

21 July 2020

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JUNE 2020 QUARTERLY ACTIVITIES REPORT

- Quarterly group production was a record 71,291 ounces gold and 494 tonnes copper (73,068 ounces gold equivalent¹) with sales of 64,593 ounces gold and 416 tonnes copper at a sales price of A\$2,300/oz and AISC of A\$1,344/oz
- Record annual group sales of 255,533 ounces gold and 2,175 tonnes copper (263,362 ounces gold equivalent) exceeding the latest upgraded sales guidance, at a sale price of A\$2,132/oz and AISC of A\$1,295/oz

Mount Monger

- Mine production of 45,333 ounces and 42,331 ounces recovered
- 38,017 ounces sold at an AISC of A\$1,471/oz with record annual sales from Randalls of 154,900 ounces at an AISC of A\$1,414/oz

Deflector

- Record quarterly gold production of 28,960 ounces and 494 tonnes of copper (30,737 ounces gold equivalent) with record annual gold production of 104,376 ounces gold and 2,356 tonnes copper (112,857 ounces gold equivalent)
- Gold sales of 26,576 ounces and 416 tonnes copper at an AISC of A\$1,167/oz. FY20 sales of 100,633 ounces gold and 2,175 tonnes copper (108,461 ounces gold equivalent) - a new record and exceeding latest upgraded sales guidance at an AISC of A\$1,115/oz
- Exploration success delivered a significant Ore Reserve and Mineral Resource upgrade² at a discovery cost of A\$14 per Ore Reserve ounce which will enhance returns from the investment in mine and process infrastructure

Exploration & Projects

- \$25.6 million investment in exploration and growth capex including pre commercial production at the Santa underground, Karonie South overburden and pre-strip, and Rothsay pre-development capital works
- Rothsay box cut excavation commenced in mid July and the mine is scheduled to introduce high grade ore to Deflector in Q1 FY22

Corporate and Finance

- Cash and bullion increased by \$42 million or 19% to \$269 million³ at quarter end with no debt

Outlook

- FY21 group sales guidance 240,000 to 250,000 ounces gold and 1,100 tonnes copper at an AISC of A\$1,400 to A\$1,500 per ounce.

¹ Refer page 22 for Gold Equivalent Calculation Methodology and Assumptions

² Refer ASX release 10 July 2020 "Increase in Deflector Mineral Resource and Ore Reserve"

³ Excludes gold in circuit and concentrate on hand of \$10.0 million (31 March 2020 \$8.9 million) and listed investments of A\$6.4 million

Overview

Silver Lake delivered a strong quarter to close out a record year for the Group. June quarter production was a record 73,068 ounces gold equivalent with sales of 64,593 ounces gold and 416 tonnes copper at a realised gold price of A\$2,300/oz and an AISC of A\$1,344/oz. FY20 production was a record 273,071 ounces gold equivalent with record gold sales of 255,533 ounces and 2,175 tonnes of copper (263,362 gold equivalent), exceeding the latest upgraded sales guidance of 250,000 to 260,000 ounces gold equivalent. The FY20 realised gold price was A\$2,132/oz and AISC was A\$1,295/oz.

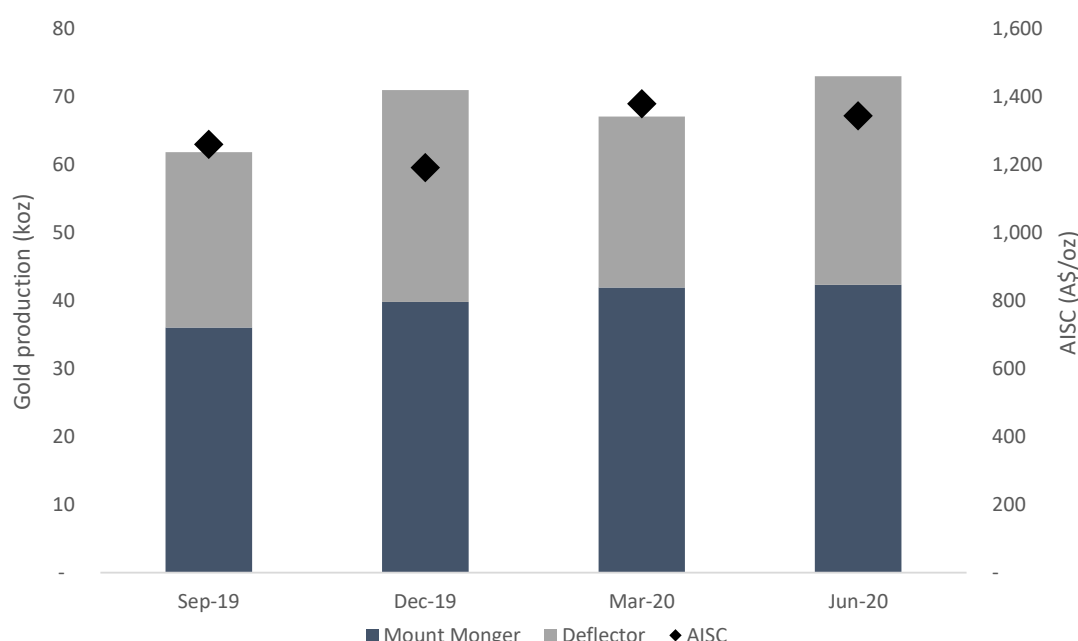


Chart 1: Rolling 12 months Silver Lake Group production and AISC by quarter

Silver Lake continues to strengthen its balance sheet with cash and bullion increasing \$42 million to \$269 million at 30 June with no debt (31 March: \$227 million and no debt). Gold in circuit and concentrate on hand totalled \$10.0 million³ (31 March: \$8.9 million) and listed investments totalled \$6.4 million.

Growth projects continued to advance during the quarter, particularly the ramp up of pre-development activities at Rothsay. Key progress throughout the quarter at Rothsay included receipt of updated regulatory approvals, installation and occupation of the site village, erection of communications infrastructure and commencement of mine dewatering. Box cut excavation commenced in mid July and the mine is scheduled to introduce high grade ore to Deflector in Q1 FY22, which coincides with the completion of the Deflector plant upgrade.

Silver Lake's investment in exploration within proven mineralised corridors and proximal to established infrastructure continued during the quarter. Strong results from Deflector drilling were released in June and supported the significant increase of the Deflector Ore Reserves and Mineral Resources⁵. Deflector Ore Reserves at 30 June 2020 were 447,000 ounces which is the highest in the mine's history. Following the success of FY20 drilling, Silver Lake will extend the 1033 southwest exploration drive to provide additional drill platforms to target both infilling the existing Mineral Resource and extending the high-grade gold/copper lodes.

4. Gold in circuit and concentrate on hand is valued at cost

5. Refer table 8 on page 21 and ASX release 10 June 2020 "Increase in Deflector Mineral Resource and Ore Reserve"

Silver Lake expects to build on the strong FY20 operating performance in FY21 with Group gold sales guidance of 240,000 to 250,000 ounces gold and 1,100 tonnes copper at an AISC range of A\$1,400 to A\$1,500 per ounce. FY21 will be a transformational year at Deflector, with gold sales expected to be broadly consistent with FY20 as growth projects are executed and access to the southern zone of the mine is planned. Mount Monger sales guidance is consistent with FY20 and exceeds the 5 year average, demonstrating the ability for exploration to replenish mine production and generate new mines.

- FY21 Mount Monger sales guidance 145,000 to 150,000 ounces at an AISC range of A\$1,500 to 1,600 per ounce.
- FY21 Deflector Sales guidance 95,000 to 100,000 ounces gold and 1,100 tonnes copper at an AISC range of A\$1,300 to A\$1,350 per ounce

Mount Monger

Mount Monger produced 42,331 ounces for the quarter and gold sales of 38,017 ounces at an AISC of A\$1,471/oz. FY20 gold sales were a record 154,900 ounces from Randalls, at an AISC of A\$1,414/oz.

Underground Mining

Mount Monger underground mine production for the quarter totalled 196,156 tonnes at 5.3 g/t for 33,144 ounces. The 26% and 21% quarter on quarter increase in tonnes and ounces respectively reflects the larger contribution from the Mount Belches Mining Centre as the Santa mine progressively ramps up.

