

3rd December 2021

Company Announcement Officer
ASX Limited
Exchange Centre
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Bundarra Zone Drilling Results - Increasing Grade and Width

HIGHLIGHTS

- Drilling of the 30,000m resource program at Bowdens Silver continues with wide and high-grade results returned from the Bundarra Zone.
- **BD21035;**
 - 14.2 metres @ 374g/t silver equivalent (36g/t silver, 4.86% zinc, 2.35% lead and 0.23g/t gold) from 238 metres, including;
 - 4.6 metres @ 694g/t silver equivalent (72g/t silver, 8.76% zinc, 4.40% lead and 0.49g/t gold) from 245.4 metres.
- New quartz - sulphide vein style of high-grade mineralisation intersected
 - 3.0 metres @ 437g/t silver equivalent (52g/t silver, 5.57% zinc, 0.50% lead and 1.14g/t gold) from 294.4 metres, including;
 - 1.4 metres @ 749g/t silver equivalent (78g/t silver, 9.14% zinc, 0.87% lead and 2.36g/t gold) from 296 metres.
- **BD21036;**
 - 9.0 metres @ 296g/t silver equivalent (29g/t silver, 3.23% zinc, 1.86% lead and 0.55g/t gold) from 300.7 metres, including;
 - 1.5 metres @ 470g/t silver equivalent (48g/t silver, 5.55% zinc, 3.69% lead and 0.30g/t gold) from 301.5 metres, and
 - 1.0 metre @ 615g/t silver equivalent (67g/t silver, 4.65% zinc, 3.32% lead and 2.58g/t gold) from 308 metres.

Underground Scoping Study

- Drilling continuing into 2022 with four rigs operational to deliver maiden underground Mineral Resource estimation as part of the initial Scoping Study of underground mining scenarios.

Introduction

Silver Mines Limited (ASX:SVL) (“Silver Mines” or “the Company”) is pleased to announce recent assay results from the underground resource drilling program at the Bowdens Silver Project located near Mudgee in New South Wales.

Diamond drilling has continued to test mineralised zones for potential underground mining scenarios at the Bowdens Silver Deposit, with a focus on the Northwest Zone, Aegean Zone and Bundarra Zone. The Aegean to Northwest Zone is dominated by high-grade silver vein systems of substantial widths, while the Bundarra Zone is dominated by wide zones of high-grade zinc and lead mineralisation, associated with gold and silver. All three zones are located beneath the bulk-tonnage open-pit Ore Reserve of the Bowdens Deposit with the Aegean Zone situated directly beneath Main Zone.

Results have been received for holes BD21026 through to BD21036 with BD21035 and BD21036 drilled within the Bundarra Zone (refer to Figure 1). The resource drilling has focused on the Aegean and Northwest Zones through 2021, with drilling now being focused on the Bundarra Zone in aid of Mineral Resource estimation.

