

18th January 2022

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

Bundarra Zone Expansion at the Bowdens Silver Project

HIGHLIGHTS:

Continued success in drilling extends the Bundarra Zone mineralisation. Results include quartz sulphide vein style mineralisation at depth, with significant copper intersected for the first time at Bowdens.

- **BD21042**
 - 2.4 metres @ 1,520 g/t silver equivalent (269 g/t silver, 15.80% zinc, 10.33% lead, 0.78% copper and 0.42 g/t gold) from 297.3 metres, including:
 - 1 metre @ 2,282 g/t silver equivalent (398 g/t silver, 22.90% zinc, 16.80% lead, 1.06% copper and 0.82 g/t gold) from 298 metres.
 - 1.5 metres @ 869 g/t silver equivalent (98 g/t silver, 14.49% zinc, 0.20% lead, 0.30% copper & 0.14 g/t gold) from 327.1 metres.
- **BD21039**
 - 4.6 metres @ 338 g/t silver equivalent (24 g/t silver, 3.67% zinc, 1.47% lead and 0.98 g/t gold) from 406 metres.
 - 8.1 metres @ 193 g/t silver equivalent (18 g/t silver, 1.82% zinc, 1.45% lead and 0.41 g/t gold) from 416.9 metres.
- **BD21038**
 - 1 metres @ 740 g/t silver equivalent (343 g/t silver, 5.29% zinc and 3.74% lead) from 107metres.
 - 6 metres @ 244 g/t silver equivalent (26 g/t silver, 2.43% zinc, 2.50% lead and 0.12 g/t gold) from 374 metres, including:
 - 1 metre @ 478 g/t silver equivalent (59 g/t silver, 3.78% zinc, 6.0% lead and 0.38 g/t gold).

Underground Scoping Study

- Drilling continuing into the first half of 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 mineralised lenses, 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 BD21037, BD21038, BD21039, BD21040 and BD21042 drilled within the Bundarra Zone and Northwest High-Grade Zone (refer to Figure 1). The resource drilling has focused on the Aegean and Northwest Zones through 2021, with drilling now being focused on extending the Bundarra Zone and testing for lenses beneath the primary zone.

