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DECEMBER 2019 QUARTERLY ACTIVITIES REPORT

STRONG CASH GENERATION AND GROWTH PROJECTS UNDERWAY

- Quarterly group production was a record 68,519 ounces gold and 691 tonnes copper (71,008 ounces gold equivalent¹), with sales of 66,074 ounces gold and 694 tonnes copper at an average sale price of A\$2,028/oz and AISC of A\$1,192/oz

Mount Monger

- Strong production results delivered at all three Mining Centres driving an increase in milled tonnes and grade for gold production of 39,854 ounces
- Gold in ore stockpiled increased by 9,000 ounces to 68,400 ounces
- 38,702 ounces sold at an AISC of A\$1,371/oz for the quarter
- Approval to commence the shallow, high-grade Santa underground mine at Mount Belches and access the Easter Hollows lodes at the Daisy Complex

Deflector

- Record gold production of 28,665 ounces with 691 tonnes of copper reflecting a record quarterly mine production rate and higher quarter on quarter mine grades
- Gold sales of 27,372 ounces and copper sales of 694 tonnes at an AISC of A\$939/oz for the quarter
- Exploration development approved to access Deflector south west zone immediately beyond the Deflector mine footprint and current Mineral Resource

Exploration

- \$7.6 million investment in group exploration focused on advanced high-grade projects within established mineralised corridors

Corporate and Finance

- Silver Lake continued to build its financial strength with cash and bullion increasing by \$31 million or 20% to \$186 million² at quarter end
- Acquisition of Egan Street Resources, increasing high-grade Reserve inventory to support an increased mine life at Deflector

FY20 Outlook

- FY20 sales guidance is increased to 240,000 - 250,000 ounces gold equivalent (215,000 - 230,000) at a decreased average AISC range of A\$1,300/oz to A\$1,350/oz (A\$1,375/oz to A\$1,450/oz)
- The upgraded guidance reflects increased sales guidance from both operations after incorporating the strong first half results and the continuation of mining at the Daisy Complex in the second half

¹ Refer page 16 for Gold Equivalent Calculation Methodology and Assumptions

² Excludes gold in circuit and concentrate on hand of \$10.3 million (30 September \$8.8 million) and listed investments of \$4.5 million (30 September \$5.1 million)

Overview and revised FY20 outlook

Silver Lake produced 71,008 ounces gold equivalent for the quarter with sales of 66,074 ounces gold and 694 tonnes copper at a realised gold price of A\$2,028/ounce and an AISC of A\$1,192/ounce. Year to date production is 132,879 ounces gold equivalent with gold sales of 122,757 ounces and 1,306 tonnes of copper at a realised price of A\$2,014/oz and an AISC of A\$1,223/oz.

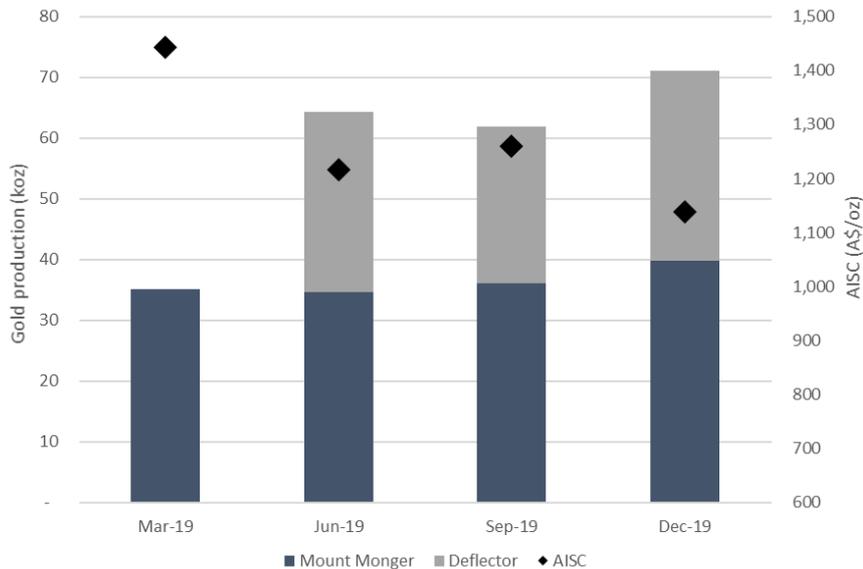


Chart 1: Rolling 12 months Silver Lake group production and AISC by quarter (update)

Silver Lake continues to build and maintain a strong balance sheet with cash and bullion of \$186 million at 31 December and no debt (30 September: \$155 million). Gold in circuit and concentrate on hand totalled \$10.3 million (30 September: \$8.8 million) and listed investments totalled \$4.5 million at 31 December.

The strong operational performance in 1H FY20 has provided Silver Lake with a solid platform to increase Group sales guidance to 240,000 - 250,000 ounces gold equivalent (increased from 215,000 - 230,000 ounces) and lower the AISC guidance range to A\$1,300/oz - A\$1,350/oz (decreased from A\$1,375/oz - A\$1,450/oz). The upgraded guidance reflects increased sales guidance at both operations:

- Mount Monger sales guidance increased to 135,000 - 140,000 ounces (increased from 120,000 - 130,000 ounces) with a lower AISC of A\$1,400 - A\$1,450/oz (decreased from A\$1,450/oz - A\$1,500/oz)
- Deflector sales guidance increased to 105,000 - 110,000 ounces gold equivalent (increased from 95,000 - 100,000 ounces) with a lower AISC range of A\$1,140 - A\$1,190/oz (decreased from A\$1,200/oz - A\$1,300/oz)

Mount Monger

The increase to full year sales guidance at Mount Monger reflects the continuation of mining at the Daisy Complex in 2H FY20 from Haoma West, Lower Prospect and remnant lodes. During the second half, high grade ore from the Daisy Complex will displace lower grade Aldiss open pit feed to the mill.

Easter Hollows development will commence in Q3 FY20 with the target area expected to be reached towards the end of Q4 FY20. Once established, the Easter Hollows zone will provide a shallower mining front at the Daisy Complex and provides a significant exploration opportunity, with 1,000 metres of known plunge extent and improved drill access to target infill and extensional opportunities. During the quarter

Silver Lake announced that underground development at the shallow, high grade Santa mine will commence in Q4 FY20. The Santa underground portal will be located within the Santa open pit and development will require pre-production capital works and equipment of \$3.0 million and a further \$1.5 million pre-production capital development. Santa production in FY21 is expected to be ~26,000 ounces, increasing production from the Mount Belches Mining Centre to 70,000 - 75,000 ounces in FY21.

