

25 November 2022

Silver Lake Resources  
Limited

Suite 4, Level 3  
South Shore Centre  
85 South Perth Esplanade  
South Perth WA 6151  
TEL +61 8 6313 3800  
FAX +61 8 6313 3888  
ABN 38 108 779 782

**Board of Directors:**

David Quinlivan  
Luke Tonkin  
Kelvin Flynn  
Rebecca Prain

ASX Code: SLR

## Chairman's Address to AGM

I am pleased to be here today to share with you an overview of the challenges faced together with the operational and financial highlights of FY 22 - the year just past.

FY22 saw the continuation of the very challenging operating environment experienced in FY21. Border closures, lockdowns, travel restrictions and other regulatory responses to COVID-19 together with increased supply chain constraints and cost pressures, saw Silver Lake constantly responding operationally to the rapidly changing environment that prevailed during the year.

For Silver Lake it was a year in which the combination of resilient management of our operations in a very challenging operating climate together with the progression of Silver Lake's growth strategy through the acquisition of Harte Gold Corp (Harte), consolidated the company's position as a leading mid-tier growth orientated gold mining business.

Strategically, FY22 marked a significant step as Silver Lake executed on its intent to strengthen its operating portfolio and growth pipeline through the acquisition of Harte, its Sugar Zone mine and the associated 81,287-hectare contiguous land package in Ontario, Canada.

Silver Lake completed the acquisition of Harte, taking both operational control and financial interest in February 2022.

On an operational and financial basis, Silver Lake delivered gold sales of 251,735 ounces and copper sales of 907 tonnes copper at an AISC of A\$1,756 per ounce in FY22.

Sales were underpinned by record production and sales from the high margin Deflector operation, which delivered 20% year on year sales growth, in the first full year following the addition of the CIP circuit to the processing facility and introduction of ore from the Rothsay mine as a secondary high grade feed source.

On the back of a strong operating cashflow of \$249 million in FY 22, Silver Lake delivered a profit before tax of \$115 million and, incorporating a non-cash tax expense of \$38 million and a non-cash gain of \$29 million associated with the acquisition of Harte, delivered a statutory NPAT of A\$78 million. Most pleasing however was the 20% increase in year-on-year terms of the Company's underlying free cash flow of \$89 million.

As part of the close out of the Harte hedge book, 7,952 ounces of forward gold sales remained to be delivered at year end. These scheduled deliveries will be completed in February 2023.

Silver Lake ended FY22 with cash and bullion of \$314 million.

Silver Lake's strong balance sheet enabled capital returns to shareholders with the implementation of an on-market share buyback.

The structure of this buyback provides an active capital management mechanism to compete for capital at times when high volatility does not reflect the robust outlook for our business.

The ongoing success of our exploration programs has warranted Board approval of a \$27 million exploration budget for FY23.

This is the largest annual exploration investment in the Company's history and demonstrates our confidence in the continued low capital intensity organic growth potential to leverage the significant installed infrastructure across all of our operations.

This program is already well underway, and we look forward to providing updates throughout the course of the year.

Silver Lake continued to actively grow its Mineral Resource and Mining Reserve base during the year.

As at 30 June 2022, Silver Lake's Mineral Resources had increased to 6.8 million ounces (a 25% year on year increase) and the Company's Ore Reserves had increased to 1.6 million ounces (a 17% year on year increase).

With the year-on-year growth including the acquisition of Harte and inclusion of Sugar Zone, it is pleasing to note that both Mineral Resources and Ore Reserves increased by 19% and 11% respectively on a per share basis demonstrating Silver Lake's commitment to delivering value driven, not volume driven growth.

Silver Lake's financial position and disciplined capital allocation framework continues to enable the Company to approach both internal development and further industry consolidation from a position of strength as we seek to execute our strategy to become a "larger, lower cost and longer life" business.

In closing, on behalf of the Board, I would like to thank the Company's employees for their dedicated service and resilience over the past 12 months. It has been a challenging 12 months and without the achievements of our employees, the past year's results would not have been possible.

I would also like to acknowledge our suppliers, contractors and shareholders who continue to support our strategy of delivering today, developing for tomorrow and discovering for the future.

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.slrltd.com](http://www.slrltd.com).

***For further information, please contact:***

Luke Tonkin  
Managing Director  
+61 8 6313 3800  
[contact@slrltd.com](mailto:contact@slrltd.com)

Len Eldridge  
Corporate Development Officer  
+61 8 6313 3800  
[contact@slrltd.com](mailto:contact@slrltd.com)