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31st July 2017

Company Announcement Officer
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

ACTIVITIES REPORT FOR THE QUARTER ENDED

30 JUNE 2017

Highlights

- **Continued outstanding drill results during the quarter confirming multiple high-grade zones at Bowdens Silver.**
- **Drilling below current resource has discovered high-grade silver expanding the north-east flank and the depth of mineralisation.**
- **Drilling below current resource of the western flank has discovered semi-massive sulphides with zones of massive sulphide including gold.**
- **The Bowdens Silver Feasibility Study and Environmental Impact Statement continue to rapidly progress.**
- **Exploration Licence 5920 (Bowdens Silver Project) renewed for 6 years.**
- **Board expansion with the appointment of Mr Jonathan Battershill as a non-executive director.**
- **Minimum shareholding buy-back completed.**

Bowdens Silver Project

During the quarter ended 30th June 2017, Silver Mines Limited ("Silver Mines" or "the Company") continued drilling activities at its flagship Bowdens Silver Project ("Bowdens Silver") located in central New South Wales. The project is situated approximately 26 kilometres east of Mudgee (See Figure 3). The project area comprises 1,654 km^2 (408,000 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, silver-lead-zinc epithermal and volcanogenic massive sulphide (VMS) systems and copper-gold targets.

The current drill program involves infill drilling to convert inferred resources to measured and indicated resource categories as well as testing for potential extensions of the known mineralisation. As at the date of this report, drilling has been completed utilising three rigs with 122 holes for 21,500 metres completed by Silver Mines with a combination of diamond core and reverse circulation drilling.

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The Silver Mines program is planned to:

- increase silver resources both within and in the immediate vicinity of the current resource area;
- convert silver resources to higher levels of confidence as part of the Feasibility Study program; and
- further test high grade polymetallic mineralisation at depth below the current resource area.

The Company advised during the quarter that it has received drill results from the current diamond drilling program at the Bowdens Silver project. Summary results include:

Hole ID	From (metres)	To (metres)	Interval (metres)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Ag Eq (g/t)
BD17011	283.75	315	31.25	23	3.24	1.88	0.40	218
Incl.	283.75	302	18.25	31	4.60	3.00	0.52	313
Incl.	286.0	299.2	13.2	36	5.55	3.68	0.67	383
BD17013	76.2	195	118.8	58	0.51	0.49	NA	92
BD17004	100	421	321	27	0.85	0.40	n/a	69
BD17017	96	411.2	315.2	26	0.70	0.41	NA	63
BD16013	2	79	77	73	0.39	0.44	NA	101
Incl.	59	67	8	274	0.33	0.68	NA	307
BD17003	45	95	50	113	0.63	0.83	NA	162
Incl.	60	84	24	174	0.69	0.68	NA	219
BD17005	67	115	48	84	0.58	0.88	NA	133
Incl.	69	95	26	138	0.58	1.05	NA	192
BD17018	165	193	28	126	0.31	0.68	NA	159
Incl.	179	190.7	11.7	270	0.22	1.18		316

Please refer to Figure 1 and Appendix 1 and 2 for further details.

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Bowdens Silver Drilling

During the quarter diamond and reverse circulation drilling continued to surpass expectations with encouraging drilling results from infill drilling and extensional drilling. In particular, drilling at depth further defined the recent semi-massive sulphide mineralisation discovery.

Resource definition and metallurgical drilling in the Main Zone (north and eastern sector of the Bowdens Silver resource area) and in the western sector referred to as “Bundarra” continued during the quarter.

Of particular note during the period were diamond core holes BD17004, BD17009, BD17010, BD17014 and BD17017 which were drilled to test various sections of the Bundarra zone. Most holes intersected extensive silver, zinc and lead mineralisation. Hole BD17004 recorded a wide intersection of 321 metres averaging 69g/t silver equivalent while BD17017 recorded 315 metres averaging 63g/t silver equivalent. Both holes include multiple high grade zones.

The upper zones intersected typical Bowdens Silver style mineralisation consisting of silver bearing sphalerite (zinc sulphide) and galena (lead sulphide) veins and breccia hosted within the Rylstone Volcanics. Below this and at the contact between the Rylstone Volcanics and basement Ordovician Shales, intervals of semi-massive sulphide including zones of massive sulphide containing sphalerite, galena and pyrite (iron sulphide) along with gold were encountered. Minor chalcopyrite (copper iron sulphide) was also evident.

This recent drilling provides further evidence of the increasing vertical extent of this system with mineralisation extensions up to 300 metres beneath the existing resource. The massive to semi-massive sulphide zone remains open in several directions.

Silver Mines is currently reviewing this new discovery to place into context of other known mineralisation within the Bowdens Silver deposit. The results are indicating a zoned hydrothermal system from high level Ag-Pb-Zn associated mineralisation to a deeper level Zn-Pb-Ag-Au association. The Company is encouraged by the appearance of gold and trace copper sulphide which is suggestive of a deeper source for the current Bowdens Silver deposit.

Towards the end of the quarter, the Company had commenced an Induced Polarisation (IP) survey to potentially further define sulphide mineralisation below and along strike from the Bowdens Silver resource area.