Once underground access is established at Santa, ongoing RC and diamond drilling will focus on infilling and further extending the identified high-grade zones immediately to the north, south and below the current mine plan and outside the 2019 Santa Ore Reserve. The intersection of mineralisation outside of the current mine plan demonstrates the potential to extend mining at depth and in areas immediately adjacent the existing Ore Reserve. Silver Lake has a proven track record of extending and converting Mineral Resources at the established BIF hosted Maxwells and Cock-eyed Bob mines at Mount Belches.

The successful progression of Easter Hollows and Santa through the exploration and study phase to development is consistent with our strategy of targeting proven mineralised corridors to discover high margin ounces by leveraging our installed infrastructure, mine management teams and incumbent mining and haulage contractors.

The Tank area at the Aldiss Mining Centre is the third advanced project with the potential to progress through the study phase in the near term at Mount Monger. During the quarter infill drilling was on going at Tank South to convert Inferred Mineral Resources to Indicated Mineral Resources. In addition, an infill and extensional drill program targeting the historical Tank Open Pit Mineral Resources commenced to infill the Resource to 20m x 20m spacing and test for extensions to the north. Infill and extensional drilling at Tank will enhance the quality and volume of data available to assess optimal open pit and underground development strategies.

Deflector

Increased sales guidance at Deflector is driven by higher milled grade and improved mine productivity. The upgrade to sales guidance reflects the strong physical performance in 1H FY20 and 2H FY20 mine schedules incorporating updated grade control data which has had a positive impact on forecast mine grades.

Exploration drilling at Deflector continued immediately to the south and south west of the Deflector mine and outside the existing Deflector Mineral Resource. The current Deflector Mineral Resource is spatially located within the 600 metre strike length of the Deflector mine and the south and south west zone have considerable potential to deliver near term Mineral Resource growth.

Following the continued return of high grade gold/copper mineralisation from both surface and underground infill drilling of the southern Deflector corridor (300 metres south of the Deflector mine), exploration development has been approved to access the south west Deflector area which will test mineralised lodes. The drive will develop ~150 metres on one of the target lodes providing important data for both Resource definition and mine planning purposes, whilst also providing a drill platform to target the broader south west Deflector lodes. Development costs are expected to be ~\$1.2 million with ore won from development expected to offset this cost.

Egan Street acquisition

Silver Lake's takeover offer for Egan Street Resources Limited (Egan Street) closed on 13 December 2019 with Silver Lake holding a relevant interest of 97.3% and subsequently Silver Lake proceeded to compulsory acquisition, which was completed in January 2020.

The Rothsay project is now under the stewardship of Silver Lake, with preparations underway for the commencement of site works, including amending existing site licenses and permits and preparing to dewater the historical Rothsay underground workings. Silver Lake will relocate its Andy Well accommodation village from Meekatharra to Rothsay and relocate much of the Andy Well surface infrastructure to Rothsay including power, communications, water, sewerage, compressed air and dewatering services. Site service infrastructure is tentatively scheduled to be completed in Q1 FY21 with mine development scheduled to commence from surface in Q2 FY21. In parallel to the Rothsay mine

infrastructure and development works, a CIL circuit will be added to the Deflector plant with associated upgrades to existing process infrastructure, TSF and accommodation facilities.

Ore from Rothsay is tentatively scheduled to form part of the Deflector feed from Q1 FY22. Ore from Rothsay will enhance financial returns from the upgrade of processing infrastructure at Deflector to support the growing operation and mine life.

Revised FY20 Guidance

A full summary of revised FY20 guidance is set out in Table 1 below.

	FY20 - revised guidance	FY20 - original guidance	1H FY20 - Actual
Gold sales			
Mount Monger (koz)	135 -140	120 -130	73
Deflector (koz)	95 - 100	85 - 90	50
Deflector copper sales (t)	2,500	2,000	1,300
Group sales gold equivalent (koz)	240 - 250	215 - 230	127
All in sustaining costs (AISC) [#]			
Mount Monger (A\$/oz)	1,400 - 1,450	1,450 - 1,550	1,355
Deflector (A\$/oz)	1,140 - 1,190	1,200 - 1,250	1,030
Group AISC (A\$/oz)	1,300 - 1,350	1,375 - 1,450	1,223

All underground development expenses at operating mines are included in the AISC calculation. This includes development to access the Deflector South area and Easter Hollows areas at Deflector and Mount Monger respectively.

Table 1: Revised FY20 guidance

Mount Monger

Underground Mining

Mount Monger underground mine production for the quarter totalled 168,735 tonnes at 5.6 g/t for 30,302 ounces.

The Daisy Complex produced 69,078 tonnes at 6.3 g/t for 13,912 contained ounces, with production sourced from the Haoma West, Lower Prospect and remanent mining areas. Mined grades were 6% higher quarter on quarter, while ore tonnes were marginally lower quarter on quarter.

Development to access the Easter Hollows lodes located ~350 metres to the west of existing underground development will commence in Q3 FY20, following encouraging infill drilling between the 520RL and 660RL. The Easter Hollows lodes will be accessed in Q4 FY20. Once the Easter Hollows lodes are accessed development has been approved to test the mineralised lodes. Level drives and access ramps will provide important data for both Resource definition and mine scheduling, whilst also providing exploration drilling platforms to target the broader Easter Hollows lode system.

The Mount Belches Mining Centre produced 99,657 tonnes at 5.1 g/t for 16,390 contained ounces, representing 54% of the underground mine ounces at Mount Monger for the quarter. Mount Belches ore production during the quarter was marginally weighted towards Cock-eyed Bob, with 53% of tonnes and ounces sourced from Cock-eyed Bob.

