



Supplementary Bidder's Statement
in relation to the
Recommended Offer

by

Silver Lake Resources Limited
ACN 108 779 782

To acquire all of your fully paid shares in

Egan Street Resources Limited
ACN 144 766 236

For

0.27 Silver Lake Shares for every 1 (one) of your Egan Street Shares

Important information

This Supplementary Bidder's Statement is dated 10 September 2019 and is issued pursuant to section 643 of the Corporations Act 2001 (Cth) (**Corporations Act**) by Silver Lake Resources Limited ACN 108 779 782 (**Silver Lake**) to the bidder's statement lodged with the Australian Securities and Investment Commission (**ASIC**) and Australian Securities Exchange (**ASX**) on 14 August 2019 (**Bidder's Statement**) in relation to Silver Lakes' off market takeover offer dated 16 August 2019 to acquire all of the ordinary fully paid shares in Egan Street Resources Limited ACN 144 766 236 (**EganStreet**) for 0.27 Silver Lake Shares for every 1 EganStreet Share (**Supplementary Bidder's Statement**).

A copy of this Supplementary Bidder's Statement was lodged with ASIC on 10 September 2019. Neither ASIC nor any of its officers takes any responsibility for the content of this Supplementary Bidder's Statement.

This Supplementary Bidder's Statement supplements, and should be read together with, the Bidder's Statement. Unless the context requires otherwise, terms in this Supplementary Bidder's Statement have the same meaning given in the Bidder's Statement. This Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the Bidder's Statement.

Notice to foreign shareholders

The distribution of this Supplementary Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Supplementary Bidder's Statement should seek advice on and observe any such restrictions. Silver Lake assumes no responsibility for any violation of the securities laws of any of those countries. This Supplementary Bidder's Statement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify Silver Lake or to otherwise permit a public offering of Silver Lake Shares outside Australia. Silver Lake Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (**Securities Act**) or the securities laws of any United States state or other jurisdiction and therefore may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States securities laws.

Important Notices

This Supplementary Bidder's Statement does not take into account the individual investment objectives, tax position, financial or other particular needs of any person. It does not contain financial product advice. You should seek independent legal, investment, financial or taxation advice.

SECTION 1 - EXTENSION OF OFFER PERIOD

Silver Lake has decided to extend the Offer Period so that the Offer will now remain open for acceptance until **7.00pm (Sydney time) on Friday 1 November 2019** (unless further extended under the Corporations Act).

A formal notice under section 650D of the Corporations Act in connection with the extension of the Offer Period is attached as Annexure A.

SECTION 2 - ORE RESERVES AND MINERAL RESOURCES INCREASE

2.1 Group Ore Reserve increase by 59%

Silver Lake released a significant upgrade to its Ore Reserves and an upgrade to its Mineral Resources to the ASX on 27 August 2019. Group Ore Reserves total 835,000 ounces of gold and 5,500 tonnes of copper representing a 59% increase on 30 June 2018.

2.2 Ore Reserves

Table 1 - Silver Lake Group 2019 Gold Ore Reserves*

Category Gold	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Proved	2,295	3.7	274
Probable	4,776	3.7	561
Group Total	7,072	3.7	835

Table 2 - Silver Lake Group 2019 Copper Ore Reserves*

Category Copper	Tonnes (000's)	Grade (%)	Tonnes
Proved	778	0.4	3,400
Probable	1,211	0.2	2,100
Group Total	1,989	0.3	5,500

*Tonnes, grade and contained metal have been rounded to reflect the accuracy of the calculations. Rounding errors may occur.

Note:

Refer ASX Announcement "Reserve growth reshapes Silver Lake's portfolio", 27 August 2019, for competent persons consent, material assumptions and technical parameters underpinning the Silver Lake Group's 2019 Gold and Copper Ore Reserves outlined in Tables 1 and 2 above.

2.3 Mineral Resources

Table 3 - Silver Lake Group 2019 Gold Mineral Resource Estimate

Category Gold	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Measured and Indicated	24,103	4.3	3,308
Inferred	15,241	4.0	1,983
Group Total	39,345	4.2	5,291

Table 4 - Silver Lake Group 2019 Copper Mineral Resource Estimate

Category Copper	Tonnes (000's)	Grade (%)	Tonnes (t's)
Measured and Indicated	1,602	0.8	12,100
Inferred	662	0.3	2,100
Group Total	2,264	0.6	14,100

Note:

Refer ASX Announcement "Reserve growth reshapes Silver Lake's portfolio", 27 August 2019, for competent persons consent, material assumptions and technical parameters underpinning the Silver Lake Group's 2019 Gold and Copper Mineral Resources Estimates outlined in Tables 3 and 4 above.

SECTION 3 - ANNUAL ACCOUNTS

Silver Lake has issued its full year financial statements for the period ended 30 June 2019. Please refer to Silver Lake's ASX announcement dated 27 August 2019 for further detail in relation to the financial statements.

