

26 October 2018

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Issued Capital:

507.9m Shares
3.9m Performance Rights

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

SEPTEMBER 2018 QUARTERLY ACTIVITIES REPORT

Continued cash generation in an investment quarter

Mount Monger Operations

- Quarterly gold production of 32,095 ounces
- Quarterly AISC of A\$1,469/oz which includes a A\$295/oz non-cash stock adjustment associated with the treatment of stockpiled material during the quarter (as outlined in FY19 production guidance)
- Ore production commenced at Harrys Hill open pit and is on schedule to replace low grade stockpile mill feed during 2Q FY19
- Preparations to access the Daisy North lodes from the 550 level (150 metres below surface) have commenced

Exploration

- Daisy Complex drilling continues to return significant high grade intercepts at established mining widths. Lodes remain open in multiple directions
 - Easter Hollows: Multiple lodes now extend over 450m laterally from existing mining fronts with an open plunge extent of 1000m
 - Lower Prospect: Drilling continues to intersect mineralisation with excellent continuity down plunge from the current Mineral Resource envelope. Encouragingly, a new lode was intersected 50m east of the Lower Prospect lodes and down plunge of the prolific Daisy Milano lode
- Drilling programs are ongoing across the three Mount Monger Mining Centres building on the strong FY18 exploration results. All targets are proximal to established underground and surface infrastructure and have demonstrable potential to both add higher margin ounces and extend the LOM. Respective updates will be released once results are received and interpreted

Corporate and Finance

- Quarterly gold sales of 38,500 ounces at an average price of A\$1,700/oz
- Cash and bullion of \$110.5 million, a \$4.8 million increase on 30 June, despite growth capital investment of \$10.8 million establishing the Aldiss Mining Centre, including capitalised stripping of the Harrys Hill open pit. An additional \$2.6 million was invested in exploration during the quarter
- Current hedge book of 134,000 ounces at an average hedge price of A\$1,726/oz

FY19 Outlook

- No change to gold sales guidance of 140,000-150,000 ounces at an average FY19 AISC range of A\$1,350-A\$1,390/oz

Production

Underground Mining

Mount Monger underground mine production for the quarter totalled 172,195 tonnes at 5.6 g/t for 30,938 ounces.

The Daisy Complex produced 81,069 tonnes at 6.1 g/t for 16,012 contained ounces, once again delivering a baseload supply of high grade underground ore to the Randalls Mill. Mining at the Daisy Complex in FY19 will focus on the Lower Prospect and Haoma West lodes.

Following a successful FY18 exploration program at Daisy North targeting a new, shallow mining front at the Daisy Complex (ASX release 23 March 2018, "Exploration Update"), mine design and evaluation was completed during the quarter supporting mine access and mine production. Stripping of the 550 level (150 metres below surface) will commence in 2Q FY19 to allow truck access to the Daisy North production areas with ore won from development to commence from April 2019, with stope production to commence in FY20.

The Daisy North lodes are not included in the 2018 Ore Reserve Statement and provide an opportunity to broaden the reserve base with ounces higher in the Daisy Complex mine elevation, effectively establishing an alternative mining front and potentially reducing production costs.

The Mount Belches Mining Centre produced 91,126 tonnes at 5.1 g/t for 14,926 ounces from the Maxwells and Cock-eyed Bob underground mines. Maxwells delivered consistent quarter on quarter production with production of 51,856 tonnes at 5.0g/t for 8,281 ounces. A significant increase in stope tonnes was reported at Cock-eyed Bob as the mine benefited from previous quarters' development with 39,270 tonnes at 5.3 g/t for 6,645 ounces for the quarter (+11% quarter on quarter).

Mining - A diverse source of high grade underground feed established at Mount Monger

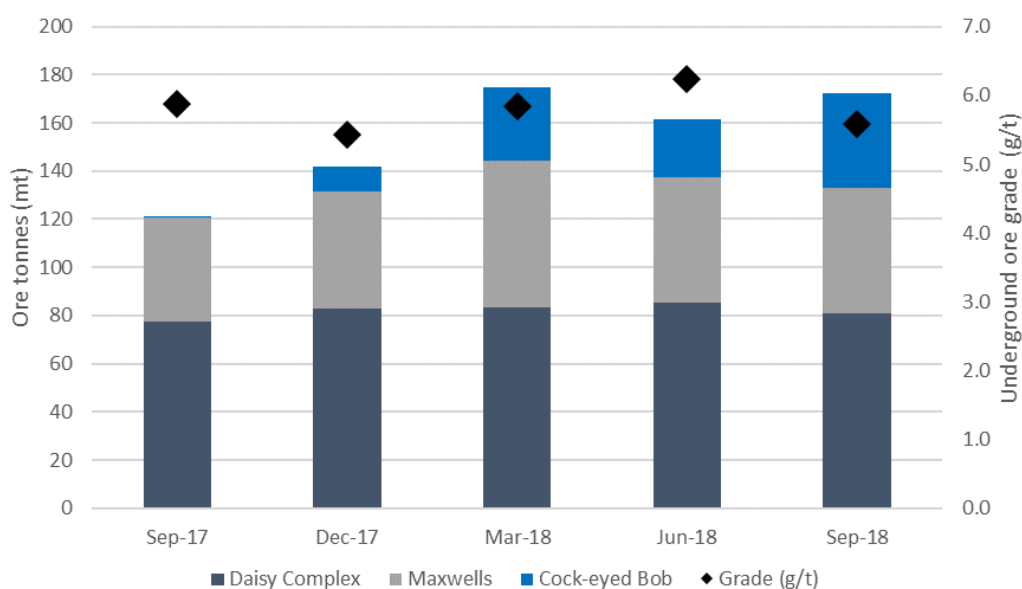


Chart 1: Underground Production

Open Pit Mining

Aldiss Mining Centre

Mining activities continued to ramp up at Harrys Hill with ~900kBCM of topsoil/overburden removed during the quarter. The first ore production milestone was achieved in the latter half of the quarter with reported production of 24,624 tonnes at 2.0g/t for 1,601 ounces. Production will continue to ramp up over the next quarter with mining rates on track to meet the schedule of introducing Harrys Hill ore into the mill feed in the latter half of 2Q FY19 to replace lower grade stockpile feed.