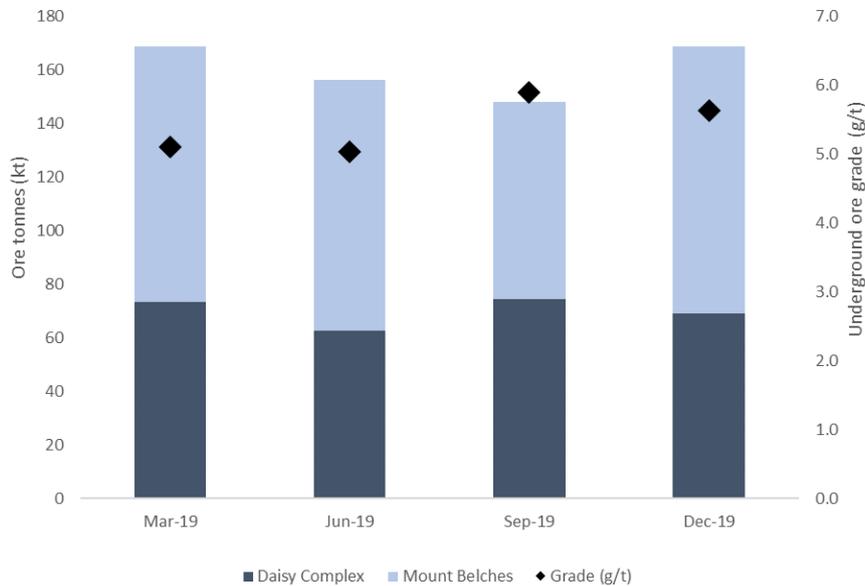


Chart 2: Mount Monger Underground mine production

Open Pit Mining

Aldiss Mining Centre

During the quarter, open pit mining continued at the Harrys Hill and French Kiss pits with marginally higher ounces reflecting the deeper higher grade zones of the Harrys Hill pit and higher tonnes and grades from French Kiss.

The Harrys Hill strip ratio continued to decline and averaged 2.3:1 for the quarter, with a corresponding reduction in total material movement to 226,866 bcm (Q3: 458,626 bcm), for production of 200,710 tonnes at 2.14 g/t and 13,810 ounces. Mining at Harrys Hill is expected to be completed during Q3 FY20.

At French Kiss, material movement was 402,162 bcm for 85,706 tonnes at 2.57 g/t and 7,084 ounces. Ore tonnages and grades will progressively increase through Q3 FY20 as waste stripping reduces, with the French Kiss pit hosting the highest grades of the Aldiss open pit Ore Reserves at 3.6 g/t.

A significant ore stockpile has been established at Aldiss totalling approximately 1,149,000 tonnes @ 1.5 g/t containing 54,600 ounces gold (30 September: 990,000 tonnes @ 1.4 g/t containing 44,500 ounces).

Pre-stripping of the Karonie open pit has been scheduled to dovetail with the completion of mining at French Kiss and Harrys Hill towards the end of Q3 FY20. The Karonie pit is located ~350 m to the north of the Harrys Hill pit and is expected to produce ~86,000 ounce over a 18 month period with a life of mine strip ratio of ~8:1. Similar to Harrys Hill, the strip ratio will be above the life of mine average for the first half of the life of mine before reducing to below the life of mine average. The scheduling of Karonie material was not included in the original FY20 guidance and as ore will not be processed in FY20 the investment in stripping and associated ore production will be outside of the FY20 AISC and is classified as growth capital in the revised FY20 guidance.

Processing

Ore milled for the quarter totalled 318,372 tonnes at 4.2 g/t Au for 38,702 recovered ounces (Chart 3). Mill throughput was 9% higher quarter on quarter as throughput returned to nameplate rates, consistent with guidance. Feed grade for the quarter was marginally higher with recoveries for the quarter marginally lower at 93.4%.

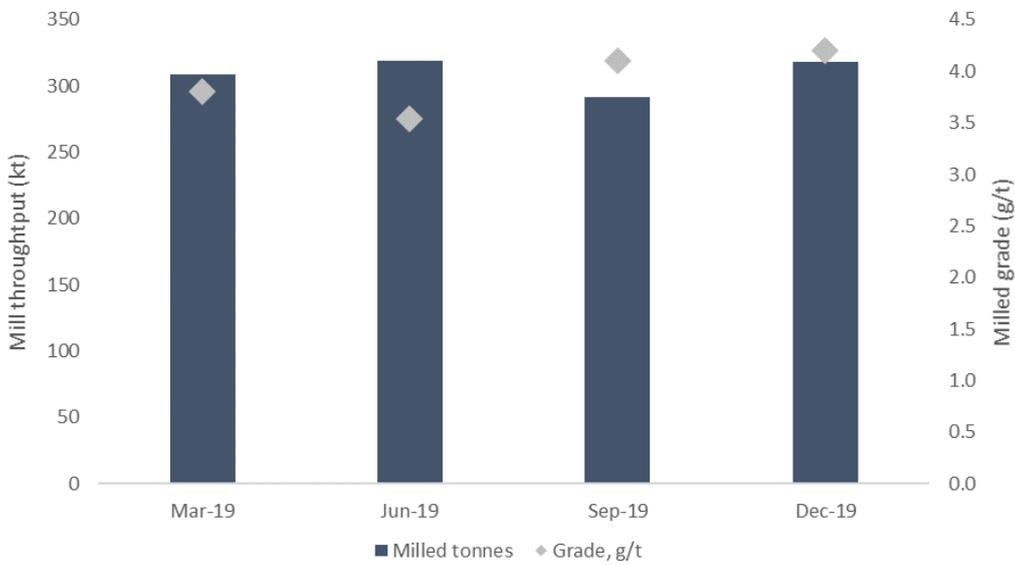


Chart 3: Mount Monger processing

The Mount Monger stockpile balance at 31 December was ~1.49 million tonnes containing 68,400 ounces (30 September 2019: ~1.34 million tonnes containing 59,300 ounces).

