

Silver Mines Limited Environmental Policy

Background

Silver Mines Limited (“**Silver Mines**” or “the **Company**” or “the **Group**”) considers environmental issues a crucial topic to be addressed in management. Striving for a sustainable society, Silver Mines will work to preserve the environment and prevent pollution in our business activities, while creating businesses that are both highly competitive and environmentally responsible.

Silver Mines is committed to high standards of environmental management across all its sites.

Responsibility of Management

Silver Mine’s key management personnel all support this collective responsibility, and specific responsibilities will comprise:

Executive Management: Executive management and the board are responsible for the development and implementation of environmental policy, processes, performance objectives and review of the policy;

Site Management and Project Managers: site and project managers are responsible for advising the Executive team on environmental matters and any environmental issues that may arise. Other personnel may also be responsible for advising the Executive team on environmental matters relevant to their respective roles; and

Dedicated Environmental Staff: there may also be dedicated environmental management functional staff engaged by Silver Mines who will be responsible for establishing and maintaining the effectiveness of Silver Mines’ environmental management systems, processes and initiatives and improving environmental awareness across the entire organisation.

A Comprehensive approach to environmental management

Silver Mines’ approach to environmental management focuses on avoiding environmental impacts where possible, mitigating unavoidable impacts, rehabilitating or restoring disturbed areas, and offsetting to compensate for any impacts that cannot be otherwise avoided, minimised or rehabilitated.

To do this, Silver Mines undertakes extensive assessments and management planning in relation to surface water, groundwater, flood impact, flora and fauna, Aboriginal cultural heritage, historical heritage, air quality, agriculture and geochemistry impacts. This includes extensive consultation with relevant stakeholders throughout formal planning and approval processes, such as the development of comprehensive environmental assessments for all projects, and specific management plans across all stages of projects from construction and operation to rehabilitation and closure.

In Australia, mining is a highly regulated industry that is subject to constant monitoring, compliance and enforcement activity by relevant government authorities. For all Silver Mines’ exploration and mining operations, Silver Mines observes the strict conditioning requirements that apply. Silver Mines’ commitment is to always plan carefully and mine responsibly in line with its approval conditions.

Silver Mines’ comprehensive management of environmental impacts is complemented by ongoing formal and informal stakeholder engagement, and direct community feedback and more. Silver Mines’ works together with its local communities, including neighbouring landholders, and adjusts its environmental management approach based on this consultation.

Policy Application and Organisational Awareness

The Executive team and key management personnel have a responsibility to ensure that all employees and contractors are provided with the appropriate training and education with respect to Silver Mines' environmental policy objectives and maintain continued adherence of these objectives.

All Silver Mines employees and contractors engaged by Silver Mines or those who work on projects run and owned by Silver Mines are accountable to understand, observe and ensure a demonstrated commitment to this environmental policy.

All employees will be active towards sound environmental management and as a minimum, ensure compliance with all statutory requirements associated with the Company's activities, from mineral exploration, mining and processing through to the sale of mineral products.

Environmental Policy Objectives

- ***Comply with environmental laws and regulations***

In the course of Silver Mines' business operations, Silver Mines will comply with laws and regulations concerning the environment, international treaties, and agreements to which Silver Mines subscribes.

- ***Continuously improve our environmental management system***

Under Silver Mines' environmental management system, Silver Mines will establish and periodically review environmental objectives and aim for constant improvement, in order to enhance its environmental performance.

- ***Minimise environmental burden***

Through reducing greenhouse gases such as CO₂ to prevent climate change and preserving biodiversity, Silver Mines will strive to minimise the environmental burden of its businesses.

- ***Promote resource efficiency***

Silver Mines will promote full life-cycle resource efficiency by minimising and reducing pollution, energy consumption and waste generation and will promote resource reuse, recovery and recycling.

- ***Conserve resources and reduce/recycle waste***

Silver Mines will engage in curbing the use of natural resources such as energy and water, and the reducing and recycling of waste.

- ***Consider the environment in new businesses***

When starting new businesses and expanding or further developing existing businesses, Silver Mines will work to reduce the burden on the environment and prevent pollution.

- ***Pursue sustainable resources***

Silver Mines will promote initiatives for the stable supply of resources and realisation of a suitable energy mix.

- ***Educate and promote awareness on the environment***

In addition to ensuring that all of Silver Mines' officers and employees are notified of this policy, Silver Mines will implement educational activities to ensure widespread awareness.

- ***Stakeholder communication***

Silver Mines will communicate with key stakeholders on environmental issues in a transparent and timely manner.