

## ASX ANNOUNCEMENT

12 September 2014

### Appointment of Luke Tonkin as Managing Director

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Silver Lake Resources Limited (“Silver Lake”) advises of the following changes.

Mr. Luke Tonkin will assume the role of Managing Director effective 20 November 2014. Mr. Tonkin is currently in the role of Executive Director - Operations and has gained a sound understanding of Silver Lake’s operations over the last year. Mr. Tonkin has already made a significant contribution to Silver Lake, including the orderly placement of the Murchison Gold Operations and the Lakewood Mill on care and maintenance. We welcome Mr. Tonkin to the role of Managing Director.

Mr. Les Davis, Silver Lake’s founding Managing Director, will retire effective 19 November 2014. Mr. Davis has held this role since May 2007. Mr. Davis has been instrumental in the growth of Silver Lake and has tirelessly driven Silver Lake as its Managing Director. Mr. Davis has made an outstanding contribution to Silver Lake and to the resource industry in general. This is currently being demonstrated in the Heart of Gold campaign which is resisting potential increases to the gold royalty. Mr. Davis has been appointed a Non-Executive Director of Silver Lake.

The key terms of Mr. Tonkin’s employment as Managing Director and Mr. Davis’s appointment as a Non-Executive Director of Silver Lake are summarised in the attachment to this announcement.



Paul Chapman  
Chairman

### Terms of Mr. Tonkin's employment as Managing Director

The key terms of Mr. Tonkin's employment as Managing Director are as follows:

**Term:** Mr. Tonkin is appointed as Managing Director, effective 20 November 2014, on an ongoing basis until terminated by either Mr. Tonkin or Silver Lake under the terms of the contract.

**Total Fixed Remuneration ("TFR"):** \$500,000 per annum plus 12% superannuation.

**Short Term Incentive ("STI"):** An annual opportunity of up to a maximum of 50% of TFR subject to achieving targets set by the Board in accordance with Silver Lake's short term incentive plan.

**Long Term Incentive ("LTI"):** An annual opportunity to receive up to 75% of TFR in accordance with the Company's Long Term Incentive Plan and subject to any shareholder approval requirements.

#### Termination and Notice:

- (a) Termination by Mr. Tonkin or Silver Lake on 6 months' notice.
- (b) Termination by Silver Lake on 12 months' notice where the Managing Director position is made redundant. Silver Lake may make a payment in lieu of notice, calculated based on TFR at the date of termination. Termination benefits payable are subject to the Corporations Act (Cth) 2001. Silver Lake may also terminate Mr. Tonkin without notice for cause.

### Terms of Mr. Davis's appointment as a Non-Executive Director

Mr. Davis's appointment as a Non-Executive Director will be on Silver Lake's standard Non-Executive Director appointment terms including an annual director's fee, which is currently set at \$81,000 plus superannuation.

About Silver Lake Resources Ltd:

Silver Lake is a gold producing and exploration company based solely in Western Australia.

Silver Lake's core asset is the Mount Monger Operations, a high margin operation located in a first world jurisdiction 50km south east of Kalgoorlie in the Eastern Goldfields district of Western Australia.

Silver Lake has multiple near term options to further develop the Mount Monger Operations that are under review including:

- Majestic open pit followed by Imperial underground mine;
- Maxwells underground mine;
- Upper areas to the east and west of Daisy Milano;
- Lorna Doone open pit; and
- Magic underground mine.

These deposits have work programmes in place to advance towards production and are in various stages of evaluation.

Silver Lake's land position in Western Australia covers 5,000 sqkm of highly prospective under explored tenements containing gold, silver, copper & zinc.

Silver Lake currently has JORC Resources and JORC Ore Reserves containing:

- 5.7 million oz of gold inclusive of 1.1 million oz of Reserve;
  - 10.5 million oz of silver; and
  - 134,000 tonnes of copper.
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### **Competent Person's Statement**

The information in this ASX announcement that relates to Mineral Resources and Ore Reserves for the Daisy Milano, Haoma, Haoma West, Wombola Dam and Cock Eyed Bob deposits were compiled by Matthew Karl who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Karl is a full time employee of Silver Lake Resources Ltd, and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Karl has given his consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

All other information relating to Exploration results, Mineral Resources and Ore Reserves is based on information compiled by Mr Christopher Banasik who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Banasik is a full time employee of Silver Lake Resources Ltd, and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Banasik has given his consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Information that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

### **Forward Looking Statements**

This ASX announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, Reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Silver Lake. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.