The Daisy Complex produced 62,476 tonnes at 7.0 g/t for 13,987 contained ounces, consistent quarter on quarter. Ore continues to be sourced from the Haoma West, Lower Prospect and remnant mining areas.

Development to access the Easter Hollows lodes located ~350 metres to the west of existing underground workings progressed as planned during the quarter. A drill platform was established for further Mineral Resource definition and extension drilling of the Easter Hollows area with development on schedule to reach the target area in 1Q FY21.

The Mount Belches Mining Centre produced 133,681 tonnes at 4.5 g/t for 19,157 contained ounces (3Q: 90,405 tonnes at 4.8 g/t for 13,894 ounces), representing 68% of Mount Monger underground mine production for the quarter.

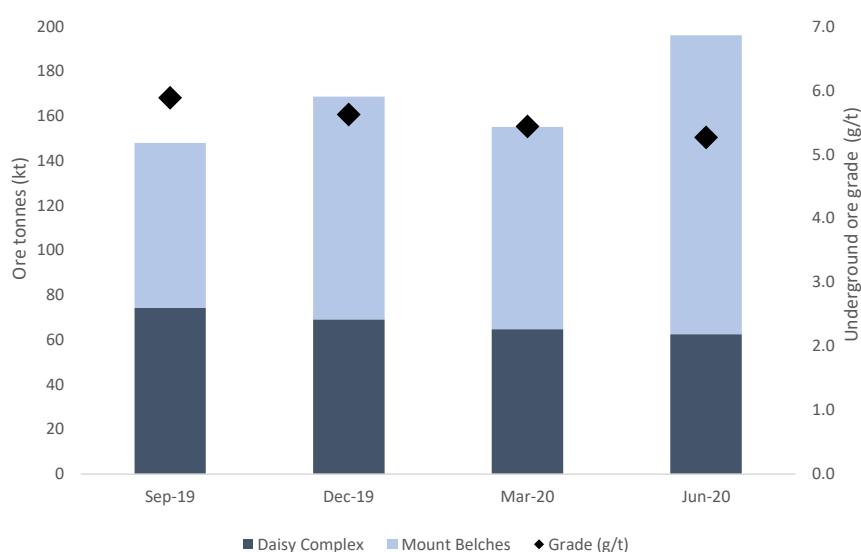


Chart 2: Mount Monger Underground mine production

Open Pit Mining

Open pit mining activities have transitioned to Karonie South following completion of mining at Harrys Hill and French Kiss during the quarter.

French Kiss delivered strong performance from the final benches with 31,062 tonnes mined at 7.3 g/t for 7,258 ounces during the quarter.

Mining at Karonie South was focused on overburden removal and waste stripping with a total of 1,556,968 bcm mined during the quarter for 108,228 tonnes at 1.2 g/t for 4,238 ounces. Ore tonnes and grades will progressively increase from 2Q FY21 as the investment in waste stripping improves ore access.



Figure 1: Open pit mining activities now fully transitioned to Karonie South

Processing

Ore milled for the quarter totalled 310,085 tonnes at 4.6 g/t Au for 42,331 recovered ounces (*Chart 3*). Throughput rates, feed grade and recoveries were consistent quarter on quarter.

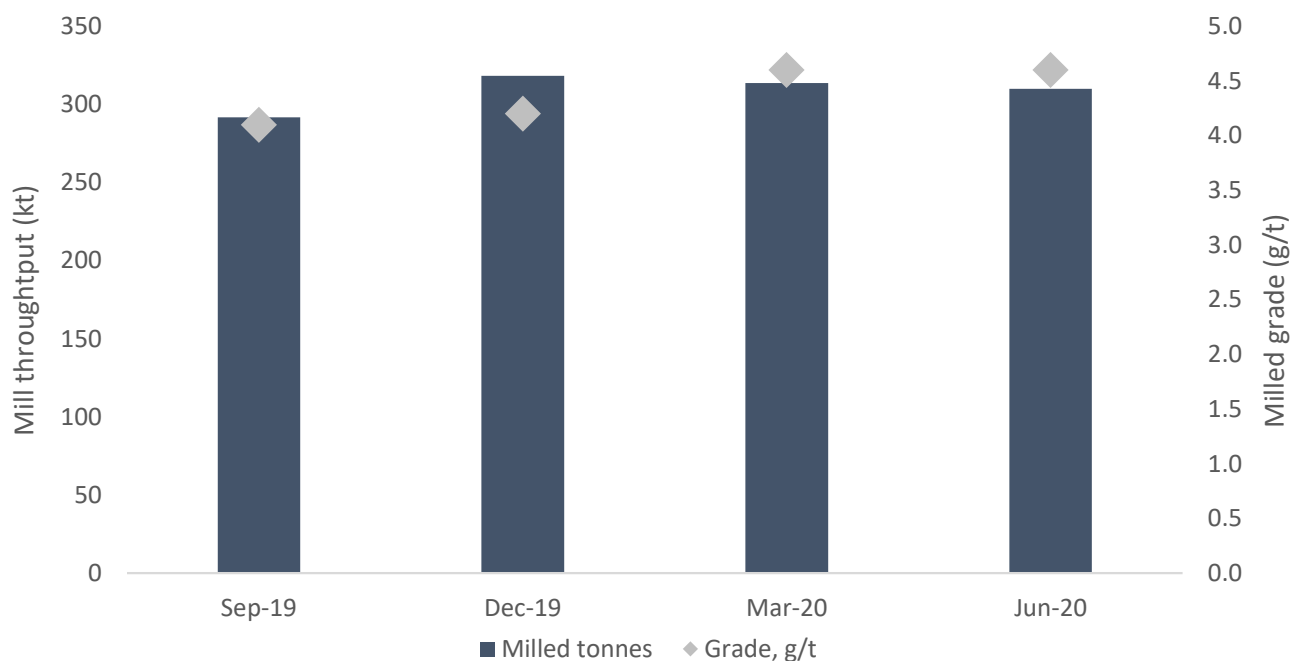


Chart 3: Mount Monger processing

The Mount Monger stockpile balance at 30 June was ~1.65 million tonnes containing 71,500 ounces (31 March 2020: ~1.63 million tonnes containing 75,900 ounces).