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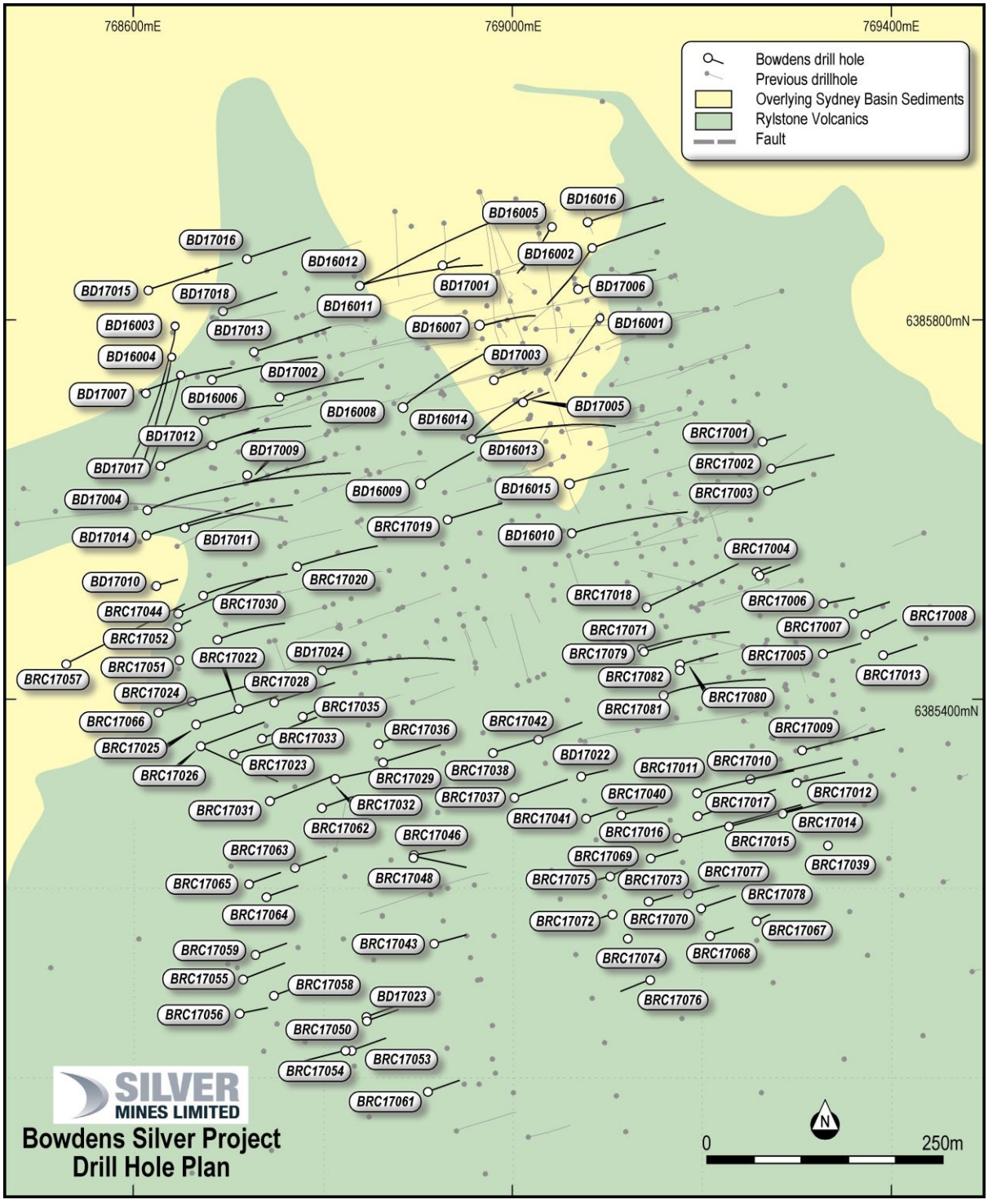

Figure 1. Bowdens Silver Drill Hole Location Plan

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Bowdens Silver Exploration

Following the completion of a high-resolution aerial magnetic and radiometric geophysical survey covering over 20,000 line kilometres encompassing the entirety of the Bowdens Silver regional tenement area of 1,654 km^2, initial exploration drilling was commenced during the quarter outside of the Bowdens Silver resource area.

At the interpreted Gumarooka Intrusion, a total of 8 widely spaced reverse circulation holes for 1625 metres were completed. These holes were designed to test different parts of a magnetic anomaly. An intermediate to mafic intrusion with porphyry textures was intersected directly beneath the Sydney Basin sediments at between 20 and 40 metres depth. Most holes exited the intrusion at between 150 metres and 195 metres depth and entered Rylstone Volcanics. The intrusion contains several zones ranging from 1 metre to 10 metres wide with alteration and quartz veins, however, no sulphide other than pyrite was observed. The intrusion is interpreted to be a late-stage intrusive event related to a deeper-seated heat-source of the Bowdens epithermal mineralisation. In two holes, hydrothermal breccia and alteration with increased sulphide content between 3 and 10 metres wide was observed in Rylstone Volcanic sequences.

Towards the end of the quarter initial drilling was undertaken at the Plines target located approximately 200 metres southwest of the Bowdens Silver deposit. The Plines target consists of a lead and zinc soil anomaly in Rylstone Volcanics. On excavating the drill pads a hydrothermal breccia was exposed.

The first drill hole from Plines has returned high grade assays up to 190g/t silver. Even though the holes reported are on the south-western margin of the inferred resource area there is little previous data support for mineralisation extending beyond a northwest-southeast striking bounding fault. The mineralisation identified in the first holes from Plines are to the southwest of this fault. The prospect was identified by a multi-element geochemistry anomaly covering an area of approximately 800 metres by 600 metres.

The best results returned 25 metres @ 31.7 g/t silver from 2 metres including 8 metres @ 66.7 g/t silver also from 2 metres. Also in the area, the presence of broad zones of low-grade zinc mineralisation is of extra interest to the Company and is suggestive of a more substantial mineralised system in this area or at depth. Further drilling is being planned.

Outside of Gumarooka and Plines, further prospect mapping and soil sampling programs continue which will form part of continuing exploration drilling. IP surveys in and around Bowdens Silver were commenced towards the end of the quarter. In addition, regional exploration planning has commenced covering various high order prospects within the Company's tenement portfolio.

