

Murchison Asset Transactions

Silver Lake Resources Limited (“**Silver Lake**” or the “**Company**”) is pleased to announce that it has entered into two transactions in respect of its non-core tenure in the Murchison area of Western Australia. The transactions follow on from the formal sale process commenced earlier this year and deliver on the Company’s stated aim of crystallising inherent value from its non-core assets.

The Tuckabianna Mill and associated core tenements do not form part of either transaction and continue to be retained by the Company.

Further detail in respect of the transactions is provided below.

Divestment of Comet assets

Silver Lake has entered into a conditional sale and purchase agreement with a wholly owned subsidiary of Metals X Limited (**ASX:MLX**), whereby MLX will purchase the Comet tenure and assets from Silver Lake for a cash consideration of \$3,000,000.

The sale assets comprise Mining Leases M21/08 and M21/72, Exploration Licence E21/125 and Miscellaneous Licences L21/16 and L21/17 and associated mining information and infrastructure currently located on the tenements (refer Figure 1 below).

The agreement is conditional on Ministerial consent being obtained for the transfer of the tenements and MLX obtaining Foreign Investment Review Board approval. It is anticipated that completion will take place during the latter part of December 2015.

Cue Project Farmin and Joint Venture

Silver Lake has entered into a Farm-In and Joint Venture Agreement with Musgrave Minerals Limited (**ASX:MGV**) under which MGV may earn up to an 80% joint venture interest in tenements comprising the Moyagee Gold and Hollandaire Copper Projects (to be referred to as the “**Cue Project**”) (refer Figure 2 below).

The terms of the agreement are as follows:

- The agreement is conditional upon Ministerial consent being obtained and the non-exercise of a pre-emptive right over certain mining leases the subject of the agreement held by Franco-Nevada Australia Pty Ltd.
- On satisfaction or waiver of the conditions precedent, the agreement will commence and MGV will issue Silver Lake \$75,000 in ordinary shares at an issue price based on MGV’s 5-day volume weighted average share price.
- MGV must spend a minimum of \$900,000 on exploration expenditure on the Cue Project tenure within 12 months of commencement.
- MGV may earn an initial 60% interest with a further exploration spend of \$1,800,000 within a further 2 years (i.e. total spend of \$2.7 million to earn 60%).
- MGV must, at its election, either pay Silver Lake \$250,000 cash or issue to Silver Lake that number of fully paid ordinary shares in MGV with a total issue value of \$250,000 at an issue price based on MGV’s 5-day VWAP upon one of the following Project Milestones:

- Delineation of an additional JORC compliant Inferred Mineral Resource of 400,000 ounces gold; or
- An additional JORC compliant Inferred Mineral Resource of 80,000 tonnes copper.
- On earning a 60% joint venture interest, MGV may elect to increase its interest in the Cue Project to 80% by spending a further \$1,800,000 within a further 2 years.
- Once a joint venture is formed, the joint venture interest of a party which does not elect to contribute pro-rata will dilute. If a party's joint venture interest falls below 10%, it will be deemed to have withdrawn from the joint venture and its joint venture interest will convert to a 1.5% net smelter royalty.
- Upon a Decision to Mine MGV must (at its election) either pay Silver Lake \$250,000 cash or issue Silver Lake that number of fully paid ordinary shares in MGV with a total issue value of \$250,000 at an issue price based on MGV's 5-day VWAP.
- MGV will manage the project.

Silver Lake Managing Director Luke Tonkin said:

“These transactions are consistent with Silver Lake’s stated objective of delivering embedded value from its non-core assets. Both transactions further enhance the direct and indirect value of Silver Lake’s processing infrastructure in the Murchison as active exploration and mine development emerges in the area. These transactions also reduce Silver Lake’s financial commitment in the Murchison, allowing it to focus resources in its core Mount Monger assets.”