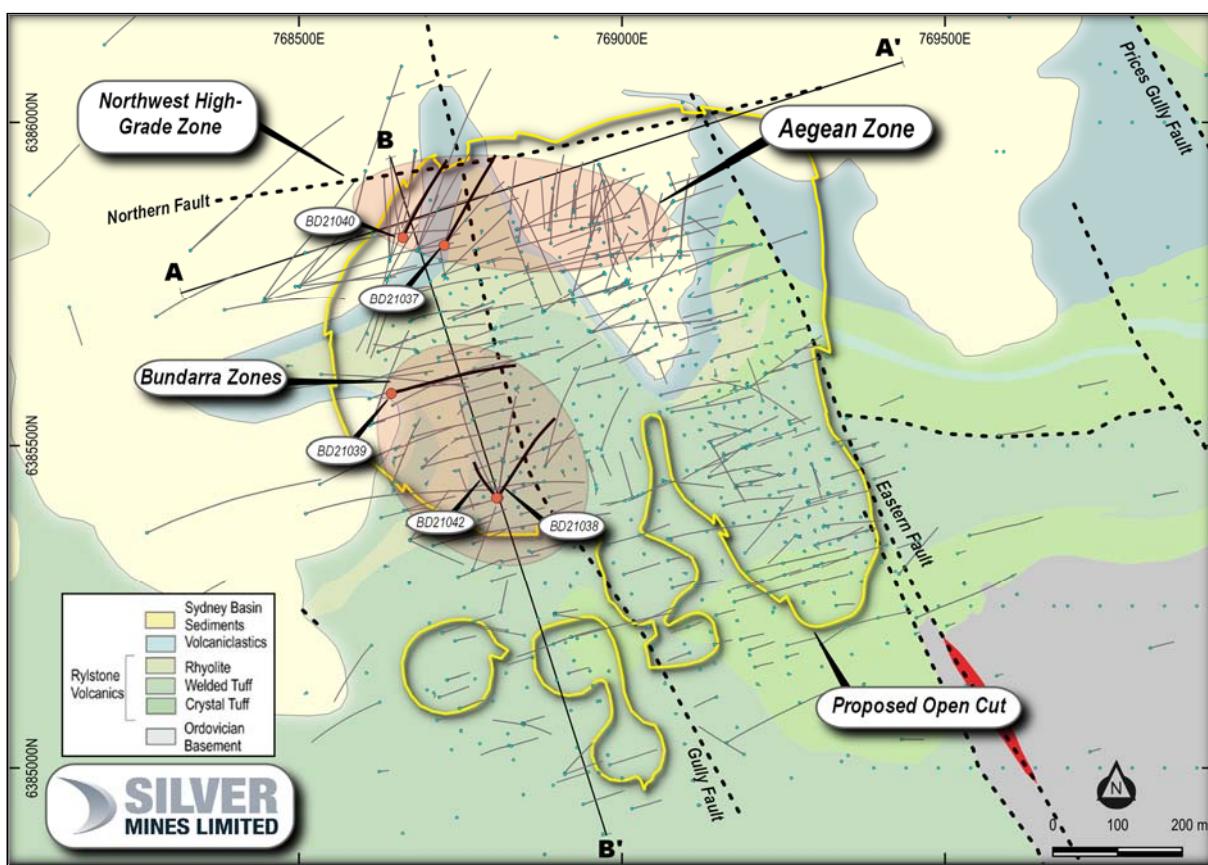


Figure 1. Reported drillhole locations and underground mining targets at the Bowdens Silver Project.

Bundarra Zone Results

The Bundarra Zone is a series of base metal (zinc and lead) dominant sulphide lenses below the current silver–zinc–lead resource. At Bundarra, gold occurs in veins throughout the deeper

parts of the system where mineralisation is related to, or controlled by, the emplacement of a dacite intrusion into the Rylstone Volcanic pile and underlying Ordovician basement. Drill holes testing the extent of mineralisation beneath the dacite intrusion the dacite have proven successful with drilling to date indicating mineralisation is both open within Ordovician Basement sediments and along major structures. Current modelling suggests 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.

Significantly, BD21042 has intercepted zones of mineralisation of higher emplacement temperature quartz sulphide veining including the highest concentration of copper intercepted to date in the Deposit and extending the Bundarra lenses some 75 metres to the south of BD21035 (refer release dated 3rd December 2021). These zones remain open to the south as well as up dip to the east and down dip to the west. The lower lenses are separated some 20 metres vertically with the upper lens rising into the Ordovician Rylstone contact. See figures 1 and 4. The upper zone comprises numerous lenses of banded/brecciated, semi massive sphalerite (zinc sulphide) – pyrite (iron sulphide) – galena (lead sulphide) with carbonate alteration, and the lower zones comprise a quartz-carbonate-sphalerite-pyrite-galena-chalcopyrite (copper sulphide) veins. See figures 2 and 3.

In BD21042, the upper Bundarra lens returned 4.3 metres @ 200 g/t silver equivalent from 216.7 metres while, the lower lenses returned assays of:

- **2.4 metres @ 1520 g/t silver equivalent (269 g/t silver, 15.8% zinc, 10.33% lead, 0.78% copper & 0.42 g/t gold) from 297.3 metres and**
- **1.5 metres @ 869 g/t silver equivalent (98 g/t silver, 14.49% zinc, 0.20% lead 0.30% copper & 0.14 g/t Au) from 327.1 metres.**

The lower 2.4 metre quartz–sulphide vein intercept appears to represent a conduit to the Bundarra style mineralisation, which forms a new component to the Bowdens Silver system. This style of mineralisation located deeper in an epithermal environment is prospective for gold.

BD21038 infills drilling of lenses between BD21017 and BD21007 and intercepted lower lenses with 14 metres @ 99 g/t silver equivalent. As well as 6 metres @ 244 silver equivalent, including 1 metre @ 478 silver equivalent from 378 metres.

Results from BD21039, some 90 metres north along strike of BD21035 also intersected multiple Bundarra style lenses with increasing gold and copper in zinc and lead dominated intercepts. Significant intercepts include:

- 5 metres @ 230 g/t silver equivalent from 396 metres;
- 4.6 metres @ 338 g/t silver equivalent from 406 metres **including 0.4 metre at 90g/t silver, 23.7% zinc, 4.30% lead and 8.5 g/t gold** and
- 8.1 metres @ 193 g/t silver equivalent from 416.9 metres including **1.1 metres @ 62 g/t silver, 6.68% zinc, 3.97% lead and 1.98 g/t gold.**

The dacite intrusion, faults, the carbonate rich stratigraphy (layers) in the Ordovician basement are considered to be competing controls to this mineralisation. The Bundarra mineralisation while being laterally continuous, appears to have better grade when near to faults and

replacing carbonate rich units in the basement along faults. Drilling targeting continuations of the main semi-massive sulphide and new quartz–sulphide horizons to the south and west is ongoing.



