- Numbers may not reconcile precisely due to rounding.

Sugar Zone Mineral Resources as of September 30, 2020									
Deposit	Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
	(000's)	g/t	(000's)	(000's)	(g/t)	(000's)	(000's)	(g/t)	(000's)
Sugar Zone	1,315	15.5	657	891	11.0	314	2,206	13.7	971
Middle	1,326	9.0	381	844	8.2	223	2,170	8.7	604
Wolf	162	6.1	32	132	7.0	29	294	6.5	61
Total Deflector	2,803	11.9	1,070	1,866	9.5	567	4,669	10.9	1,637

Notes:

- The stated Mineral Resources comply with the requirements of the Canadian NI43-101 Standards and are classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Definition Standards for Mineral Resources and Mineral Reserves.
- Mineral Resources are inclusive of the Mineral Reserves
- The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve.
- The Mineral Resources have been estimated as of 30 September 2020 using a gold price assumption of US\$1,600/oz
- A Mineral Resource cut-off grade of 3g/t Au has been estimated based on operating cost projections, sustaining capital development cost, mining dilution and recovery, royalty payment requirements, and applicable metallurgical recovery. The cut-off grade was used in combination with a minimum mining width factor of 1.8m to define the Mineral Resource.
- Numbers may not reconcile precisely due to rounding.

ASX Listing Rule 5.12 requires specific information to be included in a public announcement that contains a foreign estimate. In accordance with ASX Listing Rule 5.12, Silver Lake provides the additional information below and the information in Annexure 1:

- The Sugar Zone Mine's Mineral Resource and Mineral Reserve estimates were prepared under the supervision of Qualified Persons (as defined in the Canadian NI 43-101 Standards). The Qualified Persons were employees of Harte Gold at the date of the estimates.
- Silver Lake believes that the categories of mineralisation reported under the Canadian NI 43-101 Standards are similar to the JORC Code 2012 categories however there are differences in terminology under JORC and the CIM Definition Standards. These include the term "Ore Reserves" in the JORC Code which is equivalent to "Mineral Reserves" using the CIM Definition Standards, and the term "Proved Ore Reserves" in the JORC Code which is equivalent to "Proven Mineral Reserves" using the CIM Definition Standards. There are no material differences between the JORC and the CIM Definition Standards.
- Silver Lake considers these foreign estimates to be material to Silver Lake given its intention, through the acquisition of the Sugar Zone mine, to materially increase its annual rate of gold production and diversify its gold production sources.
- Information relating to key assumptions, mining and processing parameters, and methods used to prepare the foreign estimates are presented in the Harte NI 43-101 Technical Report dated 5 March 2021. Further information about these matters is summarised in Annexure 1.
- As at the date of this announcement, the foreign estimates reported by Harte for the Sugar Zone Mine in the NI 43-101 Technical Report dated 5 March 2021 have not been superseded by any later Mineral Reserve and Mineral Resource estimates.
- Silver Lake will undertake an evaluation of the data to verify the foreign estimate as Mineral Resources and Ore Reserves in accordance with the JORC Code. The evaluation work is planned to be completed during FY22 and will be reported in Silver Lake's annual Mineral Resource and Ore Reserves statement to be released in the first quarter of FY2023. All work activities will be funded using internal cash reserves.

Competent Person Statement

Mr Hans Andersen confirms that the information in this announcement that relates to the Sugar Zone mine's Mineral Resources and Mineral Reserves provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Sugar Zone mine. Mr Andersen is a full-time employee of Silver Lake and is a member of the Australasian Institute of Mining and Metallurgy. Mr Andersen has sufficient experience that is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC 2012 edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr Andersen consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Limitation on Information relating to the Sugar Zone Mine

All information in this announcement in relation to the Sugar Zone Mine, including in relation to the historical production, Mineral Resources and Mineral Reserves, historic costs, and other historical financial information and life of mine plans, has been sourced from Harte Gold and

their related bodies corporate. Whilst steps have been taken to review that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy.

This announcement was authorised for release to ASX by Luke Tonkin, Managing Director.

For more information about Silver Lake and its projects please visit our web site at www.silverlakeresources.com.au.

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Annexure 1 - Additional Technical Information Relating to the Foreign Estimate

