SILVER MINES LIMITED

Corporate Presentation

May 2019

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Silver Mines Limited Introduction

UNLOCKING A MAJOR MINERALISED SYSTEM THROUGH EXPLORATION SUCCESS

- Major Exploration Targets:
  - Confirmed significant extensions to mineralisation close to mine.
  - Discovered new base-metal massive sulphide including gold.
  - Discovered porphyritic felsic intrusion under the current resource.
  - Discovered extensive mineralised skarn with copper/gold targets.
  - Discovered high-grade gold mineralisation at surface.

DRILLING COMMENCED AT CRINGLE HIGH GRADE GOLD PROJECT

- Bowdens Silver Feasibility Study Complete
  - One of the largest undeveloped precious metals deposits in Australia and one of the largest new silver developments globally.
- New South Wales, Australia is a safe quality jurisdiction.

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Silver Mines Limited Snapshot

Capital Structure	ASX:SVL		
Shares on Issue	698.0m	Options	
Current Share Price	A$0.044	Sept 2021 @ $0.06	98.6m
Undiluted Market Capitalisation	A$30.7m	Jun 2019 @ $0.30	9.0m
Cash	A$2.5m	3 year milestone @ $0.20	5.0m

Directors	Institutional Shareholders	
Keith Perrett, Chairman	Konwave	Merian Global
Anthony McClure, Managing Director	Regal	Brick Lane
Peter Langworthy, Non Executive Director		
Jonathan Battershill, Non Executive Director		

Assets			
Major Exploration Package Central New South Wales, Australia, Barabolar Project, the exploration focus		High order targets include precious metals epithermal, base metal VMS, Orogenic Gold, Intrusion Related Porphyry.	
Bowdens Silver	Mineral Resources	163 Moz Silver	275 Moz Silver Equivalent
	Ore Reserve	66 Moz Silver	97 Moz Silver Equivalent

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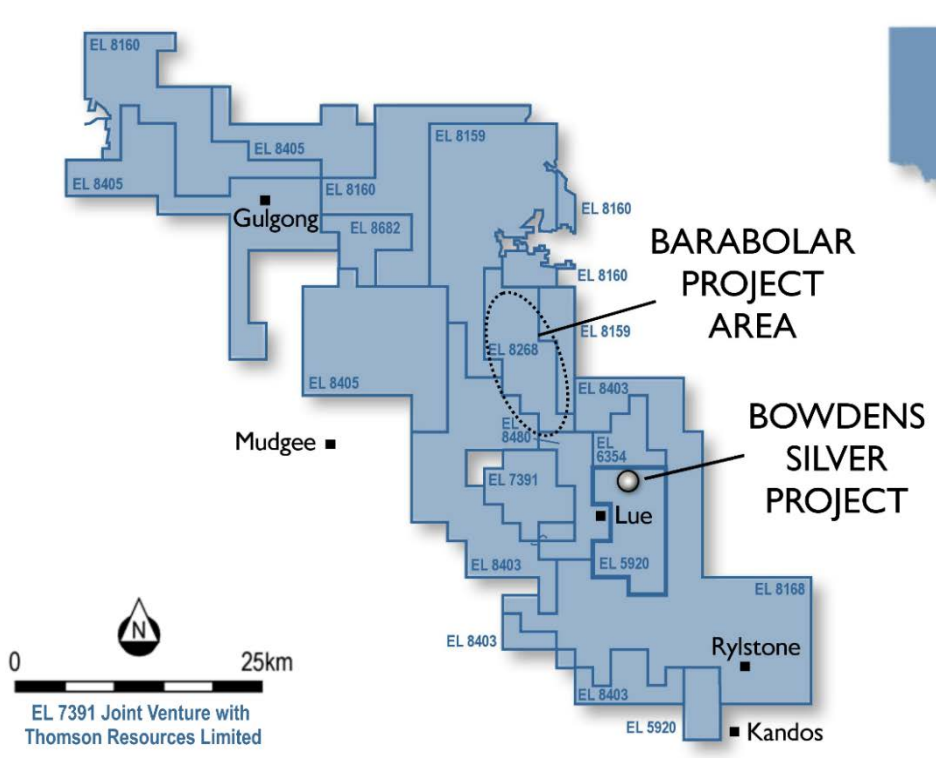
Quality Jurisdiction - New South Wales, Australia



- New South Wales, Australia a quality jurisdiction.
- Major minerals projects in the state include;
  - Cadia/Ridgeway, Newcrest (650,000oz Au, 65,000t Cu pa).
  - Cowal, Evolution (260,000oz Au pa).
  - Northparkes, CMOC (60,000t Cu, 50,000oz Au pa).
  - Plus coal mining exports (170 million tonnes pa).
- Bowdens Silver Project Classified as a State Significant Development.

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Bowdens Silver – A Major Asset

- 100% owned.
- Mineral Resource 275 Moz Ag Eq
- One of the largest undeveloped silver deposits in the world.
- Feasibility complete.
- EIS to be submitted mid-2019 along with application for development approvals.

- A high Gold : Silver ratio (now at 85:1) precedes a very positive silver market.

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Barabolar Project

Unlocking a Major Mineralised System

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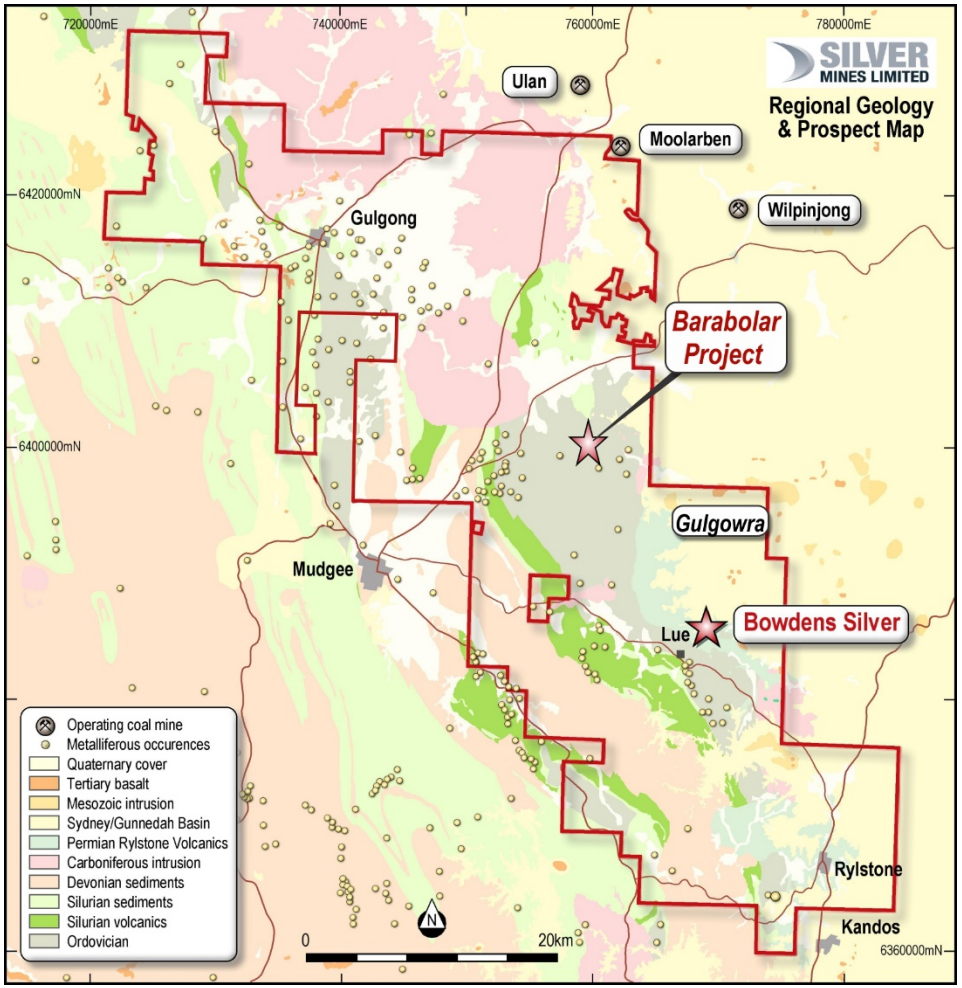
Regional Geology

