



BOWDENS

SILVER

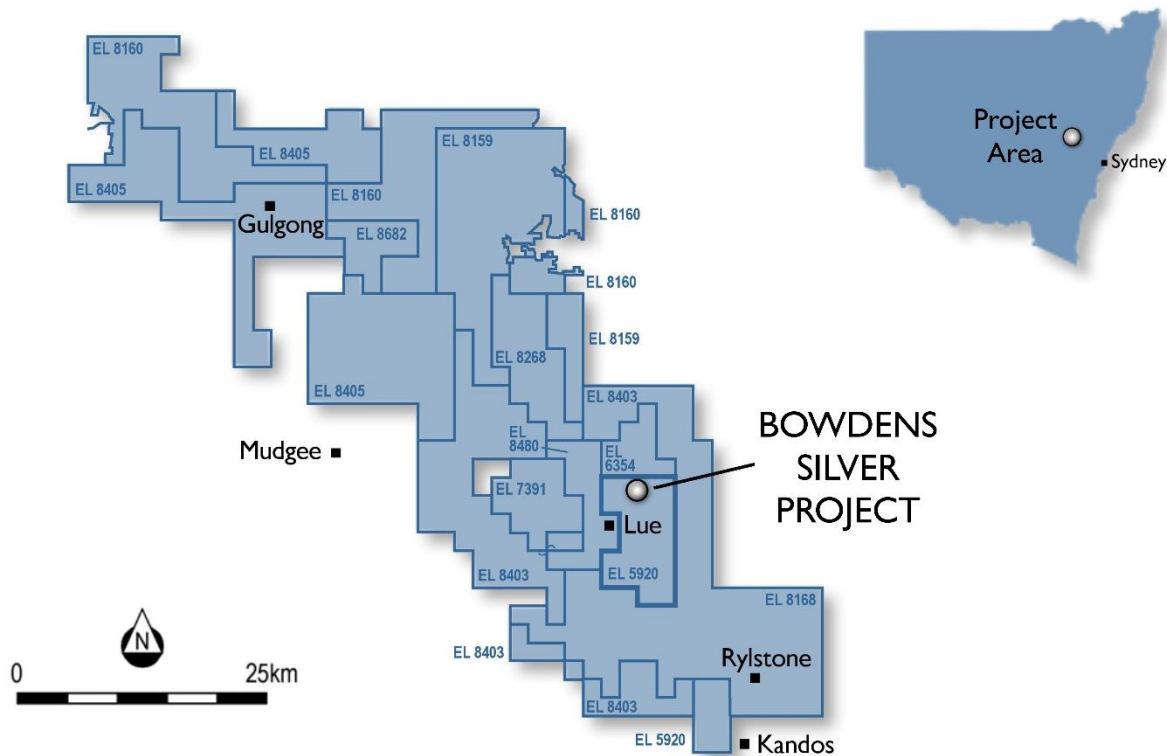
Open Day Presentation

15th June 2019

Who Are We?

- **Bowdens Silver Pty Limited is a wholly owned subsidiary of Australian company Silver Mines Limited listed on the Australian Securities Exchange.**
- **Board and Management has substantial experience in mineral exploration and mine development.**
- **Bowdens Silver is the largest undeveloped silver deposit in Australia and one of the largest globally.**
- **Mineral Resource of 163 million ounces of silver (275 million ounces of silver equivalent when zinc and lead included).**
- **Classified as “State Significant Development”.**
- **Approximately \$75 million spent on the project to date.**

Where Are We?



- Holdings of 2007 km² (496,000 acres) in exploration licences stretching from north of Gulgong to Kandos.
- New South Wales, a quality jurisdiction.
- Major minerals projects in the state include;
 - Cadia/Ridgeway, Newcrest (gold and copper)
 - Cowal, Evolution (gold)
 - Northparkes, (gold and copper)
 - Plus coal mining exports (170 million tonnes pa).

What Are We Planning?

- Development of an open cut mine.
- Processing on site of up to 2.0 million tonnes of ore per year.
- Approximately 53 million ounces of silver will be produced over the life of the mine with zinc and lead as a minor by-product.
- Silver/lead and zinc concentrates produced and transported by road and rail with no smelting on site.
- Project life of 17 years.
- Most water recycled on site, a water supply pipeline from the Ulan coal fields.
- Tailings storage facility and waste rock emplacements.
- A new public road to provide vehicle access to the Mine Site, west of Lue.
- Progressive rehabilitation over the life of mine.



