

Sale of Great Southern Project for A\$5 million

Silver Lake Resources Limited (**Silver Lake** or the **Company**) has today been formally notified by ACH Minerals Pty Ltd (**ACH**) that it has exercised its option to purchase the Company's Great Southern project (**Project**) for cash consideration of A\$5 million.

Silver Lake and ACH are parties to a Farm-In and Joint Venture Agreement (**Agreement**) whereby ACH has the ability to earn up to an 80% interest in the Project through expenditure on exploration on the Project tenements. Under the terms of the Agreement, ACH was also granted an option to acquire the Project for a cash payment of A\$5 million at any time during the earn in period. Further details of the Agreement are set out in the Company's ASX announcement of 17 December 2015.

Completion of the sale of the Project and receipt of the consideration is expected to occur during the current quarter.

Commenting on ACH's decision to exercise its option to purchase the Project, Silver Lake Managing Director Luke Tonkin said:

"This is a further step in our strategy to realise value from our non-core assets and minimise our financial and management commitments outside of our core Mount Monger operations."

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Board of Directors:

David Quinlivan
Luke Tonkin
Les Davis
Kelvin Flynn
Brian Kennedy

ASX Code: SLR

Issued Capital:
503.7m Shares
2.0m Options
5.7m Performance Rights

All financial figures
quoted in this report are
in Australian dollars and
are unaudited