- Extensive tenement holding (2007 km^2 = 496,000 acres) controlled by Silver Mines.
- Northeast corner of Lachlan Fold Belt & Macquarie Arc.
- Wide range of prospective deposit types over different time periods (Ordovician, Siluro-Devonian, Carboniferous and Permian).
- Mineral deposit styles/potential include:
  - Cadia/Ridgeway style Porphyry (Cu-Au-Mo).
  - Epithermal (Au-Ag).
  - McPhillamy's style Shear hosted gold with base-metal association.
  - Woodlawn style Volcanogenic Massive Sulphide (VMS).
  - Bowdens Style epithermal (Ag-Zn-Pb).



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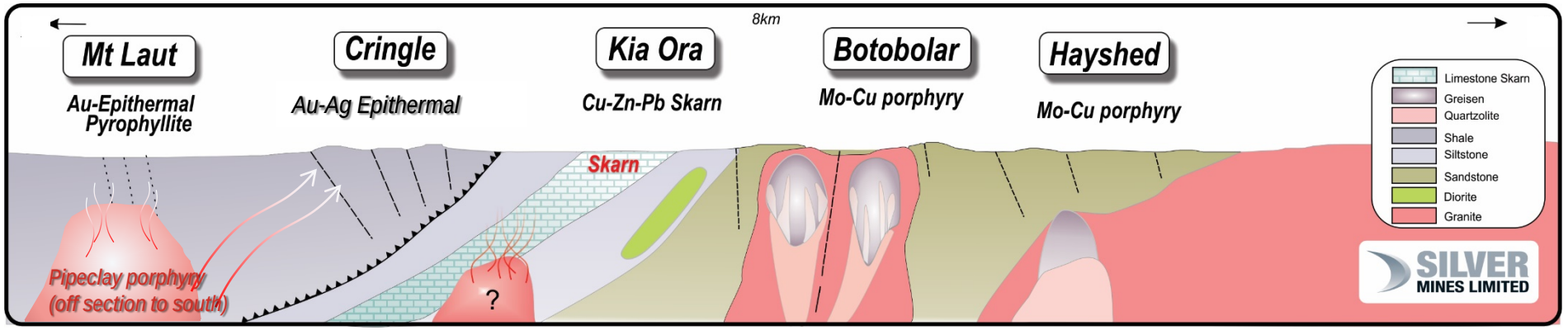
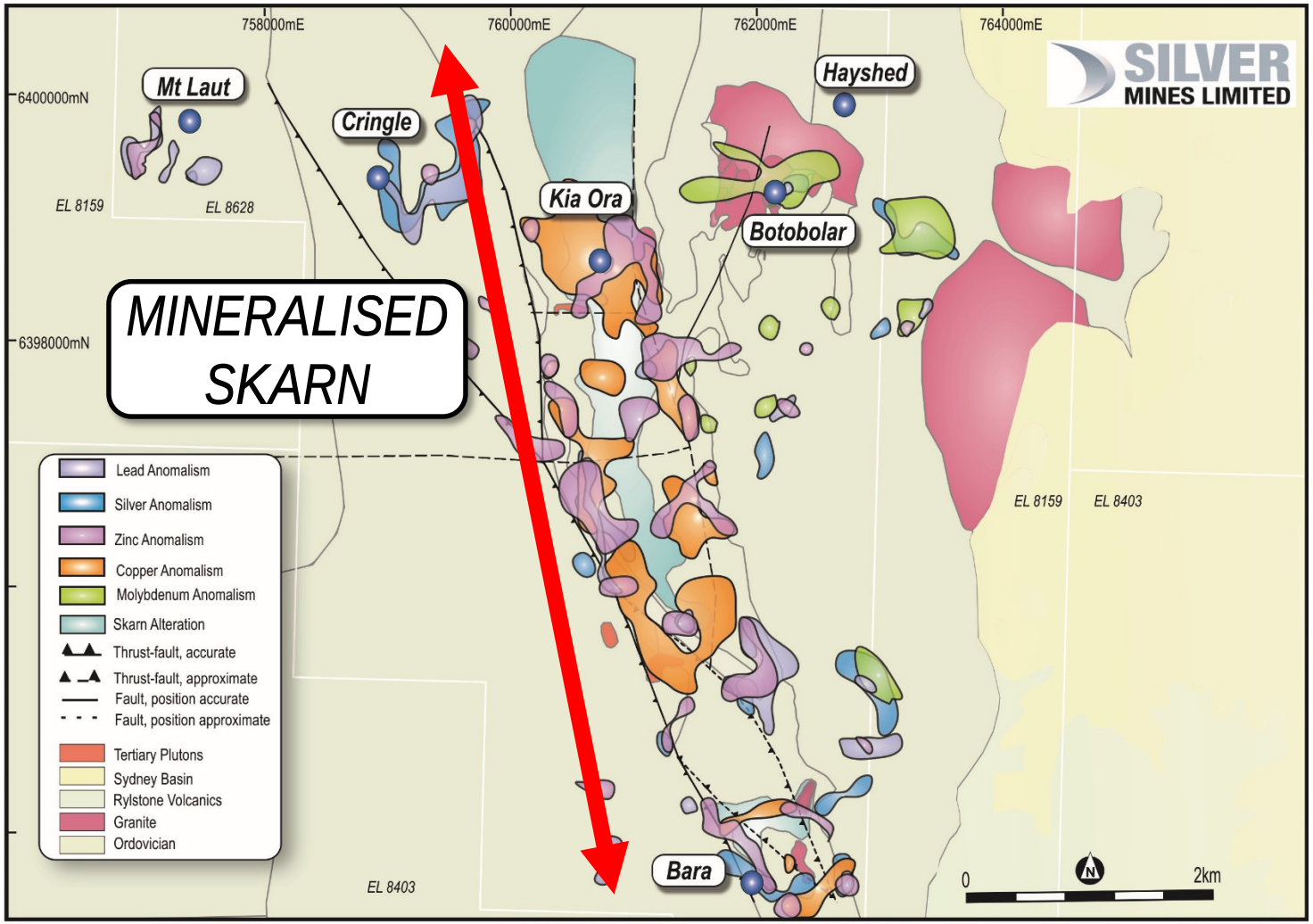
Unlocking a Major Mineralised System