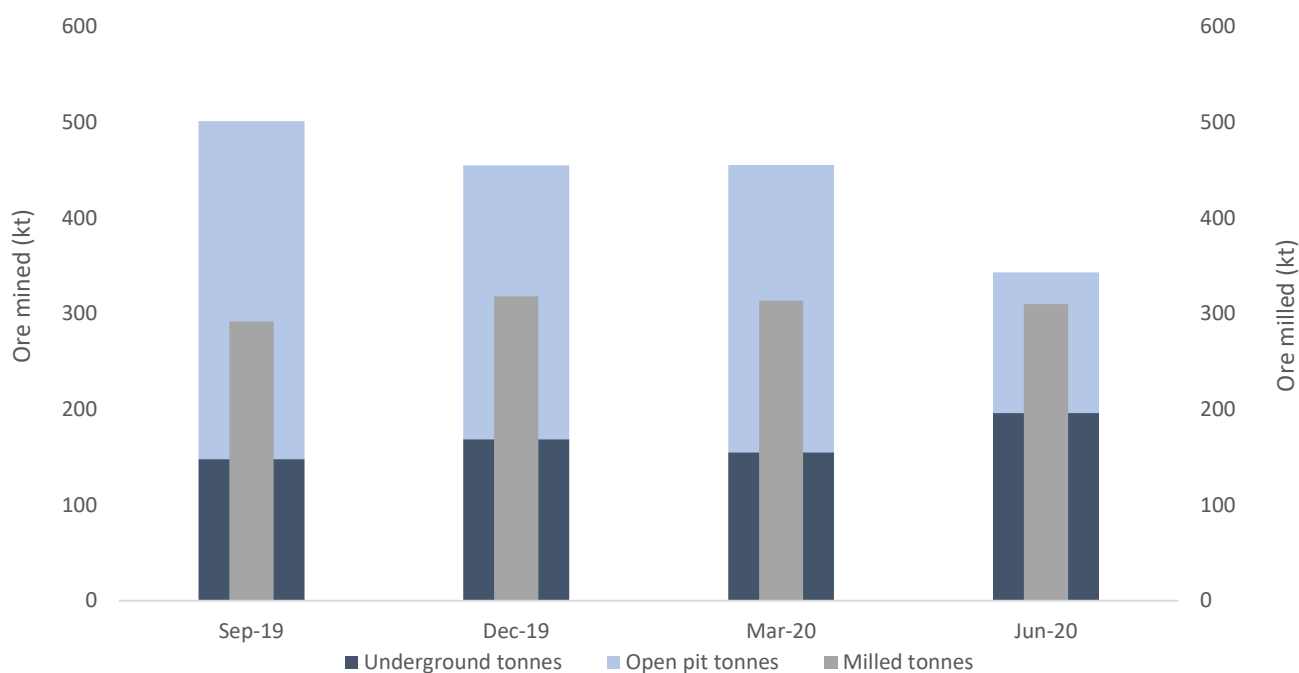


Chart 4: Mount Monger mined tonnes v milled tonnes

Mount Monger Camp - Mining	Units	Sep Qtr 2019	Dec Qtr 2019	Mar Qtr 2020	Jun Qtr 2020	FY20	FY19
Daisy Mining Centre - UG							
Ore mined	Tonnes	74,235	69,078	64,742	62,476	270,531	298,357
Mined grade	g/t Au	5.9	6.3	6.4	7.0	6.4	5.7
Contained gold in ore	Oz	14,039	13,912	13,415	13,987	55,353	54,706
Mount Belches Mining Centre - UG							
Ore mined	Tonnes	73,765	99,657	90,405	133,681	397,508	376,153
Mined grade	g/t Au	5.9	5.1	4.8	4.5	5.0	4.7
Contained gold in ore	Oz	13,996	16,390	13,894	19,157	63,437	57,170
Aldiss Mining Centre - OP							
Ore mined	Tonnes	353,523	286,416	300,326	147,235	1,087,500	744,590
Mined grade	g/t Au	1.8	2.3	2.6	2.6	2.2	2.0
Contained gold in ore	Oz	20,127	20,894	25,150	12,189	78,360	46,673
Total ore mined	Tonnes	501,523	455,151	455,473	343,392	1,755,539	1,419,100
Mined grade	g/t Au	3.0	3.5	3.6	4.1	3.5	3.5
Total contained gold in ore	Oz	48,162	51,196	52,459	45,333	197,150	158,549

Table 1: Mount Monger Camp - mine production statistics

Mount Monger Camp - Processing	Units	Sep Qtr 2019	Dec Qtr 2019	Mar Qtr 2020	Jun Qtr 2020	FY20	FY19
Ore milled	Tonnes	291,795	318,372	313,670	310,085	1,233,922	1,229,195
Head grade	g/t Au	4.1	4.2	4.6	4.6	4.4	3.7
Contained gold in ore	Oz	38,136	42,676	46,413	45,860	173,462	144,948
Recovery	%	95	93	91	91	92	95
Gold produced	Oz	36,058	39,854	41,971	42,331	160,214	136,767
Gold sold	Oz	34,269	38,702	43,912	38,017	154,900	141,006

Table 2: Mount Monger Camp - processing statistics

Costs

Mount Monger's AISC was consistent quarter on quarter (*Table 3*) at A\$1,471/oz. FY20 AISC was A\$1,414/oz.

Mount Monger Camp	Notes	Unit	Sep-19 Qtr	Dec-19 Qtr	Mar-20 Qtr	Jun-20 Qtr	FY20	FY19
Mining costs	1	A\$M	28.4	35.9	29.6	26.3	120.2	109.8
General and administration costs		A\$M	2.5	2.2	2.1	2.8	9.6	10.7
Royalties		A\$M	2.2	2.3	3.0	3.4	10.9	7.2
By-product credits		A\$M	(0.1)	(0.2)	(0.3)	(0.3)	(0.9)	(0.4)
Processing costs	2	A\$M	11.5	12.3	12.6	11.8	48.1	40.7
Corporate overheads		A\$M	1.7	2.1	1.5	1.9	7.2	2.9
Mine exploration (sustaining)	3	A\$M	1.7	2.6	2.7	0.7	7.7	3.4
Capital expenditure and underground mine development (sustaining)	4	A\$M	7.6	6.6	7.6	9.2	31.0	24.0
All-in Sustaining Cash Costs (Before non-cash items)		A\$M	55.5	63.8	58.8	55.7	233.7	198.3
Inventory movements	5	A\$M	(9.7)	(10.7)	5.5	(1.5)	(16.4)	(5.9)
Rehabilitation - accretion & amortisation	5	A\$M	-	-	-	-	-	-
All-in Sustaining Costs		A\$M	45.8	53.0	64.2	54.2	217.3	192.4

Gold sales for AISC purposes	oz	34,269	38,702	43,912	36,825	153,708	134,189
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Mining costs	A\$/oz	829	927	674	714	782	818
General and administration costs	A\$/oz	73	57	48	76	63	80
Royalties	A\$/oz	65	59	68	93	71	53
By-product credits	A\$/oz	(3)	(5)	(7)	(9)	(6)	(3)
Processing costs	A\$/oz	335	317	287	319	313	303
Corporate overheads	A\$/oz	49	55	33	52	47	22
Mine exploration (sustaining)	A\$/oz	49	67	62	19	50	26
Capital expenditure and underground mine development (sustaining)	A\$/oz	223	171	172	249	202	179
All-in Sustaining Cash Costs (before non-cash items)	A\$/oz	1,620	1,647	1,338	1,513	1,521	1,478
Inventory movements	A\$/oz	(282)	(277)	125	(42)	(107)	(44)
Rehabilitation - accretion & amortisation	A\$/oz	-	-	-	-	-	-
All-in Sustaining Costs	A\$/oz	1,338	1,371	1,463	1,471	1,414	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 \$2.0m for Q4 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 183,791 tonnes at 5.77 g/t gold and 0.3% copper. Higher quarter on quarter mined grades reflect the higher contribution from stoping tonnes in the quarter.

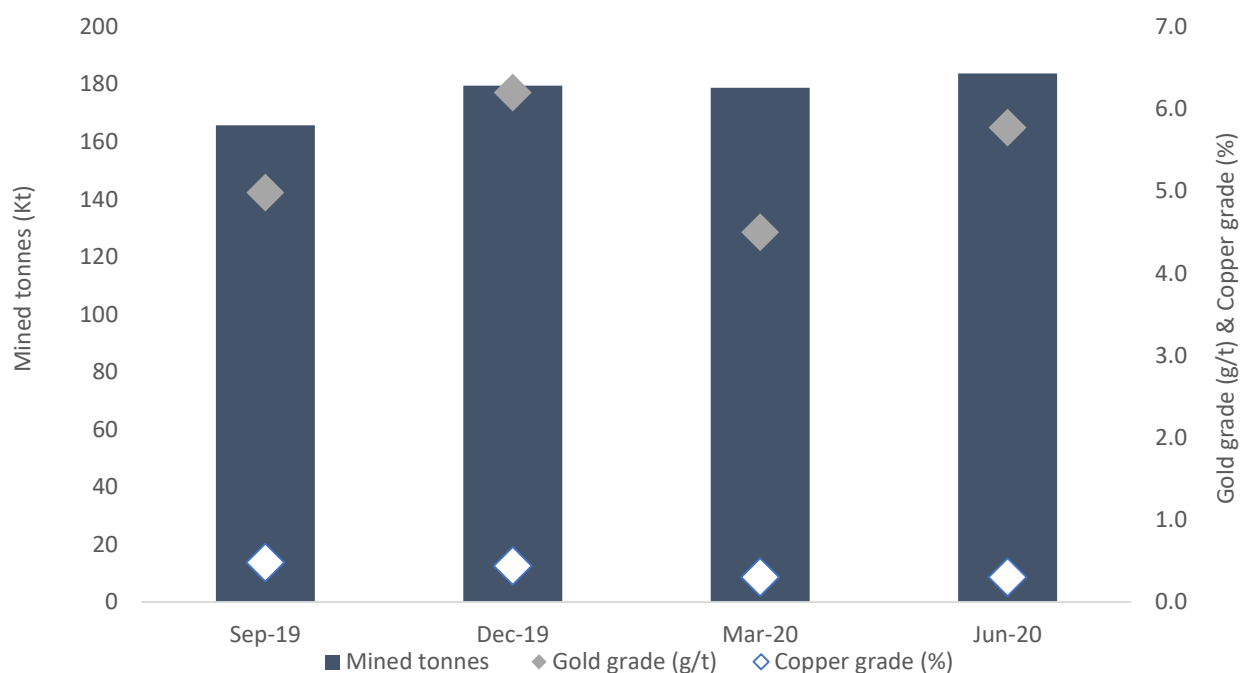


Chart 5: Deflector mined tonnes and grade

Processing

Deflector mill throughput of 168,962 tonnes set a new quarterly record. Average mill grades were higher quarter on quarter at 5.94 g/t gold and 0.32% copper, benefiting from higher mined grades. Total gold recovery was 90% and copper recovery was 92%.

