

5 February 2024

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

PLACEMENT AND SPP TO RAISE \$10 MILLION

Not for release to US wire services or distribution in the United States

Silver Mines Limited (ASX:SVL) (“**Silver Mines**” or “the **Company**”) is pleased to advise that it has successfully completed a Placement of A\$8 million (before costs) to institutional, professional and sophisticated investors (“**Placement**”). Demand for the Placement was well in excess of funds raised by the Company.

Along with the funds from the Placement, Silver Mines will also be conducting a Share Purchase Plan (“**SPP**”) to raise up to a further \$2 million (before costs) to give eligible shareholders an opportunity to participate in the capital raising.

The Company continues to progress the Bowdens Silver Project towards development with a number of important catalysts emerging in the near term. The funds raised under the Placement and the SPP will be used predominantly for the following:

- update to the Bowdens Mineral Resource and Mineral Reserve Estimates later this year;
- completion of the Feasibility Optimisation Study which is expected to materially enhance project economics and is targeted for release in the September Quarter;
- continued exploration for Resource growth across the Company’s NSW tenements; and
- general working capital.

Placement

The Placement was strongly supported by both existing shareholders and new investors.

The Placement was conducted at an issue price of \$0.135 per share being a 19.2% discount to the five day volume weighted average price for fully paid ordinary shares in the Company.

The Placement will result in the issue of 59,259,260 fully paid ordinary shares (“**New Shares**”) to be issued using the Company’s capacity under ASX Listing Rule 7.1.

Canaccord Genuity and Jett Capital Advisors LLC acted as Joint Lead Managers to the Placement.

Settlement of the Placement is expected to take place on Thursday, 8 February 2024. The expected date of issue of the New Shares to investors is Friday, 9 February 2024.

Share Purchase Plan

Silver Mines will also offer eligible shareholders the opportunity to participate in a non-underwritten SPP to raise up to an additional \$2 million (before costs).

Under the SPP, eligible Silver Mines shareholders, being shareholders with a registered address in Australia or New Zealand on Silver Mines' register as at 7:00pm (AEDT) on Friday, 2 February 2024 ("**Eligible Shareholders**"), have the opportunity to apply for up to A\$30,000 of SPP Shares without incurring brokerage or other transaction costs.

Shares under the SPP ("**SPP Shares**") will be issued at the same price as shares in the Placement ("**SPP Issue Price**").

The SPP offer period will open on Tuesday, 13 February 2024 and is expected to close at 5:00pm (AEDT) on Tuesday, 5 March 2024 (unless extended or closed earlier at the discretion of the Company).

As the SPP is not fully underwritten, the SPP may raise more or less than \$2 million. If the SPP raises more than \$2 million, Silver Mines may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than \$2 million.

In the event that less than \$2 million is applied for under the SPP by Eligible Shareholders, the Directors will in their absolute discretion seek to place that number of SPP Shares at the SPP Issue Price to raise \$2 million when combined with the amount raised under the SPP ("**Shortfall Offer**").

The terms and conditions of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX on Tuesday, 13 February 2024. A letter to Eligible Shareholders will be despatched to Eligible Shareholders via their preferred method of contact on the same date.

Shares issued under the Placement and the SPP will rank pari passu with existing Silver Mines ordinary shares from the respective dates of issue.

Timeline of Key Events

Event	Date
Record Date	7:00PM (AEDT) Friday, 2 February 2024
Placement and SPP announcement and Lodgement of Appendix 3B	Monday, 5 February 2024
Despatch of letters to Eligible Shareholders and release SPP Booklet on ASX	Tuesday, 13 February 2024
SPP Offer opens	Tuesday, 13 February 2024
SPP Offer closes	5:00PM (AEDT) Tuesday, 5 March 2024
Announcement of Results of Share Purchase Plan	Tuesday, 12 March 2024
Issue of SPP Shares under SPP, Lodge Appendix 2A	Tuesday, 12 March 2024

This timetable is indicative only and subject to change. The commencement of trading and quotation of Shares under the Placement and SPP is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Silver Mines reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice. Accordingly, shareholders are encouraged to submit their application forms as early as possible. All times are AEDT.

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 Jonathan Battershill.

Yours faithfully
Silver Mines Limited



Trent Franklin
Company Secretary

Not an offer in the United States:

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.