

4 April 2018

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

SHARE PLACEMENT

Silver Mines Limited (ASX:SVL) (“Silver Mines” or “the Company”) is pleased to advise that it has successfully completed a capital raising of A\$2.75 million (before costs) (“Placement”) to institutional, professional and sophisticated investors.

The financing will be primarily used to finalise the Company’s Feasibility Study and Environmental Impact Statement for the Company’s Bowdens Silver Project in New South Wales. In addition, exploration in proximity to Bowdens will continue with the next phase of drilling directed to high impact targets immediately to the north-west of the Bowdens Silver Deposit.

The Placement was conducted at an issue price of \$0.04 per share, and will result in the issue of 68,750,000 shares, as follows:

- 66,607,628 shares using the Company’s capacity under ASX Listing rule 7.1; and
- 2,142,372 shares using the Company’s capacity under ASX Listing rule 7.1A.

Settlement of the Placement is expected to take place on 6 April 2018.

For the purpose of ASX Listing Rule 3.10.5A, the Company provides the following information:

- (a) The portion of the Placement conducted using the Company’s capacity under ASX Listing Rule 7.1A represents dilution to current shareholders of 0.48%.
- (b) The Company received subscriptions for more than its full capacity under Listing Rule 7.1 under the Placement and accordingly partially utilised its capacity under Listing Rule 7.1A.
- (c) There were no underwriting arrangements for the Placement.
- (d) Costs associated with the Placement were incurred on standard commercial terms of 5% of the gross proceeds of the Placement. Other costs include nominal administrative, share registry and ASX fees.

The Company requests that its securities are reinstated to official quotation with immediate effect.

Yours faithfully
Silver Mines Limited



Trent Franklin
Company Secretary