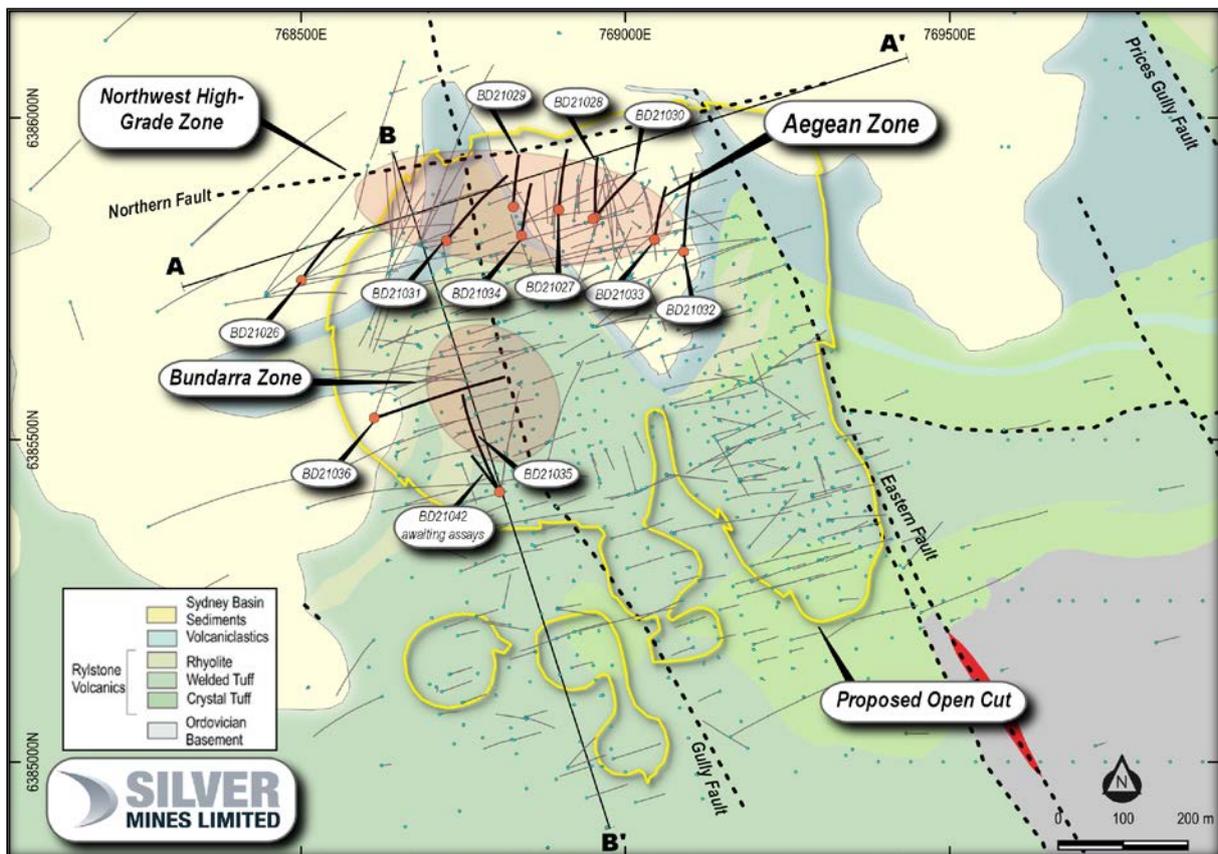


Figure 1. Reported drillhole locations and underground mining targets at the Bowdens Silver Project.

Bundarra Zone Results

The Bundarra Zone is a base metal (zinc and lead) dominant sulphide zone below the current silver–zinc–lead resource, which represents a hotter part of the Bowdens Silver system. Gold is common in veins throughout the deeper parts of the system where mineralisation is related

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to, or controlled by, the emplacement of a dacite intrusion into the Rylstone Volcanic pile and underlying Ordovician Basement. A large area below the known extent of the dacite intrusion has not been tested, with this area presenting a significant target. Current modelling supports the idea that the dacite has acted to trap migrating hydrothermal fluids, as well as fracturing surrounding rocks (Rylstone Volcanics and Ordovician Basement) during its emplacement, thus increasing the permeability and potential for mineral deposition immediately surrounding the intrusion.

Drill holes BD21035 and BD21036 were drilled to extend the Bundarra Zone directly south of the semi-massive sulphide intersection in BD17011 (refer releases dated 15th March 2017, 11th April 2017, 12th May 2017 and 7th June 2017 and recent releases 27th July 2021 and 26th October 2021) and west of more recent BD21017 and BD21015. Two zones of significant mineralisation have been intersected in BD21035 which define the Bundarra Zone, with an upper zone being the typical banded/brecciated, semi massive sphalerite (zinc sulphide) – pyrite (iron sulphide) – galena (lead sulphide) with carbonate alteration, and the lower zone being a quartz-carbonate-sphalerite-pyrite-galena-chalcopyrite (copper sulphide) vein system. The two styles of mineralisation have a vertical separation of approximately 50 metres with the separation increasing with distance to the south (refer Figures 2 and 3).

Significant intercepts from BD21035 include **14.2 metres @ 374 g/t silver equivalent** from 238 metres, and **3.0 metres @ 437 g/t silver equivalent** from 294.4 metres. The high-grade core of **4.6 metres @ 694 g/t silver equivalent** from 245.4 metres represents the highest-grade intercept to date in the Bundarra Zone. The quartz–sulphide vein (3.0 metre intercept) appears to represent a conduit to the Bundarra style mineralisation, and which forms a new component to the Bowdens Silver System. This style of mineralisation, deeper in an epithermal environment, is prospective for gold.

The significant intercept from BD21036 from within the upper semi massive sulphide zone includes **9.0 metres @ 296 g/t silver equivalent** from 300.7 metres. Results from BD21035 and BD21036 give the Bundarra zone a thickness of 3 to 20 metres, 200 metres of strike (north to south) and a width of 150 metres (east to west). Drilling is continuing for continuations of the main semi massive sulphide and new quartz – sulphide horizons to the south and west.

Hole BD21042 (awaiting assays), has been drilled in the Bundarra Zone to the south (50 to 80 metres) of BD21035 and has intersected a 2.5 metre wide quartz-carbonate-sphalerite-galena-pyrite-chalcopyrite vein (refer Figure 3) and another 1.5 metre wide vein. These veins, in addition to the 3.0 metres @ 437 g/t silver equivalent intercept from BD21035, represent a **substantial new high grade target including gold to the Bowdens Silver system.**



Figure 2 & 3. Bundarra Zone mineralisation styles (left) massive to semi massive sphalerite – galena – pyrite in BD17011 and (right) 2.5 metre wide quartz – carbonate – sphalerite – galena – pyrite – chalcocopyrite in BD21042 (results pending).