- Barabolar Project area located 10 kilometres northwest of Bowdens.
- 9000 x 2000 metre corridor of base-metal and precious metal soil anomalies.
- Mineralised skarn mapped over 5000 by 800 metres.
- Porphyry system type alteration assemblages.
- Several high order prospects:
  - Cringle Au-Ag epithermal.
  - Kia Ora Skarn (and proximal porphyry): Cu-Ag-Zn-Au.
  - Botobolar / Hayshed: abundant coarse molybdenite in associated felsic porphyry.

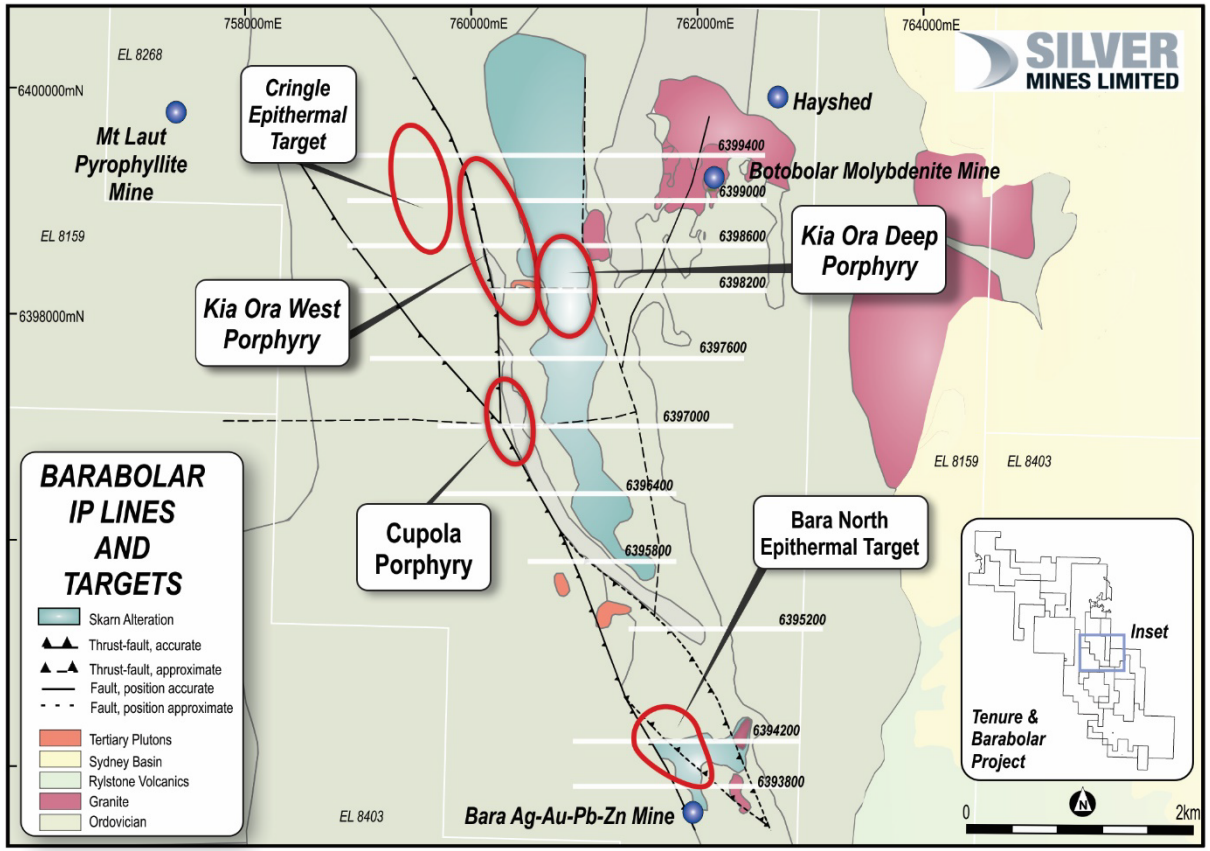


Unlocking a Major Mineralised System



Geophysics Program

- Induced Polarisation (IP) program (~30 line kms) completed.
- Full interpretation completed.
- 3D magnetic modelling.
- Potential gravity survey.



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Cringle and Kia Ora West Prospects

Barabolar Project

Gossanous Structures High Grade Gold/Silver/Zinc/Lead

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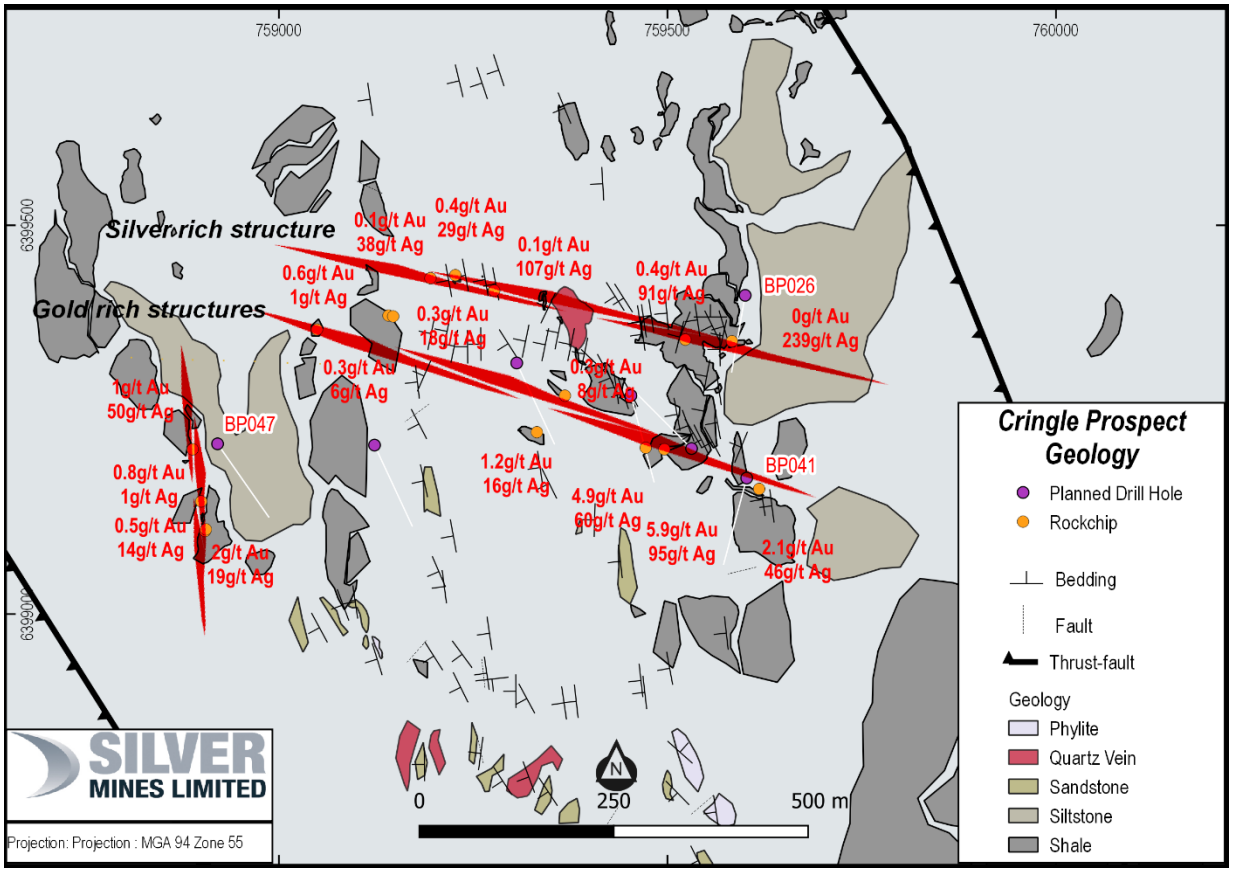
Recently Discovered Cringle Prospect