Gold production for the quarter was a record 28,960 ounces with copper production of 493 tonnes or 30,737 ounces gold equivalent.

At 30 June 2020 Deflector had ore stocks of 97,000 tonnes at 3.0 g/t gold (31 March 2020: 86,000 tonnes at 2.7 g/t gold).

Concentrate production was higher quarter on quarter at 2,795 tonnes, with consistent average gold grades of 90 g/t (Q3: 88 g/t) and copper grades of 18% (Q3:18%).

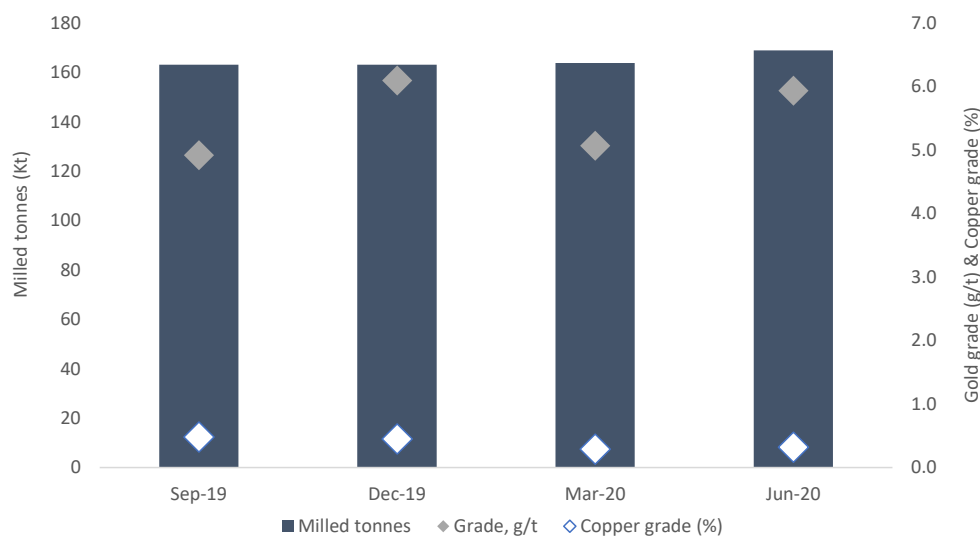


Chart 6: Deflector milled tonnes and grade

Rothsay

Significant progress was made at Rothsay during the quarter including approvals for the mine's updated Mining Proposal and Mine Closure Plan. Early construction works progressed during the quarter including the construction of the site village with occupation commencing 1 July, erection of communication infrastructure, footings and block work for mine administration and workshops, and commencement of underground mine de-watering.

Following updated statutory approvals, box cut excavation for underground access commenced in July 2020. The underground mining contract was awarded to Redpath Australia during the quarter who has commenced mobilisation to site.



Figure 2: Rothsay site aerial view (Admin and ROM pads in foreground with site village in the background)



Figure 3: Rothsay underground mining contractor maintenance workshop nearing completion



Figure 4: Rothsay boxcut excavation underway

Deflector		Units	Sep Qtr 2019	Dec Qtr 2019	Mar Qtr 2020	Jun Qtr 2020	FY20	FY19
Ore mined		Tonnes	165,787	179,491	178,830	183,791	707,899	633,896
Mined grade	Gold	g/t Au	5.0	6.2	4.5	5.8	5.4	4.8
	Copper	% Cu	0.5%	0.4%	0.3%	0.3%	0.4%	0.5%
Contained gold in ore		Oz	26,569	35,538	26,041	34,095	122,243	97,725
Contained copper in ore		Tonnes	796	793	452	554	2,595	2,881
Ore milled		Tonnes	163,240	163,240	163,911	168,962	659,353	607,116
Milled grade	Gold	g/t Au	4.9	6.1	5.1	5.9	5.5	5.0
	Copper	% Cu	0.5%	0.5%	0.3%	0.3%	0.4%	0.5%
Recovery	Gold	%	89.63%	89.51%	88.26%	89.74%	89.33%	89.69%
	Copper	%	93.00%	93.48%	91.14%	92.38%	92.66%	91.05%
Gold bullion produced		Oz	15,828	20,603	16,854	20,961	74,246	64,632
Concentrate produced		Tonnes	3,978	3,758	2,529	2,795	13,062	13,822
Contained metal in concentrate	Gold	Oz	7,346	8,063	6,723	7,999	30,131	22,470
	Copper	Tonnes	733	691	438	493	2,356	2,767
Total gold produced		Oz	23,174	28,665	23,577	28,960	104,376	87,102
Gold equivalent production		Oz	25,813	31,154	25,154	30,737	112,857	97,063
Gold bullion sales		Oz	15,749	19,886	17,700	19,475	72,810	63,511
Concentrate sold (dmt)		Tonnes	3,469	4,153	2,603	2,548	12,774	15,002
Payable metal in concentrate sold	Gold	Oz	6,664	7,486	6,571	7,101	27,823	21,576
	Copper	Tonnes	613	694	452	416	2,175	2,544

Table 4: Deflector mine and processing statistics

Costs

Deflector's AISC for the quarter (*Table 5*) was lower quarter on quarter at A\$1,167/oz reflecting higher milled grades. FY20 AISC was A\$1,115/oz.

Deflector Camp	Notes	Unit	Sep-19 Qtr	Dec-19 Qtr	Mar-20 Qtr	Jun-20 Qtr	FY20	FY19
Mining costs	1	A\$M	14.8	14.0	14.2	16.2	59.3	18.9
General and administration costs		A\$M	2.5	2.5	2.4	3.0	10.3	2.2
Royalties		A\$M	1.4	2.6	2.3	2.7	9.0	2.1
By-product credits	2	A\$M	(4.0)	(4.6)	(2.7)	(1.9)	(13.2)	(3.4)
Processing costs		A\$M	6.0	6.3	5.8	6.4	24.6	6.7
Corporate overheads		A\$M	1.2	2.1	1.5	1.9	6.7	2.3
Mine exploration (sustaining)	3	A\$M	1.0	1.7	1.7	2.3	6.6	0.6
Capital expenditure and underground mine development (sustaining)	4	A\$M	3.9	3.3	5.9	4.9	17.9	2.6
All-in Sustaining Cash Costs (Before non-cash items)		A\$M	26.7	28.0	31.0	35.5	121.1	32.0
Inventory movements	5	A\$M	(1.1)	(2.3)	(1.1)	(4.5)	(8.9)	(2.9)
Rehabilitation - accretion & amortisation		A\$M	-	-	-	-	-	0.1
All-in Sustaining Costs		A\$M	25.6	25.7	29.9	31.0	112.2	29.2

Gold sales for AISC purposes	oz	22,414	27,371	24,272	26,576	100,633	27,837
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Mining costs	A\$/oz	660	513	584	611	589	680
General and administration costs	A\$/oz	110	92	99	111	103	78
Royalties	A\$/oz	63	94	93	103	89	76
By-product credits	A\$/oz	(180)	(167)	(112)	(72)	(132)	(123)
Processing costs	A\$/oz	268	231	241	240	244	241
Corporate overheads	A\$/oz	54	77	60	72	67	82
Mine exploration (sustaining)	A\$/oz	44	61	70	87	66	20
Capital expenditure and underground mine development (sustaining)	A\$/oz	172	121	243	183	178	93
All-in Sustaining Cash Costs (Before non-cash items)	A\$/oz	1,190	1,022	1,276	1,336	1,204	1,148
Inventory movements	A\$/oz	(48)	(83)	(44)	(169)	(89)	(105)
Rehabilitation - accretion & amortisation	A\$/oz	-	-	-	-	-	5
All-in Sustaining Costs	A\$/oz	1,142	939	1,232	1,167	1,115	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 (amounting to \$1.0m for Q4 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.