Figure 2 & 3. Quartz – carbonate – sphalerite – galena – pyrite – chalcopyrite in BD21042 from 297.3 metres.

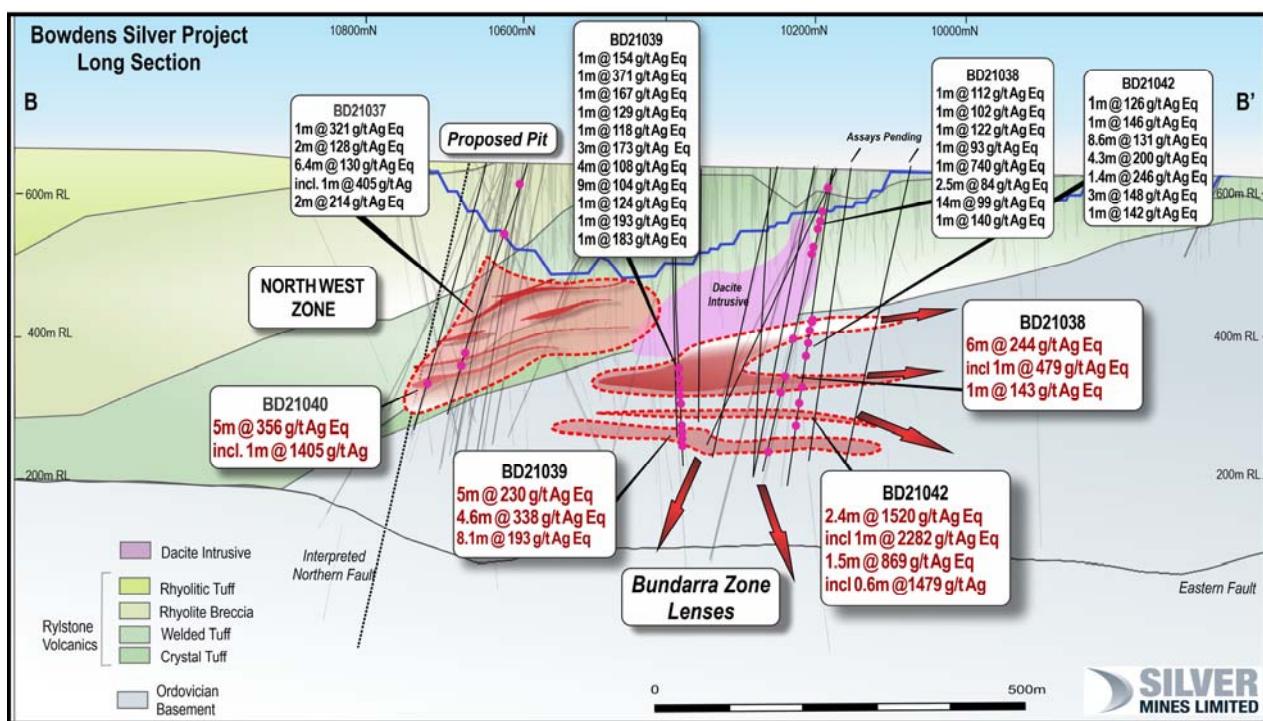


Figure 4. Bowdens Silver Project Long Section looking east.

