

5th October 2023

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

RETIREMENT AND APPOINTMENT OF MANAGING DIRECTOR

Silver Mines Limited (ASX: SVL) (“Silver Mines” or “the Company”) advises that with the Company transitioning into its mine development and production phase and subsequent to a thorough succession process, Mr Jonathan Battershill (currently a non-executive director of the Company) is to be appointed the Managing Director of Silver Mines effective 1st January 2024.

Mr Battershill’s appointment follows a decision made by the current Managing Director, Mr Anthony McClure, to notify the Board of his intention to retire at the end of this calendar 2023. Mr McClure has served as the Managing Director of the Company since the Company’s recapitalisation and acquisition of the Bowdens Silver Project in 2016 and has indicated that as the Company transitions into a mid-tier mining company, now is the ideal time for new leadership.

Silver Mines Chairman Keith Perrett commented, *“On behalf of the Board and staff of Silver Mines, I congratulate and thank Anthony (Tony) McClure for his significant contribution to the Company as Managing Director. He has provided strong leadership as a driving force in the successful development of the Company from a small cap explorer to one that is on the verge of becoming a mid-tier miner. Tony has been instrumental for the Company and has led it through exploration and resource development, feasibility studies and environmental and social impact studies, culminating with obtaining mining approval from the New South Wales Independent Planning Commission. Tony will remain in the short term as a consultant to help with the transition. We wish him and his family best wishes for the future. I also welcome Jonathan (Jo) Battershill to the position of Managing Director. We are fortunate to have secured such a highly regarded executive to the role. The Board and I look forward to working with Jo as we embark on a successful transition from explorer through development and finally to producer.”*

Mr McClure commented, *“I leave the Company in expert hands and look forward to watching it thrive in its transition to production. I will remain a significant shareholder. Jo Battershill brings tremendous experience to the Company. He has a deep understanding of the Company’s culture, strategy and objectives and has significant experience across Silver Mines’ operations, risk management and corporate functions. He also has a strong financing background which is essential as the Company moves towards mine construction and production. After conducting an internal and external recruitment process, it is pleasing to have appointed an internal successor which demonstrates the talent within the existing leadership team.”*

Mr Battershill has a Bachelor of Engineering (Geology) (Hons) from the Camborne School of Mines, United Kingdom and a highly-successful career spanning more than 25 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 (Western Mining) as well as significant financial experience at Citigroup, UBS and Canaccord both in Sydney and London. Mr Battershill was consistently voted one of the leading financial mining analysts in Australia between 2009 and 2015 by institutional investors. Mr Battershill has been a non-executive director of Silver Mines since 2017.

Mr McClure will continue as Managing Director until 31st December 2023, and has agreed to be engaged by the Company in a consultancy role and will remain available to advise the Company with the preparations for the transition in to mine development.

Details of Mr Battershill's remuneration package is included in the Appendix to this announcement.

This document has been authorised for release to the ASX by the Company's Chairman, Mr Keith Perrett.

Yours faithfully
Silver Mines Limited



Trent Franklin
Company Secretary

APPENDIX 1 – Material Terms of Managing Director Agreement

The material terms of Mr Battershill’s employment agreement with Silver Mines Limited are as follows:

(a) **Commencement Date:**

1st January 2024.

(b) **Term**

No fixed term. Employment will continue until terminated by either party, in accordance with the employment agreement as summarised below.

(c) **Total Fixed Remuneration**

\$650,000 per annum (TFR) plus statutory superannuation, subject to review from time to time.

(d) **Short term incentives**

Mr Battershill will be eligible for annual Short-Term Incentives (STIs) of up to 50% of TFR.

The STIs will be payable at the Board’s discretion and upon achievement by the Managing Director of Key Performance Indicators (KPIs) primarily related to HSE (Health, Safety and Environmental) performance and other criteria as agreed by the Board from time to time.

The Board may decide to pay the STIs in cash, shares or in a combination of cash and shares.

Any decision by the Board to pay any STIs in shares in the Company will be subject to shareholder approval in accordance with the ASX Listing Rules and other applicable law.

(e) **Long Term Incentives**

Subject to shareholder approval, Mr Battershill will be entitled to participate in the Company’s Employee Incentive Scheme and will be issued the following performance rights:

Item	First Vesting Performance Rights (Class 1)	Second Vesting Performance Rights (Class 2)	Third Vesting Performance Rights (Class 3)
Number of Performance Rights	4,000,000	4,000,000	4,000,000
Vesting conditions	Vest upon the Company's Shares achieving a 10 day VWAP of \$0.30 at any time before the Expiry date.	Vest upon the Company's Shares achieving a 10 day VWAP of \$0.40 at any time before the Expiry date and provided commencement of mine construction has occurred.	Vest upon the Company's Shares achieving a 10 day VWAP of \$0.50 at any time before the Expiry date and provided successful mine commissioning has occurred.
Term	3 years	3 years	3 years
Expiry Date	31 December 2026	31 December 2026	31 December 2026

(f) **Notice and Termination**

Either party may terminate the employment providing 6 months notice.

The Company may elect to require Mr Battershill to serve out the whole or part of the notice period, or to pay Mr Battershill in lieu of notice.

The Company may terminate Mr Battershill's employment without notice and payment in certain circumstances, including for serious misconduct or non-rectified breach of the employment contract.