Aldiss costs capitalised during the quarter include \$7.5 million in mine development and \$3.2 million for the completion of key infrastructure projects including a 36km haul road, administration offices, 80 person camp, power and communications infrastructure.



Figure 1: Aldiss 80 person mine camp established



Figure 2: Owner operator mining underway at Harrys Hill

Processing - Scheduled preventative mill maintenance during the quarter to match mine production profile

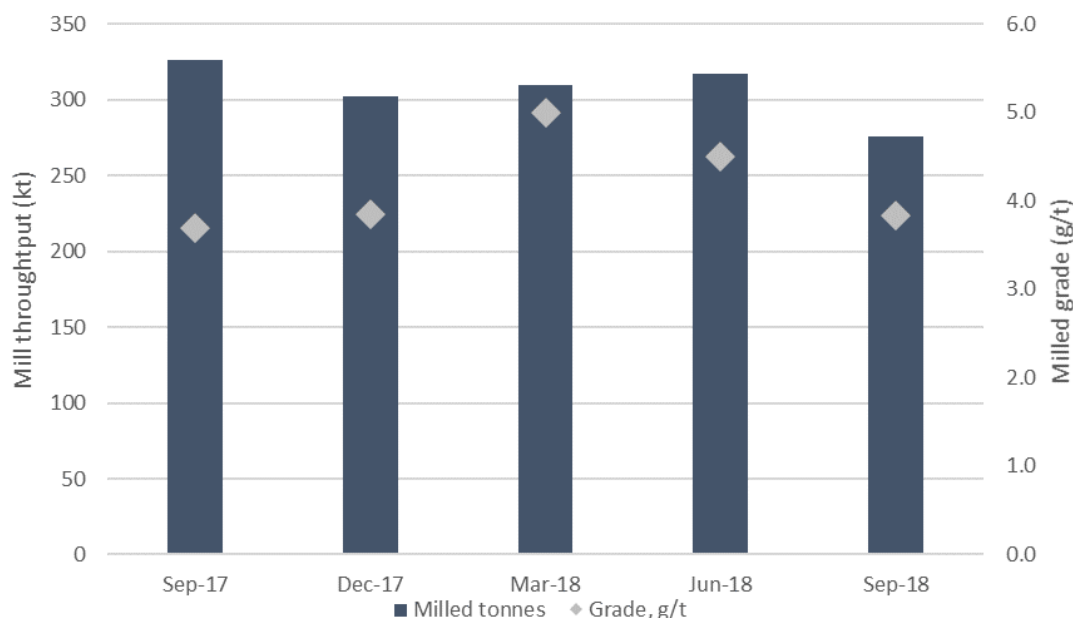


Chart 2: Processing

Ore milled for the quarter totalled 275,748 tonnes at 3.8 g/t Au for 32,095 recovered ounces (Chart 2) with 55% sourced from the high grade underground mines and the balance from stockpiled material. Chart 3 below highlights the stockpile build during the mining of the Imperial/Majestic open pits (June 17 - Dec 17 quarters) and the subsequent drawdown of stockpiles following the cessation of mining at the Imperial/Majestic pits and prior to the scheduled introduction of Harrys Hill material from 2Q FY19.

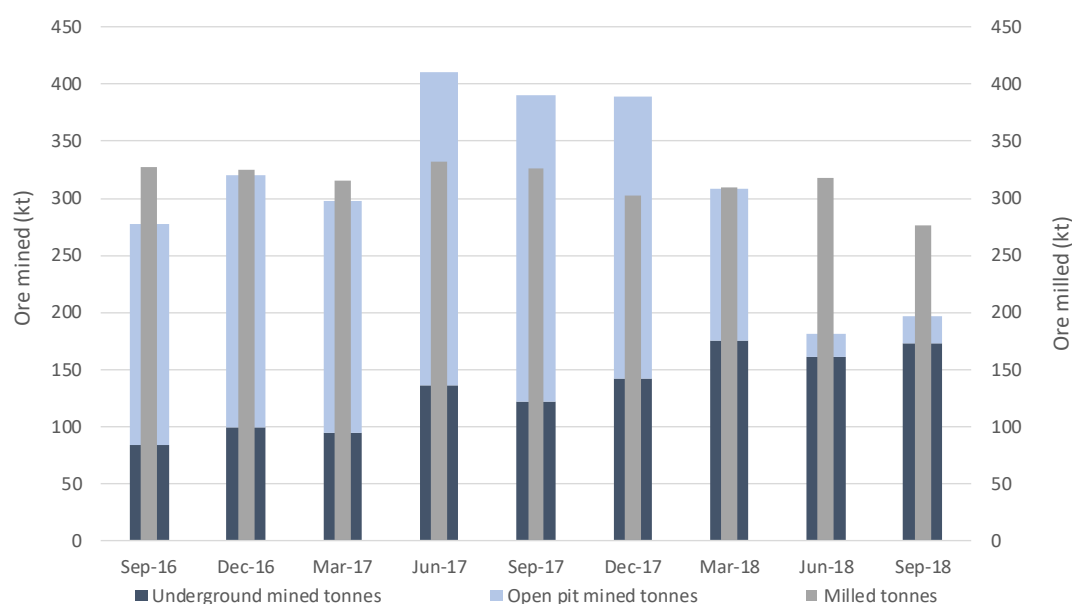


Chart 3: Underground and open pit mined tonnes v milled tonnes, highlighting stockpile build from Imperial/Majestic open pits and subsequent draw down in 4Q FY18 and 1Q FY19, prior to the introduction of Harrys Hill ore in 2Q FY19