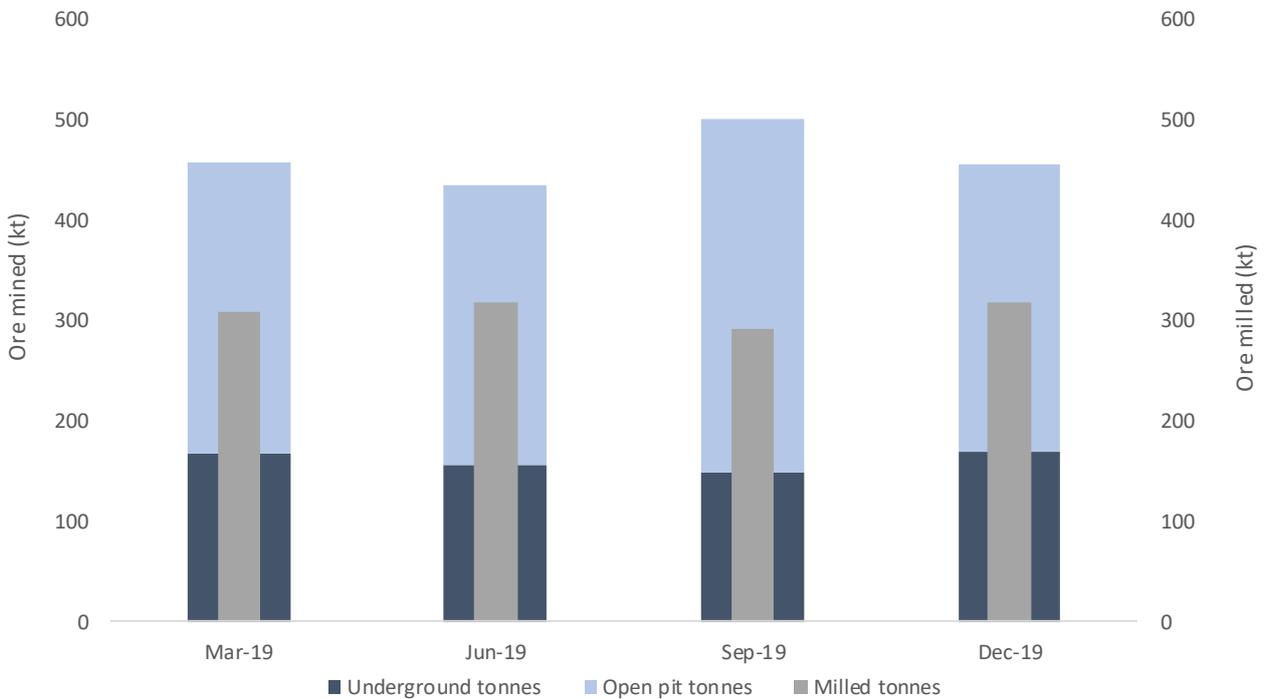


Chart 4: Mount Monger mined tonnes v milled tonnes

Mount Monger Camp - Mining	Units	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Dec Qtr 2019	FY20 (YTD)	FY19
Daisy Mining Centre - UG							
Ore mined	Tonnes	73,231	62,379	74,235	69,078	143,313	298,357
Mined grade	g/t Au	5.3	5.7	5.9	6.3	6.1	5.7
Contained gold in ore	Oz	12,477	11,402	14,039	13,912	27,951	54,706
Mount Belches Mining Centre - UG							
Ore mined	Tonnes	95,160	93,635	73,765	99,657	173,422	376,153
Mined grade	g/t Au	4.9	4.6	5.9	5.1	5.5	4.7
Contained gold in ore	Oz	15,016	13,851	13,996	16,390	30,386	57,170
Aldiss Mining Centre - OP							
Ore mined	Tonnes	288,837	279,324	353,523	286,416	639,939	744,590
Mined grade	g/t Au	2.0	1.9	1.8	2.3	2.0	2.0
Contained gold in ore	Oz	18,301	17,414	20,127	20,894	41,021	46,673
Total ore mined	Tonnes	457,228	435,698	501,523	455,151	956,674	1,419,100
Mined grade	g/t Au	3.1	3.0	3.0	3.5	3.2	3.5
Total contained gold in ore	Oz	45,794	42,667	48,162	51,196	99,358	158,549

Table 2: Mount Monger Camp - mine production statistics

Mount Monger Camp - Processing	Units	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Dec Qtr 2019	FY20 (YTD)	FY19
Ore milled	Tonnes	308,689	318,767	291,795	318,372	610,167	1,229,195
Head grade	g/t Au	3.8	3.5	4.1	4.2	4.1	3.7
Contained gold in ore	Oz	37,439	36,325	38,136	42,676	80,812	144,948
Recovery	%	94	95	95	93	94	95
Gold produced	Oz	35,172	34,629	36,058	39,854	75,912	136,767
Gold sold	Oz	38,055	33,004	34,269	38,702	72,971	141,006

Table 3: Mount Monger Camp - processing statistics

Costs

Mount Monger's AISC for the quarter (Table 3) was A\$1,371/oz.

Mount Monger Camp	Notes	Unit	Mar-19 Quarter	Jun-19 Quarter	Sep-19 Quarter	Dec-19 Quarter	FY20	FY19
Mining costs	1	A\$M	32.0	32.4	28.4	35.9	64.3	109.8
General and administration costs		A\$M	3.0	2.4	2.5	2.2	4.7	10.7
Royalties		A\$M	1.9	1.9	2.2	2.3	4.5	7.2
By-product credits		A\$M	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)	(0.4)
Processing costs	2	A\$M	11.6	12.2	11.5	12.3	23.7	40.7
Corporate overheads		A\$M	0.7	0.7	1.7	2.1	3.8	2.9
Mine exploration (sustaining)	3	A\$M	0.6	0.8	1.7	2.6	4.3	3.4
Capital expenditure and underground mine development (sustaining)	4	A\$M	7.7	6.3	7.6	6.6	14.3	24.0
All-in Sustaining Cash Costs (Before non-cash items)		A\$M	57.5	56.6	55.5	63.8	119.3	198.3
Inventory movements	5	A\$M	(2.5)	(11.7)	(9.7)	(10.7)	(20.4)	(5.9)
Rehabilitation - accretion & amortisation	5	A\$M	-	-	-	-	-	-
All-in Sustaining Costs		A\$M	54.9	44.8	45.8	53.0	98.9	192.4

Gold sales for AISC purposes	oz	38,055	33,004	34,269	38,702	72,971	134,189
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Mining costs	A\$/oz	840	980	829	927	881	818
General and administration costs	A\$/oz	80	72	73	57	65	80
Royalties	A\$/oz	50	57	65	59	61	53
By-product credits	A\$/oz	(2)	(2)	(3)	(5)	(4)	(3)
Processing costs	A\$/oz	305	370	335	317	325	303
Corporate overheads	A\$/oz	18	22	49	55	52	22
Mine exploration (sustaining)	A\$/oz	17	25	49	67	59	26
Capital expenditure and underground mine development (sustaining)	A\$/oz	202	191	223	171	195	179
All-in Sustaining Cash Costs (Before non-cash items)	A\$/oz	1,510	1,714	1,620	1,647	1,634	1,478
Inventory movements	A\$/oz	(67)	(356)	(282)	(277)	(279)	(44)
Rehabilitation - accretion & amortisation	A\$/oz	-	-	-	-	-	-
All-in Sustaining Costs	A\$/oz	1,444	1,358	1,338	1,371	1,355	1,434

Table 3: Mount Monger Camp AISC

- 1 Costs for underground & open pit operating activities (including infill and grade control drilling). Costs allocated upon mines reaching commercial production status.
- 2 Processing costs include costs of haulage from mine to mill.
- 3 Costs relating to regional exploration are excluded from the calculation (amounting to \$3.0m for Q2 FY20).
- 4 Costs include underground decline development and sustaining capital works, but exclude site infrastructure/set up costs of new projects.
- 5 Included in the calculation of all-in sustaining cost based on World Gold Council guidelines.

