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ASX Code: SLR

Issued Capital:
503.2m Shares
2.0m Options
6.3m Performance Rights

All financial figures quoted in this report are in Australian dollars and are unaudited

ASX ANNOUNCEMENT **4 March 2016**

Maxwells Exploration Program Delivers Immediate Success

- Most recent 12 diamond drill holes ALL intersected visible gold
- Diamond drill hole 16MXDD005 intersected 5 separate intervals of visible gold corresponding to down plunge high grade BIF units
- Strongly mineralised diamond drill hole intercepts logged in the interpreted West Lode BIF's
- Drilling continues to support underground development at Maxwells

Silver Lake Resources Limited **("Silver Lake" or the "Company")** is pleased to advise that the A$1.4 million Maxwells exploration drill program announced in its December Quarterly Report has had immediate and spectacular early success with the most recent 12 diamond drill holes all intersecting visible gold.

A$1.4 million Maxwells Exploration Drilling Program

Given the success of Q2 FY16 Maxwells exploration drilling, the Company allocated A$1.4 million of the FY16 A$15.5 million exploration budget to drilling five priority targets at Maxwells commencing in Q3 FY16.

The program is targeting underground and open pit extensions to mineralisation both down plunge and along strike. The 82 hole (9,600 metre) drill program will effectively test 3 underground targets in the Eastern, Central and Western BIF units and 2 open pit targets to the south and west of the existing Maxwells pit (Figure 1).

Maxwells Development

The Maxwells open pit was previously mined to approximately 140 metres below ground level with the most recent cut back completed in June 2014. The open pit generated ore at 16,087 tonnes per vertical metre (**"TVM"**) or 1,375 ounces per vertical metre (**"OVM"**) over its life, however significantly more OVM was generated while the open pit simultaneously mined the Western, Central and Eastern BIF units. During this phase of mining the Maxwells pit produced approximately 24,000 TVM at 1,970 OVM.

Historical grade control and exploration drilling coupled with the most recent diamond and RC drilling results support the proposition that the ore shoots seen within the open pit continue well below the base of the existing open pit at grades and widths able to sustain an economic underground mine.

By extending the Maxwells mineralisation below the current pit floor and applying appropriate underground cut-off grades and modifying factors, Silver Lake is aiming to support an underground operation which could produce approximately 45,000 ounces per annum at an AISC of approximately A$1,000/oz.

Initial Diamond Drill Results

A total of 16 diamond drill holes for 1,918 metres, representing part of the total 9,600 metre A$1.4 million exploration program, have been completed to date in Q3 FY16.

All diamond drill holes intersected the host BIF units in the projected target positions. Mineralisation logged within the host units is similar to the high grade lodes within the Maxwells open pit, comprising strongly altered BIF, quartz veining, abundant pyrrhotite and arsenopyrite sulphides, and visible gold.

Several of the diamond drill holes intersected multiple occurrences of visible gold within parallel BIF host units. For example, 16MXDD005 intersected five separate occurrences of visible gold, commencing at 45 metres down hole depth, through to 164 metres down hole depth (Figure 2). On this drilling section, the Western Lode host BIF units have been intersected by three new diamond drill holes, extending the plunge of the Western Lode to more than 150m below the base of the open pit.

The visible gold is associated with zones of intense sulphide alteration and abundant quartz veining. These high grade zones can be linked down plunge between the widely spaced drill holes, and correlated across strike between adjacent drilling sections. For example, the visible gold intersected in 16MXRD007 (Figure 3) infilled a 100m gap in the drilling between the base of the open pit and the mineralised Eastern Lodes intersected in Q2 FY16, confirming the interpreted plunge of the lodes below the pit. The continuity and tenor of the high grade zones interpreted below the existing pit floor is comparable to the lodes mined in the open pit, and provides further confidence in the potential for an underground operation at Maxwells.

Ongoing Maxwells Exploration Program

The Maxwells drilling program has been accelerated in Q3 FY16, utilising two diamond rigs and two RC rigs to complete the planned drilling program by June 2016.