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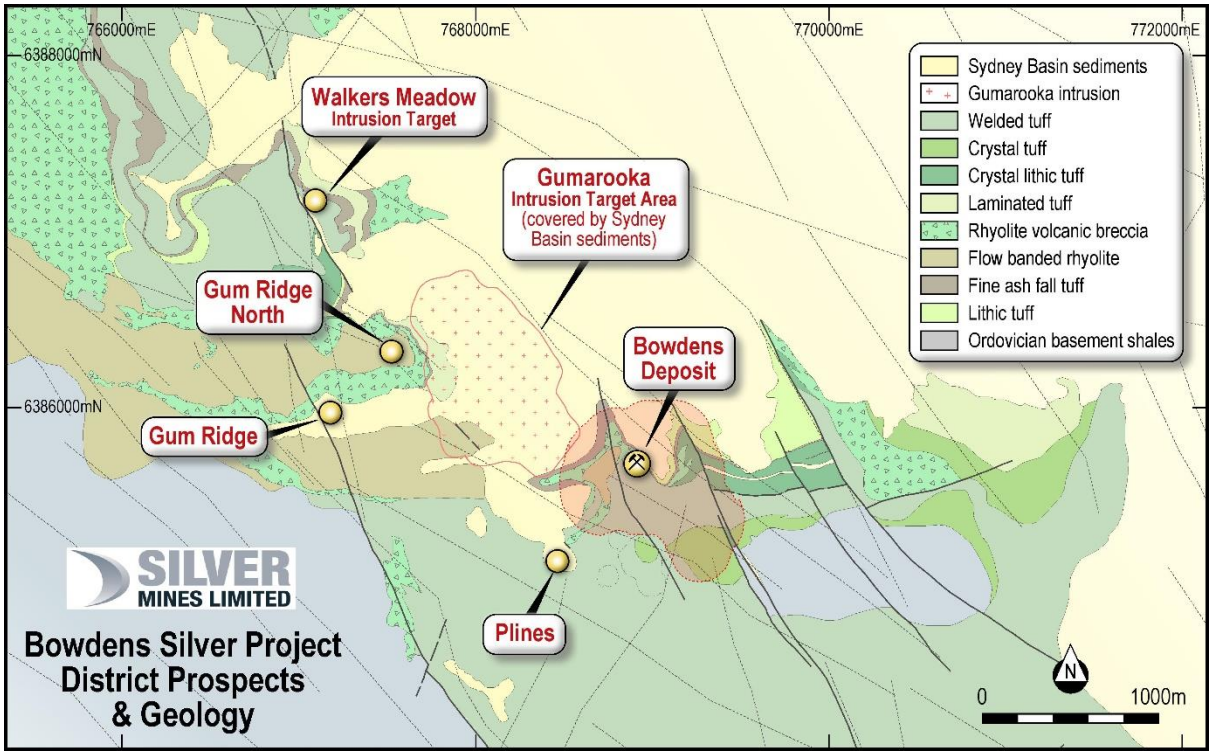

Figure 2. Geological interpretation map of the Bowdens Silver district showing the location of prospects.

Feasibility Study and Environmental Impact Study

During the quarter, the Company, in conjunction with its primary consultants including GR Engineering, AMC Consultants, ATC Williams and other specialist consultants continued to advance the Bowdens Silver Feasibility Study with the priority to fast-track the project to mine development.

Works advanced during the quarter include mine planning and scheduling and water and tailings management. Flowsheet development and process and plant design aspects of the Feasibility Study were also advanced.

Resource estimation work is currently being undertaken by H & S Consultants and will be completed during the current quarter.

Environmental Impact Statement work to date by RW Corkery & Co has been comprehensive and is well advanced. Many elements requiring significant lead-time have mostly been completed or are well advanced.

As part of the Environmental Impact Statement, Silver Mines and its primary consultants will continue and expand upon all considerations with State and Local Government along with all stakeholders and community and interest groups.

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Government and Community Engagement

Silver Mines continues an expansive program of consultation with relevant Government departments, local communities and other interested stakeholders. The program examines the potential impacts and benefits of exploration and development across the substantial Bowdens Silver tenement portfolio. Consultation processes focus on the current potential mine development area and also the wider area where the Company is commencing exploration programs.

With the impending completion of the Environmental Impact Statement for Bowdens Silver, a new Community Consultative Committee will be commissioned as part of Dept. Planning and Environment requirements.

Exploration Licence 5920

During the quarter documentation was completed for the renewal of Exploration Licence 5920 which contains the Bowdens Silver Project. On 23rd May 2017, the Department of Industry, Resources and Energy renewed EL5920 for 6 years to 30th January 2023.

Other Projects

Outside selected environmental work, no exploration work was undertaken during the quarter on the Webbs and Conrad projects. The Company is currently assessing exploration options and other options for these projects.

Appointment of Director

Mr Jonathan 'Jo' Battershill was appointed to the Board of the Company on 16th June 2017, as a non-executive director.

Mr Battershill graduated with a Bachelor of Engineering (Geology) degree (Hons) from the Camborne School of Mines, United Kingdom in 1995. His career spans over 20 years in mining, business development and finance both in Australia and internationally. His industry experience includes senior operational and business development roles with WMC Resources Limited as well as significant stockbroking experience at Hartleys, Citigroup and UBS both in Sydney and London. Mr Battershill was consistently voted one of the leading mining analysts in Australia between 2009 and 2015 by institutional investors.

Until recently, Mr Battershill was the Global Mining Strategist (Executive Director) with the UBS investment bank in London and is currently the Principal of JJB Advisory Limited, a private advisory and consulting firm based in the UK

Minimum Shareholding Buy-Back

Silver Mines conducted a buy-back of ordinary shares for holders of share parcels with a market value of less than A$500. Under the Buy-Back, a total of 582,611 shares held by 1,205 shareholders have been bought back and cancelled by the Company.

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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 (Figure 3). The recently consolidated project area comprises 1,654 km^2 (408,000 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.

