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FY2022 HALF YEAR FINANCIAL RESULTS SUMMARY

Silver Lake Resources Limited (“Silver Lake” or the “Company”) is pleased to report its financial results for the half year ended 31 December 2021.

FY2022 first half highlights

- Gold sales of 126,718 ounces gold equivalent¹ at a realised gold price of A\$2,418/oz (H1 FY21: 130,354 ounces at A\$2,400/oz)
- EBITDA¹ of \$157.6 million (H1 FY21: \$160.1 million) at a consistent EBITDA margin of 51% (H1 FY21: 51%)
- NPAT of \$44.5 million (H1 FY21: \$65.8 million), with year on year movement driven by increase in depreciation and amortisation charges (non-cash) reflecting the increased scale of the Deflector Operation
- NPAT result includes a non-cash tax expense of \$19.5 million with an equivalent reduction in the deferred tax asset on the balance sheet; Silver Lake has \$270.2 million of available tax losses at period end
- Cash flow from operations of \$120.1 million (H1 FY21: \$160.5 million), reflecting the significant stockpile generation during the period with a corresponding increase in inventory on the balance sheet
- Cash and bullion of \$277.9 million at period end (excludes \$17.5 million of gold in circuit and concentrate on hand valued at net realisable value) reflects an underlying² \$40.1 million cash build for the period with \$101.9 million in outflows associated with the acquisition of Harte Gold
- Hedge book at 31 December 2021 was 75,500 ounces at A\$2,378/oz for delivery over next 12 months
- \$10.8 million investment in exploration targeting both the upgrading of Inferred Resources to higher confidence categories and discovery of new mineralisation within proven mineralised corridors and proximal to established infrastructure
- Acquisition of Harte Gold Corp. completed on 18 February 2022
- Announcement of on-market share buy-back for up to 10% of shares on issue on 7 February 2022
- Well positioned to deliver FY22 group gold sales guidance of 235,000 to 255,000 ounces gold with copper sales of 600 - 1,000 tonnes at an AISC range of A\$1,550 to A\$1,650 per ounce

¹ Refer to glossary on page 3

² Underlying represents the cash and bullion movement excluding cash outflows associated with the acquisition of Harte Gold

FY22 first half financial results summary

The H1 FY22 results reflect a solid period of operational performance for the Group, notwithstanding the challenging operational environment in Western Australia. The performance is reflected across key financial metrics with a consistent EBITDA result and strong free cashflow generation despite the investment in underground development in the Deflector region and ore stockpile generation at Mount Monger. The period also delivered the next phase of Silver Lake's growth strategy with the execution of multiple transactions to acquire Harte Gold Corp. with the acquisition completed post period end on 18 February 2022.

The Company's statutory profit after tax for the half of \$44.5 million includes a tax expense of \$19.5 million. The tax expense is non-cash and resulted in an equivalent reduction in the deferred tax asset balance on the balance sheet. At 31 December 2021 the Company has \$270.2 million of available tax losses for offset against future taxable profits.

Revenue for the half year totalled \$307.6 million from the sale of 126,718 ounces gold equivalent at an average realised price of A\$2,418/oz, a 3% decrease on H1 FY21 (\$316.3 million from the sale of 130,354 ounces gold equivalent at A\$2,400/oz). The decrease in revenue reflects a 3% decrease in gold ounces sold, partially offset by higher realised commodity prices in the period.

EBITDA of \$157.6 million was consistent with pcp at a consistent EBITDA margin of 51%. The EBITDA contribution was weighted towards Deflector which reported EBITDA of \$97.1 million at a margin of 62% (H1 FY21: \$102.4 million and 67% respectively). Mount Monger EBITDA was \$68.4 million at an EBITDA margin of 45% (H1 FY21: \$67.0 million and 41% respectively).

Non-recurring items for the period included business combination expenses related to the Harte Gold acquisition of \$0.8 million.

The All-in Sustaining Cost (AISC) for the half year was A\$1,597/oz (H1 FY21: A\$1,502/oz) with the increase reflecting a combination of broader industry cost and productivity pressures and the impact of movements in underlying physicals.

| Key measures | H1 FY22 | H1 FY21 | Variance |
|---------------------------------------|---------|---------|----------|
| Gold sales (Au equivalent oz) | 126,718 | 130,354 | -3% |
| Average realised gold price (A\$/oz) | 2,418 | 2,400 | 1% |
| AISC (A\$/oz) | 1,597 | 1,502 | -6% |
| Revenue (\$m) | 307.6 | 316.3 | -3% |
| EBITDA (\$m) | 157.6 | 160.1 | -2% |
| EBITDA margin (%) | 51.2 | 50.6 | 1% |
| NPAT (\$m) | 44.5 | 65.8 | -32% |
| Operating cash flow (\$m) | 120.1 | 160.5 | -25% |
| Cash and bullion at 31 December (\$m) | 277.9 | 315.4 | -12% |
| Debt at period end | Nil | Nil | - |

Table 1: H1 FY22 Financial Results

Following completion of growth projects in the Deflector region in FY21 and lower strip ratios at Mount Monger open pits this period, capital expenditure for H1 FY22 reduced to \$60.6 million (H1 FY21: \$88.2 million). Capital expenditure for the half year included \$44.3 million of mine capital development, \$5.5 million of expenditure on plant and equipment and exploration expenditure of \$10.8 million.

Silver Lake continued to maintain its strong track record of cash generation. Cash generated for the period (excluding the Harte Gold transaction), totalled \$40.1 million, resulting in a cash and bullion position at 31 December 2021 of \$277.9 million and no bank debt. In addition, Silver Lake has \$9.8 million of gold in

circuit and concentrate on hand valued at cost (\$17.5 million at net realisable value) and listed investments of \$11.6 million.

On 7 February 2022, Silver Lake announced an on-market buy-back for up to 10% of ordinary shares over the next 12 months. The buy-back was determined to be the most efficient mechanism to deploy excess capital and allows Silver Lake to take advantage of share price volatility through opportunistic share purchases during periods in which the share price does not reflect the strong cashflow generation and robust outlook of the business.

This announcement was authorised for release to ASX by Luke Tonkin, Managing Director. For more information about Silver Lake Resources Limited and its projects please visit our web site at www.silverlakeresources.com.au.

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Glossary

All gold equivalency calculations assume a Au price of A\$2,300/oz, Cu price of A\$12,000/t and a 10% payability reduction for treatment and refining charges. The gold equivalent formula is $Au\ Eq\ koz = Au\ koz + (Cu\ kt * 5.2)$, based on the commodity price assumptions outlined above.

EBITDA (before significant items) is a non-IFRS measure and comprises net profit after tax, adjusted to exclude significant items such as tax, net finance costs, profit/loss on disposal of assets, depreciation and amortisation. An unaudited reconciliation between the net profit after tax and EBITDA (excluding significant items) is set out on page 8 of the Company's Interim Financial Report released to the ASX contemporaneously with this announcement. The directors consider it useful as it enables readers to obtain an understanding of results from operations.