Commenting on the initial results from the Maxwells exploration drilling program, Silver Lake Managing Director Luke Tonkin said:

“Silver Lake’s A$15.5 million exploration program in FY16 is focussed on extending known Resources, improving geological confidence in these Resources and identifying additional Resources that advance the Company’s objective of reducing AISC and increasing operating cash margins.

“Silver Lake’s commitment of A$1.4 million to Maxwells resource development drilling has been immediately rewarded and confirms the extension of high grade mineralised gold systems below the existing open pit floor which may sustain a high margin underground mine.

“Silver Lake is delivering today, developing for tomorrow and discovering for the future.”

Peter Armstrong
Company Secretary

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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.

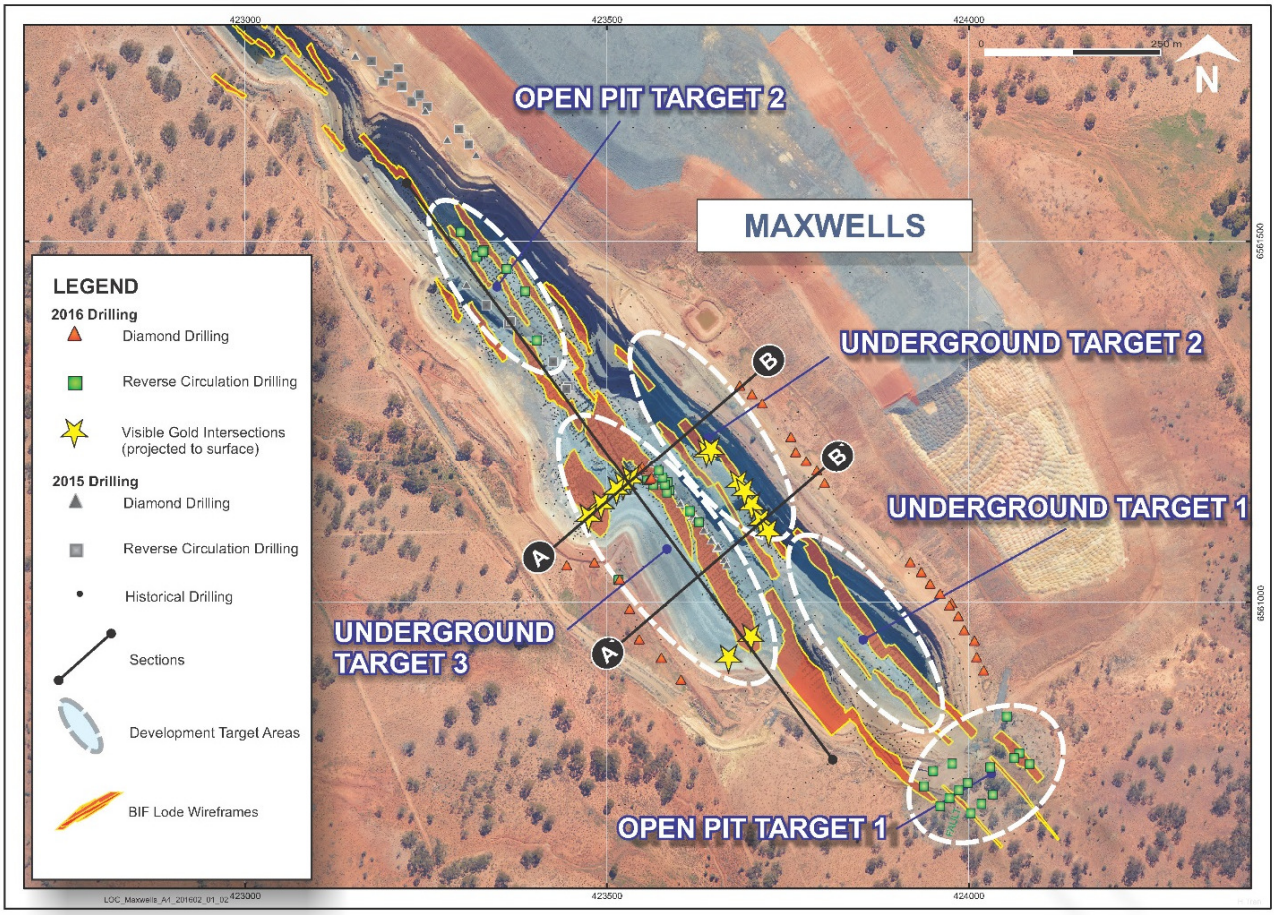

Figure 1: Plan map of the Maxwells project area showing drilling locations and visible gold intersections. The location of Figure 2 and Figure 3 drill sections is shown.