- Recent mapping and sampling discovers high-grade gold bearing structures at the Cringle Prospect within the Barabolar Project area.
- >500 metres of strike length inferred from mapped gossanous outcrop.
- Both gold and silver-rich structures identified.
- Gold-rich surface rock assays include:
  - 5.9g/t gold and 95.2g/t silver;
  - 4.9g/t gold and 59.9g/t silver;
  - 2.1g/t gold and 45.8g/t silver;
  - 1.2g/t gold and 16.2g/t silver.
- Epithermal gold-silver exploration model.
- 900m x 400m chargeability (IP) anomaly from near surface.



- Final approvals for drilling at Cringle have been received.
- Drilling commenced April 2019.

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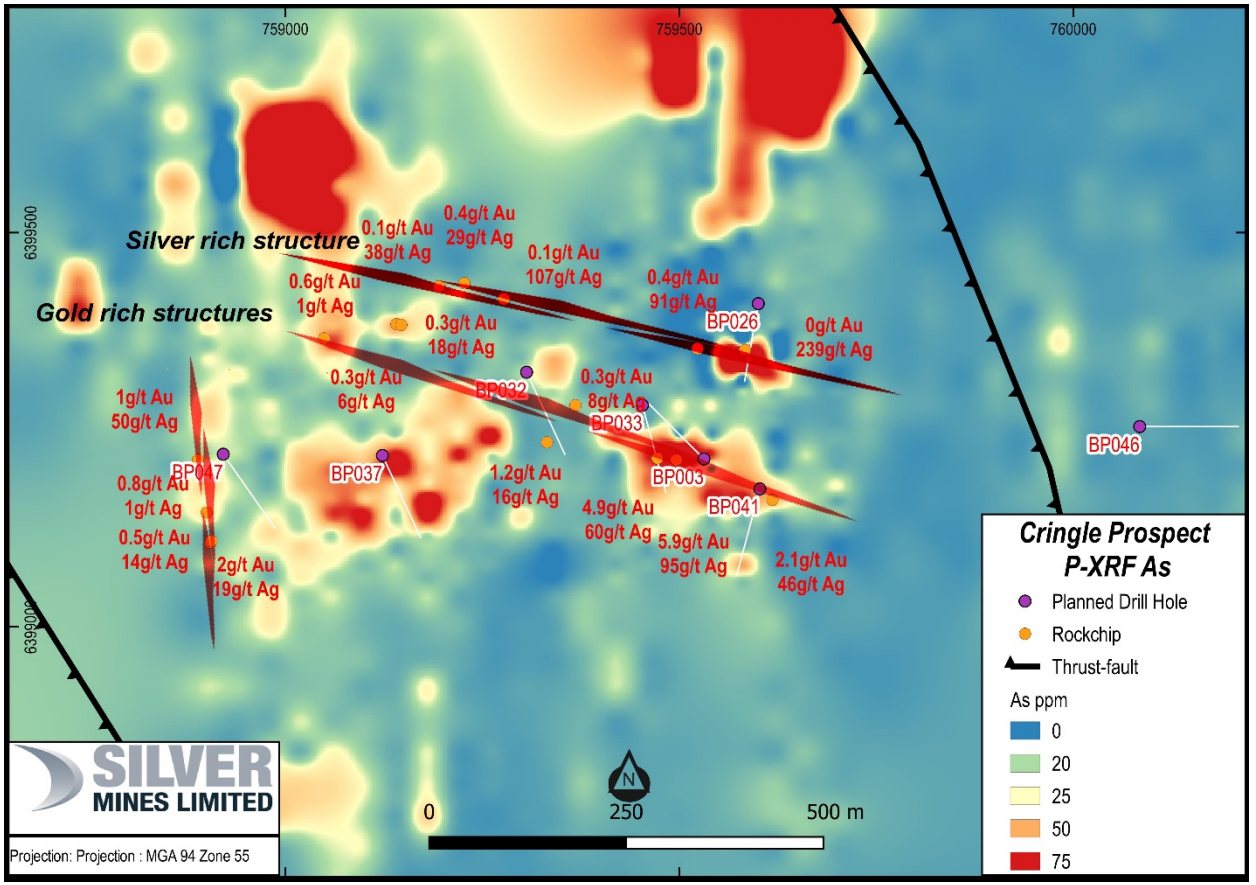
Cringle Prospect

- Initial drilling of 7 RC holes plus 5 optioned RC holes for 2,400 metres.
- Multi purpose rig on site. Can move to diamond drilling to extend RC holes.
- Arsenic anomalies coincident with structure and gold and silver mineralisation.
- Two new anomalies to North and Northwest of main mapped structures.
  - High priority mapping and rock chip sampling follow up.
  - Potential for drill ready targets in June quarter.