Legends



- Existing
- Year 1
- Year 8
- Year 16
- Year 18/25

1.53km



Economics

Physical Metrics	Unit	Value
Ore Mined and Processed	Mt	29.9
Waste Mined	Mt	48.2
Silver Recovered in Concentrate	Moz	52.9
Zinc Recovered in Concentrate	kt	116
Lead Recovered in Concentrate	kt	83
Financial		
Revenue	AUD M	1,899.5
Operating Expenses	AUD M	1,340.8
Operating Margin	AUD M	558.7
Development Costs		
Initial Costs	AUD M	246.0
Production Costs		
Cash Costs (Silver basis)	AUD/ounce	15.47

WHAT IS SILVER USED FOR?

PHOTOGRAPHY

*BURNS TREATMENT
AND WOUND DRESSING*

Washing machines

Mirrors
WILLO?>

AERONAUTICAL AND SPACE TECHNOLOGY

Solar panels

Switches-light switches, microwaves, toys, telephones, ovens & computers. If it's got an on/off switch it's probably got silver.

BATTERIES

Mobile Phones

Highest electrical and thermal conductivity of any element

Thermal Windows

CARS – more than 40 silver-tipped switches are found in cars.

Air-conditioners

Water purification – silver ions are replacing chlorine in water filtration in hospitals, schools and public pools.

Aircraft navigation equipment

Refrigerators

Dentistry

Jewellery

Silver Bars-
investment

Pre-paid road toll passes

Silver ions can kill up to 650 types of bacteria, algae and fungi

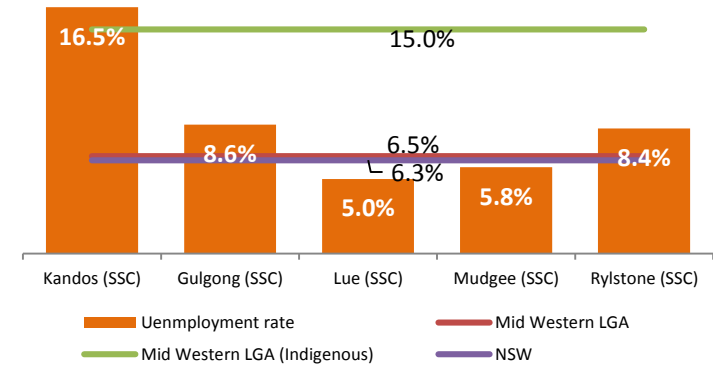
Nano Technology – silver is added to fabrics, appliances, carpets and air-purifiers killing harmful bacteria.

Employment

- **Current staff of 18 - almost all living locally.**
- **Continued policy of all jobs advertised locally.**
- **Upon development, approximately 230 (peak) local jobs to be created:**
 - **Construction – mine infrastructure & associated suppliers.**
 - **Mining - material movement and management.**
 - **Technical Services - environmental, geological, engineering.**
 - **Processing and Plant Operations - grinding, milling, flotation, tailings.**
 - **General and Administration - accounting, health & safety, farm, support.**
- **Mining operations salaries and wages will be approximately \$300 million for the life of the project (excluding construction personnel).**
- **In addition, we will have around 20 personnel in the exploration team.**
- **Substantial benefits locally for contractors and services - rule of thumb - three jobs created for every mine employee.**

Community

- Direct and indirect economic contribution to the local and regional economies through wages, procurement and community investment.
- “Keeping it Local” - 130+ local contractors and suppliers have helped us to date.
- Education is key - our work with local schools is substantial and will continue to expand.