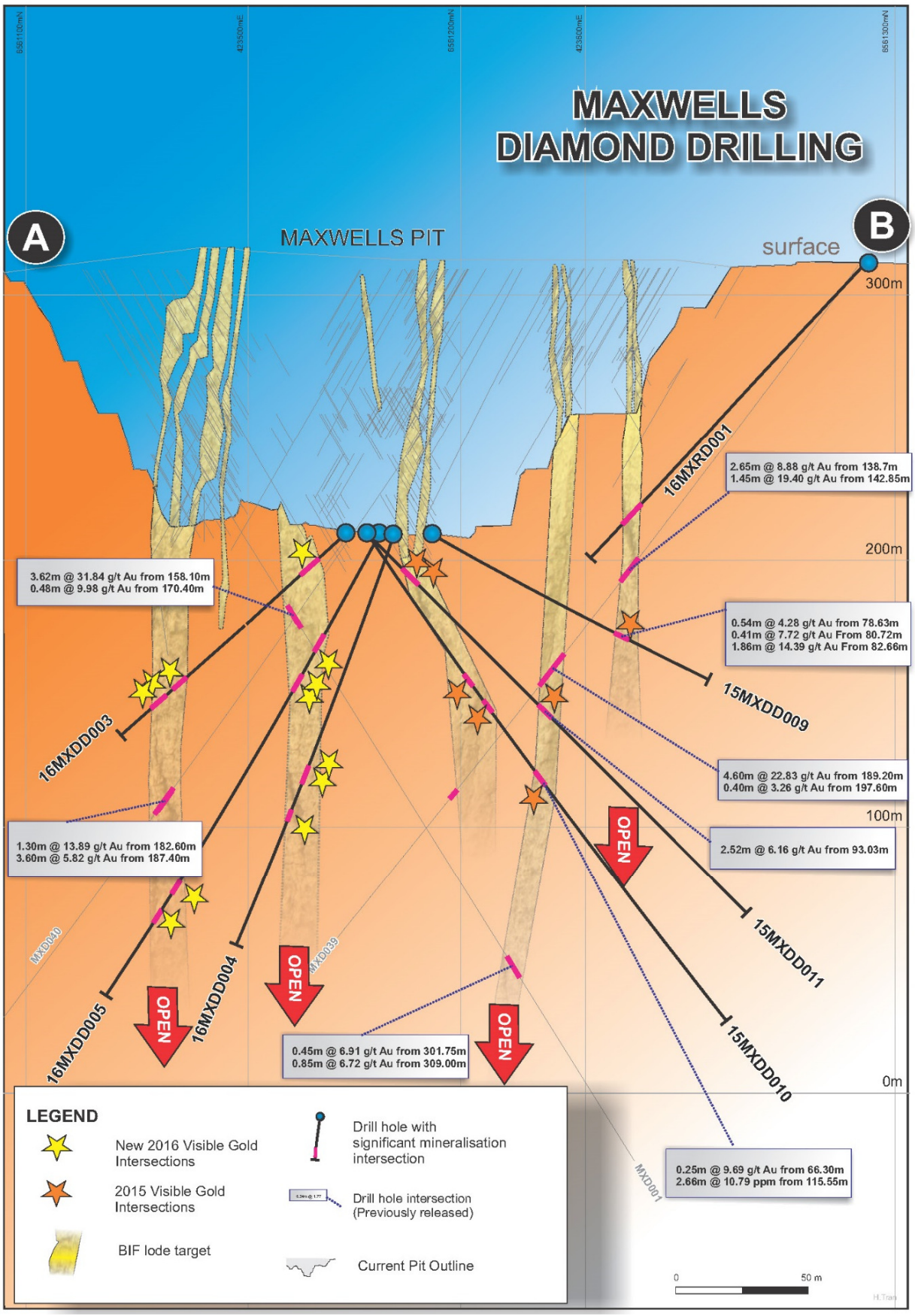

Figure 2: Cross section highlighting visible gold intersections in 16MXDD003 to 16MXDD005.