SECTION 4 - SILVER LAKE'S INTENTIONS

Further to Section 2.2.9 and 8 of the Bidder's Statement, Silver Lake notes that EganStreet Shareholders will benefit from Silver Lake's established processing infrastructure at its Deflector mine site, located approximately 84km north-west of EganStreet's core asset, Rothsay Gold Project, plus Silver Lake's track record and demonstrable success in exploring, developing and operating narrow, high-grade underground gold mines which will be applied at Rothsay. The similar style of the Rothsay deposit to Silver Lake's existing underground mines will allow Silver Lake to leverage its site based operating model with aggregated functional support as Rothsay progresses through development and into production.

The ability to utilise established processing, mine and services infrastructure with multiple feed sources significantly reduces the execution risk and ongoing operational risks associated with bringing Rothsay into production as a standalone operation.

At the end of the Offer Period, Silver Lake will conduct an immediate, broad based review of EganStreet's operations on both a strategic and financial level to determine mechanisms for improving the performance and return to shareholders and realise any potential operational and financial synergies available to the Enlarged Group. Silver Lake has already conducted preliminary assessments of historical production data and EganStreet's

technical studies to identify potential options for the development of Rothsay. The subsequent broad based review will include Silver Lake conducting its own metallurgical test work (as part of a broad based strategic and technical review) to assess the potential to optimise the Deflector plant for all available ore sources (including Rothsay) and potential regional ore sources Silver Lake has identified and will progress through exploration programs in FY20.

SECTION 5 - HOW TO ACCEPT

5.1 Acceptance

To accept the Offer you should follow the instructions set out in Appendix A, clause A4 of the Bidder's Statement. Your Acceptance Form should be returned by the close of the Offer Period, being 7pm (Sydney time) on 1 November 2019, unless extended.

5.2 Clarification of effect of acceptance of Offer by EganStreet Shareholders

Silver Lake clarifies that the accepting EganStreet shareholders appointment of Silver Lake as their attorney (clause A7(b)(8) of Appendix A of the Bidder's Statement) and Silver Lake's ability to exercise votes at a general meeting clause A7(b)(9) of Appendix A of the Bidder's Statement) will only commence when the Offer or applicable takeover contract has become Unconditional (and Silver Lake undertakes not to exercise such rights in clause A7(b)(8) and clause A7(b)(9) prior to that time).

5.3 Clarification of timing of payment of Offer Consideration

The Bidder's Statement provides that the time for payment of the Offer Consideration will be as set out in clause A5(b) of Appendix A of the Bidder's Statement.

However, subject to the Corporations Act, and notwithstanding clause A5(b) of Appendix A of the Bidder's Statement, Silver Lake stated in the Bidder's Statement that it will use reasonable endeavours to provide the Offer Consideration at an earlier time which to clarify is payment to those EganStreet Shareholders who accept the Offer:

- (a) within seven (7) days of the later of, the Offer being validly accepted by EganStreet Shareholders and the Offer becoming Unconditional, or
- (b) within seven (7) days after the end of the Offer Period,

whichever occurs first in time.

SECTION 6 - VARIATION TO BID IMPLEMENTATION DEED

By variation deed dated 10 September 2019, and as a result of enquiry received from ASIC, Silver Lake and EganStreet agreed to vary the Bid Implementation Deed so as to remove the word '*reasonably*' from clauses 5.6(e), 8.3(a), 8.4(a) and 8.5(a) of the Bid Implementation Deed, such that any determination by the EganStreet directors as to their fiduciary or statutory duties is not qualified by the requirement that it be '*reasonably*' determined.

SECTION 7 - EGAN STREET PERFORMANCE RIGHTS AND OPTIONS

EganStreet has advised by announcements to ASX on 16 August 2019 and 3 September 2019 that all of the EganStreet Performance Rights that were on issue at the date of the Bidder's Statement have been exercised and vested and resultant EganStreet Shares have been issued.

Silver Lake notes that 12,220,000 EganStreet Options are due to expire on 13 September 2019, unless exercised on or before that date. Further, as outlined at section 8.5 of the Target's Statement, the vesting conditions in respect of the 1,500,000 EganStreet Options each exercisable at \$0.30 on or before 20 August 2021 will not be satisfied and accordingly will not vest.

Given the above, Silver Lake has chosen to waive the corresponding Options Offer Bid Condition in Appendix A, clause A6 (j) of the Bidder's Statement.

SECTION 8 - ASX 200 AND FURTHER INFORMATION

Silver Lake is pleased to advise that it has been admitted to the S&P/ASX 200 Index effective at the open on 23 September 2019.

If you are in any doubt as to how to deal with this Supplementary Bidder's Statement, you should contact your broker or your legal, financial or other professional adviser.

If you have any questions about the Offer or how to accept it, please call the EganStreet Shareholder Information Line on 1300 383 849 (toll-free) from within Australia, or on +61 3 9415 4179 from outside Australia. Please note that these calls may be recorded.