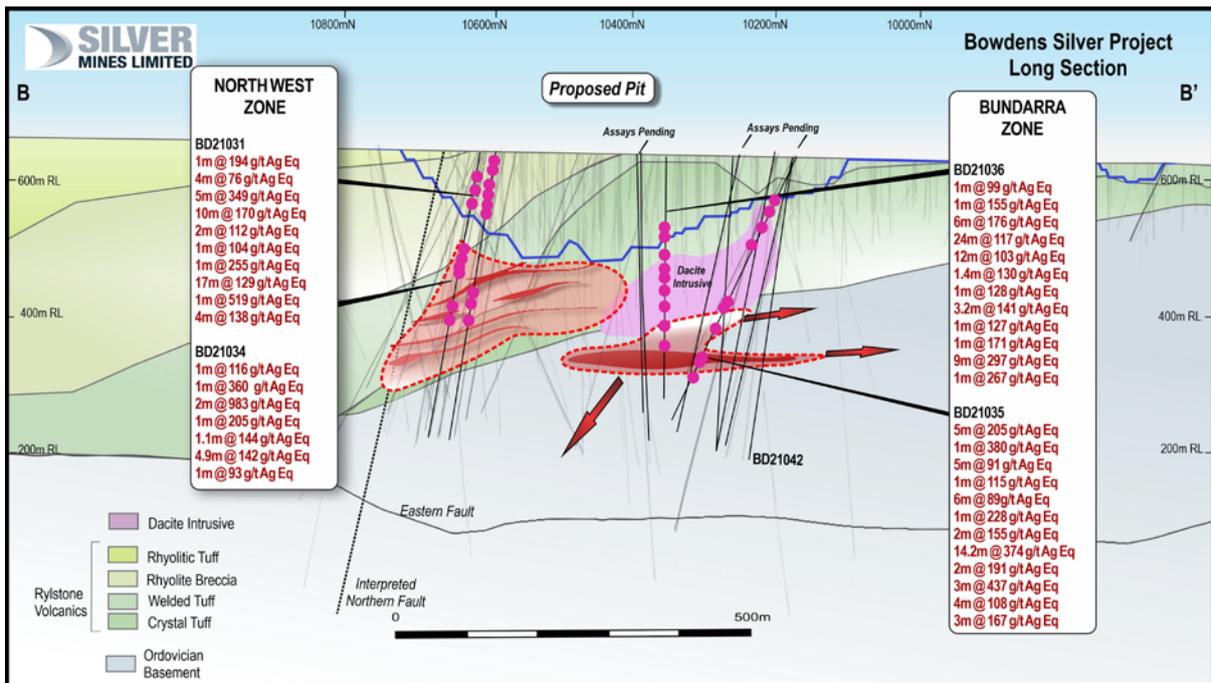


Figure 4. Bowdens Silver Project Long Section looking east.

Table 1. Significant intercept calculations from recent results from the Bundarra Zone.

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Eq (g/t) ¹
BD21035	238	252.2	14.2	36	4.86	2.35	0.23	374
<i>incl.</i>	245.4	250	4.6	72	8.76	4.40	0.49	694
	294.4	297.4	3.0	52	5.57	0.50	1.14	437
<i>incl.</i>	294.4	295.8	1.4	78	9.14	0.87	2.36	749
BD21036	300.7	309.7	9.0	29	3.23	1.86	0.55	296
<i>incl.</i>	301.5	303	1.5	48	5.55	3.69	0.30	470
<i>& incl.</i>	308	309	1.0	67	4.65	3.32	2.58	615

1. Bowdens' reported silver equivalent is consistent with previous reports and current resource modelling based on assumptions: Ag Eq (g/t) = Ag (g/t) + 33.48*Pb (%) + 49.61*Zn (%) calculated from prices of US\$20/oz silver, US\$1.50/lb zinc, US\$1.00/lb lead, and metallurgical recoveries of 85% silver + gold, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited. Silver equivalent updated to also include significant gold credit assuming the same recovery as silver, with gold:silver price ratio of 80:1 based on the approximate price ratio: Ag Eq (g/t) = Ag (g/t) + 33.48*Pb (%) + 49.61*Zn (%) + 80*Au(g/t). Intercepts calculated using a 90g/t AgE cut-off and 3 metre internal dilution factor, with highest individual assay results highlighted as included within overall intercept.

Northwest Zone and Aegean Zones Results

The Northwest Zone starts approximately 30 metres below the base of the proposed Bowdens Silver open pit. This mineralised zone is a high-grade silver target at depth with continuation and connectivity to the Aegean Zone (refer Figure 1 and Figure 5). Both zones are defined as shallowly dipping zones 1 metre to 20 metres thick, **extending over 520 metres** (east to west) and continuing down plunge/dip to the northwest for at least 300 metres.

