

27 May 2020

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

## **STRONG SUPPORT IN \$12 MILLION CAPITAL RAISE**

Silver Mines Limited (ASX:SVL) (“Silver Mines” or “the Company”) is pleased to advise that it has successfully completed a capital raising of A\$12 million (before costs) (“Placement”) to institutional, professional and sophisticated investors.

The Placement was conducted at an issue price of \$0.10 per share. The Placement will result in the issue of 120,000,000 fully paid, ordinary shares (“Shares”) which will be predominately issued using the Company’s capacity under ASX Listing Rule 7.1 and 7.1A. Related parties of the Company subscribed for 500,000 Shares and the issue of these Shares will be subject to shareholder approval. The Shares will rank equally with the Company’s fully paid, ordinary shares currently on issue.

Canaccord Genuity (Australia) Limited acted as the Sole Lead Manager to the Placement.

Silver Mines’ Managing Director, Mr Anthony McClure said “The Company is delighted with the outstanding response to the capital raising, it is a clear backing of our quality assets. The very positive outlook in precious metals including silver is also most encouraging.”

The funds raised under the Placement will be primarily used for the pre-development progression of the Company’s flagship Bowdens Silver Mine. Exploration activities over the coming 12 months will include extensional drilling at Bowdens Silver and exploration drilling at the Barabolar Project. Initial drilling at the Company’s Tuena Gold Project will also be scheduled in the coming months. Funding will also be made available for land acquisitions and for corporate and general working capital purposes.

The Placement was undertaken in the following portions:

- (a) Listing Rule 7.1: 95,825,093 Shares;
- (b) Listing Rule 7.1A: 23,674,907 Shares; and
- (c) 500,000 Shares were subscribed for by related parties of the Company which are subject to shareholder approval at the Company’s next general meeting at a date yet to be determined.

Settlement of the Placement is expected to take place on 2<sup>nd</sup> June 2020. The expected date of quotation of the Placement is 3<sup>rd</sup> June 2020.

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

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

Yours faithfully  
Silver Mines Limited



Trent Franklin  
Company Secretary