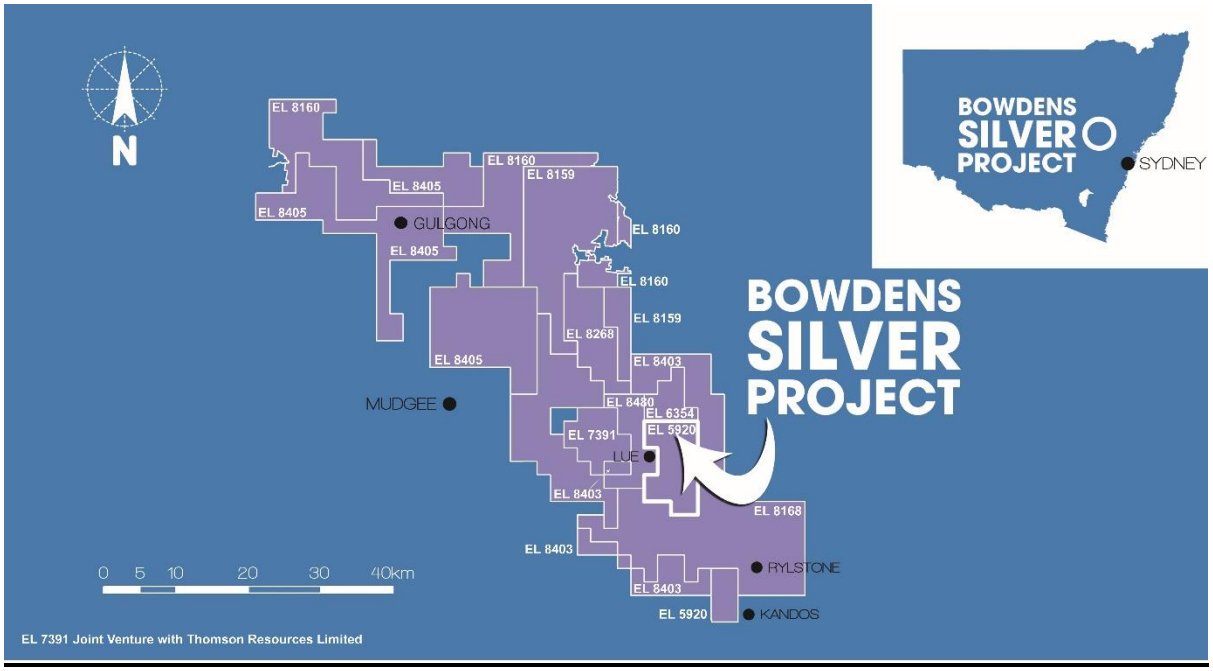

Figure 3. Bowdens Silver tenement holdings in the Mudgee district.

Yours faithfully
Silver Mines Limited

Trent Franklin
Company Secretary

About Silver Mines Limited

The Silver Mines strategy has been to consolidate quality silver deposits in New South Wales and to form Australia's pre-eminent silver company.

The Company's goal is to provide exceptional returns to shareholders through the acquisition, exploration and development of quality silver projects and by maximising leverage to an accretive silver price.

Competent Persons Statement

The information in this report that relates to mineral exploration results is based on information compiled or reviewed by Mr Scott Munro who is a full-time employee of the company. Mr Munro is a member of the Australian Institute of Geoscientists (AIG) 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 Munro consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

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Tenement Information as at 30th June 2017

Tenement	Project Name	Location	Silver Mines Ownership	Change in Quarter
EL 5920	Bowdens Silver	NSW	100%	-
EL 6354	Bowdens Silver	NSW	100%	-
EL 8159	Bowdens Silver	NSW	100%	-
EL 8160	Bowdens Silver	NSW	100%	-
EL 8168	Bowdens Silver	NSW	100%	-
EL 8268	Bowdens Silver	NSW	100%	-
EL 7391[1]	Bowdens Silver	NSW	0%	-
EL 8403	Bowdens Silver	NSW	100%	-
EL 8405	Bowdens Silver	NSW	100%	-
EL 8480	Bowdens Silver	NSW	100%	-
ELA 5405	Bowdens Silver	NSW	application	-
EL 8526	Tuena	NSW	100%	-
EL 5674	Webbs	NSW	100%	-
EPL1050	Conrad	NSW	100%	-
EL 5977	Conrad	NSW	100%	-
ML 6040	Conrad	NSW	100%	-
ML 6041	Conrad	NSW	100%	-
ML 5992	Conrad	NSW	100%	-

1. Under Joint Venture with Thomson Resources Limited. Silver Mines Limited earning 80%.

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Appendix 1 Drill Hole Details (as at the date of this report)

Hole ID	East	North	RL	Dip	Azimuth (mag)	EOH (m)	Comment
BD16001	769092	6385810	640	-75	200	342.9	assays received
BD16002	769084	6385876	631	-75	200	300.9	assays received
BD16003	768640	6385787	629	-70	180	456.7	assays received
BD16004	768647	6385763	626	-70	180	348.9	assays received
BD16005	769045	6385916	643	-75	200	351	assays received
BD16006	768655	6385740	621	-70	180	315	assays received
BD16007	768965	6385795	660	-80	60.5	342.8	assays received
BD16008	768874	6385712	621	-65	40.5	252.6	assays received
BD16009	768895	6385633	614	-65	45.5	162.7	assays received
BD16010	769053	6385578	637	-65	60.5	279.6	assays received
BD16011	768838	6385837	620	-53	53.5	354.7	assays received
BD16012	768838	6385837	620	-61	65.5	279.8	assays received
BD16013	768948	6385677	636	-70	40.5	249.8	assays received
BD16014	768948	6385677	636	-55	70	267.6	assays received
BD16015	769046	6385626	650	-75	60.5	267.7	assays received
BD16016	769079	6385901	635	-65	60.5	192.4	assays pending
BD17001	768925	6385858	651	-85	60.5	210.9	assays received
BD17002	768753	6385718	609	-70	60.5	261.3	assays received
BD17003	768980	6385737	658	-75	60.5	147.8	assays received
BD17004	768601	6385602	629	-66	64.5	477.7	assays received
BD17005	769004	6385715	658	-75	58.5	117.4	assays received
BD17006	769065	6385843	641	-72	60.5	264.8	assays received
BD17007	768607	6385724	628	-70	60.5	282.8	assays received
BD17008	769084	6385876	632	-65	60.5	192.7	assays pending
BD17009	768718	6385628	616	-70	60.5	252.8	assays received
BD17010	768619	6385518	645	-85	60.5	240.8	assays received
BD17011	768652	6385581	631	-75	60.5	444.8	assays received
BD17012	768678	6385668	615	-75	60.5	363.7	assays pending
BD17013	768727	6385762	613	-70	60.5	249.8	assays received
BD17014	768606	6385566	633	-78	60.5	516.8	assays received
BD17015	768615	6385831	637	-74	60.5	339.8	assays received
BD17016	768720	6385865	614	-70	60.5	210.8	assays pending
BD17017	768621	6385650	618	-75	60.5	414.8	assays received
BD17018	768690	6385803	619	-74	60.5	219.3	assays received
BD17019	768671	6385692	612	-75	60.5	309.8	assays pending
BD17020	768662	6385716	614	-70	60.5	321.7	assays pending