SECTION 9 - APPROVAL OF SUPPLEMENTARY BIDDER'S STATEMENT

This Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the board of directors of Silver Lake.

Date: 10 September 2019

Signed for and on behalf of Silver Lake Resources Limited by:



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Luke Tonkin, Director

ANNEXURE A

Notice of Variation – Extension of Offer Period under section 650D and Notice pursuant to s630(2) of the *Corporations Act 2001* (Cth) (Act)

Off-market takeover offer by Silver Lake Resources Limited ACN 108 779 782, for the ordinary shares in Egan Street Resources Limited ACN 144 766 236

To: Australian Securities and Investment Commission (ASIC);
Australian Securities Exchange (ASX); and
Egan Street Resources Limited ACN 144 766 236 (EganStreet).

In accordance with ASIC Class Order [CO 13/521] each person shown on the EganStreet share register dated 3 September 2019.

This is a notice dated 10 September 2019 given by Silver Lake Resources Limited ACN 108 779 782 (Bidder) in relation to the offer dated 19 August 2019 made by the Bidder, under the off-market takeover bid to acquire up to 100% of the ordinary shares in EganStreet (Offer) pursuant to the bidder's statement dated 14 August 2019, as supplemented (Bidder's Statement).

1. Extension of Offer Period

In accordance with section 650D of the Act, the Bidder gives notice that the Bidder varies the Offer by:

- (a) pursuant to section 650C of the Act, extending the period during which the Offer will remain open so that the Offer will now close at 7:00pm (Sydney time) on 1 November 2019 (instead of 20 September 2019), unless further extended or withdrawn in accordance with the Act; and
- (b) substituting the date "20 September 2019" for "1 November 2019" in the Bidder's Statement, the Acceptance Form and in all other instances in relation to the Offer, where "20 September 2019" appears (or is deemed to appear) as the last day of the Offer Period.

2. Date for giving notice as to the status of conditions under the Offer

In accordance with section 630(2) of the Act, the Bidder gives notice that as a result of the extension of the Offer Period, the new date in Appendix A, clause A9(b) of the Bidder's Statement for giving notice under section 630 of the Act as to the status of the defeating conditions set out in Appendix A, clause A6 of the Bidder's Statement (Defeating Conditions) is that date which is seven (7) days before the close of the Offer, being 25 October 2019.

As at the date of this notice:

- (a) as advised by Silver Lake by ASX Announcement dated 10 September 2019 the Options Offer Defeating Condition in Appendix A, clause A6 (j) of the Bidder's Statement has been waived; and
- (b) as far as the Bidder is aware, none of the other Defeating Conditions has been fulfilled or waived and accordingly the Offer remains subject to those conditions.

3. Right of Withdrawal

In this section "Right of Withdrawal", words defined in the ASX Settlement Operating Rules have the same meaning in this notice, unless the context requires otherwise.

In accordance with section 650E of the Act, as this variation postpones for more than one month the time when Silver Lake has to meet its obligations under the Offer, those EganStreet shareholders who have validly accepted the Offer on or before the date of this notice have the right to withdraw their acceptance by giving notice to Silver Lake (Withdrawal Notice) within 1 month beginning on the day after the day on which they received this notice (Withdrawal Period).

EganStreet shareholders who withdraw their acceptance must, if applicable, return any consideration received for accepting the Offer. A Withdrawal Notice by an EganStreet shareholder withdrawing their acceptance under section 650E of the Act must:

- (a) if the shares are in a CHES Holding:
 - (1) be in the form of a Valid Originating Message transmitted to ASX Settlement by the Controlling Participant for that CHES Holding in accordance with Rule 14.16.1 of the ASX Settlement Operating Rules; or
 - (2) be in the form of a notice in writing to Silver Lake setting out the information that Silver Lake requires to transmit a Valid Originating Message to ASX Settlement on behalf of Egan Street shareholder in accordance with Rule 14.16.5 of the ASX Settlement Operating Rules; and
- (b) in any other case, be in writing to Silver Lake care of Computershare Investor Services Pty Ltd at:

Computershare Investor Services Pty Ltd
GPO Box 52
Melbourne VIC 3001

If an EganStreet shareholder is legally entitled to give and does in fact give, a Withdrawal Notice within the Withdrawal Period, Silver Lake will, before the end of 14 days after the day it is given the Withdrawal Notice:

- (a) return to the Egan Street shareholder any documents that were sent by the Egan Street shareholder to Silver Lake with the acceptance of the Offer; and
- (b) if the shares are in a CHES Holding, Transmit to ASX Settlement a Valid Message that authorises the release of those shares from the Offer Accepted Subposition in which the CHES Holding has been reserved in accordance with Rule 14.16.3 or Rule 14.16.5 of the ASX Settlement Operating Rules as applicable.

A copy of this notice was lodged with ASIC on 10 September 2019. ASIC takes no responsibility for the contents of this notice.

This notice was approved by a unanimous resolution passed by the directors of the Bidder.



Luke Tonkin
Director
Silver Lake Resources Limited