ASX LISTING RULE 5.12

Sugar Zone Mine - Foreign Resource and Reserve Estimate as at 31 December 2020

ASX Listing Rule	ASX Explanation	Commentary
5.12.1	The source and data of the historical estimates or foreign estimates.	The source of the foreign estimate is the NI 43-101 Technical Report dated 5 th March 2021 and filed on SEDAR (www.SEDAR.com) by Harte Gold Corp (“Harte Gold”). The foreign estimate is as at 31 December 2020 for Mineral Reserves and 30 September 2020 for Mineral Resources.
5.12.2	Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	<p>The Mineral Resource and Mineral Reserve estimates for the Sugar Zone Mine have been prepared using the Canadian National Instrument 43-101 (Standards of Disclosure for Mineral Projects) reporting guidelines. Accordingly, the Mineral Reserves and Mineral Resources estimates for the Sugar Zone Mine are not, and do not purport to be, compliant with the JORC Code and are therefore classified as “foreign estimates” under the ASX Listing Rules.</p> <p>The Mineral Resource estimate contains categories of NI 43-101 ‘Measured’, ‘Indicated’ and ‘Inferred’, that are consistent with the terminology of ‘Measured’, ‘Indicated’ and ‘Inferred’ under the JORC Code 2012.</p>
5.12.3	The relevance and materiality of the historical estimates or foreign estimates to the entity.	<p>The foreign estimate is material to the entities being acquired by Silver Lake Resources Ltd.</p> <p>Silver Lake considers these foreign estimates to be material to Silver Lake given its intention, through the acquisition of the Sugar Zone Mine, to increase its annual gold production and diversify its gold production sources.</p>
5.12.4	The reliability of historical estimates or foreign estimates to the entity.	<p>The foreign estimate is considered to be reliable by Silver Lake for the following reasons:</p> <ul style="list-style-type: none"> • Key criteria, as defined in Table 1 of the JORC Code 2012, has been addressed in the comprehensive due diligence completed by Silver Lake and its independent consultants • The foreign estimate has been reported publicly through the release of a NI 43-101 Technical Report supported by relevantly experienced Qualified Persons.

<p>5.12.5</p>	<p>To the extent known, a summary of work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical or foreign estimates.</p>	<p>A total of 750 drill holes for a total of 339,234m have been completed since 1993 and were used in the foreign estimate. Core size varied between NQ for surface diamond drill holes and AQTK for underground diamond drill holes.</p> <p>The estimate included 2,447 channel samples from underground workings. Channel samples are collected using a hammer and are collected in intervals that reflect lithology.</p> <p>Core was analysed using standard assay techniques (i.e., fire assay with AAS finish) by Activation Laboratories (Actlabs) in Ontario. Channel samples was analysed at the Harte Gold site laboratory using fire assay with gravimetric finish since 2019; prior to 2019 channel samples were analysed at the Wesdome laboratory in Wawa, Ontario.</p> <p>Industry-standard QAQC programs were completed by Harte, with QAQC samples accounting for >10% of total assays since 2017.</p> <p>Data is statistically conditioned prior to estimation (i.e., composited, top-cuts, etc.)</p> <p>Veins (ore domains) are wireframed implicitly using the 'vein' function in Seequent's Leapfrog Geo (v5.1) Software.</p> <p>The estimate references the NAD83, Zone16N Universal Transverse Mercator (UTM) grid system.</p> <p>Interpolation is generally completed using Ordinary Kriging (OK) or Inverse Distance, depending on data density; based on a full width true thickness composite (i.e., 2D estimate) utilising dynamic anisotropy.</p> <p>Interpolation was conducted on parent blocks of 10m by 10m with variable sub-locking across the width of the veins.</p> <p>For the OK estimates, variography is used to determine the spatial search orientations.</p> <p>Mineral Reserves were calculated at a gold price of US\$1,450/oz and Mineral Resources were calculated at a gold price of US\$1,600/oz.</p> <p>Mineral Resources have been estimated at a cut-off gold grade of 3.0g/t and Mineral Reserves have been calculated at a cut-off gold grade of 3.5g/t. Only Measured and Indicated Mineral Resources can be converted to Mineral Reserves.</p> <p>Mineral Reserves are based on fully-scheduled mine designs, that take into account current production and economic factors such as mining dilution and ore loss, unit mining and processing costs, metallurgical factors, fill costs, G&A costs.</p>
<p>5.12.6</p>	<p>Any more recent estimates or data relevant to the reported mineralisation available to the entity.</p>	<p>No more recent Mineral Resource or Mineral Reserve estimates or relevant data have been completed or provided to Silver Lake by Harte.</p>

5.12.7	The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as Mineral Resources or Ore Reserves in accordance with ASX Listing Rules Appendix 5A (JORC Code).	Key works proposed to ensure the foreign estimate complies with the JORC Code 2012 includes: <ul style="list-style-type: none"> • Detailed verification and validation of information provided by Harte Gold • The application of revised modifying factors to the Mineral Resource and Mineral Reserves
5.12.8	The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	The evaluation work is planned to be completed during FY22 and will be reported in Silver Lake's Annual Mineral Resources and Ore Reserves statement to be released in first quarter of FY2023. All work programs will be funded using internal cash reserves.
5.12.9	A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that: <ul style="list-style-type: none"> • The estimates are historical estimates or foreign estimates and are not reported in accordance with the JORC Code; • A competent person has not done sufficient work to classify the historical estimates or foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code; and • It is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as Mineral Resource or Ore Reserves in accordance with the JORC Code. 	Refer page 3.
5.12.10	A statement by a named competent person or persons that the information in the market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the information referred to in rule 5.22(b) and (c)	Refer page 6