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BD17021	768647	6385763	625	-70	60.5	300.5	assays pending
BD17022	769067	6385320	642	-80	60.5	174.3	assays pending
BD17023	768857	6385069	621	-75	60.5	123.6	assays pending
BD17024	768803	6385446	604	-65	60.5	282.4	assays pending
BRC17001	769279	6385676	606	-68	60.5	72	assays received
BRC17002	769277	6385649	604	-65	60.5	84	assays received
BRC17003	769288	6385626	603	-65	60.5	90	assays received
BRC17004	769256	6385537	608	-65	60.5	27	assays received
BRC17005	769323	6385454	602	-65	60.5	102	assays received
BRC17006	769327	6385508	599	-66	60.5	72	assays received
BRC17007	769353	6385490	599	-65	60.5	90	assays received
BRC17008	769371	6385469	597	-65	60.5	84	assays received
BRC17009	769300	6385342	618	-65	60.5	180	assays received
BRC17010	769247	6385325	623	-65	60.5	180	assays received
BRC17011	769198	6385309	630	-65	60.5	180	assays received
BRC17012	769302	6385316	620	-65	60.5	102	assays received
BRC17013	769389	6385448	598	-65	60.5	78	assays received
BRC17014	769283	6385284	623	-65	60.5	144	assays received
BRC17015	769233	6385268	626	-65	60.5	150	assays received
BRC17016	769184	6385252	632	-65	60.5	168	assays received
BRC17017	769194	6385282	633	-65	60.5	162	assays received
BRC17018	769137	6385500	634	-66	60.5	180	assays received
BRC17019	768923	6385589	616	-70	60.5	132	assays received
BRC17020	768768	6385539	609	-65	60.5	180	assays received
BRC17021	769256	6385537	608	-65	60.5	72	assays received
BRC17022	768714	6385391	614	-65	60.5	150	assays received
BRC17023	768705	6385336	617	-60	60.5	180	assays received
BRC17024	768660	6385400	626	-65	60.5	180	assays received
BRC17025	768666	6385376	622	-65	60.5	102	assays received
BRC17026	768674	6385352	620	-65	60.5	166	assays pending
BRC17027	768674	6385352	620	-60	102.5	174	assays pending
BRC17028	768714	6385446	604	-65	60.5	150	assays received
BRC17029	768859	6385332	602	-65	60.5	150	assays received
BRC17030	768676	6385510	628	-65	60.5	180	assays pending
BRC17031	768745	6385296	614	-65	60.5	144	assays pending
BRC17032	768811	6385317	609	-70	60.5	126	assays pending
BRC17033	768739	6385373	611	-65	60.5	11	assays pending
BRC17034	768739	6385373	611	-65	60.5	126	assays pending
BRC17035	768784	6385387	608	-65	60.5	96	assays received
BRC17036	768864	6385360	602	-60	60.5	84	assays received
BRC17037	769000	6385298	613	-70	60.5	114	assays pending

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BRC17038	768975	6385343	611	-70	60.5	122	assays pending
BRC17039	769334	6385247	609	-75	60.5	90	assays received
BRC17040	769130	6385287	643	-70	60.5	102	assays received
BRC17041	769077	6385270	643	-70	60.5	96	assays pending
BRC17042	769025	6385359	633	-70	60.5	120	assays received
BRC17043	768924	6385143	600	-70	60.5	90	assays pending
BRC17044	768651	6385495	634	-70	52	240	assays pending
BRC17045	768691	6385462	621	-65	60.5	180	assays pending
BRC17046	768892	6385238	602	-70	60.5	12	assays pending
BRC17047	768892	6385238	602	-70	60.5	114	assays pending
BRC17048	768905	6385215	600	-70	80.5	180	assays pending
BRC17049	768857	6385069	621	-70	90.5	120	assays pending
BRC17050	768857	6385069	621	-65	270.5	114	assays pending
BRC17051	768648	6385449	631	-90	60.5	192	assays pending
BRC17052	768646	6385474	634	-70	60.5	45	assays pending
BRC17053	768827	6385033	627	-70	60.5	108	assays pending
BRC17054	768827	6385033	627	-70	240.5	114	assays pending
BRC17055	768715	6385102	632	-70	60.5	114	assays pending
BRC17056	768709	6385074	636	-75	60.5	108	assays pending
BRC17057	768526	6385436	663	-56	49	234	assays pending
BRC17058	768756	6385089	627	-75	60.5	122	assays pending
BRC17059	768726	6385132	626	-70	60.5	50	assays pending
BRC17060	768726	6385127	626	-70	60.5	90	assays pending
BRC17061	768915	6384984	606	-60	25	120	assays pending
BRC17062	768800	6385287	612	-70	60.5	116	assays pending
BRC17063	768769	6385225	623	-70	60.5	90	assays pending
BRC17064	768742	6385190	622	-70	60.5	84	assays pending
BRC17065	768724	6385210	624	-70	60.5	96	assays pending
BRC17066	768625	6385389	635	-70	60.5	174	assays pending
BRC17067	769253	6385170	609	-75	60.5	78	assays pending
BRC17068	769202	6385153	620	-75	60.5	96	assays pending
BRC17069	769144	6385231	639	-75	60.5	102	assays pending
BRC17070	769145	6385187	635	-75	60.5	108	assays pending
BRC17071	769128	6385444	633	-65	60.5	92	assays pending
BRC17072	769112	6385179	638	-75	240.5	138	assays pending
BRC17073	769083	6385220	639	-80	60.5	114	assays pending
BRC17074	769106	6385148	638	-90	60.5	114	assays pending
BRC17075	769104	6385217	641	-80	240.5	138	assays pending
BRC17076	769126	6385102	638	-70	240.5	126	assays pending
BRC17077	769185	6385191	622	-70	60.5	102	assays pending
BRC17078	769201	6385176	620	-65	60.5	86	assays pending