Mineralisation is developed in two clear horizons with the Aegean Zone being dominated by silver sulphides (acanthite), while the Northwest Zone has a silver and base metal association (zinc, lead and minor copper). Gold is associated with silver in high concentrations in the centre of the Northwest Zone.

Drilling in the Northwest Zone has previously intersected breccia and veined sulphides dominated by silver sulphides, sphalerite (zinc) and galena (lead) within the welded tuff of the Rylstone Volcanics (refer releases dated 26th October 2021, 4th August 2021, 27th July 2021, 14th May 2021, and 28th January 2021). Results received for BD21031 thicken the Northwest Zone continuation towards the Aegean. BD21031 is situated 40 metres east of BD21013 and 65 metres southeast of BD21025. Significant intersections in BD21031 include **17.0 metres @ 129 g/t silver equivalent** from 230 metres and **1.0 metre @ 519 g/t silver equivalent** from 276 metres.

BD21030, BD21032 and BD21033 define extensions east and southeast of the Aegean Zone, while BD21028 defines an extension north. BD21032 intersected the eastern fault prior to target depth. BD21033 intersected **4.0 metres @ 138 g/t silver equivalent** from 271 metres at the position of the Eastern Fault, while BD21030 intersected **3.5 metres @ 359 g/t silver equivalent** from 316.3 metres. The Aegean and Northwest Zones both remain open each in a north to northwest strike with drilling in 2022 to target extensions to these two zones.

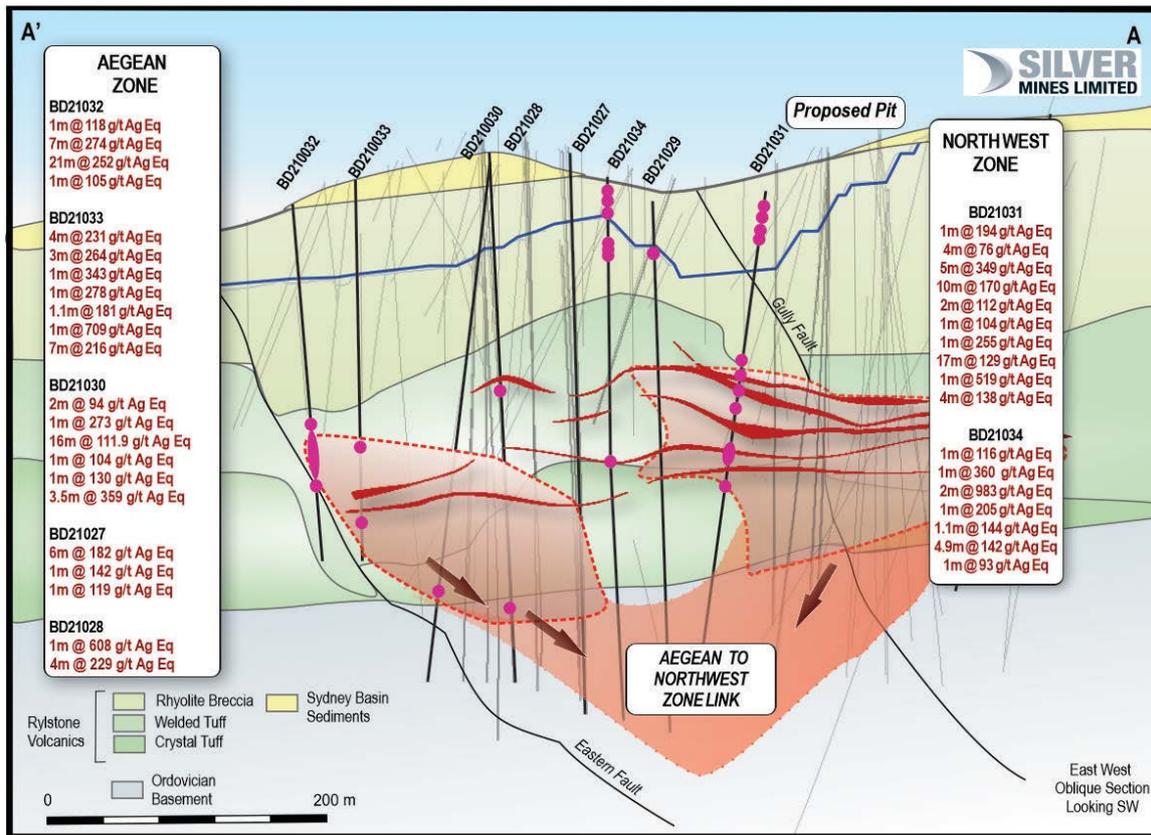


Figure 5: Oblique Section A-A' looking southwest through the Aegean and Northwest High-Grade Zones with mineralisation and new intercepts.