Group Finance

Silver Lake's cash and bullion increased \$42 million during the quarter to \$269.4 million at 30 June 2020 with no debt. The cash and bullion position at 30 June excludes gold in circuit and concentrate on hand totalling \$10.0 million⁴.

Key cash flow movements included:

- Net cash inflow from Mount Monger of \$32.6 million
- Net cash inflow from Deflector of \$36.6 million
- Exploration spend of \$4.0 million
- Capital spend of \$26.8 million, including \$4.8 million in capital associated with pre commercial production at Santa underground, Karonie South overburden and pre strip of \$11.7 million and \$5.1 million in Rothsay pre development capital works and site establishment costs

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

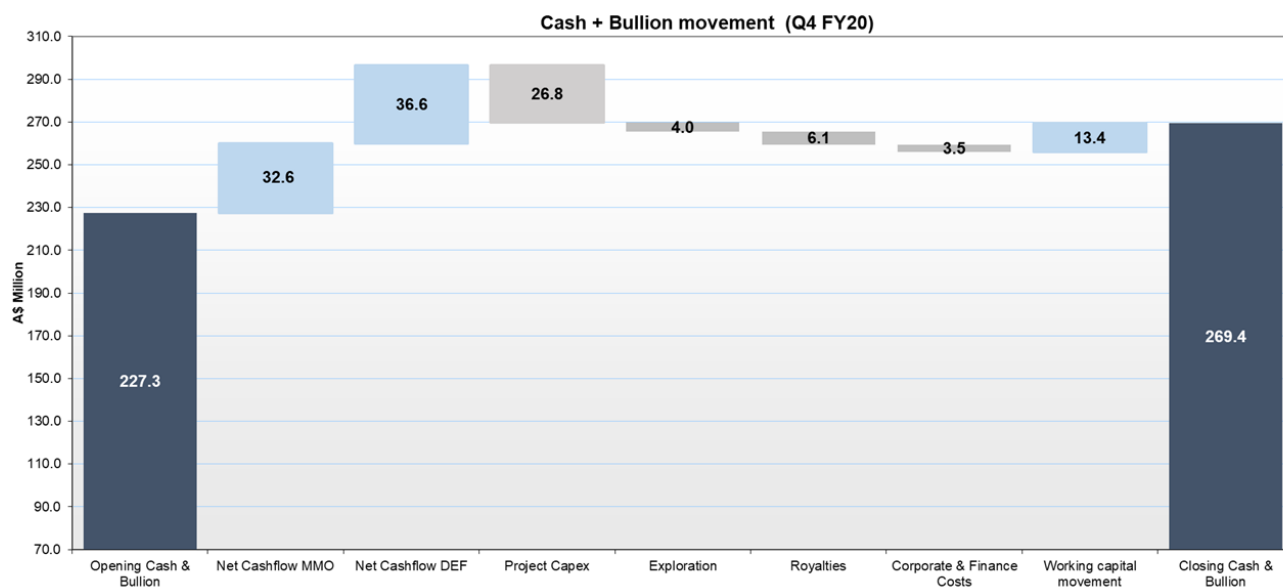


Chart 7: Group cash & bullion movement for the quarter

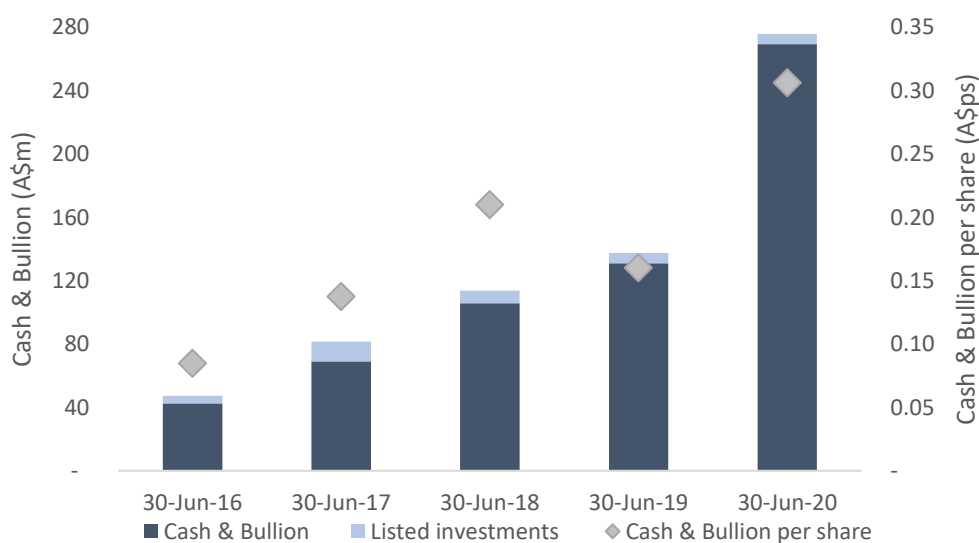


Chart 8: Demonstrated ability to convert operating performance to cash

Hedging

As at 30 June 2020, Silver Lake's forward gold hedging program totalled 155,568 ounces, to be delivered over the next 2 years at an average forward price of A\$2,147/oz. No additional gold hedge lines were established during the quarter.

	Total	Dec-20 HY	Jun-21 HY	Dec-21 HY	Jun-22 HY
Ounces (koz)	155,568	38,068	30,000	42,000	45,500
Hedged gold price (A\$/oz)	2,147	1,884	1,928	2,333	2,341

Table 6: Silver Lake hedge book as at 30 June 2020

Outlook

Strong production from two cornerstone assets of relevant scale: FY21 group sales guidance of 240,000 to 250,000 ounces gold with an AISC of A\$1,400 - A\$1,500/oz from Silver Lake's two established operations in the tier 1 operating jurisdiction of Western Australia.

Growth capital to support operations at Deflector: Growth capital focused on the Deflector plant upgrade, associated infrastructure and establishing the new high-grade ore Rothsay mine. The investment in the addition of the CIP circuit to the Deflector plant maximises Silver Lake's return from installed infrastructure, an expanding Mineral Resource base and a broadened range of ore sources capable of being processed at Deflector.

Focused exploration: The continued investment in exploration demonstrates Silver Lake's confidence in continued organic growth potential from both the Mount Monger and Deflector operations.

Robust, debt free balance sheet with continued cash flow funding growth: All exploration and growth capital will be funded through operating cashflow. With cash and bullion of \$269 million and no debt at the end of FY20, Silver Lake is well positioned to efficiently fund growth.

	FY21 guidance			FY20
	Consolidated	Mount Monger	Deflector	Consolidated
Gold sales (koz)	240 - 250	145 - 150	95 - 100	255,533
Copper sales (t)	1,100	-	1,100	2,175
All in sustaining costs (A\$/oz)	1,400 - 1,500	1,500 - 1,600	1,300 - 1,350	1,295
Exploration (A\$m)	21			23

Notes to FY21 AISC guidance

- All underground development at established underground mines is included in AISC
- Santa UG costs prior to reaching commercial production in Q2 are excluded from AISC (\$6 million in Q1)
- Rothsay will mine and stockpile approximately 10,000 ounces in FY21. All costs associated with the project in FY21 (including capital works, capital development and operating costs) are forecast to be ~\$42 million and are excluded from AISC. Processing of Rothsay ore (and inclusion in AISC metrics) will commence from Q1 FY22
- All Deflector capital outside of the CIP upgrade (~\$33 million) is classified as sustaining and is included in AISC
- Mount Monger capital not included in the AISC totals \$2.9 million and is primarily related to the investment in increasing tailings storage capacity at Randalls mill
- \$7 million of the \$21 million exploration budget is included in AISC

Mount Monger

FY21 sales guidance for Mount Monger is 145,000 -150,000 ounces with an average AISC of A\$1,500 to A\$1,600 per ounce. Mining will include underground and open pit production, with continued stockpile generation from open pit mining whilst processing will maximise high grade feed to the Randalls mill.