BRC17079	769126	6385444	633	-65	60.5	240	assays pending
BRC17080	769176	6385433	620	-75	60.5	42	assays pending
BRC17081	769160	6385402	622	-65	60.5	240	assays pending
BRC17082	769176	6385433	620	-75	60.5	142	assays pending

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Appendix 2 Drill Hole Results Summary

Drill hole intersections using 1. a minimum 1% combined lead + zinc cut-of over a minimum 5 metre interval with up to 2 metre internal dilution or 2. a minimum 30g/t silver cut-off over 5 metre interval and up to 10 metre internal dilution.

Hole ID	Cut off	From (metres)	To (metres)	Interval (metres)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Ag Eq (g/t)[1]
BD17011	1	110	147	37	25	1.20	0.52	0.01	82
incl	2	140	147	7	66	1.04	0.29	0.01	111
	2	158	211	53	34	0.45	0.18	0.01	56
	1	**283.75**	**315**	**31.25**	**23**	**3.24**	**1.88**	**0.40**	**218**
****incl**		**283.75**	**302**	**18.25**	**31**	**4.60**	**3.00**	**0.52**	**313**
****incl**	**2**	**286.0**	**299.2**	**13.2**	**36**	**5.55**	**3.68**	**0.67**	**383**
	1	391	414	23	11	0.97	0.58	0.25	77
	1	428	435	7	8	1.03	0.42	0.05	59
BD17009	1	35.7	41.8	6.1	11	0.14	0.55	0.01	77
	1	50	55	5	38	0.25	1.39	0.01	92
	2	**101**	**129**	**28**	**73**	**0.71**	**0.53**	**0.01**	**114**
	2	146.4	165.5	19.1	41	1.01	0.71	0.01	98

1. Bowdens silver equivalent calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc, US$1.00 per pound lead and, US$1200 per ounce gold and recoveries of 81% for silver, 82% for zinc, 81% for lead and 81% for gold.
*** - also see previously released ASX announcement 15th March 2017*

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Appendix 2 Drill Hole Results Summary (cont.)

Drill hole intersections using 1. a minimum 1% combined lead + zinc cut-of over a minimum 5 metre interval with up to 2 metre internal dilution or 2. a minimum 30g/t silver cut-off over 10 metre interval and up to 10 metre internal dilution or 3. A minimum 60g/t silver cut-off over 5 metre interval and up to 5 metre internal dilution.

Hole ID	Cut off	From (metres)	To (metres)	Interval (metres)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Ag Eq (g/t)[1]
BD17013	2	76.2	195	118.8	58	0.51	0.49	NA	92
Incl	**3**	**128**	**171**	**43**	**112**	**0.37**	**0.85**	**NA**	**152**
	2	**213**	**249.8**	**36.8**	**78**	**0.70**	**0.30**	**NA**	**111**
Incl	**3**	**215**	**226**	**11**	**138**	**0.86**	**0.42**	**NA**	**181**
BD16010	1	28	45	17	14	0.88	0.5	NA	60
	1	116	122	6	17	0.49	0.98	NA	66
	3	158.55	164	5.45	68	0.09	0.17	NA	77
	2	187	257	70	40	0.13	0.07	0.01	46
BD16011	2	76	87	11	30	0.16	0.08	NA	38

1. *Bowdens silver equivalent calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc and US$1.00 per pound lead and recoveries of 81% for silver, 82% for zinc and 81% for lead. NA=not assayed.*

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Appendix 2 Drill Hole Results Summary (cont.)

Drill hole intersections using 1. a minimum 1% combined lead + zinc cut-of over a minimum 5 metre interval with up to 2 metre internal dilution or 2. a minimum 30g/t silver cut-off over 10 metre interval and up to 10 metre internal dilution or 3. A minimum 60g/t silver cut-off over 5 metre interval and up to 5 metre internal dilution. 4. a minimum 30g/t silver equivalent cut-off and up to 10 metre internal dilution.

Hole	Cut off	From (metres)	To (metres)	Interval (Metres)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Equivalent (g/t) [1]
Combined interval (30g/t Ag Eq)	**4**	**100**	**421**	**321**	**27**	**0.85**	**0.40**	**n/a**	**69**
BD17004	2	105	143	38	31	1.27	0.89	n/a	116
Incl.	3	105	112	7	67	1.31	1.09	n/a	147
	2	**162**	**178**	**16**	**168**	**1.09**	**0.43**	**n/a**	**218**
incl.	3	163.1	178	14.9	181	1.12	0.43	n/a	232
	2	**189**	**229**	**40**	**57**	**0.64**	**0.24**	**n/a**	**86**
incl.	3	202	224	22	80	0.80	0.29	0.01	117
	1	241	253	12	28	1.22	0.86	0.08	97
	1	**295**	**311**	**16**	**29**	**3.24**	**1.38**	**0.21**	**182**
	1	324.5	344	19.5	12	1.62	0.27	0.14	75
	1	380	400	20	5	0.91	0.16	0.16	41

1.Bowdens silver equivalent calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc and US$1.00 per pound lead and recoveries of 81% for silver, 82% for zinc and 81% for lead. n/a=not assayed.

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Appendix 2 Drill Hole Results Summary (cont.)