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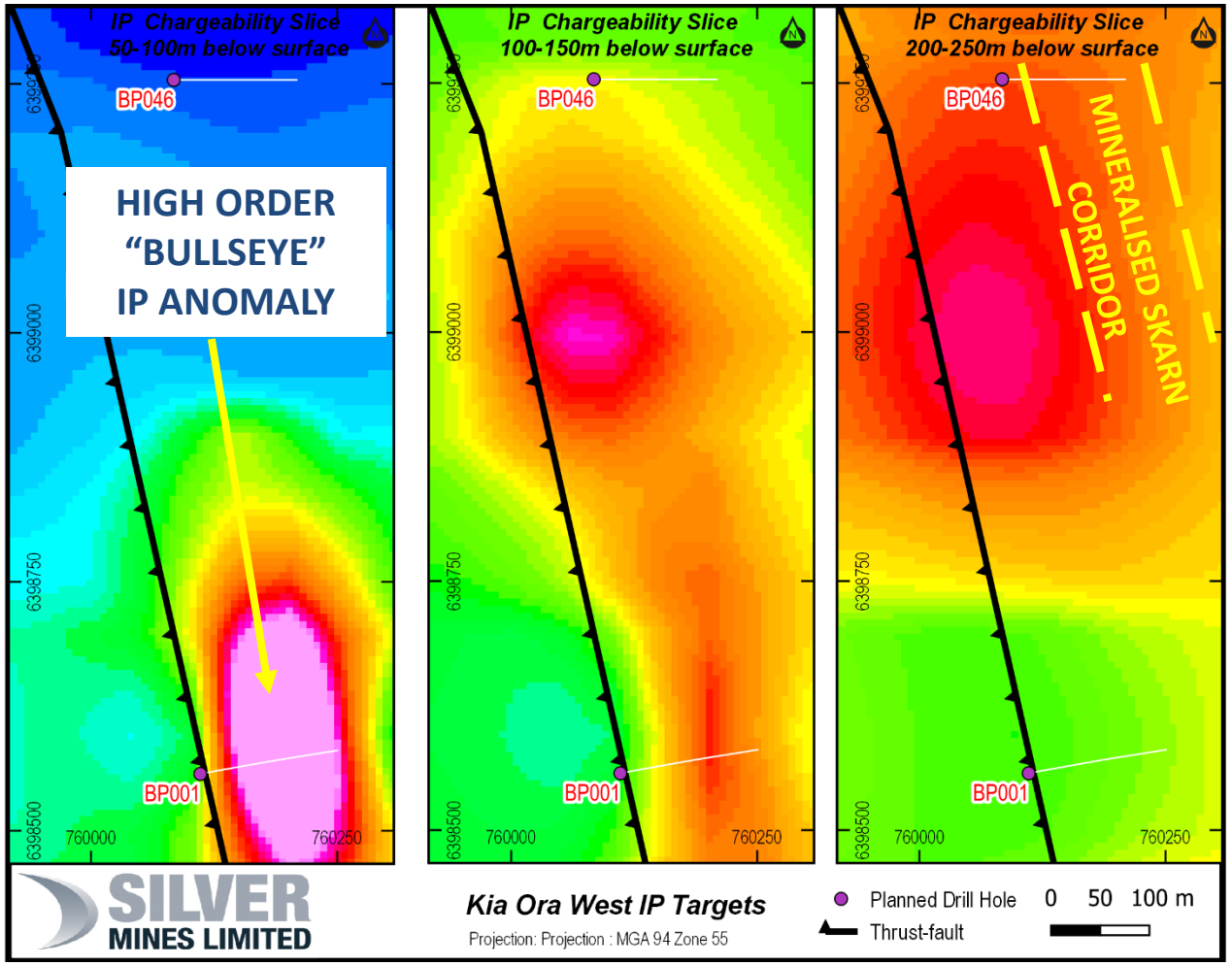
Kia Ora West Prospect

- Porphyry target, western side of mineralised skarn coinciding which strong IP anomalism.
- High priority porphyry copper/gold target
- Plunging IP target with BP001 drill hole targeting to 50 metres and below.
- BP046 targeting IP anomaly below 200 metres.
- All approvals in place.
- Drilling immediate after Cringle.
- Initial drilling of 2 X 200 metres RC holes with potentia diamond tails.



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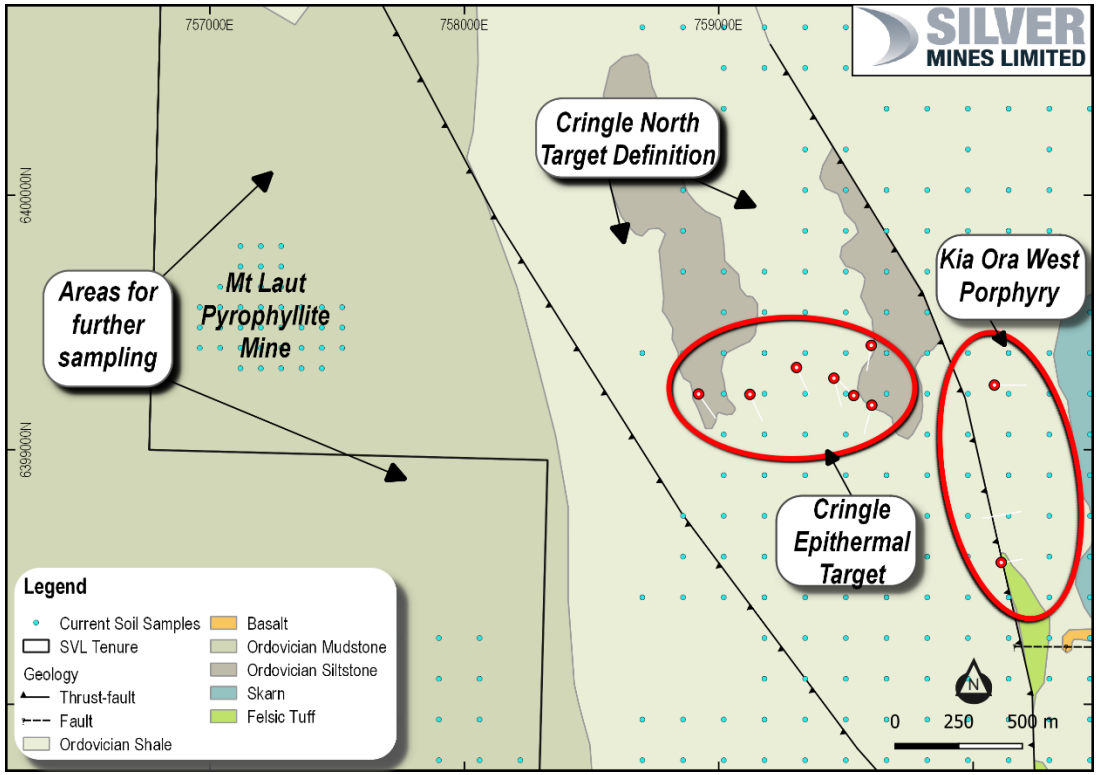
Barabolar Program

- Drilling commenced April 2019.
- All approvals received at Cringle and Kia Ora West.
- 9 initial RC drill holes for 1800 metres (7 Cringle / 2 Kia Ora West).
- 5 further optioned RC holes for 1000 metres.
- Potential diamond tail drilling (~1000 metres).
- Further definition of new Cringle anomalies to north and northwest.
- Further soil and mapping work to northwest of Barabolar.
- Further IP required with expanded target generation to northwest.
- Potential gravity survey.