For further information please contact

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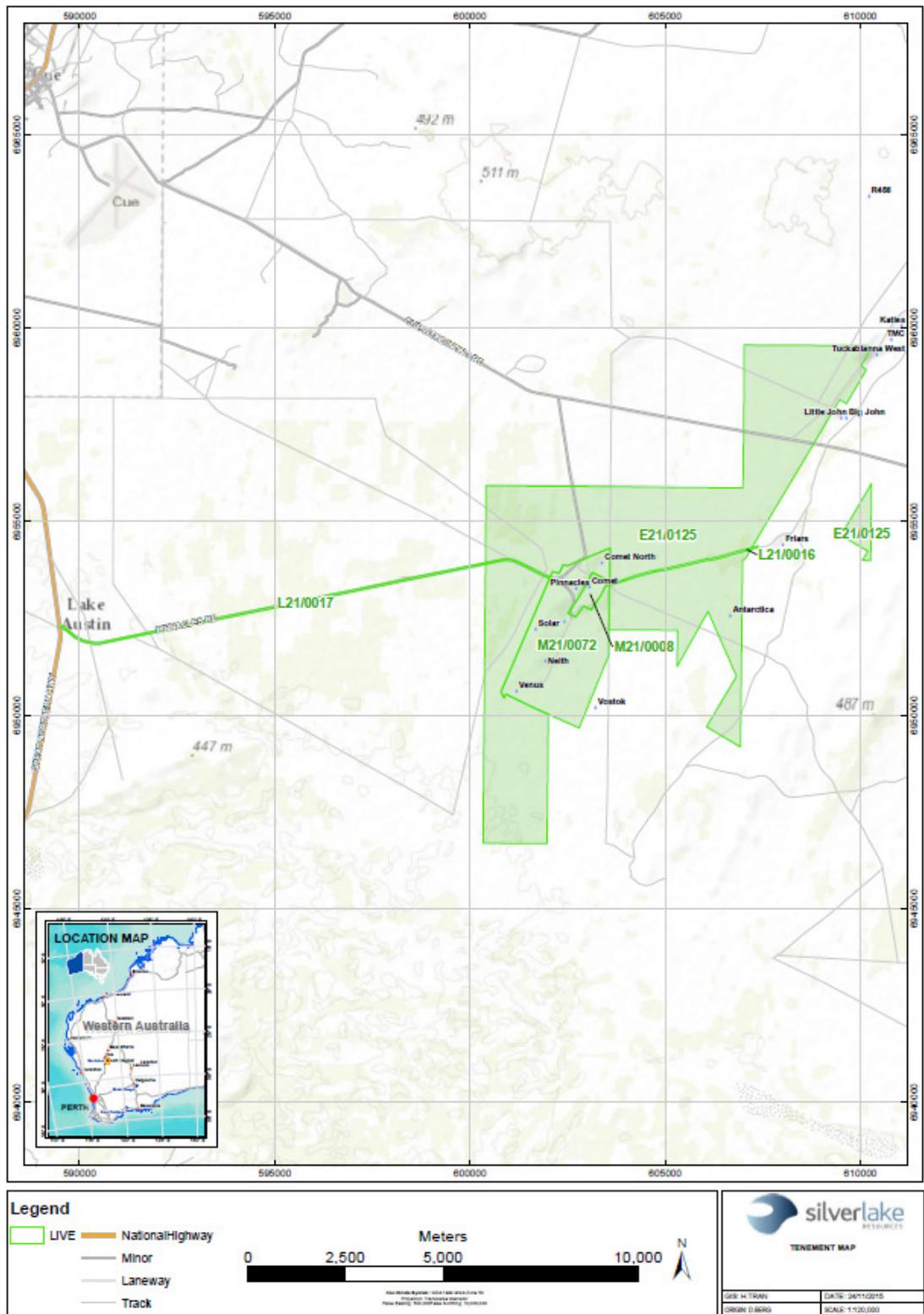