Drill hole intersections using 2. a minimum 30g/t silver cut-off over 10 metre interval and up to 10 metre internal dilution or 3. A minimum 60g/t silver cut-off over 5 metre interval and up to 5 metre internal dilution. 4. a minimum 30g/t silver equivalent cut-off over 10 metre interval and up to 10 metre internal dilution.

Hole	Cut off	From (metres)	To (metres)	Interval (metres)	Silver (g/t)	Zinc (%)	Lead (%)	Gold (g/t)	Silver Equivalent (g/t) [1]
BD16013	2	2	79	77	73	0.39	0.44		101
Incl.	3	28	47	19	89	0.66	0.67		134
	3	59	67	8	274	0.33	0.68		307
BD17003	2	45	95	50	113	0.63	0.83		162
Incl.	3	60	84	24	174	0.69	0.68		219
BD17005	2	67	115	48	84	0.58	0.88		133
Incl.	3	69	95	26	138	0.58	1.05		192
BD17009[2]	4	268	341	73	11	0.46	0.32	0.17	36
	4	352	434	82	7	0.36	0.39	0.1	32
BD17010	*NSI*								
BD17014	4	107.7	175.85	68.15	16	0.34	0.24		36
	4	238	292	54	14	0.34	0.27		34
	4	307	352	45	9	1.32	0.33	0.08	63
	4	363	388	25	11	0.90	0.25	0.08	49
BD17014	4	399	512	113	8	0.65	0.30	0.09	39
BD17017	4	96	411.2	315.2	26	0.70	0.41		63
Incl.	3	97	103	6	145	0.32	0.57		174
	3	186	203	17	79	0.87	0.62		129
	3	211	237	26	42	0.58	0.25		69
BD17018	2	165	193	28	126	0.31	0.68		159
Incl.	3	179	190.7	11.7	270	0.22	1.18		316
BRC17001	2	1	30	29	58	0.11	0.07		64
Incl.	3	2	13	11	83	0.09	0.09		89
	3	21	29	8	67	0.11	0.09		74
BRC17002	2	9	34	25	71	0.14	0.10		78
Incl.	3	9	19	10	57	0.16	0.08		65
	3	25	33	8	114	0.04	0.14		120
BRC17003	2	2	64	62	41	0.14	0.07		48
Incl.	3	7	16	9	70	0.12	0.11		78
	3	25	32	7	60	0.41	0.16		79
	3	38	47	9	81	0.06	0.09		86
BRC17004	2	1	25	24	79	0.34	0.19		96
Incl.	3	5	14	9	156	0.50	0.28		182
BRC17005	2	0	54	54	32	0.07	0.08		37
Incl.	3	16	28	12	62	0.16	0.13		71
BRC17006	2	4	41	37	37	0.06	0.05		40

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[1] Bowdens silver equivalent calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc and US$1.00 per pound lead and recoveries of 81% for silver, 82% for zinc and 81% for lead.
[2] Assay results for BD17009 relate to the extended portion of the hole from 252.8 – 435.8. The top portion of BD17009 0-252.8m was previously released on 11th April 2017. NSI=no significant intersection.

Appendix 2 Drill Hole Results Summary (cont.)

Plines drill hole intersections using a minimum 30g/t silver equivalent cut-off over a 5 metre interval and up to 10 metre internal dilution with higher grade results reported with a minimum 60g/t silver cut-off over a 5 metre interval and up to 5 metre internal dilution.

Hole	From (metres)	To (metres)	Interval (Metres)	Silver (g/t)	Zinc (%)	Lead (%)	Silver Equivalent (g/t) [1]
PLRC17001	2	27	25	31.7	0.01	0.04	33
Including	2	10	8	66.7	0.01	0.09	70
PLRC17001[2]	43	56	13	13.4	0.20	0.04	21
PLRC17001[2]	81	87	6	5.1	0.44	0.02	21
PLRC17002[2]	84	91	7	8.6	0.42	0.13	27

1. Bowdens Silver equivalent calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc and US$1.00 per pound lead and recoveries of 81% for silver, 82% for zinc and 81% for lead. 2. Note – these intercepts are below the cut-off grade for the intercept due to internal dilution.

Plines drill hole intersections using a minimum 0.1% zinc and minimum 5 metre interval

Hole	*From (metres)*	*To (metres)*	*Interval (metres)*	*Zn (%)*
PLRC17001	45	100	55	0.27
PLRC17001	114	121	7	0.52
PLRC17001	154	169	15	0.14
PLRC17002	7	25	18	0.50
PLRC17002	41	112	71	0.30

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JORC Code, 2012 Edition – ANNEXURE 1

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 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.*	• Sampling taken from NQ & HQ diamond core and from reverse circulation (RC) drill chips. • NQ size core - all samples taken as nominal 1 metre intervals from half-cut core and from the same side of the core. • HQ size core - all samples taken as nominal 1 metre intervals from quarter-cut core and from the same side of the core. • RC samples collected on a 1m interval from a rotary cone splitter. • Each sample represents approximately 2 kilograms of material • Each sample was sent for multi-element assay using ICP techniques with the entire sample pulverized and homogenized with a 50g extract taken for assay. • Assays are considered representative of the sample collected.
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).*	• Diamond drilling undertaken using HQ & NQ diamond core rig with standard tube. • All core, where unbroken ground allows, is oriented by drilling team and an orientation line along the base of the hole. • RC drilling using a 139mm hammer.