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Looking Forward

- **Barabolar is an outstanding exploration play**
  - **Geological and structural to expand to the west.**
  - **Soil program highlighting extensive Cu-Mo-Zn-Ag-Au anomalism to be expanded to the west.**
  - **Induced Polarisation (IP) program (~30 line kms) complete.**
  - **Full interpretation completed.**
  - **3D magnetic modelling.**
  - **Drilling commenced at Cringle (gold/silver) and Kia Ora West (copper).**
- **Mapping and sampling program currently being undertaken at Tuena Gold Project (south of Blayney NSW).**
- **Completion of Bowdens Silver Environmental Impact Statement mid 2019**
- **Submission for Development Consent**
- **Stronger Market for Precious Metals?**

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Appendices

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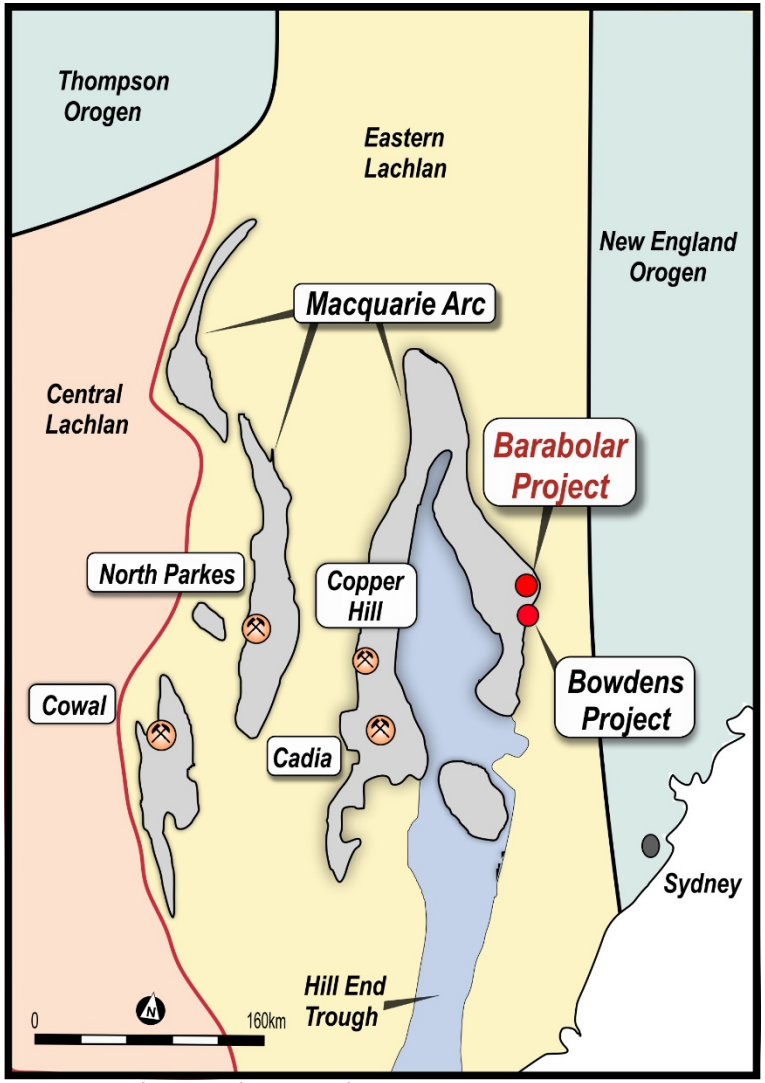
Regional Geology



Basement Paleozoic geology, Central NSW

- The Ordovician Macquarie Arc/Lachlan Fold Belt of Eastern Australia contains preserved porphyry volcanic arc environments.
- Macquarie Arc of NSW contains world-class;
  - Cadia/Ridgeway,
  - Cowal,
  - Northparkes and others.
- The Barabolar discovery demonstrates that the eastern limb of the Macquarie Arc has the potential for significant mineral systems.

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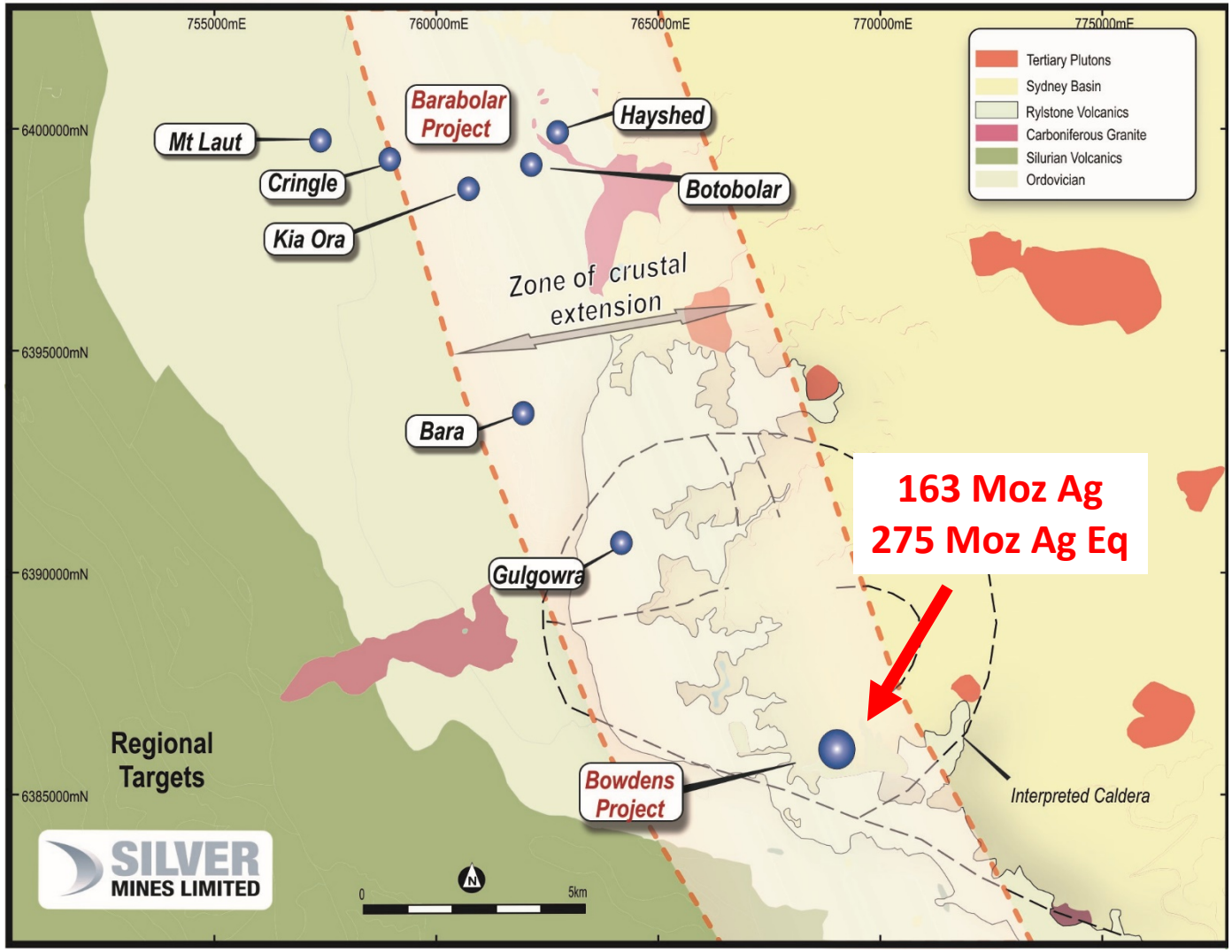
Site Geology