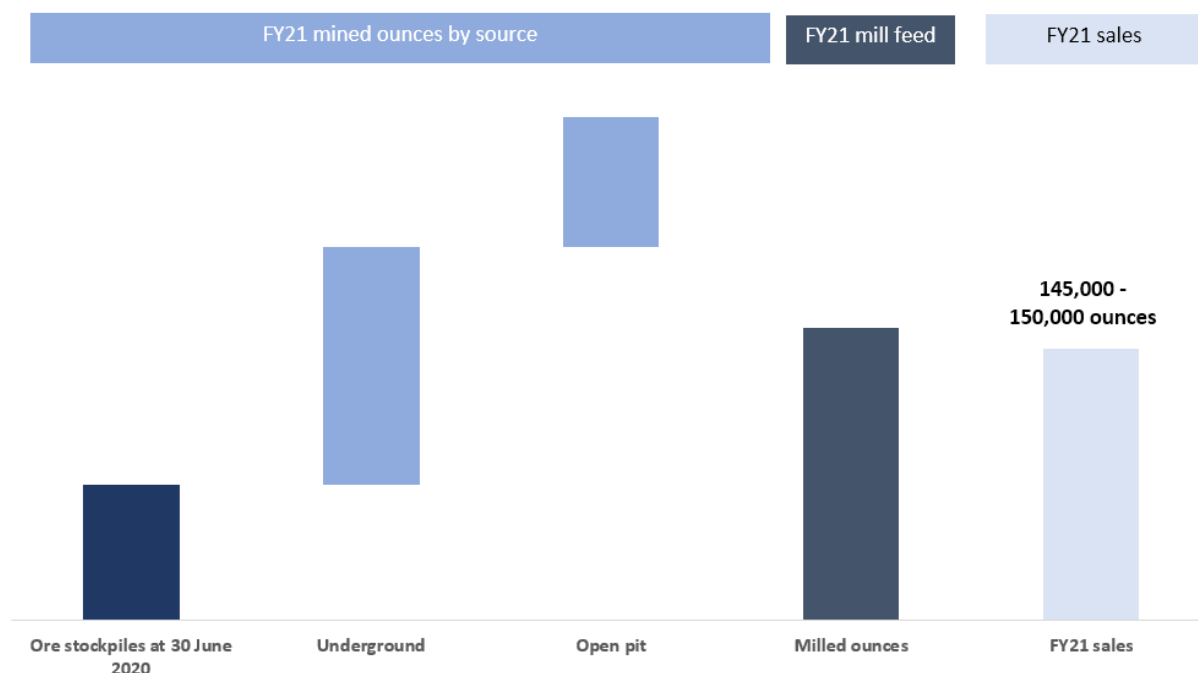


Chart 9: Mount Monger guidance waterfall by mined ounces

Underground mine tonnes in FY21 will be predominantly sourced from the Mount Belches Mining Centre with the third underground mine, Santa, progressively establishing its production base throughout FY21 with stoping scheduled to commence in Q2. At the Daisy Mining Centre, ore will continue to be sourced from Haoma West with production from Easter Hollows expected to progressively increase throughout FY21.

The increase in underground ore tonnes is consistent with Silver Lake's strategy to establish multiple longer life mining centres and increasing the contribution of lower cost underground feed to the Randalls mill. The strategy has increased production visibility, diversified available high-grade ore sources and allowed Silver Lake to efficiently deploy its operating personnel, equipment, services infrastructure and incumbent contractors.

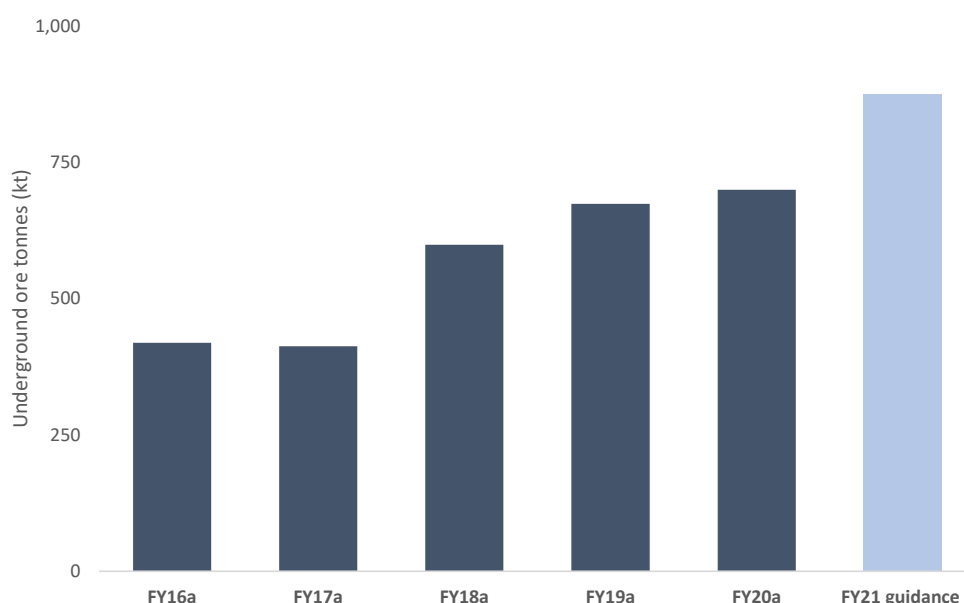


Chart 10: Mount Monger underground mined tonnes

Open pit mining will be focused at Karonie South through FY21. Material movements and strip ratio are higher in first half, prior to the strip ratio declining to below the life of mine average and grades increasing to above the life of mine average in the second half. Silver Lake has a strong pipeline of projects at Aldiss with the potential to continue mining operations beyond Karonie South. The most advanced project is Tank South, where Silver Lake is currently evaluating the optimal mine plan. Silver Lake is also evaluating a potential open pit development at both Tank and Atreides.

Mill throughput and recoveries will be broadly consistent with FY20. The feed grade profile will be weighted to the second half as the contribution from Mount Belches increases and access to high grade areas in the Karonie South pit is established.

The average AISC range for FY21 is expected to be A\$1,500 to A\$1,600 per ounce. The AISC includes all underground development at established underground mines. Santa Q1 FY21 mining costs are excluded from AISC guidance as the mine ramps up to commercial production.

Deflector

FY21 gold sales guidance at Deflector is 95,000 to 100,000 ounces gold and 1,100 tonnes copper with an average AISC of A\$1,300 - 1,350 per ounce.

Mine production is scheduled from Deflector Main lodes however given the recent upgrade to the Deflector Mineral Resource and Ore Reserve, Silver Lake will review the mine plan with the aim of optimising long term development access to the Deflector South West lodes and establishing multiple high grade mining fronts from FY22.

At Rothsay site establishment works have commenced with mine development to commence in Q1 FY21. Underground development at Rothsay will be progressively increased throughout H2 FY21 with target annualised ore production rates of 250,000 to 300,000 tonnes per annum for approximately 45,000 to 50,000 ounces per annum over the LOM. Rothsay will produce approximately 10,000 ounces in FY21 and high grade ore will be hauled to Deflector for processing through Deflector's upgraded CIP circuit from Q1 FY22.

The introduction of additional ore sources and investment in ore stockpiles provides feed flexibility that the Deflector operation has not previously enjoyed and will allow Silver Lake to maximise feed grade to the upgraded Deflector mill from FY22.