The lower throughput level for the quarter reflects reduced mill availability as scheduled preventative mill maintenance was performed in the September quarter to better match the ramp up schedule of the Harrys Hill open pit.

The lower mill grade is consistent with market guidance for the drawdown of lower grade stockpiled material prior to the introduction of Harrys Hill ore in the latter half of 2Q FY19.

Mill recoveries trended higher, quarter on quarter to 94.5%.

The stockpiles balance at 30 September was ~365,000 tonnes containing 14,300 ounces (30 June 2018: 422,000 tonnes containing 17,000 ounces). The reported stockpile balance excludes 485,000t (~17,000 ounces) of historical stockpiles at Karonie which are currently being batch fed to the mill to confirm the estimated stockpile grade.

Mount Monger Camp - Mining	Units	Dec Qtr 2017	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	YTD FY19	FY18
<u>Underground - Daisy Complex</u>							
Ore mined	Tonnes	82,708	83,511	85,375	81,069	81,069	328,941
Mined grade	g/t Au	6.1	6.4	6.4	6.1	6.1	6.4
Contained gold in ore	Oz	16,283	17,275	17,585	16,012	16,012	68,033
<u>Underground - Cock-eyed Bob</u>							
Ore mined	Tonnes	10,294	30,407	24,019	39,270	39,270	65,505
Mined grade	g/t Au	3.6	5.8	7.7	5.3	5.3	6.1
Contained gold in ore	Oz	1,192	5,704	5,975	6,645	6,645	12,940
<u>Underground - Maxwells</u>							
Ore mined	Tonnes	48,842	60,667	51,973	51,856	51,856	204,671
Mined grade	g/t Au	4.6	5.0	5.3	5.0	5.0	4.8
Contained gold in ore	Oz	7,267	9,814	8,861	8,281	8,281	31,856
<u>Open Pit - Imperial/Majestic</u>							
Ore mined	Tonnes	247,483	134,170	20,025	-	-	670,605
Mined grade	g/t Au	2.3	3.8	6.6	-	-	2.7
Contained gold in ore	Oz	18,296	16,286	4,281	-	-	58,787
<u>Open Pit - Harrys Hill</u>							
Ore mined	Tonnes	-	-	-	24,624	24,624	-
Mined grade	g/t Au	-	-	-	2.0	2.0	-
Contained gold in ore	Oz	-	-	-	1,601	1,601	-
Total ore mined	Tonnes	389,327	308,755	181,392	196,819	196,819	1,269,722
Mined grade	g/t Au	3.4	4.9	6.3	5.1	5.1	4.2
Total contained gold in ore	Oz	43,038	49,079	36,702	32,539	32,539	171,616

Table 1: Mount Monger Camp - mine production statistics

Mount Monger Camp - Processing	Units	Dec Qtr 2017	Mar Qtr 2018	Jun Qtr 2018	Sep Qtr 2018	YTD FY19	FY18
Ore milled	Tonnes	302,242	310,201	317,391	275,748	275,748	1,256,120
Head grade	g/t Au	3.8	5.0	4.5	3.8	3.8	4.2
Contained gold in ore	Oz	37,366	49,928	45,465	33,951	33,951	171,355
Recovery	%	92	94	93	94	94	92
Gold produced	Oz	34,206	46,780	42,258	32,095	32,095	157,936
Gold sold	Oz	34,382	45,206	37,340	38,500	38,500	151,250

Table 2: Mount Monger Camp - processing statistics

Costs

The Unaudited All-in Sustaining Cost (AISC) for the quarter (Table 3) was A\$1,469/oz (FY18: A\$1,289/oz). This comprises a cash component of A\$1,173/oz and a non-cash stock adjustment of A\$295/oz. The AISC for the quarter is consistent with FY19 guidance for a full year AISC in the range of A\$1,350-1,390/oz. Specific factors contributing to AISC for the quarter were:

- Treatment of lower grade Majestic stockpiles prior to the introduction of higher grade Harrys Hill ore. There is no cash outflow associated with the mining of stockpiled material during the quarter, however, the mining cost is attributed to the stockpile draw and included in the AISC as a non-cash stock movement expense.
- Scheduled preventative mill maintenance was performed in 1Q FY19 to coincide with the significant increase in higher grade open pit ore production from Harry's Hill scheduled from the latter half of 2Q FY19, resulting in associated scheduled preventative maintenance costs and a 13% reduction in available mill throughput. Accordingly, unit processing costs were elevated for the quarter.

AISC for the quarter in absolute cash terms reduced \$3.7m to \$45.2 million and excludes \$1.3 million incurred on regional exploration.