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Bowdens Silver Feasibility Study

September 2017

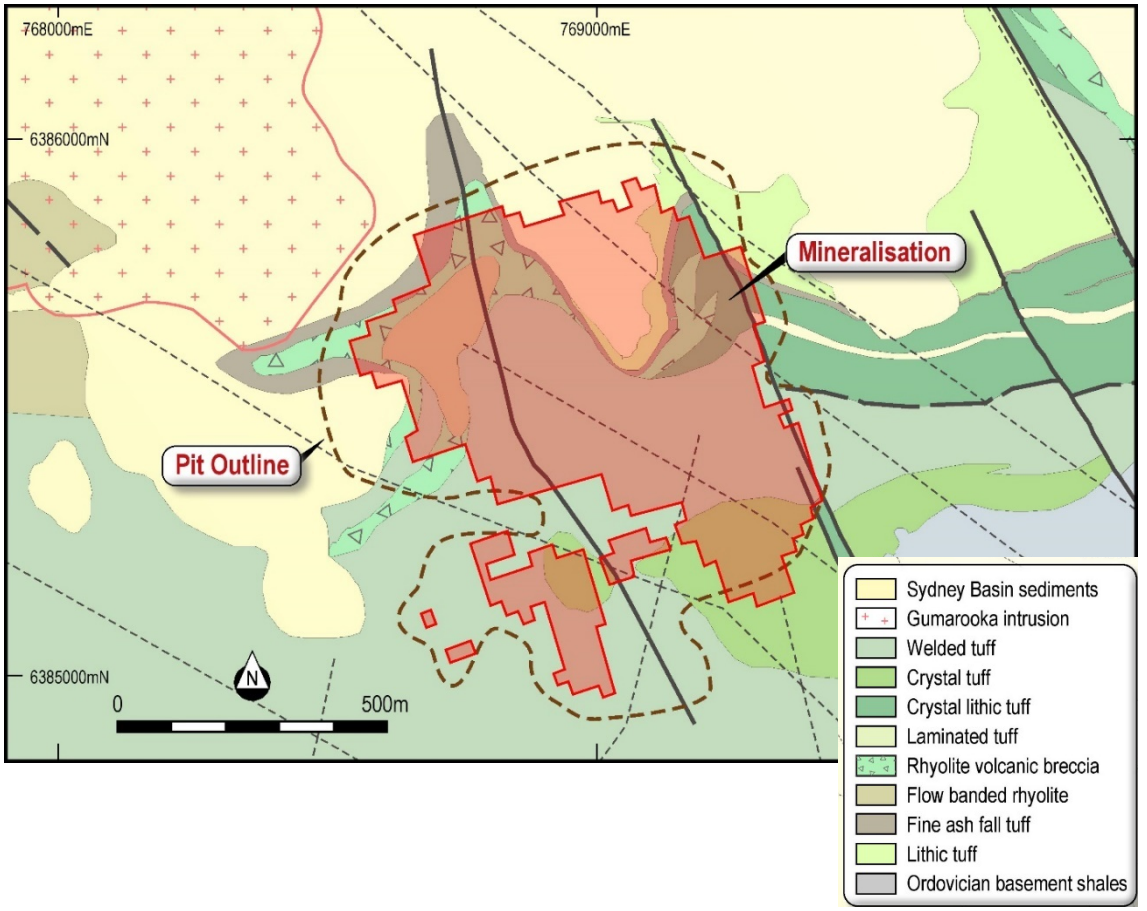
Mineral Resource Complete
(275 Moz Ag Eq)

May 2018

Ore Reserve Complete
(97 Moz Ag Eq)

June 2018

Feasibility Study Complete



2019/2020

EIS and Approvals

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Appendix 1 – Bowdens Silver Resource (as at September 2017)

30 g/t Ag Eq Cut	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Million Ounces Silver	Million Ounces Silver Eq.
Measured	76	72	45	0.37	0.25	111	175
Indicated	29	59	31	0.38	0.25	29	55
Measured & Indicated	**105**	**68**	**41**	**0.37**	**0.25**	**140**	**230**
Inferred	23	60	31	0.40	0.28	23	45
Total	**128**	**67**	**40**	**0.38**	**0.26**	**163**	**275**

The Bowdens Mineral Resource Estimate has been compiled by H&S Consultants Pty Ltd using Multiple Indicator Kriging and the reporting is compliant with the 2012 JORC Code and Guidelines. For full disclosures refer to the Silver Mines Limited announcement of 19 September 2017.

1. Bowdens' silver equivalent: 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, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited.
2. Bowdens Silver Mineral Resource Estimate is reported to a 30g/t Ag Eq cut off and extends from surface and is trimmed to 300 metres RL which is approximately 320 metres below surface representing a potential volume for open-pit optimisation models.
3. In the Company's opinion, the silver, zinc and lead included in the metal equivalent calculations have a reasonable potential to be recovered and sold.
4. Variability of summation may occur due to rounding.

Appendix 2 - Bowdens Silver Resource (as at September 2017)

Cut off g/t Ag Eq	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Million Ounces Silver	Million Ounces Silver Eq.
0	397.2	30.7	17.6	0.18	0.12	225	392
10	261.7	43.7	25.2	0.26	0.17	212	368
20	185.2	54.6	31.7	0.32	0.21	189	325
30	**127.9**	**66.8**	**39.6**	**0.38**	**0.26**	**163**	**275**
40	89.2	79.7	48.6	0.43	0.29	139	229
50	63.6	92.8	58.4	0.47	0.33	119	190
60	**46.1**	**106.3**	**69.1**	**0.51**	**0.36**	**102**	**158**
70	33.7	120.8	80.9	0.54	0.39	87	131
80	**25.1**	**135.5**	**93.4**	**0.57**	**0.42**	**75**	**109**
90	19.2	149.9	105.6	0.59	0.45	65	93
100	**15.1**	**163.7**	**117.5**	**0.62**	**0.47**	**57**	**80**
120	9.6	192.3	141.4	0.67	0.53	44	59

