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Silver Lake Resources
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Chairman's Address to AGM

I am pleased to share with you today Silver Lake's operational and financial highlights for the 2020 financial year.

In what was a year that presented a number of different challenges, Silver Lake has nonetheless set multiple records across key financial and operating performance metrics and this has allowed the Company to consolidate its position as a leading mid-tier gold mining company.

So, what were some of these multiple records?

On the production front, Silver Lake's gold production increased 64% to 273,071 gold equivalent ounces with gold equivalent sales up 54% to 263,362 ounces at an AISC of A\$1,295 per ounce.

The step change in production and sales reflects the successful integration of Deflector, with a full year's contribution following completion of the acquisition of Doray Minerals in April 2019.

Silver Lake's sales guidance was also twice upgraded during the year making FY20 the sixth straight year in which the Company has met or exceeded guidance to the market.

This performance is a credit to all our employees especially given the heightened challenges and restrictions posed by the onset of COVID-19 in the second half of the year.

On the financial front, Silver Lake reported underlying NPAT of A\$257 million (+3,852%) and operating cash flow A\$252 million (+250%). More pleasingly though, we were able to continue to build on our enviable record of cash generation with our year end cash and bullion increasing by 107% or A\$139 million after capital investment and exploration to A\$269 million whilst maintaining our debt free balance sheet.

On the Mining Reserves front, the combination of our investment in exploration and our M&A success has continued to deliver results.

Ore Reserves at 30 June 2020 of 1.2 million ounces represent an increase in global terms of 38% at year-end or looking at this another way, represent an increase of 124% after accounting for FY20 mine depletion and the inclusion of Ore Reserves at Rothsay for the first time.

More importantly though, Ore Reserve growth the Company has delivered in FY20 has been accretive for our shareholders on a "Reserves per share" basis and demonstrates our commitment to delivering value driven, not volume driven growth for our shareholders.

So, how has the past year positioned Silver Lake for FY21?

The momentum we have built up over the past five years will continue into FY21 with sales guidance of 240,000 to 250,000 ounces at an average AISC of A\$1,400-A\$1,500 per ounce.

We will also continue to invest heavily in exploration with \$21 million budgeted across the group with a clear focus on growth and extension opportunities within proven mineralised corridors near our established mine sites, services and processing infrastructure.

During the past year Silver Lake also undertook a number of detailed studies targeted at increasing the fundamental value of our business through a combination of growth, increased margins and risk mitigation. Solid business cases evident from these study outcomes have resulted in Silver Lake committing to several significant capital projects in FY21 which are currently being rolled out.

One example is at Deflector, which following a combination of exploration and M&A success, will receive an upgrade of the processing facility with the addition of a CIP circuit to the existing gravity and float circuits.

The Deflector plant upgrade will both increase gold recovery and broaden the potential sources of mill feed, including the new Rothsay mine, development of which has commenced just seven months post completion of its acquisition.

Mr Tonkin's presentation has further details on how this project and a range of other significant projects we are working on will position Silver Lake for growth in the years ahead.

In closing I am pleased to say to you that Silver Lake now occupies an enviable position in the gold industry with two cash generative assets in Western Australia and a pipeline of projects that provide a platform for growth and increased life of our operations. Our strong balance sheet and cash flow generation positions Silver Lake to rapidly progress both the pipeline of advanced organic development and exploration projects whilst continuing to refresh the pipeline of opportunities to compete for capital, both organically and externally, as we continue to build on the success and momentum generated over the previous 5 years.

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.

Finally, on behalf of the Board I would like to thank the Company's employees for their dedicated service and commitment over the past 12 months and, without whom, the achievements of the past year would not have been possible.

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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