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

Hole	From	To	Interval	Silver	Zinc	Lead	Copper	Gold	Silver Eq
	(m)	(m)	(m)	(g/t)	(%)	(%)	(%)	(g/t)	(g/t) ¹
BD21042	186	187	1	16	1.36	0.82	0.01	0.17	126
	191	192	1	22	1.32	1.32	0.03	0.14	146
	199	207.6	8.6	19	1.28	0.93	0.03	0.17	131
	216.7	221	4.3	31	1.89	1.35	0.02	0.34	200
	234.5	235.9	1.4	42	2.63	1.77	0.03	0.13	246
	255.9	258.9	3	30	0.72	1.83	0.04	0.20	148
	276	277	1	25	1.8	0.65	0.05	0.01	142
	297.3	299.7	2.4	269	15.80	10.33	0.78	0.42	1520
	& incl. from 297.3		0.7	292	17.35	8.66	1.02	0.03	1560
	& incl. from 298		1	398	22.90	16.80	1.06	0.82	2282
	327.1	328.6	1.5	98	14.49	0.20	0.30	0.14	869
	& incl. from 328		0.6	164	24.7	16.8	0.54	0.22	1479
BD21038	48	49	1	92	0.26	0.23	-	-	112*
	69	70	1	74	0.43	0.2	-	-	102*
	93	94	1	49	1.16	0.39	0.01	0.02	122*
	98	99	1	42	0.82	0.27	-	0.01	93*
	107	108	1	343	5.29	3.74	0.06	0.03	740*
	114.5	117	2.5	14	1.09	0.41	0.01	0.01	84*
	265	279	14	13	1.44	0.23	0.02	0.06	99
	300	301	1	19	2.22	0.06	0.03	0.06	140
	374	380	6	26	2.43	2.50	0.04	0.12	244
	& incl. from 378		1	59	3.78	6.04	0.04	0.318	479
	384	385	1	17	1.68	1.06	0.02	0.07	143
BD21039	252	253	1	43	0.91	0.26	0.04	0.66	154
	258	259	1	125	2.57	1.56	0.25	0.48	371
	287	288	1	22	2.18	0.74	0.05	0.07	167
	293	294	1	18	0.96	0.77	0.02	0.44	129
	300	301	1	23	1.4	0.28	0.06	0.12	118
	306	309	3	57	1.4	0.42	0.10	0.27	173
	322	326	4	8	1.15	0.3	0.02	0.39	108
	333	342	9	11	1.56	0.12	0.02	0.12	104
	350	351	1	17	1.64	0.12	0.04	0.22	124
	363	364	1	17	1.56	0.45	0.04	1.00	193
	388	389	1	19	2.25	0.53	0.04	0.38	183
	396	401	5	16	2.91	0.56	0.02	0.61	230
	406	410.6	4.6	24	3.67	1.47	0.04	0.98	338

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Copper (%)	Gold (g/t)	Silver Eq (g/t) ¹
	& incl. from 408.7	0.7	53	6.16	3.55	0.07	0.98	564	
	& incl. from 410.2	0.4	90	23.70	4.37	0.21	8.5	2116	
	416.9	425	8.1	18	1.82	1.45	0.03	0.41	193

* 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, US\$3.50/lb copper, and metallurgical recoveries of 85% silver + gold, 82% zinc, 83% lead 80% copper 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) + 113.08*Cu%. Intercepts calculated using a 90g/t AgEq cut-off and 3 metre internal dilution factor, with highest individual assay results highlighted as included within overall intercept.

Northwest Zone 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 3rd December 2021, 26th October 2021, 4th August 2021, 27th July 2021, 14th May 2021, and 28th January 2021).

BD21040 intersected 5 metres @ 356 g/t silver equivalent (349 g/t silver, 0.03% zinc and 0.15% lead) from 323 metres including 1 metre @ 1405g/t silver from 325 metres within the Northwest zones northern strike extent. The results received for BD21037 also intersected the Northwest Zone northern extent with the tenor of silver rich fracture fill mineralisation present but decreasing intersecting 6.4 metres @ 130 g/t silver equivalent (108 g/t silver, 0.06% zinc, 0.53% lead and 0.01% copper) from 259.7 metres including 1 metre from 263 metres @ 405 g/t silver.

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.