Deflector

Mining

Deflector mine production for the quarter was a record 179,491 tonnes at 6.2 g/t gold and 0.4% copper. Mining rates have benefited from the utilisation of a third production drill rig which increased available production fronts and improved mine productivity.

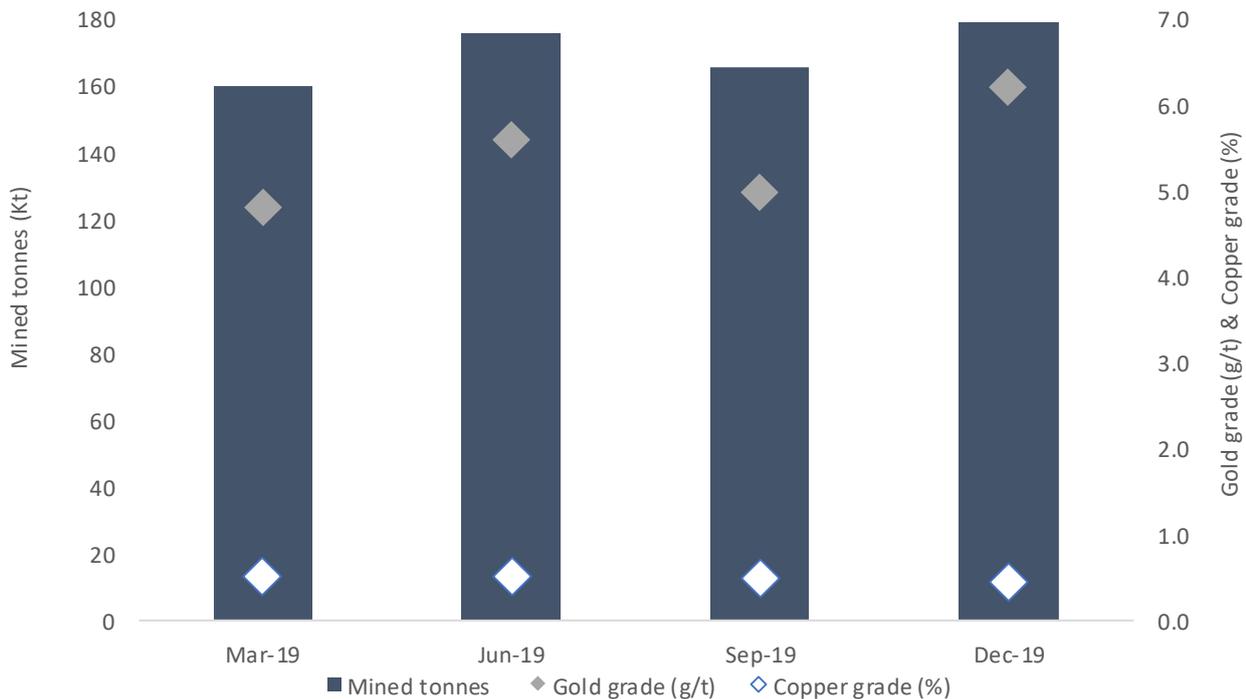


Chart 5: Deflector mined tonnes and grade

Processing

Deflector mill throughput of 163,240 tonnes was consistent with the record set in the September quarter, enabling the site to capture full value of the higher quarter on quarter mine grades. Average mill grades for the quarter were 6.1 g/t gold and 0.45% copper. Total gold recovery was 90% and copper recovery was 93%.

Gold production for the quarter was a record 28,665 ounces with copper production of 691 tonnes or 31,154 ounces gold equivalent (Q1 FY20: 23,230 ounces gold and 734 tonnes copper or 25,813 ounces gold equivalent).

At 31 December 2019 Deflector had ore stocks of 73,000 tonnes at 3.5 g/t gold and 0.7% copper (30 September 2019: 56,859 tonnes at 2.5 g/t gold and 0.7% copper).

Concentrate production was 6% lower relative to the September quarter at 3,758 tonnes with an average gold grade of 67 g/t gold and 18% copper.