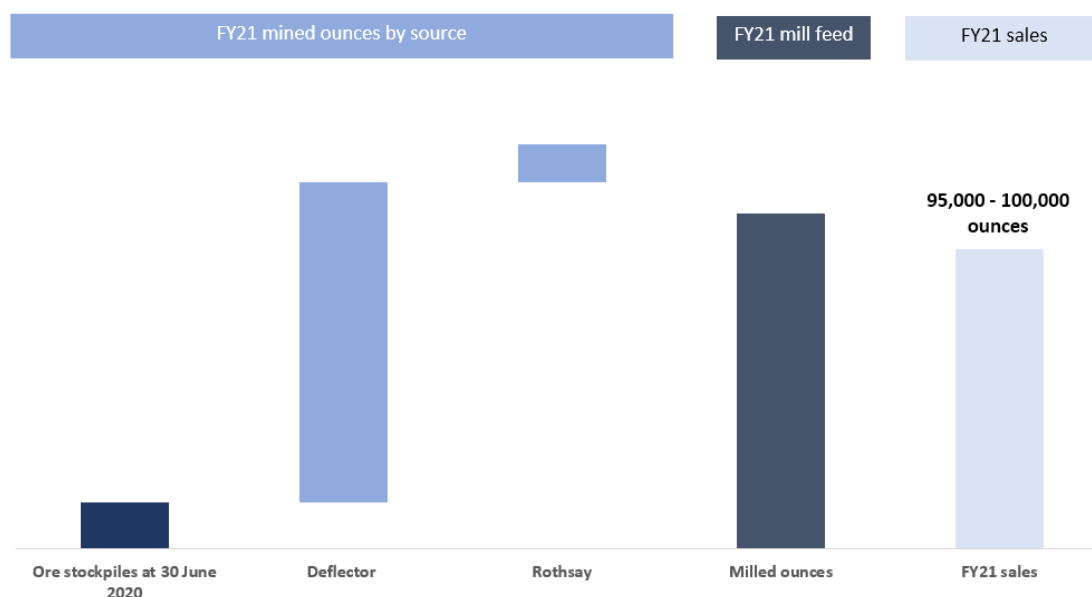


Chart 11: Deflector guidance waterfall by mined ounces

Mill throughput and metal recoveries for FY21 will be broadly consistent with FY20.

The average AISC range for FY21 is expected to be A\$1,300 to A\$1,350 per ounce. All Deflector underground development and sustaining capital is included in AISC guidance.

FY21 is a transformative year for Deflector with growth projects to upgrade the Deflector plant and establish additional high grade ore sources from within the Deflector mine and Rothsay.

- The Deflector plant upgrade capital is estimated at \$33 million inclusive of CIP circuit addition, stage 1 tailings facility, associated plant infrastructure and associated capital works. The addition of the CIP circuit is expected to increase Deflector gold recoveries by 4-5% (FY20: 89%) and broaden the range of ore sources capable of being processed at Deflector.
- Rothsay ore will not be processed in FY21 and all mine expenditure is excluded from AISC guidance. Mine expenditure will approximate \$40 million including capital development, capital works and operating expenditure, and ore stockpiled by the end of FY21 will approximate 10,000 ounces.

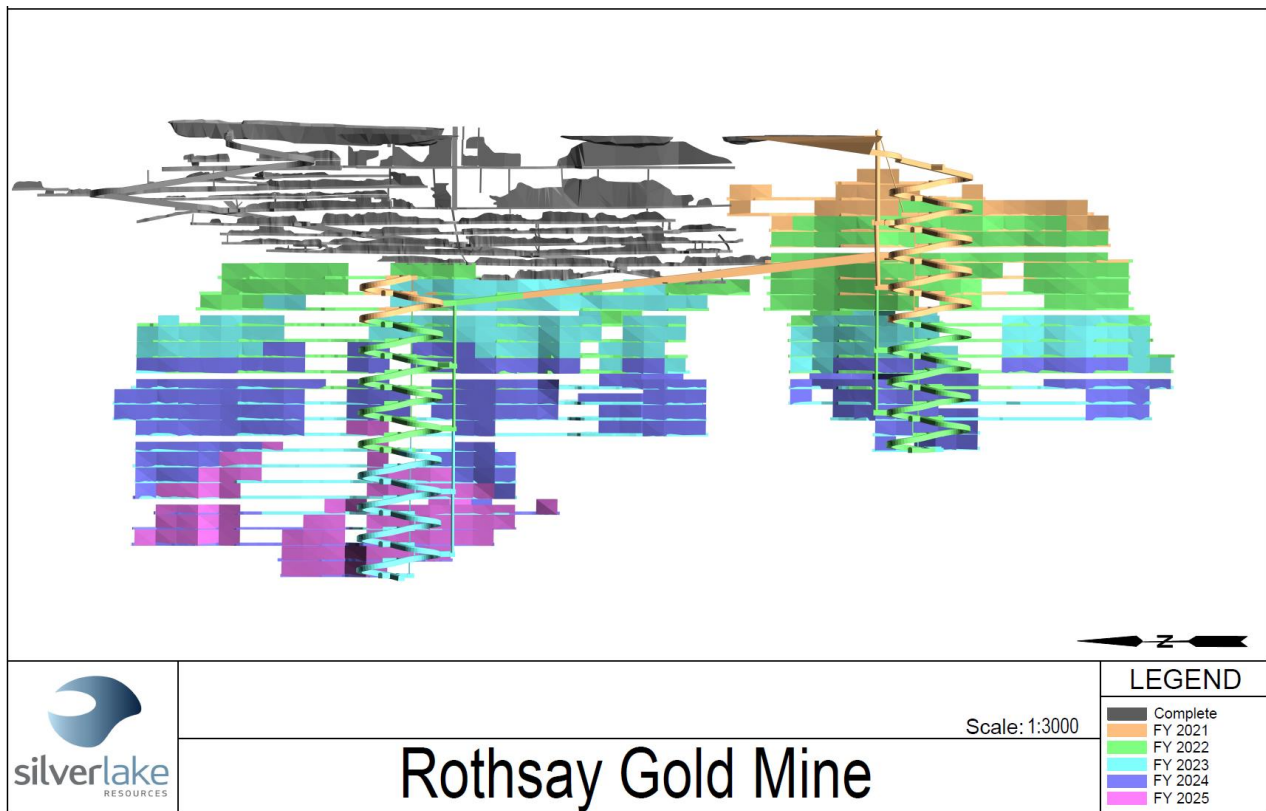


Figure 5: Rothsay mine design and schedule

Exploration

Guidance for exploration expenditure is \$21 million. The continued investment in exploration demonstrates Silver Lake's confidence in the organic growth potential of the Mount Monger and Deflector (including Rothsay) operations following continued exploration success throughout FY20.

Exploration

Overview

Silver Lake invested \$4.0 million in exploration during the quarter to advance high-grade projects within established and proven mineralised corridors proximal to established infrastructure.

All drill results in this release have previously been released to the ASX.

Mount Monger

At Mount Monger, ongoing underground drilling focused on Resource definition and extensions at established underground mines.

Surface drilling focused on the SATA trend at the Aldiss Mining Centre. At Tank, Resource definition and extensional drilling focused on open pit mineralisation. Surface drilling commenced at Atreides to validate and infill historical Mineral Resources and test for potential extensions to the south.

Tank South mine optimisation studies continue to be progressed incorporating open pit drilling results at both Tank and Atreides, which have the potential to access significant economic ounces as part of an integrated open pit and underground development accessing the thick, high-grade Tank South deposit. The 200 metre gap between Tank and Atreides is essentially untested.