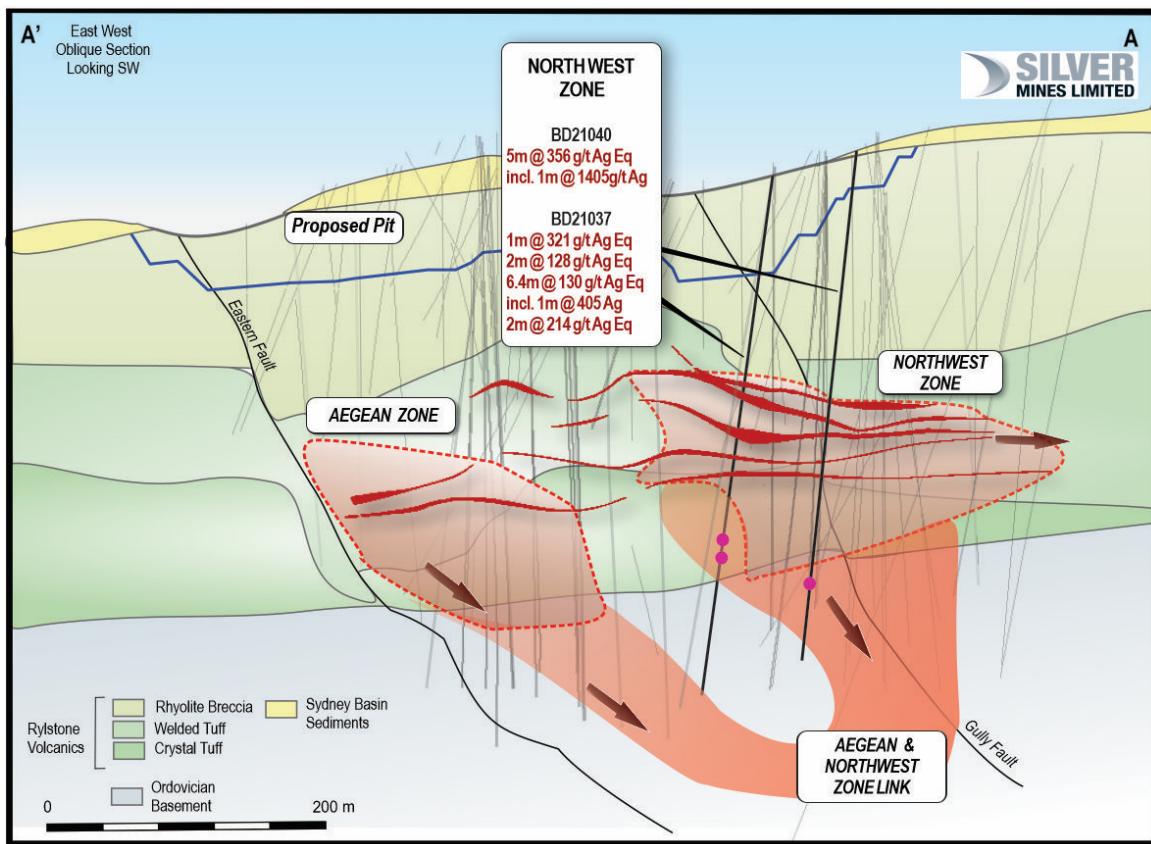


Figure 5: Oblique Section A-A' looking southwest through the Aegean and Northwest High-Grade Zones with mineralisation and new intercepts.

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
BD21037	31	32	1	291	0.12	0.68	-	321*
	106	108	2	7	2.39	0.10	-	128*
	259.7	266.1	6.4	108	0.06	0.53	-	130
	279	281	2	211	0.06	0.02	-	214
BD21040	323	328	5	349	0.03	0.15	-	356
	& incl. from 325		1	1405	0.08	0.27	-	1418

* Denotes an interval within current ore reserves

1.Bowdens' reported silver equivalent is consistent with previous reports and current resource modelling based on assumptions: $\text{Ag Eq (g/t)} = \text{Ag (g/t)} + 33.48 * \text{Pb (\%)} + 49.61 * \text{Zn (\%)}$ 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.

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.

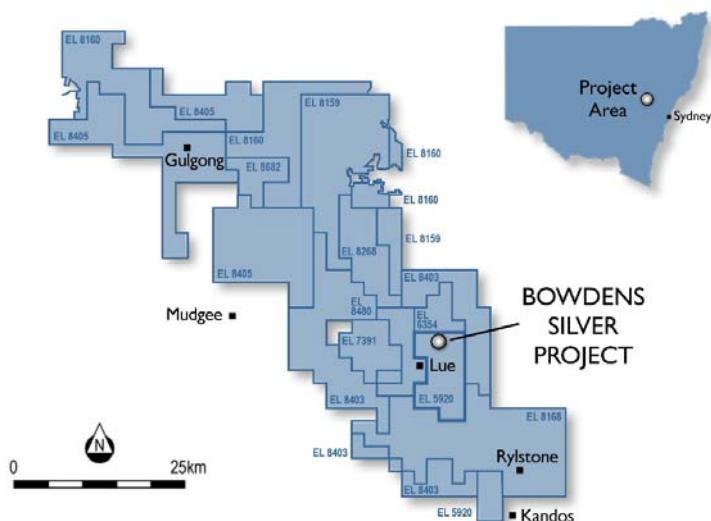


Figure 6: Silver Mines Limited tenement holdings in the Mudgee district.