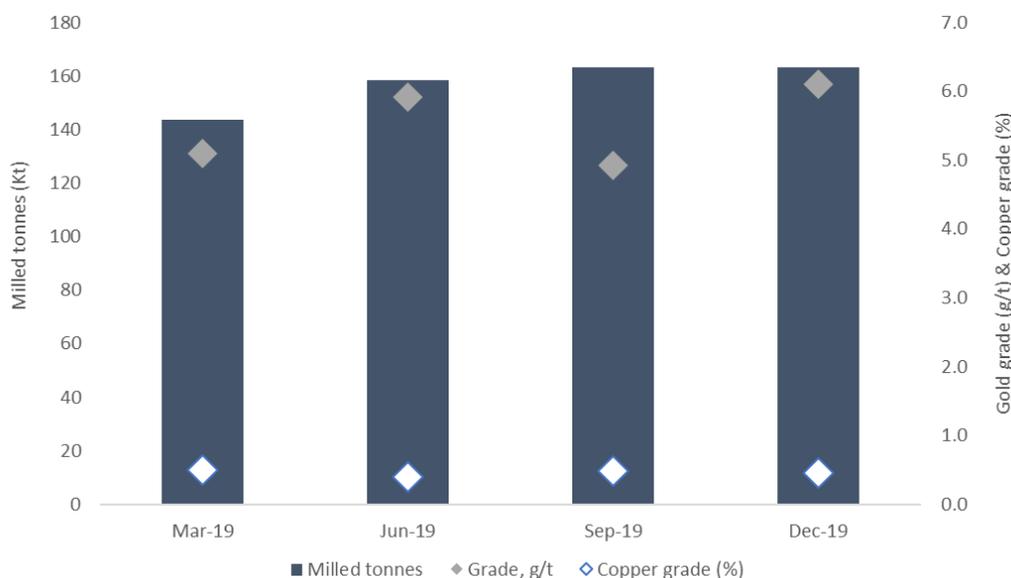


Chart 6: Deflector milled tonnes and grade

Deflector		Units	Mar Qtr 2019	Jun Qtr 2019	Sep Qtr 2019	Dec Qtr 2019	FY20 (YTD)	FY19
Ore mined		Tonnes	159,912	175,647	165,787	179,491	345,278	633,896
Mined grade	Gold	g/t Au	4.6	5.7	5.0	6.2	5.6	4.8
	Copper	% Cu	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%
Contained gold in ore		Oz	24,586	31,902	26,569	35,538	62,107	97,725
Contained copper in ore		Tonnes	773	864	796	793	1,589	2,881
Ore milled		Tonnes	143,735	158,467	163,240	163,240	326,480	607,116
Milled grade	Gold	g/t Au	4.9	5.9	4.9	6.1	5.5	5.0
	Copper	% Cu	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%
Recovery	Gold	%	89.41%	91.32%	89.63%	89.51%	89.59%	89.69%
	Copper	%	89.93%	92.43%	93.00%	93.48%	93.19%	91.05%
Gold bullion produced		Oz	15,278	20,254	15,828	20,603	36,431	64,632
Concentrate produced		Tonnes	3,417	3,429	3,978	3,758	7,737	13,822
Contained metal in concentrate	Gold	Oz	5,683	7,260	7,346	8,063	15,409	22,470
	Copper	Tonnes	720	621	733	691	1,424	2,767
Total gold produced		Oz	20,961	27,514	23,174	28,665	51,839	87,102
Gold equivalent production		Oz	23,553	29,928	25,813	31,154	56,967	97,063
Gold bullion sales		Oz	13,567	20,305	15,749	19,886	35,635	63,511
Concentrate sold (dmt)		Tonnes	3,282	4,156	3,469	4,153	7,622	15,002
Payable metal in concentrate sold	Gold	Oz	3,932	7,533	6,664	7,486	14,150	21,576
	Copper	Tonnes	609	590	613	694	1,306	2,544

Table 4: Deflector mine and processing statistics

Costs

Deflector's AISC for the quarter (Table 5) was A\$939/oz.

Deflector Camp	Notes	Unit	Mar-19 Quarter	Jun-19 Quarter	Sep-19 Quarter	Dec-19 Quarter	FY20	FY19
Mining costs	1	A\$M	-	18.9	14.8	14.0	28.8	18.9
General and administration costs		A\$M	-	2.2	2.5	2.5	5.0	2.2
Royalties		A\$M	-	2.1	1.4	2.6	4.0	2.1
By-product credits	2	A\$M	-	(3.4)	(4.0)	(4.6)	(8.6)	(3.4)
Processing costs		A\$M	-	6.7	6.0	6.3	12.3	6.7
Corporate overheads		A\$M	-	2.3	1.2	2.1	3.3	2.3
Mine exploration (sustaining)	3	A\$M	-	0.6	1.0	1.7	2.6	0.6
Capital expenditure and underground mine development (sustaining)	4	A\$M	-	2.6	3.9	3.3	7.2	2.6
All-in Sustaining Cash Costs (Before non-cash items)		A\$M	-	32.0	26.7	28.0	54.7	32.0
Inventory movements	5	A\$M	-	(2.9)	(1.1)	(2.3)	(3.4)	(2.9)
Rehabilitation - accretion & amortisation		A\$M	-	0.1	-	-	-	0.1
All-in Sustaining Costs		A\$M	-	29.2	25.6	25.7	51.3	29.2

Gold sales for AISC purposes	oz	-	27,837	22,414	27,371	49,785	27,837
Mining costs	A\$/oz	-	680	660	513	579	680
General and administration costs	A\$/oz	-	78	110	92	100	78
Royalties	A\$/oz	-	76	63	94	80	76
By-product credits	A\$/oz	-	(123)	(180)	(167)	(173)	(123)
Processing costs	A\$/oz	-	241	268	231	248	241
Corporate overheads	A\$/oz	-	82	54	77	67	82
Mine exploration (sustaining)	A\$/oz	-	20	44	61	53	20
Capital expenditure and underground mine development (sustaining)	A\$/oz	-	93	172	121	144	93
All-in Sustaining Cash Costs (Before non-cash items)	A\$/oz	-	1,148	1,190	1,022	1,098	1,148
Inventory movements	A\$/oz	-	(105)	(48)	(83)	(68)	(105)
Rehabilitation - accretion & amortisation	A\$/oz	-	5	-	-	-	5
All-in Sustaining Costs	A\$/oz	-	1,048	1,142	939	1,030	1,048

Table 5: Deflector Camp AISC

- 1 Costs for underground operating activities (including infill and grade control drilling).
- 2 By product credits comprise net revenue from copper and silver sales.
- 3 Costs relating to regional exploration are excluded from the calculation.
- 4 Costs include underground decline development and sustaining capital works, but exclude site infrastructure/set up costs of new projects.
- 5 Included in the calculation of all-in sustaining cost based on World Gold Council guidelines.

Group Finance

Silver Lake's cash and bullion increased \$31 million during the quarter to \$186 million at 31 December 2019 with no debt. The cash and bullion position at 31 December excludes gold in circuit and concentrate on hand totalling A\$10.3 million and listed investments of \$4.5 million.

Key cash flow movements included:

- Net cash inflow from Mount Monger of \$19.7 million
- Net cash inflow from Deflector of \$33.6 million
- Exploration spend of \$7.6 million
- Capital spend of \$3.3 million

Cash flow for the quarter is summarised in *Chart 7* below:

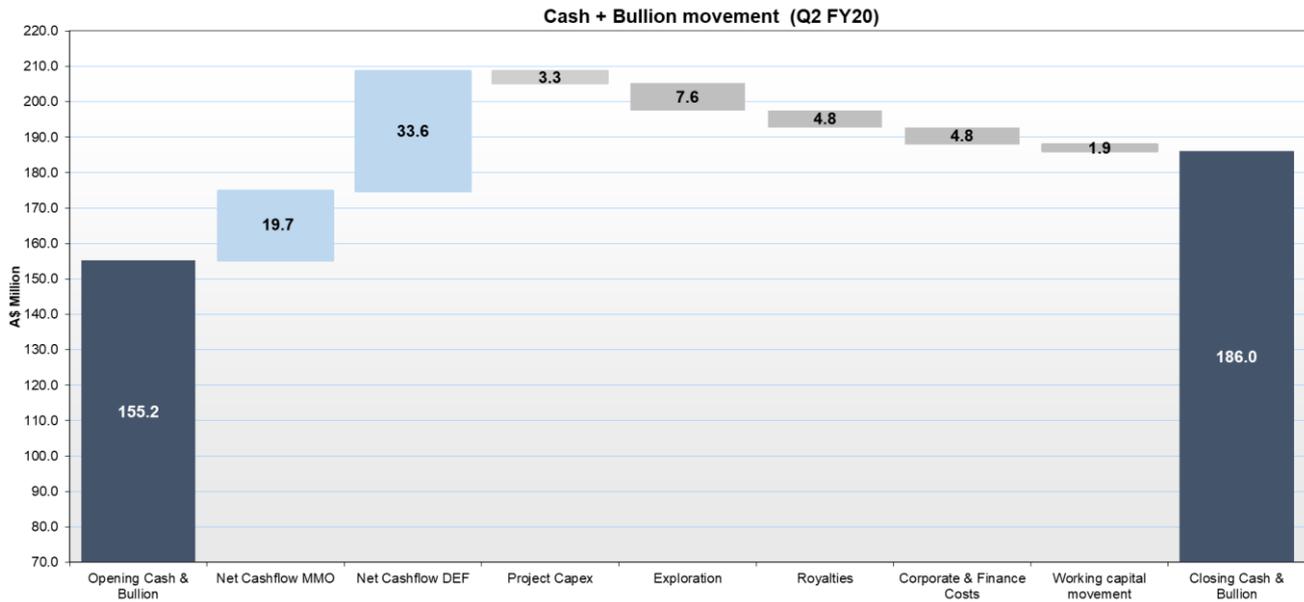


Chart 7: Group cash & bullion movement for the quarter

Hedging

As at 31 December 2019, Silver Lake's forward gold hedging program totalled 154,532 ounces, to be delivered over the next 2.5 years at an average forward price of A\$1,900/oz.

	Jun-20 HY	Dec-20 HY	Jun-21 HY	Dec-21 HY	Jun-22 HY
Ounces (koz)	48,964	38,068	30,000	18,000	19,500
Hedged gold price (A\$/oz)	1,763	1,884	1,928	2,055	2,070

Exploration

Overview

Silver Lake invested \$7.6 million in exploration during the quarter to advance the high-grade projects within established and proven mineralised corridors proximal to established infrastructure.

All drilling results referred to in this section have previously been released to the ASX.

Deflector

Exploration drilling at Deflector continued immediately to the south and south west of the Deflector mine and outside the existing Deflector Mineral Resource. The current Deflector Mineral Resource is spatially located within the 600 metre strike length of the Deflector mine and the south and south west zone have considerable potential to deliver near term Mineral Resource growth.

Following the continued return of high grade gold/copper mineralisation from both surface and underground infill drilling of the southern Deflector corridor³ (300 metres south of the Deflector mine), exploration development has been approved to access the south west Deflector area which will test mineralised lodes. The drive will develop ~150 metres on one of the target lodes providing important data for both Resource definition and mine planning purposes, whilst also providing a drill platform to target the broader south west Deflector lodes.

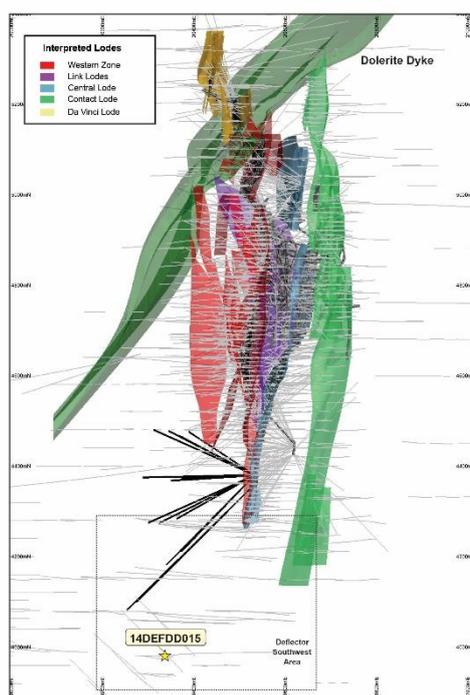


Figure 1: Plan view of Deflector South West area relative to the current Deflector mine footprint

3. Refer ASX Release 16 September 2019, "Further High-grade Drill Results Extend Deflector South West"

Mount Monger

Following encouraging infill drilling results between the 520RL and 660RL at Easter Hollows, development to access the Easter Hollows area will commence in Q3 FY20. Development level drives and access ramps will provide important data for both Resource definition and mine scheduling, whilst also providing exploration drilling platforms to target the broader Easter Hollows lode system which has been defined over a 1,000 metre plunge extent.

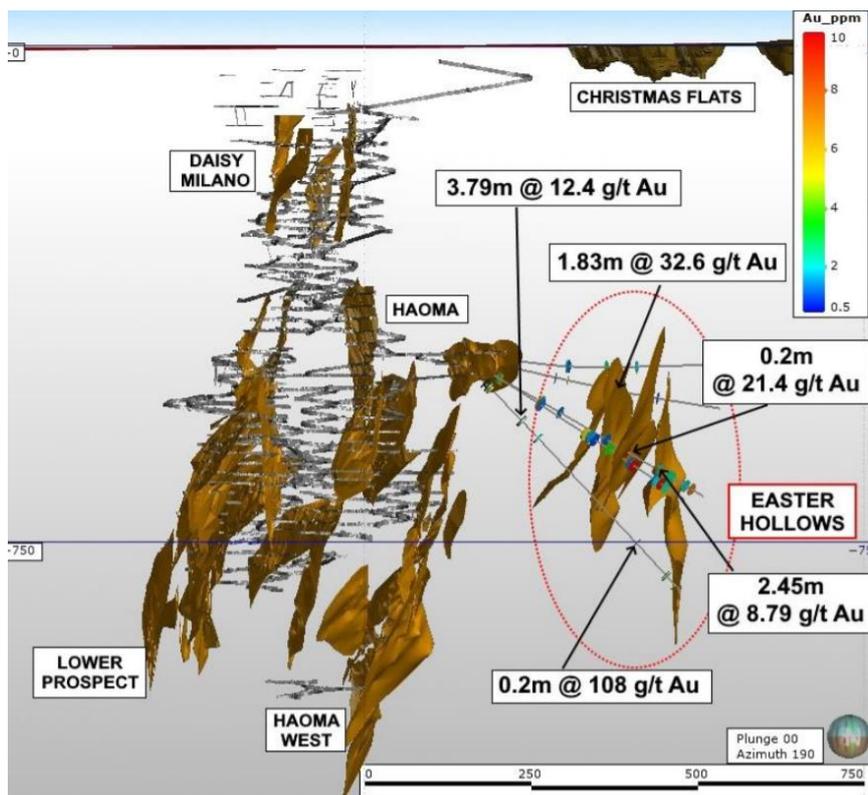


Figure 2: Easter Hollows lodes relative to current established Daisy Complex mining areas