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Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *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.* • *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.*	• Core recovery is estimated at greater than 95%. • Some zones (less than 10%) were broken core with occasional clay zones where some sample loss may have occurred. However, this is not considered to have materially affected the results. • RC samples are weighed for each metre and assessed for recovery, contamination and effect of water if present. • No significant relationship between sample recovery and grade exists.
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.*	• All diamond holes are logged using lithology, alteration, veining, mineralization and structure including geotechnical structure. • RC chip samples are logged using lithology, alteration, veining and mineralization. • All core and chip trays are photographed using both wet and dry photography. • In all cases the entire hole is logged by a geologist. • Additionally, a selection of holes is analysed using HyLogger™. This is a non-destructive spectroscopic scanning technique to assess the mineralogical distribution in drill core or chip trays.
Sub-sampling techniques and sample preparation	• *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.*	• Minor selective sub-sampling based on geology to a maximum size of 1.3m and a minimum of 0.3m. • 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. • The half (NQ) or quarter (HQ) 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. • RC samples are collected from a rotary cone splitter at a 6% split. The cyclone/splitter system is checked periodically throughout each hole and cleaned when necessary. To assess the representation of material sampled a duplicate 6% split sample is collected from a secondary -sample chute on the opposite side of the rotary cone splitter at the rate of 1/20.

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Criteria	JORC Code explanation	Commentary
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, 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.*	• Samples dispatched to ALS Global laboratories in Orange NSW for sample preparation and gold analysis Au-AA25. 33 multi-element analysis completed at ALS Brisbane using method ME-ICP61. • Site Standards are inserted every 20 samples to check quality control and laboratory standards and blanks every 25 samples to further check results.
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.*	• Significant intersections calculated by site-geologists and verified by an independent geological consultant. • All geological logging is entered digitally before inputting into a Maxwell Geoservices database schema. • Primary assay data is sent electronically from the lab 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	• *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.*	• The collar position is initially surveyed using hand-held GPS with accuracy of +- 5 metres. Periodically, Real Time Kinetic by VRS Now surveys are conducted with accuracy of +-1cm. • Down hole surveys collected every 30 metres using an electronic downhole reflex survey camera. • The terrain includes steep hills and ridges and with a topographical model of 0.034 metre accuracy. • All collars recorded in MGA94 zone 55 and also re-projected to a locally defined mine-grid system.
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*	• This drilling is designed as both infill and extensional to the overall mineral resource envelope. The nominal drill hole spacing is 25m (northing) by 50m (easting) in the core of the deposit. • The current drill program includes extensional and infill drilling and

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Criteria	JORC Code explanation	Commentary
	classifications applied. • *Whether sample compositing has been applied.*	will enable the mineral resource estimate to be updated including conversion of inferred resources to indicated resources and new zones to be included in inferred resource.
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.*	• Drill orientation was designed to intersect the projection of breccia zones and zones of veins within an overall mineralized envelope. • An interpretation of the mineralization has indicated that no sampling bias has been introduced.
Sample security	• *The measures taken to ensure sample security.*	• All samples bagged on site under the supervision of two senior geologists with sample bags tied with cable ties before being driven by site personnel to the laboratory in Orange, NSW (~200km from the site)
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The drilling campaign and drill work includes on-going internal auditing with advice taken on process from external advisors - OmniGeox Ltd, GeoSpy Pty Ltd and AMC Consultants.

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 Bowdens Resource is located wholly within Exploration Licence No EL5920, held wholly by Silver Mines Limited and is located approximately 26km 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 the EL5920. • The project has a 1.85% Gross Royalty over 100% of EL5920.

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Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Bowdens project was previously managed by Kingsgate Consolidated and Silver Standard Ltd, however the new drilling reported under this table is based on work conducted solely by Silver Mines/Bowdens Silver.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Bowdens Deposit is a low sulphidation epithermal base-metal and silver system hosted in Permian 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 mineralized zones including some areas of stock-work veins.

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;*
	  ○ *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.*
		• All information is included in Appendix 1 of this report.

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.*	• Intersection calculations based on 1% combined lead + zinc cut-off for low-grade results or a minimum 30 g/t silver with maximum 10 metre internal dilution and a minimum 60g/t silver with maximum 5 metre internal dilution for high-grade results. • The silver equivalent values calculated using metal prices of US$20 per ounce silver, US$1.00 per pound zinc and US$1.00 per pound lead and recoveries of 81% for silver, 82% for zinc and 81% for lead. • Ag equivalent formula = *Ag g/t + ((Pb% + Zn%)*33.2))*

Criteria	JORC Code explanation	Commentary
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').*	• Mineralisation is both stratabound and vein hosted. The stratigraphy dips moderately to the north while the majority of mineralised veins dip west. Some individual veins intersected were sub-parallel (~10 degrees to core axes). The drilling width is estimated to be 120% of true-width for stratabound mineralisation.
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.*	• Maps and cross-sections provided in the body of this report.
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.*	• All results received and compiled to date are reported in this release. Drilling is ongoing with further results expected to provide a more detailed assessment of the mineralised zones.
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 characteristics and potential deleterious or contaminating substances.*	• This report relates to drill data reported from this program.
Further work	• *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.*	• This report relates to a drill program that totals 38,000 metres of drilling with drilling on-going and further results pending.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Silver Mines Limited

ABN	**Quarter ended ("current quarter")**
45 107 452 942	30 June 2017

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	29	59
1.2	Payments for		
	(a) exploration & evaluation	(2,277)	(7,006)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(644)	(2,006)
	(e) administration and corporate costs	(264)	(2,423)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	66
1.5	Interest and other costs of finance paid	(3)	(104)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(3,147)**	**(11,413)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(112)	(487)
	(b) tenements (see item 10)	-	(5,000)
	(c) investments	-	-
	(d) other non-current assets	-	(775)

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Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	2
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	100
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(112)**	**(6,160)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	2,893	8,210
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(150)	(613)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (transfer for June capital raising)	-	1,973
3.10	**Net cash from / (used in) financing activities**	**2,743**	**9,570**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,070	11,557
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,117)	(11,313)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(142)	(6,260)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,743	9,570
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,554**	**3,554**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	3,554	4,070
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**3,554**	**4,070**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	148
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities		
8.2	Credit standby arrangements		
8.3	Other (please specify)		

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	1,200
9.2	Development	-
9.3	Production	-
9.4	Staff costs	450
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	530
9.7	**Total estimated cash outflows**	**2,380**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil			

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: SIGNATURE ON FILE (Company secretary) Date: 31 July 2017

Print name: Trent Franklin

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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