Figure 1: Comet tenure

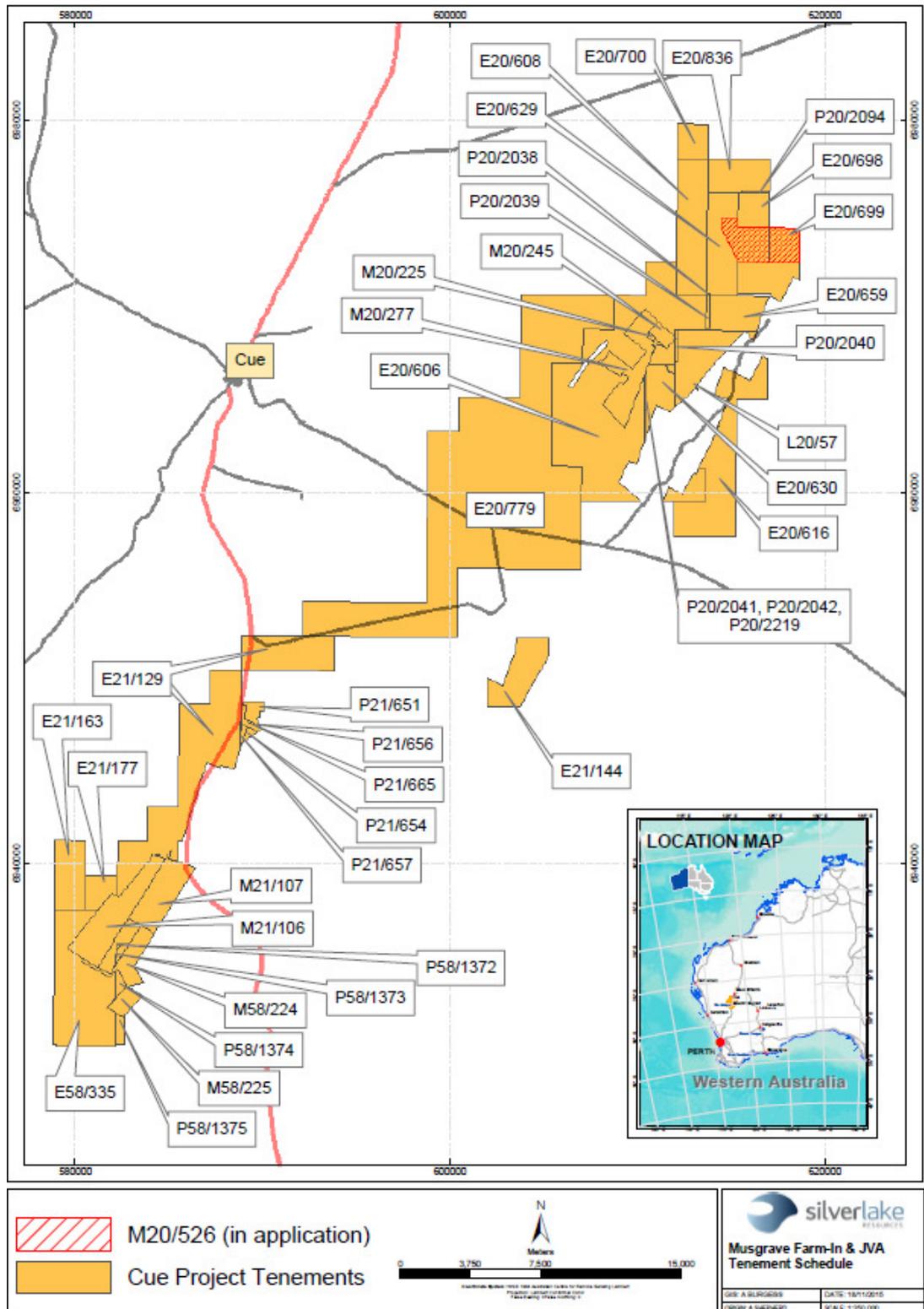


Figure 2: Cue Project tenure