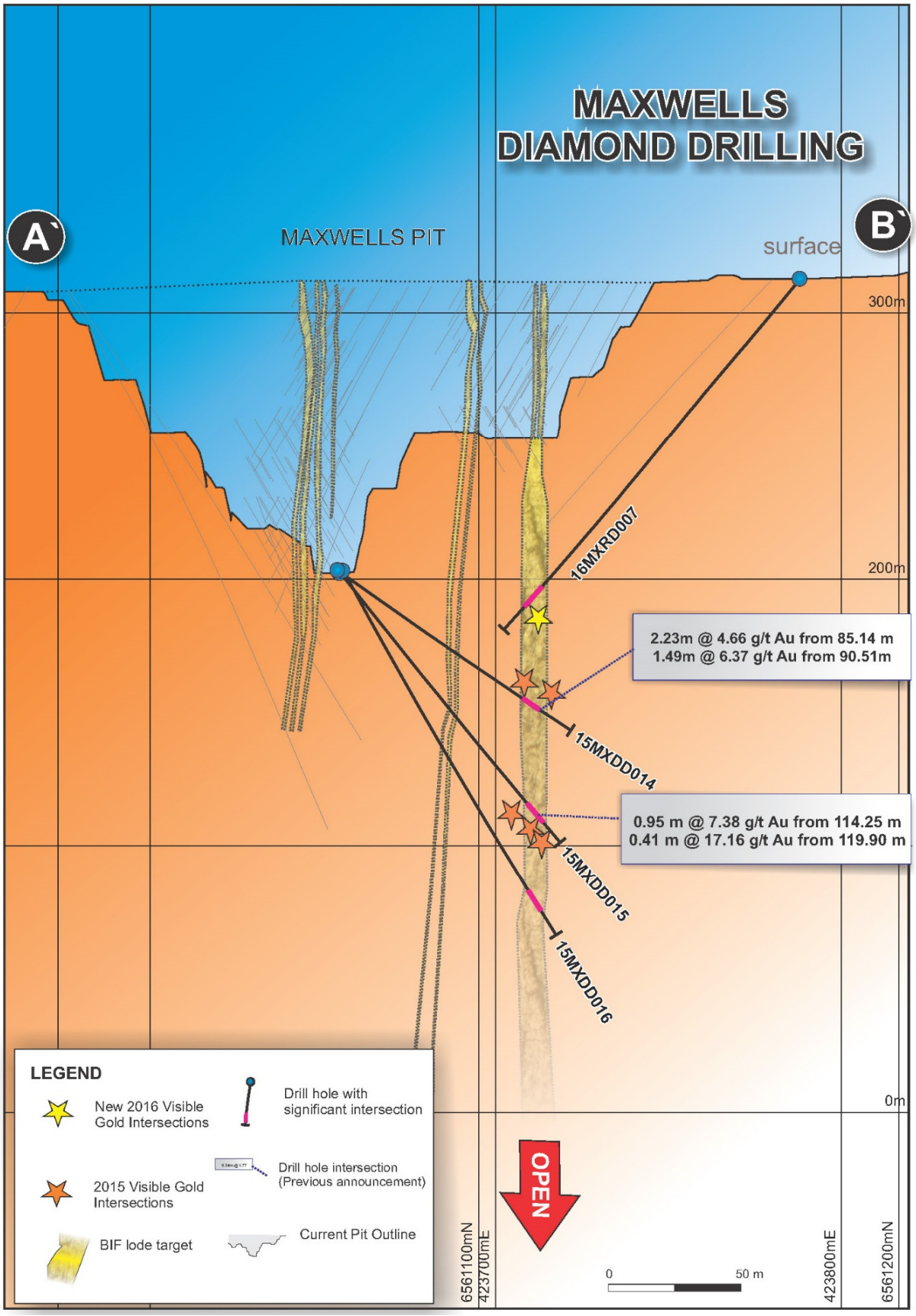

Figure 3: Cross section highlighting visible gold intersections in 16MXRD007.