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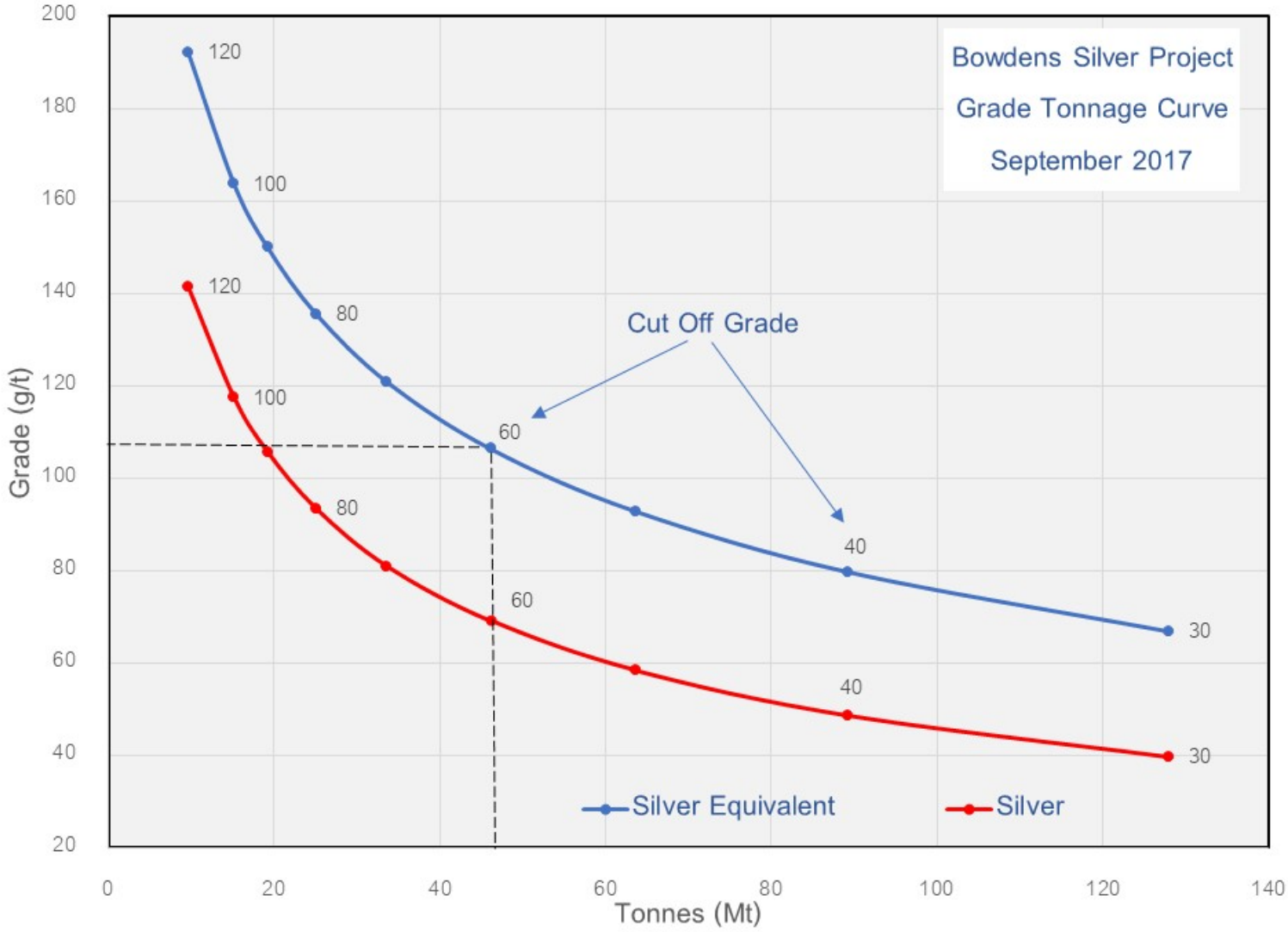
Bowdens Silver Resource



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Appendix 3 - Silver Mines Resource Inventory

Deposit name	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Silver (Moz)	Silver Eq. (Moz)	Status
Bowdens Silver	**128**	**67**	**40**	**163**	**275**	**100% owned**
Webbs[1]	1.5	345	245	11.7	16.5	100% owned
Conrad[1]	2.6	206	105.4	9.0	17.5	100% owned
Total				**184**	**309**	

1. For further information on the Webbs and Conrad Projects refer to the Silver Mines Limited website.

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Appendix 4 – Bowdens Silver Reserve (as at May 2018)

	Tonnes (Mt)	Silver Eq. (g/t)	Silver (g/t)	Zinc (%)	Lead (%)	Silver Eq. Million Ounces	Silver Million Ounces	Zinc Kilo-tonnes	Lead Kilo-tonnes
Proved	28.6	102.2	69.75	0.44	0.32	93.85	64.05	125.11	91.43
Probable	1.3	84.4	53.15	0.43	0.29	3.60	2.27	5.74	3.91
Total	**29.9**	**101.4**	**69.01**	**0.44**	**0.32**	**97.45**	**66.32**	**130.84**	**95.33**

The Bowdens Reserve has been compiled by AMC Consultants Pty Ltd and is based on the September 2017 Mineral Resource Estimate generated for Silver Mines by H & S Consultants Pty Ltd (see ASX announcement 19 September 2017). For full disclosures refer to the Silver Mines Limited announcement of 30 May 2018.

1. Calculations have been rounded to the nearest 100,000 t, 0.1 g/t silver and 0.01% zinc and lead grades respectively. The Ore Reserve is reported by economic cut-off grade with appropriate consideration of modifying factors including costs, geotechnical considerations, mining and process recoveries and metal pricing.
2. Bowdens' silver equivalent: 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, 82% zinc and 83% lead estimated from test work commissioned by Silver Mines Limited.

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Competent Persons Statements

Ore Reserve

The information in this report that relates to Ore Reserves within the Bowdens Silver Project is based on information compiled or reviewed by Mr Adrian Jones of AMC Consultants Pty Ltd who is a consultant to the Company. Mr Jones is a member of the 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). Mr Jones consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Mr Jones visited the Bowdens mine site during April 2017 to review the operations, consider the conditions of the site, and assess the data collection methods and techniques used by site personnel.

The Ore Reserve has been prepared by Mr Adrian Jones, AMC Consultants Pty Ltd, after peer review of the mining section of the Feasibility Study. Other experts relied upon include H & S Consultants Pty Ltd, GR Engineering Services Limited, ATC Williams Pty Limited. and Jacobs Australia Pty Limited, for Mineral Resources, Metallurgy & Process Design and Tailing Storage Facility design. Work on environmental, marketing and logistics and the financial modelling were undertaken by other consultants on behalf of the Company and certified by representatives of Silver Mines.

Mineral Resources

The information in this report that relates to Mineral Resources is based on work compiled by Mr Arnold van der Heyden who is a Director of H & S Consultants Pty Ltd. Mr van der Heyden is a Member and Chartered Professional (Geology) of the Australian 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). Mr van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Exploration and Drill Results

The information in this report that relates to mineral exploration drill results from Bowdens Silver is based on information compiled or reviewed by Mr Darren Holden who is an advisor to the company. Mr 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). Mr Holden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.