Table 2. Significant intercept calculations from recent results from the Northwest and Aegean Zones.

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Eq (g/t) ¹
BD21028	201	202	1	496	0.73	2.27	-	608 ¹
	332	336	4	228	-	0.04	-	229 ¹
BD21030	316.3	319.8	3.5	356	0.02	0.06	-	359 ¹
BD21031	175	176	1	229	0.10	0.62	-	255 ¹
	230	247	17	107	0.05	0.57	-	129 ¹
<i>incl.</i>	233	234	1	207	0.03	0.16	-	214 ¹
<i>& incl.</i>	237	238	1	218	0.05	0.91	-	281 ¹
	276	277	1	505	0.02	0.39	-	519 ¹
BD21032	164	165	1	87	0.15	0.72	-	118 ^{1*}
	169	176	7	245	0.11	0.69	-	274 ^{1*}
	181	202	21	234	0.07	0.45	-	252 ¹
	226	227	1	103	0.02	0.04	-	105 ¹
BD21033	169.8	170.8	1	647	0.72	0.78	-	709 ^{1*}
	199	206	7	190	0.30	0.34	-	216 ¹
	271	275	4	120	0.11	0.35	-	138 ¹

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* Denotes an interval within current ore reserves

1. Bowdens' reported silver equivalent is consistent with previous reports and current resource modelling based on assumptions: $Ag\ Eq\ (g/t) = Ag\ (g/t) + 33.48 * Pb\ (\%) + 49.61 * Zn\ (\%)$ calculated from prices of US\$20/oz silver, US\$1.50/lb zinc, US\$1.00/lb lead, and metallurgical recoveries of 85% silver + gold, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited. Intercepts calculated using a 90g/t Ag cut-off and 3 metre internal dilution factor, with highest individual assay results highlighted as included within overall intercept.

Scoping Study and Mineral Resource Drilling Program

The Company currently has four drilling rigs on site continuing a 30,000 metre diamond drilling program. Targets include high-grade veins and feeder zones outside of the current open pit Ore Reserve in the north, central and southern parts of the Bowdens Silver Deposit. Results from this drilling will form the basis for a Mineral Resource estimate as part of a Scoping Study of underground mining scenarios. The program of drilling has been extended into 2022 in line with the outstanding new results and extensions from the Bundarra Zone. The Scoping Study is now advanced and is expected complete in the first half 2022, following the completion of resource drilling.

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About the Bowdens Silver Project

The Bowdens Silver Project is located in central New South Wales, approximately 26 kilometres east of Mudgee (refer to Figure 6). The consolidated project area comprises 2,007 km² (496,000 acres) of titles covering approximately 80 kilometres of strike of the highly mineralised Rylstone Volcanics. Multiple target styles and mineral occurrences have potential throughout the district including analogues to Bowdens Silver, high-grade silver-lead-zinc epithermal and volcanogenic massive sulphide (VMS) systems and copper-gold targets.

Bowdens Silver is the largest undeveloped silver deposit in Australia with substantial resources and a considerable body of high-quality technical work already completed. The projects boast outstanding logistics for future mine development.

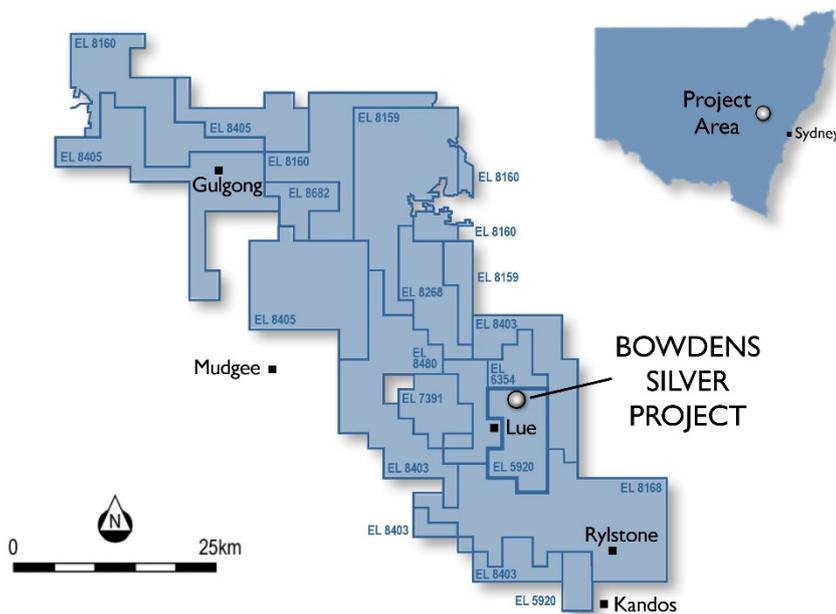


Figure 6: Silver Mines Limited tenement holdings in the Mudgee district.