Appendix 1: Drillhole Information Summary

Q3 FY16 Diamond Drilling: Maxwells

Hole_ID	Northing (MGA94_51)	Easting (MGA94_51)	Collar RL (MGA94_51)	Dip	Azimuth	Depth_From (m)	Depth_To (m)	Gold Intersection	Comments
16MXDD001	6561166	423555	210	-41	230	46.75	47.53	0.78m @ 3.45 g/t	
16MXDD002	6561168	423557	210	-60	230				Assays Pending
16MXRD001	6561297	423679	311	-47	230	127.14	127.45	0.31m @ 2.00 g/t	
						130.65	132.65	2.00m @ 1.81 g/t	
16MXRD002	6561285	423696	311	-53	230				Assays Pending
16MXDD003	6561169	423527	210	-45	230	13.60	13.65	**Visible Gold Logged**	Assays Pending
						94.40	94.50	**Visible Gold Logged**	
						98.45	98.70	**Visible Gold Logged**	
						99.00	99.10	**Visible Gold Logged**	
16MXDD004	6561183	423544	210	-71	230	93.45	95.00	**Visible Gold Logged**	Assays Pending
						95.00	96.10	**Visible Gold Logged**	
						112.92	113.38	**Visible Gold Logged**	
16MXDD005	6561180	423540	210	-62	230	45.00	45.05	**Visible Gold Logged**	Assays Pending
						60.60	60.65	**Visible Gold Logged**	
						63.10	63.15	**Visible Gold Logged**	
						150.80	150.85	**Visible Gold Logged**	
						163.80	163.85	**Visible Gold Logged**	
16MXDD006	6561172	423530	210	-41	250	14.10	14.15	**Visible Gold Logged**	Assays Pending
						15.29	15.31	**Visible Gold Logged**	
16MXRD003	6561272	423710	312	-49	230	146.90	147.68	**Visible Gold Logged**	Assays Pending
						150.25	150.65	**Visible Gold Logged**	
16MXRD004	6561226	423750	312	-51	230	133.74	135.36	**Visible Gold Logged**	Assays Pending
16MXRD005	6561205	423757	313	-49	230	137.32	137.86	**Visible Gold Logged**	Assays Pending
16MXRD006	6561192	423771	312	-53	230	151.47	151.86	**Visible Gold Logged**	Assays Pending
16MXRD007	6561178	423786	312	-51	230	152.61	153.20	**Visible Gold Logged**	Assays Pending
16MXRD008	6561161	423797	313	-54	230	156.40	156.45	**Visible Gold Logged**	Assays Pending
16MXRD020	6560889	423598	310	-54	50	117.30	117.35	**Visible Gold Logged**	Assays Pending
16MXRD021	6560889	423598	310	-48	50	180.20	180.25	**Visible Gold Logged**	Assays Pending

Note 1: Down hole lengths are reported.
Note 2: Selected intersections are minimum 1.0 g/t Au and minimum 0.3m down hole length.

