

9 September 2019

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

\$10 MILLION SHARE PLACEMENT

Silver Mines Limited (ASX:SVL) ("Silver Mines" or "the Company") is pleased to advise that it has successfully completed a capital raising of A\$10 million (before costs) ("Placement") to institutional, professional and sophisticated investors.

Patersons Securities Limited acted as Lead Manager to the Placement.

The Placement was conducted at an issue price of \$0.10 per share. The Placement will result in the issue of 100,000,000 fully paid, ordinary shares ("Shares") which will be issued using the Company's capacity under ASX Listing Rule 7.1. The Shares will rank equally with the Company's fully paid, ordinary shares currently on issue.

The Placement saw further support from well-regarded resources institutional shareholder Sprott Asset Management LP of Canada and other quality institutions both locally and offshore.

The funds raised under the Placement will underpin the expansion of exploration activities including drilling at the Company's flagship Bowdens Silver Project and Barabolar Project, the imminent completion of the Environmental Impact Statement for the Bowdens Silver Project, associated land acquisitions and for corporate and general working capital purposes.

Settlement of the Placement and issue of the Shares is expected to take place on 13 September 2019.

Silver Mines' Managing Director, Mr Anthony McClure said the Company was delighted with the outstanding response to the capital raising from both existing and new investors.

"This is a direct reflection of the substantial potential of the Silver Mines asset base and in particular the Bowdens Silver Project and the Barabolar Project," he said.

"We are in a surging silver commodity price cycle and with our expansive exploration programs as well as our submission for Development Approvals for the Bowdens Silver Project, we are looking forward to a particularly positive period for the Company."

The Company requests that the halt on trading in its securities be lifted with immediate effect.

Yours faithfully
Silver Mines Limited



Trent Franklin
Company Secretary

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