This document has been authorised for release to the ASX by the Company's Managing Director, Mr Anthony McClure.

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Competent Persons Statement

The information in this report that relates to mineral exploration from the Bowdens Silver Project is based on information compiled by the Bowdens Silver team and reviewed by Darren Holden who is an advisor to the Company. Dr Holden is a member of the Australasian Institute of Mining and Metallurgy 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' (JORC code). Dr Holden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Table 3. Drill collar locations for new results.

Target	Hole ID	GDA94 East	GDA94 North	RL (m)	Dip	Azimuth (grid)	Depth (m)	Drill Type	Comment
NW Zone	BD21026	768501	6385748	656	-76	36	430	Core	Assays complete
Aegean	BD21027	768897	6385857	642	-75	5	408.9	Core	Assays complete
Aegean	BD21028	768954	6385845	655	-75	0	399.9	Core	Assays complete
Aegean	BD21029	768827	6385861	618	-78	5	405.9	Core	Assays complete
Aegean	BD21030	768950	6385843	655	-75	40	400	Core	Assays complete
NW Zone	BD21031	768724	6385809	614	-71	35	402.8	Core	Partial assays
Aegean	BD21032	769090	6385792	642	-67	5	305.4	Core	Partial assays
Aegean	BD21033	769045	6385811	650	-75	10	325.1	Core	Partial assays
Aegean	BD21034	768840	6385817	619	-78	5	399.9	Core	Partial assays
Bundarra	BD21035	768806	6385419	604	-65	335	379.7	Core	Partial assays
Bundarra	BD21036	768613	6385534	645	-57	75	408.9	Core	Partial assays

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Table 4. Summary of all recent drilling intercepts.

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Eq (g/t)
BD21026	240	241	1	95	0.07	0.24	-	107 ¹
	259	262	3	47	0.23	1.54	-	110 ¹
	299	300	1	51	1.36	0.56	-	137 ¹
BD21027	70	76	6	167	0.16	0.23	-	182 ^{1*}
	106	107	1	133	0.08	0.11	-	141 ¹
	128	129	1	91	0.49	0.12	-	119 ¹
BD21028	201	202	1	496	0.73	2.27	-	608 ¹
	332	336	4	228	-	0.04	-	229 ¹
BD21029	36	37	1	75	0.38	0.12	-	98 ^{1*}
BD21030	95	97	2	87	0.10	0.07	-	94 ^{1*}
	132	133	1	226	0.56	0.58	-	273 ^{1*}
	138	154	16	75	0.49	0.38	-	112 ^{1*}
	185	186	1	92	0.11	0.21	-	104 ¹
	206	207	1	96	0.48	0.30	-	130 ¹
	316.3	319.8	3.5	356	0.02	0.06	-	359 ¹
BD21031	28	29	1	182	0.04	0.29	-	194 ^{1*}
	35	39	4	54	0.34	0.16	-	76 ^{1*}
	48	53	5	306	0.29	0.83	-	349 ^{1*}
	146	153.6	7.6	139	0.53	0.81	-	193 ¹
	160	162	2	24	1.61	0.26	-	112 ¹
	166	167	1	61	0.73	0.23	-	104 ¹
	175	176	1	229	0.10	0.62	-	255 ¹
	230	247	17	107	0.05	0.57	-	129¹
<i>incl.</i>	233	234	1	207	0.03	0.16	-	214¹
<i>& incl.</i>	237	238	1	218	0.05	0.91	-	281¹
	276	277	1	505	0.02	0.39	-	519¹
BD21032	164	165	1	87	0.15	0.72	-	118 ^{1*}
	169	176	7	245	0.11	0.69	-	274 ^{1*}
	181	202	21	234	0.07	0.45	-	252 ¹
	226	227	1	103	0.02	0.04	-	105 ¹
BD21033	105	109	4	218	0.11	0.21	-	231 ^{1*}
	130	133	3	242	0.10	0.51	-	264 ^{1*}
	148	149	1	287	0.70	0.63	-	343 ^{1*}
	153	154	1	219	0.62	0.83	-	278 ^{1*}
	159	160.1	1.1	114	1.12	0.35	-	181 ^{1*}
	169.8	170.8	1	647	0.72	0.78	-	709 ^{1*}