At the Aldiss Mining Centre infill drilling was on going at Tank South during the quarter to convert Inferred Mineral Resources to Indicated Mineral Resources. In addition, an infill and extensional drill program targeting the historical Tank Open Pit Resource commenced during the quarter, the program was designed to infill the current Resource to 20m x 20m spacing and test for extensions to the north of the current Resource. The increase in drilling at Tank South will increase the available data to assess optimal development strategies with the potential for development to extract both open pit and underground mineralisation at the Tank area.

Significant exploration success was reported at Santa within the Mount Belches Mining Centre during the quarter⁴. High-grade mineralisation was intersected outside and adjacent to the current mine plan demonstrating the potential to extend mining at depth and in areas immediately adjacent the existing Ore Reserve. Silver Lake has a proven track record of extending and converting Mineral Resources at the established BIF hosted Maxwells and Cock-eyed Bob mines at Mount Belches.

4. Refer ASX Release 25 October 2019, "Silver Lake to develop Santa Underground Mine"

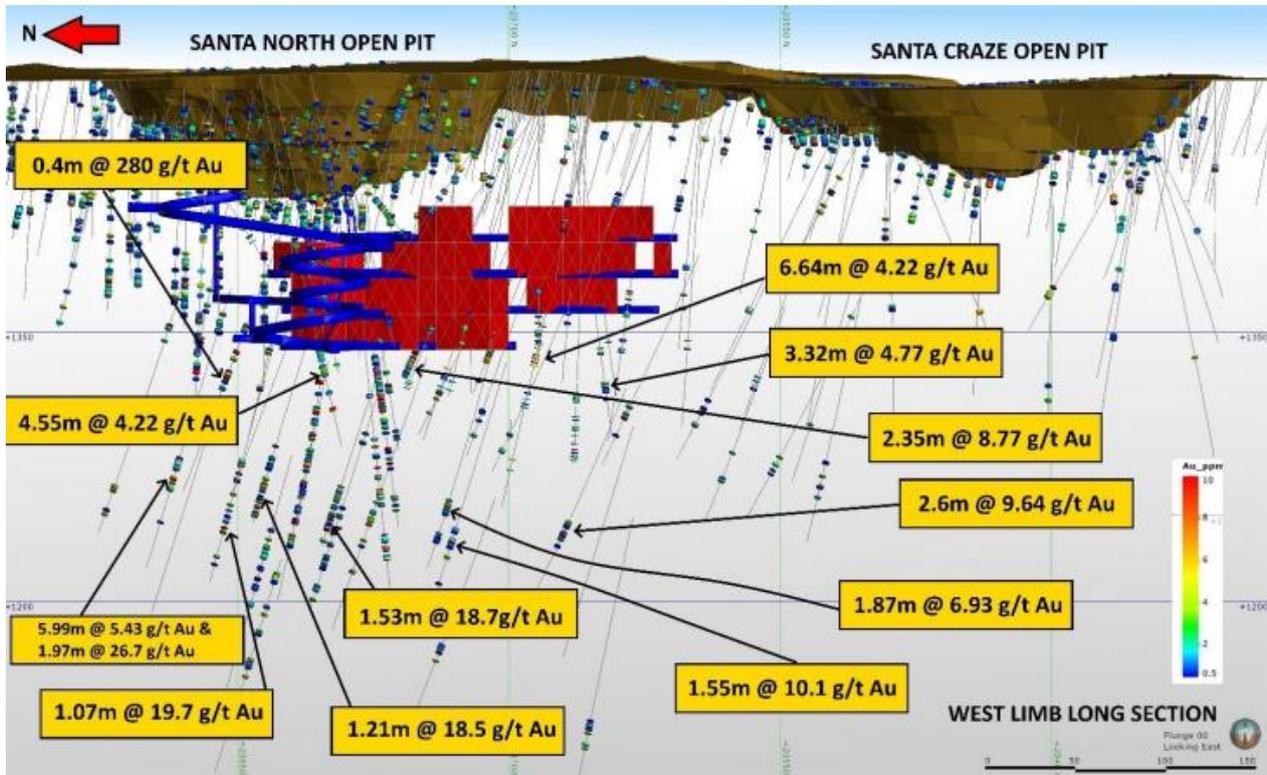


Figure 3: Santa West Limb long section, highlighting planned development for 2019 Santa Ore Reserve and recent intersections outside of the Ore Reserve

Significant drilling results for the Santa West Limb included⁵:

Hole #	Interval (m)	Gold (g/t)
18SARD022	6.64	4.22
18SARD023	0.40	48.6
	5.45	5.77
18SARD024	4.55	4.20
19SADD004	1.53	18.7
19SADD005	2.35	8.77
19SADD006	1.21	18.5
19SADD009	3.32	4.77
	5.99	5.43
19SADD011	1.97	26.7
19SARD002	2.60	9.64
19SARD003	0.40	280
19SARD005	1.87	6.93
19SARD006	1.55	10.1
19SARD010	1.07	19.7

Table 6: Significant assays from recent drilling targeting Santa West Limb

A further eight hole drilling program is currently underway, targeting high-grade lode extensions up to 160 metres from the northern limits of the current mine plan.

5. Refer ASX Release 25 October 2019, "Silver Lake to develop Santa Underground Mine"

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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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.

Deflector Gold Equivalent Calculation Methodology and Parameters

All gold equivalency calculations assume a Au price of A\$2,100/oz, Cu price of A\$8,400/t and a 10% payability reduction for treatment and refining charges. The gold equivalent formula is $Au\ Eq\ koz = Au\ koz + (Cu\ kt * 4)$, based on the commodity price assumptions outlined above.