Mount Monger Camp	Notes	Unit	Dec-17 Quarter	Mar-18 Quarter	Jun-18 Quarter	Sep-18 Quarter	FY19	FY18
Mining costs	1	A\$M	27.3	29.4	26.4	22.8	22.8	109.9
General and administration costs	2	A\$M	2.9	3.0	3.2	3.2	3.2	11.9
Royalties		A\$M	2.0	2.4	2.4	1.7	1.7	8.6
By-product credits		A\$M	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.7)
Processing costs	3	A\$M	10.6	10.3	10.9	10.9	10.9	42.1
Corporate overheads	4	A\$M	1.6	1.1	2.2	1.1	1.1	6.3
Mine exploration (sustaining)	5	A\$M	1.0	0.8	0.9	1.2	1.2	3.5
Capital expenditure and underground mine development (sustaining)	6	A\$M	4.9	3.4	2.9	4.4	4.4	17.7
All-in Sustaining Cash Costs (Before non-cash items)		A\$M	50.2	50.1	48.9	45.2	45.2	199.4
Inventory movements	7	A\$M	(2.1)	0.4	(2.1)	11.4	11.4	(7.9)
Rehabilitation - accretion & amortisation	7	A\$M	-	-	-	-	-	-
All-in Sustaining Costs		A\$M	48.1	50.5	46.8	56.5	56.5	191.5

Gold sales	oz	33,637	43,234	37,340	38,500	38,500	148,533
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Mining costs	A\$/oz	812	680	706	592	592	740
General and administration costs	A\$/oz	88	68	86	82	82	80
Royalties	A\$/oz	58	55	65	44	44	58
By-product credits	A\$/oz	(5)	(3)	(4)	(4)	(4)	(5)
Processing costs	A\$/oz	316	239	293	284	284	283
Corporate overheads	A\$/oz	49	25	59	27	27	43
Mine exploration (sustaining)	A\$/oz	29	18	25	32	32	23
Capital expenditure and underground mine development (sustaining)	A\$/oz	145	78	78	115	115	119
All-in Sustaining Cash Costs (Before non-cash items)	A\$/oz	1,492	1,159	1,308	1,173	1,173	1,342
Inventory movements	A\$/oz	(62)	9	(56)	295	295	(53)
Rehabilitation - accretion & amortisation	A\$/oz	-	-	-	-	-	-
All-in Sustaining Costs	A\$/oz	1,430	1,168	1,252	1,469	1,469	1,289

Table 3: Unaudited all-in sustaining costs for Mount Monger Camp

1 Costs for underground & open pit operating activities (including infill and grade control drilling). Costs allocated upon mines achieving commercial production.

2 Costs for site administration including corporate recharges.

3 Processing costs include costs of haulage from mine to mill.

4 Corporate overheads are post recharges to sites.

5 Costs relating to regional exploration are excluded from the calculation (amounting to \$1.3m for Q1 FY19).

6 Costs include underground decline development and sustaining capital works, but exclude site infrastructure/set up costs for new projects.

7 These costs are included in the calculation of all-in sustaining cost based on World Gold Council guidelines.

Group Finance

Cash and bullion increased \$4.8 million during the quarter to \$110.5 million at 30 September 2018 with no debt. The cash and bullion position at 30 September includes \$4.6 million in bullion awaiting settlement.

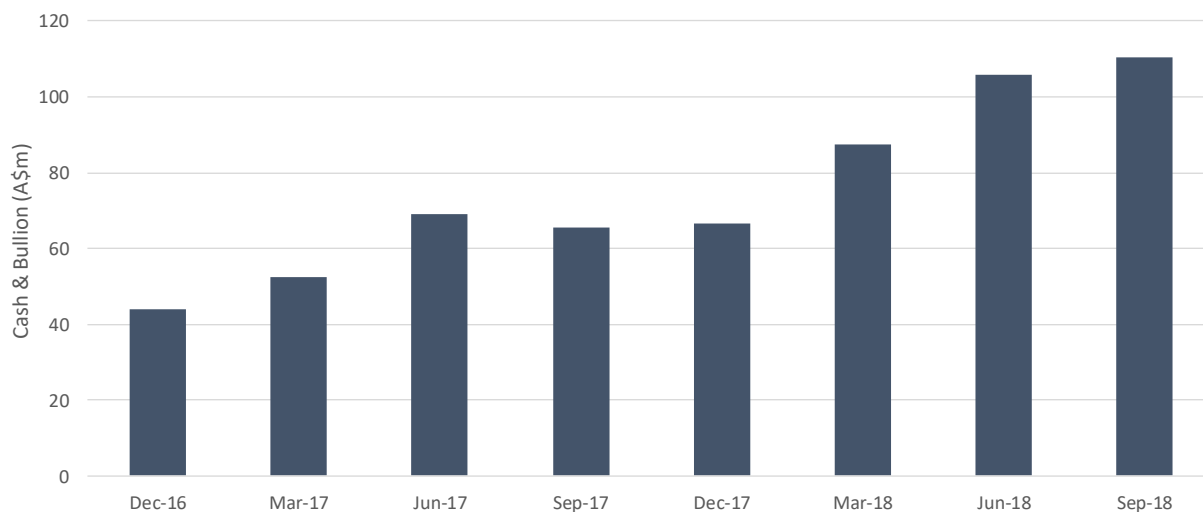


Chart 4: Established track record of cash generation

Key cash flow movements included:

- Net cash flow from the Mount Monger Camp of \$24.7 million
- Exploration spend of \$2.6 million
- Aldiss capital expenditure and development stripping of \$10.8 million

Cash flow for the September quarter is summarised in *Chart 5* below:

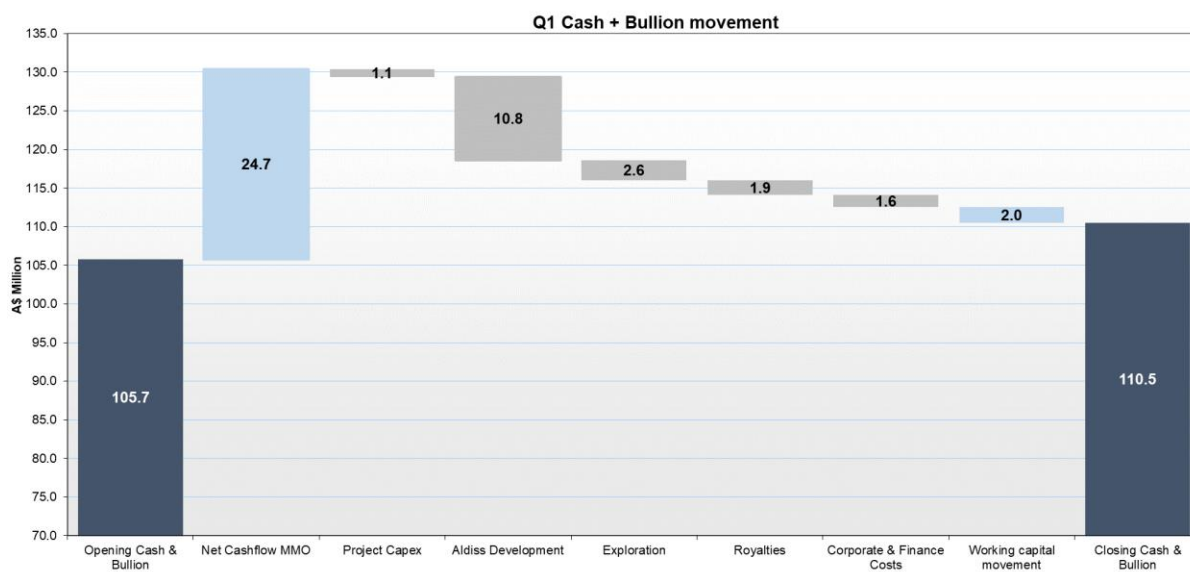


Chart 5: Q1 Cash & Bullion movement

Hedging

During the quarter the Company hedged a further 12,000 ounces of gold at average price of A\$1,716/oz.

As at 30 September 2018, the Company's forward gold hedging program totals 116,000 ounces, to be delivered over the next ~2 years at an average forward price of A\$1,725/oz. A further 18,000 ounces was hedged post quarter end for a current hedge book of 134,000 ounces at an average price of A\$1,726/ounce.

At 30 September 18

	Dec-18 Qtr	Jun-19 HY	Dec-19 HY	Jun-20 HY	Dec-20 HY
Ounces (koz)	18.3	31.8	27.0	33.0	6.0
Hedged gold price (A\$/oz)	1,722	1,727	1,723	1,727	1,716

Table 4: Hedge book profile

Exploration

Daisy Complex overview

Exploration activities at Mount Monger during the quarter were focused on drilling at the Daisy Complex, in particular the Easter Hollows target area and the Lower Prospect extensional and offset target. Results for this drilling were released to the market during the quarter.

Ongoing resource definition drilling targeting near-term production immediately down plunge from the current development levels at Haoma West continues to return intersections with multiple quartz veins and visible gold. The high grade lodes intersected increase the confidence in down plunge continuity of Haoma West lodes and confirm the strategy to infill and upgrade Mineral Resources to compliment the mine development schedule.

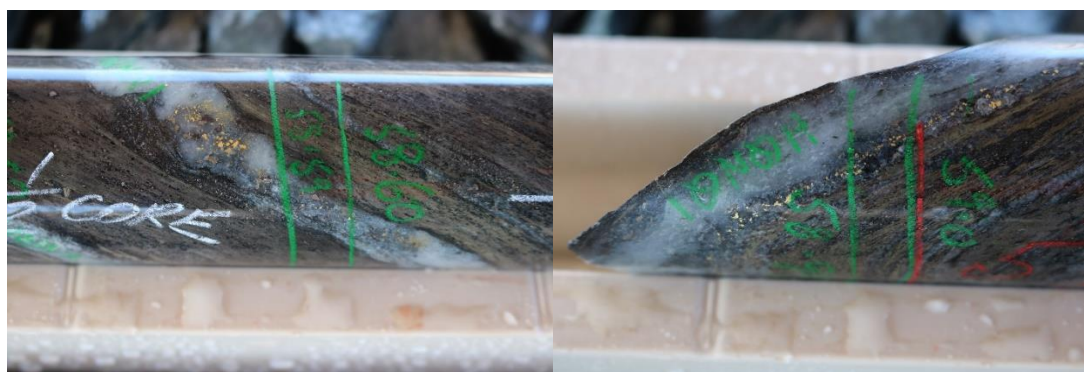


Figure 3: Drill core from diamond holes beneath current development levels at Haoma West showing spectacular visible gold in quartz veining (assays are yet to be returned)

Aldiss overview

A further resource definition drilling program was undertaken at Karonie during the quarter targeting direct extensions to mineralisation beneath and to the south of the current open pit cut back design. The initial logging results support the potential to extend the pit cut back (which currently has a Reserve of 1.38mt at 2.0 g/t for 87,000 ounces) and provide support for future underground mining options. Results will be released to the market once compiled and interpreted.

During the quarter a high resolution ground magnetics survey was completed to enhance geological and structural targeting along the “SAT” regional exploration trend to the south of the Harrys Hill open pit. The previously identified Spice, Tank and Atriedes deposits within the “SAT” trend include Mineral Resources of 48,000 ounces. Historical drilling is limited and shallow making these deposits very prospective for strike, plunge and lateral extensions.