Appendix 2: JORC Code, 2012 Edition – Table 1

Maxwells Exploration Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Diamond drilling methods were utilised in the drilling dataset. • All diamond holes have been half-core sampled over prospective mineralised intervals determined by the geologist. • Within fresh rock, core is oriented for structural/geotechnical logging wherever possible. In oriented core, one half of the core was sampled over intervals ranging from 0.3 & 1.2m and submitted for fire assay analysis. • The remaining core, including the bottom of-hole orientation line, was retained for geological reference and potential further sampling such as metallurgical test work. In intervals of un-oriented core, the same half of the core has been sampled where possible, by extending a cut line from oriented intervals through into the un-oriented intervals. The lack of a consistent geological reference plane, (such as bedding or a foliation), precludes using geological features to orient the core
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• HQ2 diamond drilling was used during recent drilling operations at Maxwells • Diamond drilling was carried out using HQ2 size drilling. Larger diameter PQ sized core was used to stabilise drill hole collars. • All diamond holes were surveyed during drilling with down hole single shot cameras, and then the majority of drill holes were resurveyed at the completion of the drill hole using a collar orientated Gyro Inclinometer at 10m intervals.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure*	• For diamond drilling recovered core for each drill run is recorded and measured against the expected core from that run. Core recovery is consistently very high, with minor loss occurring in

Criteria	JORC Code explanation	Commentary
	representative nature of the samples. • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	regolith and heavily fractured ground there is no indication that sampling presents a material risk for the quality of the mine evaluations.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond core has also been logged for geological structure. Sample quality data recorded includes recovery, sample moisture (i.e. whether dry, moist, wet or water injected) and sampling methodology. • Both diamond drill core and RC chip trays are routinely photographed and digitally stored for future reference. • Diamond drill holes are routinely orientated, and structurally logged with orientation confidence recorded. All drill hole logging data is digitally captured and the data is validated prior to being uploaded to the database. • Data Shed has been utilised for the majority of the data management of the SQL database. The SQL database utilises referential integrity to ensure data in different tables is consistent and restricted to defined logging codes
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All diameter core is sawn half core using a diamond-blade saw, with one half of the core consistently taken for analysis. • The un-sampled half of diamond core is retained for check sampling if required • All drill hole samples were analysed by Min-Analytical, using 50g fire assay using Atomic Absorption Spectrometry (FA50AAS) • All samples are sorted and dried upon arrival to ensure they are free of moisture prior to pulverising • Samples that are too coarse to fit directly into a pulverising vessel will require coarse crushing to nominal 10mm • Samples >3kg are sub splitting to a size that can be effectively pulverised. Representative sample volume reduction is achieved by either riffle splitting for free flowing material or rotary splitting for pre-crushed (2mm) product • All samples are pulverised utilising 300g, 1000g, 2000g and 3000g

Criteria	JORC Code explanation	Commentary
		grinding vessels determined by the size of the sample. Dry crushed or fine samples are pulverised to produce a homogenous representative sub-sample for analysis. A grind quality target of 85% passing 75µm has been established and is relative to sample size, type and hardness. • MinAnalytical utilises low chrome steel bowls for pulverising. On completion of analysis all solid samples are stored for 60 days. • The sample size is considered appropriate for the grain size of the material being sampled • Sample preparation techniques are considered appropriate for the style of mineralisation being tested for – this technique is industry standard across the Eastern Goldfields.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• All samples were analysed by Min-Analytical (NATA accredited for compliance with ISO/IEC17025:2005) • Data produced by Min-Analytical is reviewed and compared with the certified values to measure accuracy and precision. Selected anomalous samples are re-digested and analysed to confirm results. • Min-Analytical 50 gram samples were assayed by fire assay (FA50AAS). • Min-Analytical inserted blanks and standards at a ratio of one in 20 samples in every batch. Every 20th sample was selected as a duplicate from the original pulp packet and then analysed. • Repeat assays were completed at a frequency of one in 20 and were selected at random throughout the batch. In addition, further repeat assays were selected at random by the quality control officer, the frequency of which was batch dependent. • Analysis was by fire assay with similar quality assurance (QA) for RC and half core samples. • Contamination between samples is checked by the use of blank samples. Assessment of accuracy is carried out by the use of certified Standards (CRM). • QAQC results are reviewed on a batch by batch and monthly basis.