Community Enhancement Program

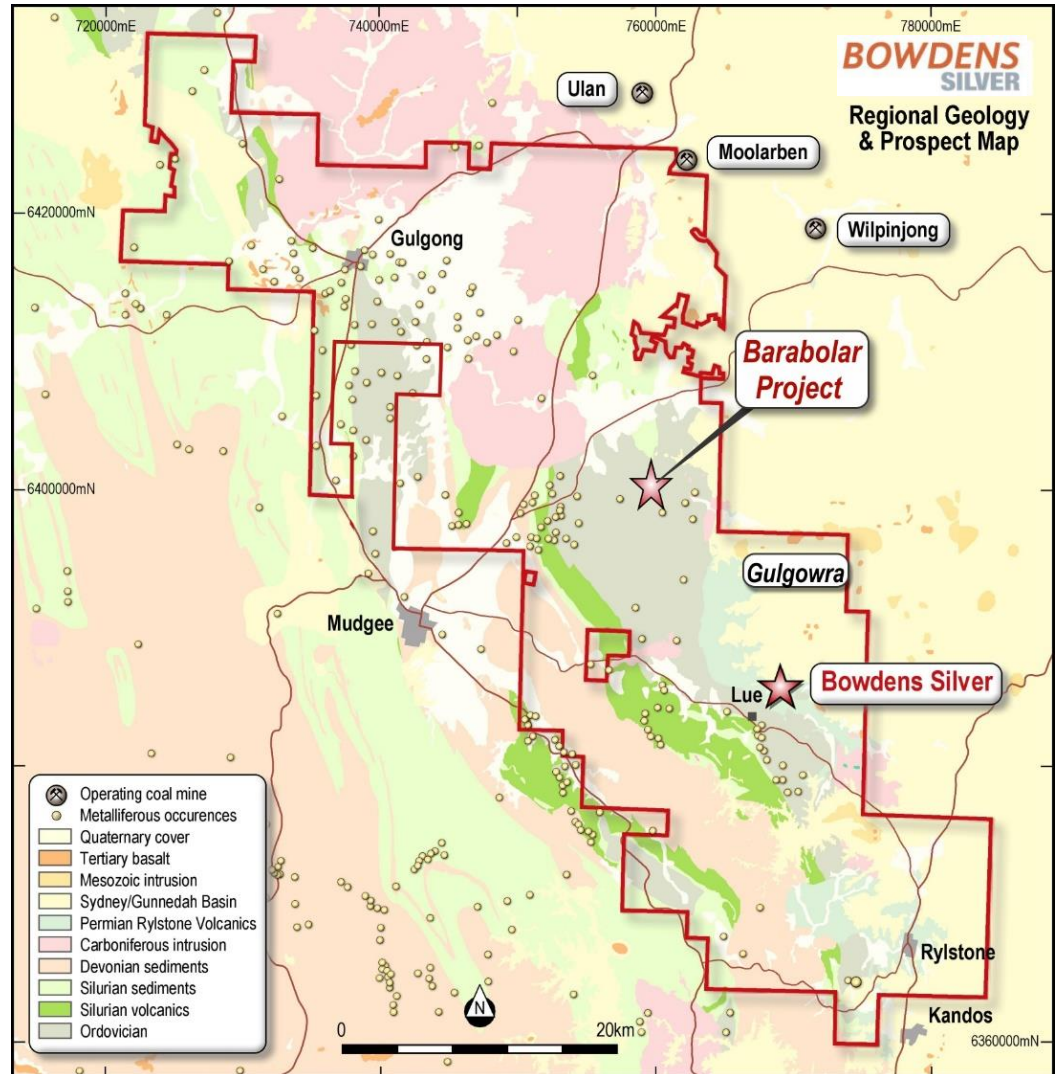
Committee to be set up specifically to decide on community projects related to education, heritage, tourism, community events, land management, village beautification, sponsorships, etc.

Education Program Development

- Lue Public School - IT sponsorship, water bore, garden, new bus, educational support.
- Kandos High School – transport and sponsorships.
- Kandos Public School - playground and educational support.
- Rylstone Public School - educational area and storage facility.
- Local trainee and support program opportunities to be commissioned with transition into mine development (including with local secondary schools).
- Future collaboration with TAFE, Recruitment Agencies and Universities.
- University of New South Wales - under graduate and post graduate programs.

Exploration

- Potential expansion of current silver resources at Bowdens.
- Gold and copper potential in the region.
- Currently drilling at the Barabolar Project located 10kms north of the Bowdens Silver Project.



Environmental Impact Statement

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Visibility Assessment

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www.bowdenssilver.com.au