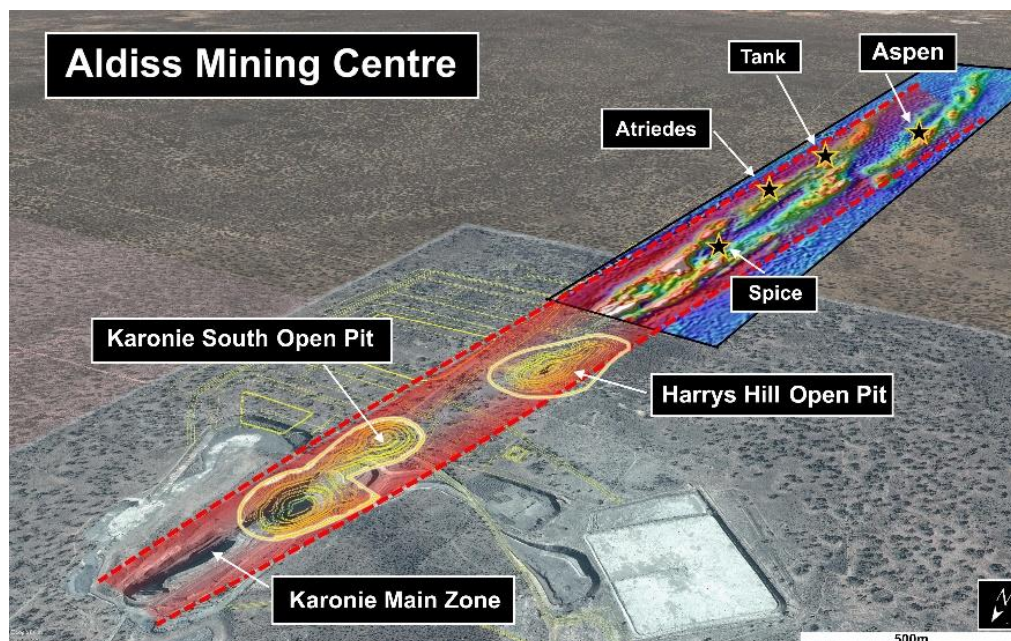


Figure 4: Aldiss “SAT” trend highlighting recently completed ground magnetics survey

Mount Belches overview

Resource definition drilling programs are ongoing at both the Maxwells and Santa deposits. The Maxwells drill program is focused on confirming the continuity of the BIF-hosted gold lodes between the Albion and Flag mining areas. This area has been ineffectively tested due to limited availability of surface drilling locations. Positive results from this program have the potential to add an additional shallow underground mining front at Maxwells from BIF lodes which are outside the prevailing Mineral Resource estimate.

The next phase of Santa exploration drilling commenced during the quarter targeting plunge and strike extensions to high grade lodes identified in a 9 hole program completed in 4Q FY18 (for full details see ASX release 7 June 2018, “Santa drilling highlights growth potential at Mount Belches”). Santa has the potential to provide a third shallow, high grade underground mine at the Mount Belches Mining Centre and benefit from the installed above ground services and infrastructure in place.

Easter Hollows - Mineralisation now intersected over a 1,000m plunge from surface

Following the successful phase of drilling results announced in March 2018, a total of eight new diamond drill holes have now been completed into the central to upper zone within the Easter Hollows target area. The drilling successfully intersected multiple mineralised structures to the west of current mining development, extending ~400m from current mining fronts.

Significant assay results have now been received from the eight new diamond drill holes, all intersecting multiple high-grade Daisy-style lode structures between 50 metres and 450 metres laterally from the existing Daisy underground development. Highlights from the assays as shown below and in Figure 5 and include¹:

- 0.45m @ 526 g/t Au
- 0.45m @ 43.4 g/t Au
- 1.64m @ 18.7 g/t Au
- 1.10m @ 16.0 g/t Au
- 0.66m @ 17.9 g/t Au