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

Further information:

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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	BD21037	768725	6385811	614	-65	30	363.83	Core	<i>Partial assays</i>
Bundarra	BD21038	768808	6385419	604	-68	28	403.7	Core	<i>Partial assays</i>
Bundarra	BD21039	768643	6385580	633	-63	73	435.9	Core	<i>Partial assays</i>
NW Zone	BD21040	768661	6385823	626	-68	25	381.8	Core	<i>Partial assays</i>
Bundarra	BD21042	768806	6385419	604	-80	325	408.2	Core	<i>Partial assays</i>

Table 4. Summary of all recent drilling intercepts.

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Copper (%)	Gold (g/t)	Silver Eq (g/t) ¹
BD21042	186	187	1	16	1.36	0.82	0.01	0.17	126 ²
	191	192	1	22	1.32	1.32	0.03	0.14	146 ²
	199	207.6	8.6	19	1.28	0.93	0.03	0.17	131 ²
	216.7	221	4.3	31	1.89	1.35	0.02	0.34	200 ²
	234.5	235.9	1.4	42	2.63	1.77	0.03	0.13	246 ²
	255.9	258.9	3	30	0.72	1.83	0.04	0.2	148 ²
	276	277	1	25	1.80	0.65	0.05	0.01	142 ²
	297.3	299.7	2.4	269	15.8	10.33	0.78	0.42	1520 ²
	327.1	328.6	1.5	98	14.49	0.20	0.30	0.14	869 ²
BD21038	48	49	1	92	0.26	0.23	-	-	112 ¹
	69	70	1	74	0.43	0.20	-	-	102 ¹
	93	94	1	49	1.16	0.39	0.01	0.02	122 ²
	98	99	1	42	0.82	0.27	-	0.01	93 ²
	107	108	1	343	5.29	3.74	0.06	0.03	740 ²
	114.5	117	2.5	14	1.09	0.41	0.01	0.01	84 ²
	265	279	14	13	1.44	0.23	0.02	0.06	99 ²
	300	301	1	19	2.22	0.06	0.03	0.06	140 ²
	374	380	6	26	2.43	2.50	0.04	0.12	244 ²
	384	385	1	17	1.68	1.06	0.02	0.07	143 ²
BD21039	252	253	1	43	0.91	0.26	0.04	0.66	154 ²
	258	259	1	125	2.57	1.56	0.25	0.48	371 ²
	287	288	1	22	2.18	0.74	0.05	0.07	167 ²
	293	294	1	18	0.96	0.77	0.02	0.44	129 ²
	300	301	1	23	1.40	0.28	0.06	0.12	118 ²
	306	309	3	57	1.40	0.42	0.1	0.27	173 ²
	322	326	4	8	1.15	0.30	0.02	0.39	108 ²
	333	342	9	11	1.56	0.12	0.02	0.12	104 ²
	350	351	1	17	1.64	0.12	0.04	0.22	124 ²
	363	364	1	17	1.56	0.45	0.04	1.00	193 ²
	388	389	1	19	2.25	0.53	0.04	0.38	183 ²
	396	401	5	16	2.91	0.56	0.02	0.61	230 ²
	406	410.6	4.6	24	3.67	1.47	0.04	0.98	338 ²
	416.9	425	8.1	18	1.82	1.45	0.03	0.41	193 ²
BD21037	31	32	1	291	0.12	0.68	0.01	-	321 ¹
	106	108	2	7	2.39	0.10	-	-	128 ¹
	259.7	266.1	6.4	108	0.06	0.53	0.01	-	130 ¹

Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Zinc (%)	Lead (%)	Copper (%)	Gold (g/t)	Silver Eq (g/t) ¹
	279	281	2	211	0.06	0.02	-	-	214 ¹
BD21040	323	328	5	349	0.03	0.15	-	-	356 ¹

* 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 and copper 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) + 113.08*Cu%. 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.

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"> • <i>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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>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.</i> 	<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.

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 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

Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>the site)</p> <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"> <i>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.</i> <i>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.</i> 	<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"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<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"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<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
		report is related to Bowdens and represents a higher-temperature zone.
Drill hole Information	<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.
Data aggregation methods	<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.
Relationship between mineralisation widths and intercept lengths	<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.
Diagrams	<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.

Criteria	JORC Code explanation	Commentary
Balanced reporting	<p><i>drill hole collar locations and appropriate sectional views.</i></p> <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	<p><i>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.</i></p>	<ul style="list-style-type: none"> This report relates to drill data reported from this program.
Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<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.