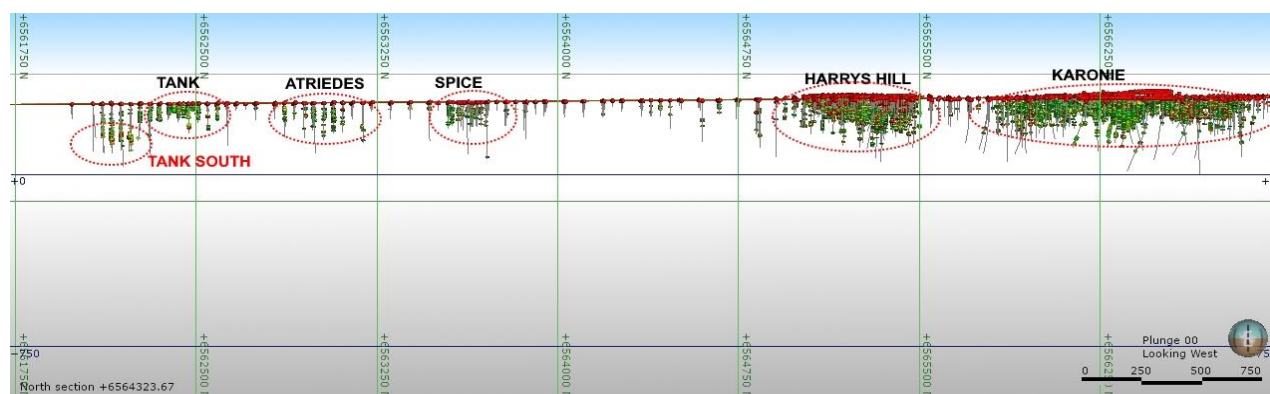


Figure 6: 7km Aldiss mineralised corridor has had limited effective testing

Deflector

During the June quarter Silver Lake released the results of a 27 hole underground drill program as part of ongoing underground Resource definition at Deflector. Holes were drilled from 2 positions on the 1033 level exploration drive which recently developed 150m along the 1301 lode from the southern limits of the current Deflector underground mine.

6. Refer ASX release 5 June 2020 “Significant exploration drilling results at Deflector South West”

The program returned 30 high-grade gold/copper assays greater than 10 gram-metres from the 27 holes completed, with multiple holes containing visible gold and massive sulphides and confirming continuity of high-grade gold/copper mineralisation within the first 150 metres of strike extending immediately south of the Deflector mine.

The spectacular result from DFUG192 (7.4m @ 98.7 g/t & 11.1%) is particularly significant as it is one of the southernmost underground holes drilled to date. The high tenor of Hole DFUG192 is also supportive of mineralisation remaining open to the south.

Highlights of the program include:

Hole #	Interval (m)	Gold (g/t)	Copper (%)
DFUG167	0.4	13.4	10.7
DFUG170	3.7	5.3	1.8
DFUG172	1.0	21.6	2.0
	1.0	21.8	0.3
DFUG173	0.3	21.0	2.3
	1.8	15.6	1.3
DFUG174	0.9	84.0	0.4
	0.5	32.7	0.8
DFUG175	0.9	103	2.7
DFUG176	0.4	69.4	0.1
DFUG178	0.4	30.3	0.7
	0.4	77.1	0.0
DFUG180	1.8	17.3	0.5
	0.4	50.3	0.9
DFUG182	0.4	114	0.1
DFUG183	1.0	125	1.9
DFUG185	0.3	13.3	2.7
	0.3	120	0.9
DFUG186	0.5	46.2	0.0
DFUG187	0.3	64.4	1.4
DFUG188	0.6	84.0	4.0
DFUG189	1.4	64.0	1.7
DFUG190	0.6	34.0	1.4
DFUG191	2.6	29.2	5.5
DFUG192	1.0	33.4	0.6
	7.4	98.7	11.1
	0.4	47.2	11.6
	1.0	57.4	1.4
	0.4	47.8	1.6

Table 7: Significant assays underground drill program targeting south west extensions to Deflector

Post quarter end, Silver Lake announced an increased Ore Reserve estimate for Deflector, with Ore Reserves increased to 2.2mt @ 6.3 g/t Au and 0.3% Cu for 447,000 ounces gold and 7,000 tonnes copper, a 30% year on year increase or 102% after FY20 mine depletion. Importantly ore grade increased 15% to 6.2 g/t, highlighting the higher tenor of the Western and Deflector South West lodes.

2020 Deflector Gold Ore Reserves									
	Proved			Probable			Total		
	Tonnes (000's)	Grade g/t	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Deflector	596	6.6	127	1,630	6.1	320	2,230	6.3	447
2020 Deflector Copper Ore Reserves									
	Proved			Probable			Total		
	Tonnes (000's)	Grade %	Tonnes Cu	Tonnes (000's)	Grade (%)	Tonnes Cu	Tonnes (000's)	Grade (%)	Tonnes Cu
Deflector	596	0.4	2,300	1,630	0.3	4,700	2,230	0.3	7,000

Table 8: Deflector Ore Reserves at 30 June 2020

An updated Mineral Resource Estimate was also released with Mineral Resources increasing 54% to 1.27 million ounces (+80% post FY20 mine depletion) and Mineral Resource grade increasing 18% to 13.5 g/t. Significantly, Silver Lake has not only increased the total Mineral Resources but increased the proportion of higher confidence Measured and Indicated Resources, with a 33% increase in Measured and Indicated Resources to 849,000 ounces (+65% post FY20 mine depletion), with Measured and Indicated Resource grades 24% higher at 15.4 g/t.

2020 Deflector Gold Mineral Resource Estimate												
	Measured			Indicated			Inferred			Total		
	Tonnes (000's)	Grade g/t	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Deflector	495	18.2	291	1,220	14.2	558	1,220	10.8	425	2,940	13.5	1,270

2020 Deflector Copper Mineral Resource Estimate												
	Measured			Indicated			Inferred			Total		
	Tonnes (000's)	Grade %	Tonnes Cu	Tonnes (000's)	Grade %	Tonnes Cu	Tonnes (000's)	Grade %	Tonnes Cu	Tonnes (000's)	Grade %	Tonnes Cu
Deflector	495	1.56	7,730	1,220	0.74	9,020	1,220	0.5	5,970	2,940	0.8	22,726

Table 9: Deflector Mineral Resource Estimate at 30 June 2020

The immediate focus of ongoing Resource definition will be the extension of the 1033 southwest exploration drive to provide additional drill platforms to target both infilling the existing Mineral Resource and extend the high-grade gold/copper lodes. Surface drilling in FY21 will focus on identifying possible extensions to the Deflector South West high-grade gold/copper lodes within the highly prospective Deflector basalt host stratigraphy.

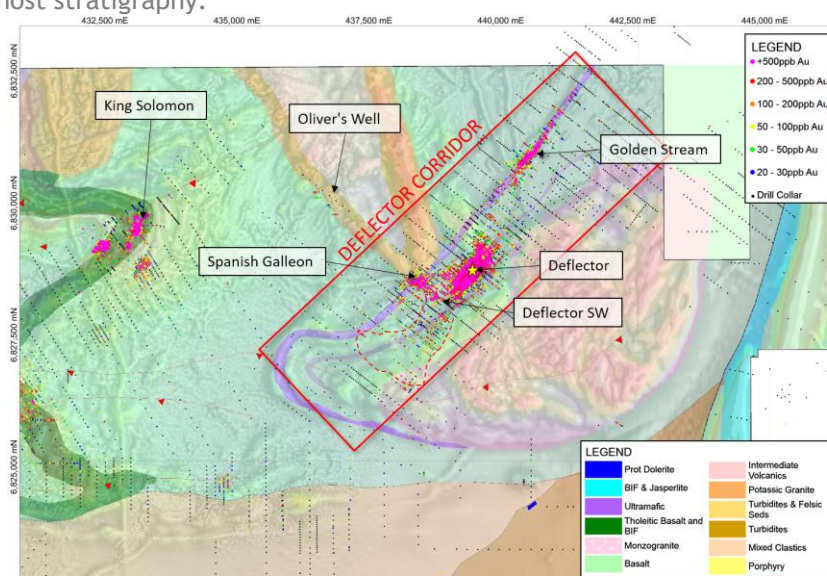


Figure 7: Deflector corridor and immediate surrounds, highlighting known gold occurrences

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 announcement that relates to Exploration Targets and Exploration Results at Deflector is based on information compiled by Ms Karen Wellman, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Ms Wellman is a fulltime 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'. Ms Wellman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement relating to the Deflector Mineral Resources and Ore Reserves has been extracted from the ASX announcement entitled "Increase in Deflector Mineral Resource and Ore Reserve" dated 10 July 2020 which is available to view at www.silverlakeresources.com.au. Silver Lake confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements and that all material assumptions and technical parameters underpinning the estimates in the original ASX announcements continue to apply and have not materially changed. Silver Lake confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcements.

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.