1. See ASX release 14 September 2018, *Drilling highlights significant upside at Daisy Complex*

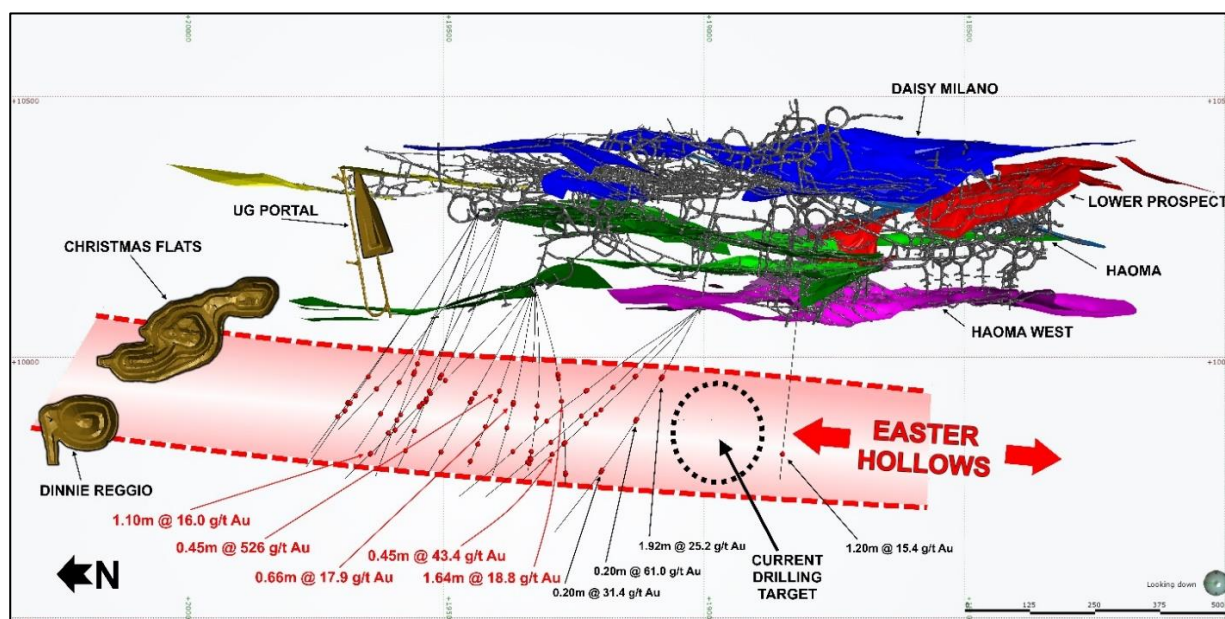


Figure 5: Plan view showing the Daisy Mine lode system, underground development, interpreted Easter Hollows zone and surface projection to the Christmas Flats and Dinnie Reggio open pits, assay intersections >5 g/t Au (red dots) with new drilling results (red text).

The host rocks and style of mineralisation intersected are similar to the highest-grade lodes in the Daisy Complex, including quartz veining, galena and visible gold. Importantly, the holes intersected multiple mineralised structures in the area between the Daisy infrastructure and the Easter Hollows lode position.

The discovery of the Easter Hollows lodes has the potential to be an important new higher margin mining front within the Daisy Complex. These lodes are located within the upper parts of the Daisy stratigraphy and are accessible by lateral development from existing underground development.

The FY19 exploration drill program has been updated to prioritise the Easter Hollows area and a drill program to test the extent of vertical continuity and infill the current defined strike has been approved.

Lower Prospect - Plunge extensions and potential new offset lode

The Lower Prospect zone is one of the main ore sources at the Daisy Complex in FY19 and all lodes remain open down plunge of the current mining levels and existing Mineral Resources which extends ~150 metres below current mining levels.

Drilling completed during the quarter at Lower Prospect continued to target extensions and resource upgrades to the Lower Prospect zone, whilst testing for potential new lodes to the east.

Down plunge drilling continues to deliver excellent results which demonstrate the continuity of high grade mineralisation at established mining widths below the 5150 Level. A total of eleven additional diamond drill holes have now been completed since the March 2018 exploration update, intersecting Lower Prospect lodes up to 300 metres down plunge of the current underground mining front and 150 metres down plunge of the current Mineral Resource.

The drill holes logged mineralised quartz veins with galena and visible gold across multiple Lower Prospect lodes, consistent with Daisy style mineralisation.

Highlights from the drilling included¹:

- 2.72m @ 25.7 g/t Au
- 2.43m @ 25.7 g/t Au

- 0.28m @ 87.0 g/t Au
- 0.20m @ 70.5 g/t Au
- 1.89m @ 10.9 g/t Au
- 1.65m @ 7.48 g/t Au
- 3.55m @ 5.50 g/t Au