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Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Eq (g/t)
	199	206	7	190	0.30	0.34	-	216 ¹
	271	275	4	120	0.11	0.35	-	138¹
BD21034	9	10	1	81	0.52	0.27	-	116 ^{1*}
	19	20	1	302	0.54	0.95	-	360 ^{1*}
	34	36	2	882	0.95	1.61	-	983 ^{1*}
	63	64	1	149	0.28	1.26	-	205 ^{1*}
	72	73.1	1.1	117	0.24	0.45	-	144 ^{1*}
	79.4	84.3	4.9	90	0.64	0.63	-	142 ^{1*}
	227	228	1	36	0.32	1.25	-	93 ¹
BD21035	53	58	5	145	0.98	0.33	-	205 ^{1*}
	84	85	1	296	1.03	0.98	-	380 ¹
	91	96	5	65	0.40	0.19	-	91 ¹
	101	102	1	51	1.02	0.40	0.01	114 ²
	128	134	6	11	1.11	0.65	0.03	89 ²
	207	208	1	74	0.20	3.56	0.32	228 ²
	214	216	2	21	1.67	1.09	0.18	155 ²
	238	252.2	14.2	36	4.86	2.35	0.23	374²
<i>incl.</i>	245.4	250	4.6	72	8.76	4.40	0.49	694²
	285	287	2	29	2.95	0.31	0.08	192 ²
	294.4	297.4	3.0	52	5.57	0.50	1.14	437²
<i>incl.</i>	294.4	295.8	1.4	78	9.14	0.87	2.36	749²
	305	309	4	16	1.64	0.07	0.10	108 ²
	315	318	3	17	2.90	0.13	0.01	165 ²
BD21036	146	147	1	15	1.49	0.28	-	99 ²
	155	156	1	30	2.04	0.66	0.02	153 ²
	164	170	6	102	1.09	0.58	-	176 ²
	184	208	24	59	0.94	0.31	0.01	117 ²
	212	224	12	23	1.10	0.67	0.03	103 ²
	230	231.4	1.4	22	1.50	0.89	0.05	130 ²
	245	246	1	90	0.17	0.64	0.10	128 ²
	271.8	275	3.2	26	1.11	1.33	0.20	141 ²
	280	281	1	25	1.16	0.87	0.19	127 ²
	288	289	1	25	0.79	0.98	0.93	171 ²
	300.7	309.7	9.0	29	3.23	1.86	0.55	296²
<i>incl.</i>	301.5	303	1.5	48	5.55	3.69	0.30	470²
<i>& incl.</i>	308	309	1.0	67	4.65	3.32	2.58	615²
	329	330	1.0	9	1.86	0.38	1.91	267 ²

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* Denotes an interval within current ore reserves

1. Bowdens' reported silver equivalent is consistent with previous reports and current resource modelling based on assumptions: $Ag\ Eq\ (g/t) = Ag\ (g/t) + 33.48 * Pb\ (\%) + 49.61 * Zn\ (\%)$ calculated from prices of US\$20/oz silver, US\$1.50/lb zinc, US\$1.00/lb lead, and metallurgical recoveries of 85% silver + gold, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited. Intercepts calculated using a 90g/t Ag cut-off and 3 metre internal dilution factor, with highest individual assay results highlighted as included within overall intercept. Intercepts are outside of current reserve

2. Silver equivalent updated to also include significant gold credit assuming the same recovery as silver, with gold:silver price ratio of 80:1 based on the approximate price ratio: $Ag\ Eq\ (g/t) = Ag\ (g/t) + 33.48 * Pb\ (\%) + 49.61 * Zn\ (\%) + 80 * Au(g/t)$. Intercepts calculated using a 90g/t AgE cut-off and 3 metre internal dilution factor, with highest individual assay results highlighted as included within overall intercept. Intercepts are outside of current reserve.

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Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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 1m samples from which 3kg was pulverised to produce a 30g 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. 	<ul style="list-style-type: none"> Sampling taken continuously downhole from PQ and HQ diameter diamond core. PQ size core – all samples taken as nominal 1 or 2 metre intervals, or as otherwise defined by logged geology intervals, from quarter cut core. HQ size core – all samples taken as nominal 1 metre intervals where mineralisation observed from half cut core, or as otherwise defined by logged geology intervals and from the same side of the core where downhole orientations permit. Samples vary in weight but are generally between 2 and 4 kilograms of material. Each sample was sent for multi-element assay using ICP technique (ME-ICP61) with the entire sample pulverized and homogenized with a 25g extract taken for assay. Select samples were also sent for gold using fire assay technique (Au-AA23) with a 30g sample taken for assay. Assays are considered representative of the sample collected.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Diamond drilling undertaken using PQ and HQ diamond core rig with triple tube used. All core, excluding PQ size, where unbroken ground allows, is oriented by drilling team and an orientation line drawn along the base of the hole.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Core recovery is estimated at greater than 98%. Some zones, (less than 5%) were broken core with occasional clay zones where sample loss may have occurred. However, this is not considered to have materially affected the results.