Criteria	JORC Code explanation	Commentary
		Any deviations from acceptable precision or indications of bias are acted on with repeat and check assays. Overall performance of both the Min-Analytical laboratory QAQC and field based QAQC has been satisfactory. • Field duplicates, standards and blanks were inserted throughout the hole during drilling operations, with increased QAQC sampling targeting mineralised zones. • The QAQC procedures used are considered appropriate and no significant QA/QC issues have arisen in recent drilling results. • These assay methodologies are appropriate for the resource in question.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• On receipt of assay results from the laboratory the results are verified by the Data Manager and by geologists who compare results with geological logging. • No independent or alternative verifications are available. • All data used in the calculation of resources and reserves are compiled in databases (underground and open pit) which are overseen and validated by senior geologists. • No adjustments have been made to any assay data. • All drill hole data is digitally captured using Logchief software and the data is validated prior to being uploaded to the database. • Data Shed (SQL database) has been utilised for the majority of the data management. The SQL database utilises referential integrity to ensure data in different tables is consistent and restricted to defined logging codes.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collar coordinates for diamond drill-holes were generally determined by either RTK-GPS or a total station survey instrument • Historic drill hole collar coordinates have been surveyed using various methods over the years using several grids. • Recent diamond holes were surveyed during drilling with down-hole single shot cameras and then at the end of the hole by Gyro-

Criteria	JORC Code explanation	Commentary
		Inclinometer at 10m intervals. Holes not gyro-surveyed were surveyed using Eastman single shot cameras at 30m intervals. • Topographic control is generated from RTK GPS. This methodology is adequate for the resources in question • All data points are collected in either MGA 94 (Zone51) grid or the local mine grid established for the particular deposit.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling completed in 2015 is designed to intersect the target zones at between 10m to 40m drill hole spacing, which is sufficient for reporting Exploration results. • For reporting Exploration Results, sample compositing has been applied to provide a minimum 1 g/t Au composited grade, minimum 0.3m composite width. Composites contain a maximum 1m internal "waste" below 1 g/t Au.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The majority of drilling is orientated to intersect mineralisation as close to normal as possible. The chance of bias introduced by sample orientation is considered minimal.
Sample security	• *The measures taken to ensure sample security.*	• Samples are sealed in calico bags, which are in turn placed in green mining bags for transport. Green mining bags are secured on metal crates and transported directly via road freight to the laboratory with a corresponding submission form and consignment note. • Min-Analytical checks the samples received against the submission form and notify Silver Lake resources (SLR) of any missing or additional samples. Following analysis, the pulp packets, pulp residues and coarse rejects are held in their secure warehouse. On request, the pulp packets are returned to the Silver Lake Resources (SLR) warehouse on secure pallets where they are documented for long term storage and retrieval.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Field quality control and assurance has been assessed on a daily, monthly and quarterly basis.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Maxwells area is located within mining lease M25/133. Silver Lake (Integra) Pty Ltd, a wholly owned subsidiary of Silver Lake Resources Limited, is the registered holder of the tenement. • There are no known issues regarding security of tenure or impediments to continued operation.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The target areas have been variously drilled by a number of past explorers, including Integra Mining
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Santa/Flycamp, Rumbles and Maxwells deposits are hosted within the 'Santa Clause' member and the "Maxwells" member of the banded iron-formation (BIF) of the Mt Belches group located in the southern Eastern Goldfields Superterrane, Yilgarn Craton, Western Australia. • The iron formation is a silicate/oxide-facies unit with over printing sulphides, and has undergone metamorphism (upper-greenschist facies) and deformation (two generations of folds). The gold deposit is hosted in the hinge zone of a regional scale, chevron folded anticline. • Gold dominantly occurs as inclusions of native gold and/or electrum within or around pyrrhotite, magnetite, and arsenopyrite, and economic mineralisation is typically restricted to the BIF horizons.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
		• Tables containing drill hole collar, collar survey and intersection data are included in the body of the announcement.

Criteria	JORC Code explanation	Commentary
	○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All results presented are weighted average. • No high-grade cuts are used. • Reported results have been calculated using a 1g/t Au lower cut-off grade, maximum 1m dilution and a minimum intercept width of 0.3 metre. • No metal equivalent values are stated.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Unless indicated to the contrary, all results reported are down hole width.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Representative sections and plans are provided in the exploration summary.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Appropriate balance in exploration results reporting is provided.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock*	• There is no other substantive exploration data associated with this release.

Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	