1. Refer ASX release 14 September 2018, *Drilling highlights significant upside at Daisy Complex*

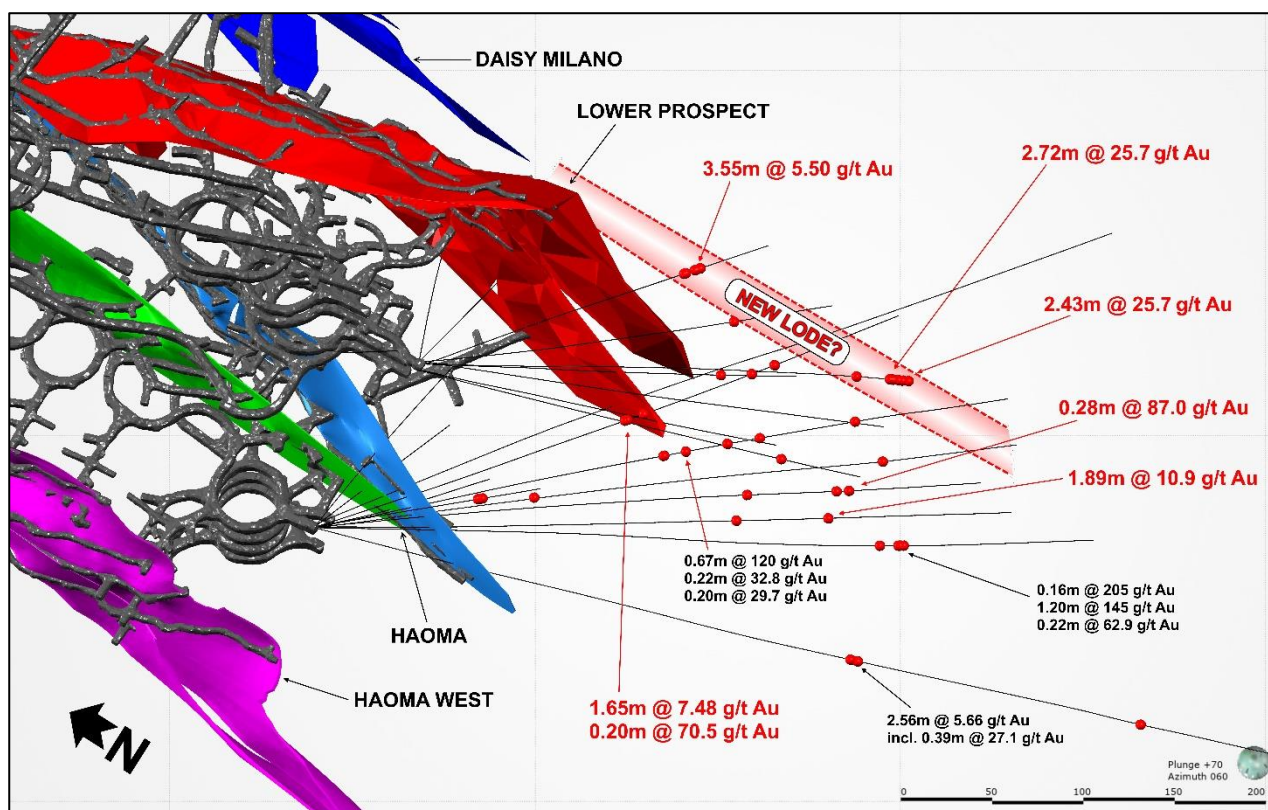


Figure 6: Oblique view towards the north east of the Daisy Complex centred on the Lower Prospect lode system, showing current underground development, and outlining the interpreted New Lode zone approximately 50m east of the Lower Prospect lodes, showing assay intersections >5 g/t Au (red dots), and highlighting new drilling results (in red text).

Encouragingly, a potential new lode has been intersected in drilling to the east, offset 50 metres and parallel to the Lower Prospect lode position (Figure 6). The new lode is highlighted by significant intersections of

- 2.43m @ 25.7 g/t Au and
- 2.43m @ 25.7 g/t Au, both in LP751-22¹

1. Refer ASX release 14 September 2018, *Drilling highlights significant upside at Daisy Complex*

This new lode is located ~300 metres down plunge from the original Daisy Milano Lodes and could open a new mining front for the Daisy Complex immediately adjacent to existing underground development.

The excellent intersections from the Lower Prospect extensional drilling continue to highlight both the discovery potential and plunge continuity of known lodes within the Daisy gold mine with all lodes remaining open at depth and along strike. Resource definition drilling will progressively extend and test these lodes as the Daisy mining front advances into the new lode positions.

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

For further information, please contact

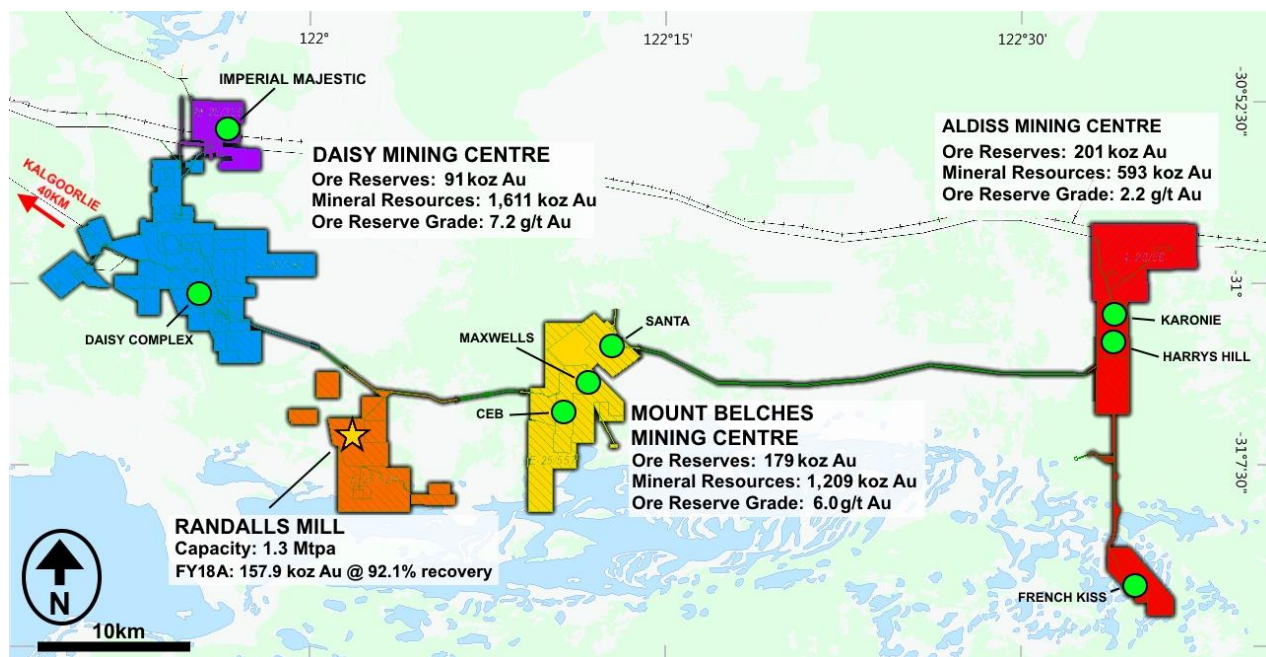
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Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Antony Shepherd, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Shepherd is a full-time employee of Silver Lake Resources Ltd 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'. Mr Shepherd consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1: Mount Monger Camp



Location of Mount Monger Camp Mining Centres and the centralised Randalls Mill.

Refer to ASX announcement “Mineral Resource and Ore Reserve Statement - MMO” dated 4 August 2017 and “75% increase in Aldiss Mining Centre Ore Reserves” dated 27 June 2018 for further information relating to Resources and Reserves