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No significant relationship between sample recovery and grade exists.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All diamond core is logged using lithology, alteration, veining, mineralisation and structure, including geotechnical structure. All core is photographed using both a wet and dry image. In all cases the entire hole is logged by a geologist.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core were 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. 	<ul style="list-style-type: none"> Selective sub-sampling based on geology to a maximum size of 2 metres and a minimum of 0.3 metres. All core is cut using a Corewise core saw with core rotated 10 degrees to the orientation line to preserve the orientation for future reference. For HQ core the half of the core without the orientation line is removed, bagged and sent to the laboratory for assay. Sample sizes are considered appropriate for the rock type, style of mineralisation, the thickness and consistency of the intersections and assay ranges expected at Bowdens.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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, calibration 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. 	<ul style="list-style-type: none"> Samples dispatched to ALS Global in Orange NSW for sample preparation and analysis. Some sample batches were then on shipped to ALS Global in Adelaide, Brisbane and Townsville due to the high volume within the Orange Lab. Site standards and blanks are inserted at a rate of 8 per 100 samples, and duplicates are inserted at a rate of 5 per 100 samples to check quality control. Laboratory standards and blanks are inserted every 25 samples.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant intersections calculated by Bowdens Silver geologists. All geological logging is entered digitally before inputting into a Maxwell Geoservices database schema. Primary assay data is sent electronically from the laboratory to the SVL database administrator and then entered into the geological database for validation. All assays matched with the logging sheets and loaded directly from the output provided by the laboratory with no manual entry of assays undertaken. No adjustments were made or required to be made to the assay data.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The collar position is initially surveyed using hand-held GPS with accuracy of +- 3 metres. Down hole surveys collected every 30 metres using an electronic downhole reflex survey camera. The terrain includes steep hills and ridges with a digital elevation model derived from a combination of locally flown LIDAR and publically available point cloud data. All collars recorded in MGA94 zone 55.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The drilling results relate to exploration drilling of the Aegean, Northwest and Bundarra Zones. Drilling is not defined to a set spacing.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill orientation was designed to intersect the projection of the major structural controls to the Deposit. An interpretation of the mineralisation has indicated that no sampling bias has been introduced.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples bagged on site under the supervision the senior geologist with sample bags tied with cable ties before being driven by site personnel to the laboratory in Orange, NSW (~200 kilometres from

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Criteria	JORC Code explanation	Commentary
		the site)
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> The drilling campaign and drill work includes on-going internal auditing with advice taken on process from external advisors.

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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Bowdens Resource is located wholly within Exploration Licence No 5920, held wholly by Silver Mines Limited and is located approximately 26 kilometres east of Mudgee, New South Wales. The tenement is in good standing. The project has a 2.0% Net Smelter Royalty which reduces to 1.0% after the payment of US\$5 million over 100% of EL5920 The project has a 0.85% Gross Royalty over 100% of EL5920.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Bowdens project was previously managed by Kingsgate Consolidated and Silver Standard Ltd, however the new results under this table are based on work conducted solely by Silver Mines/Bowdens Silver.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Bowdens Deposit is a low sulphidation epithermal base-metal and silver system hosted in Permian aged Volcanic rocks. Mineralisation includes veins, shear veins and breccia zones within tuff and ignimbrite rocks. Mineralisation is overall shallowly dipping (~15 degrees to the north) with high-grade zones preferentially following a volcanic dome. There are several vein orientations within the broader mineralised zones including some areas of stock-work veins. The mineralisation reported in this release is hosted in the main Rylstone Volcanics which unconformably overlie the Ordovician Coomber Formation (sediments). The mineralization reported in this

Criteria	JORC Code explanation	Commentary
		<p>report is related to Bowdens and represents a higher-temperature zone.</p>
<p>Drill hole Information</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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; ○ down hole length and interception depth; and ○ 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. 	<ul style="list-style-type: none"> • All information is included in Table 1 and Table 2 of this report above.
<p>Data aggregation methods</p>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Intersection calculation are weighted to sample length. The average sample represents 1 metre of drill core. • Reported intersections are based on a cut off of 90g/t silver equivalency including gold with a 3 metres internal dilution factor, or a cut off of 90g/t silver with a 3 metres internal dilution factor. • No top cutting of data or grades was undertaken in the reporting of these results.
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • Mineralisation is both stratabound and vein hosted. The stratigraphy dips moderately to the north within the volcanics and moderately to the west in the basement units, while the majority of mineralised veins dip west. Some individual veins intersected were sub-parallel (~10 to 20 degrees to core axes). However, given the stratigraphic controls on the zone, the drilling width is estimated to be 100 to 140% of true-width for stratabound mineralized zone.
<p>Diagrams</p>	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Maps and cross sections provided in the body of this report.

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Criteria	JORC Code explanation	Commentary
	<i>drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All results received and compiled to date are reported in this release. Drilling is on-going with further results expected.
Other substantive exploration data	<ul style="list-style-type: none"> 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 characteristics and potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> This report relates to drill data reported from this program.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> This report relates to a drill program that is designed to test the extension and explore for further zones of high-grade silver situated beneath the Bowdens Silver Deposit. Drilling is on-going with further results pending.