



# Melbourne Mining Club – Cutting Edge

Delivering today, developing for tomorrow and discovering for the future

15 March 2016

ASX: SLR

ABN: 38 108 779 782

[www.silverlakeresources.com.au](http://www.silverlakeresources.com.au)

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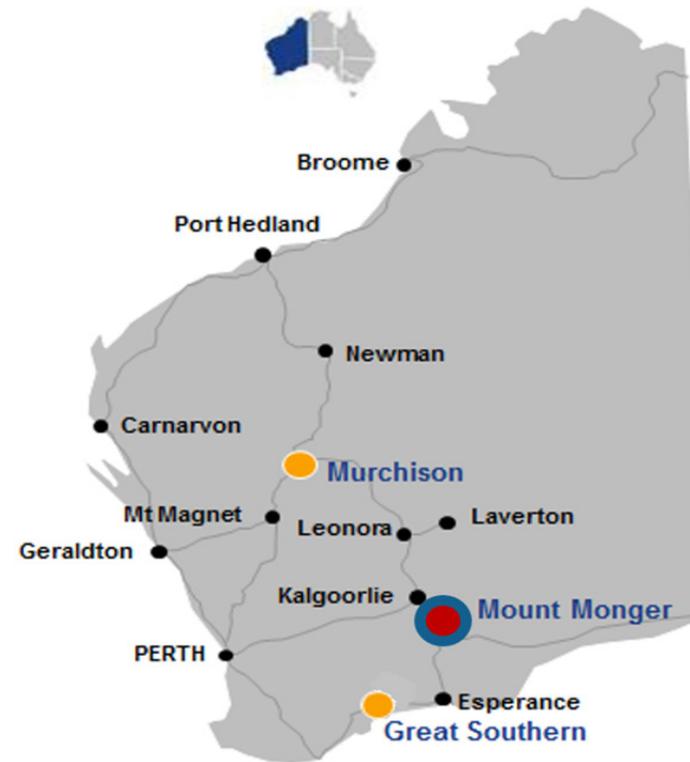
# Silver Lake at a glance



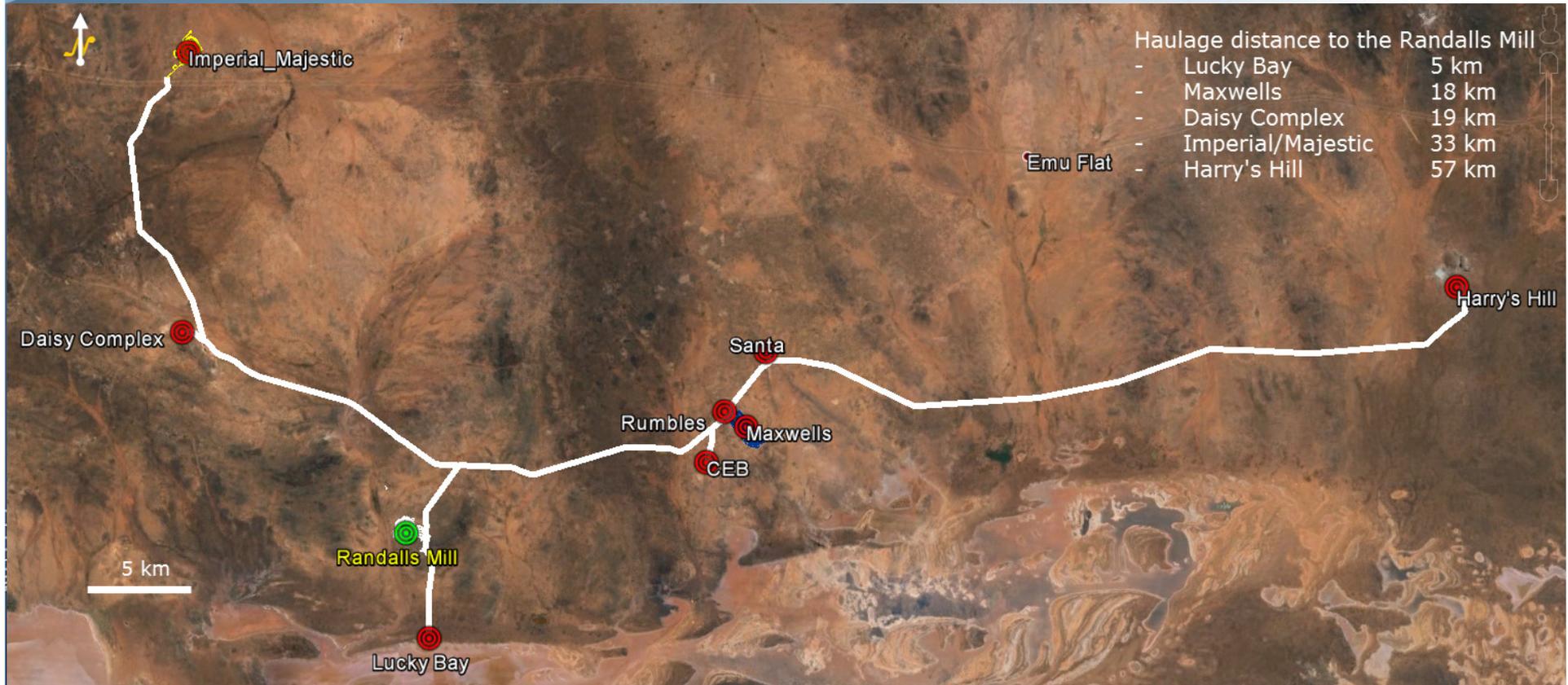
Silver Lake Resources	ASX: SLR
Share price	A\$0.33
12 month share price range	A\$0.13 – A\$0.35
Shares on issue	503.2 million
Options and performance rights	5.8 million
Diluted market capitalisation	A\$166M
Top 20 Shareholders hold	16%
Average daily volume	3.0 million
Cash & bullion	A\$37.2M
Listed investments	A\$6.7M
Bank debt	A\$2.3M
Hedging	82koz at A\$1,600/oz

As at 29 Feb 2016

Board of Directors	
David Quinlivan	Chairman
Luke Tonkin	Managing Director
Les Davis	NED
Kelvin Flynn	NED
Brian Kennedy	NED



# Mount Monger - a premier Goldfields address



# Mount Monger – operating strategy



Delivering today

Developing for tomorrow

Discovering for the future

125-135koz FY16

Development

A\$15.5m FY16 exploration program

Sustain & introduce higher margin ounces

Enhance through new discoveries

**Daisy Complex**

- High grade underground source

**Cock-eyed Bob**

- Near surface underground BIF ore source

**Lucky Bay, Santa Area & Rumbles**

- Multiple open pit feed sources supplementing high grade underground ore

1.2mtpa Randalls mill

**Imperial/Majestic**

- May 2016 start-up
- Low capital works intensity and rapid development timeframe

• ~100koz

**Harry's Hill**

- ~86koz

**Daisy Complex**

- Infill & extend

**Cock-eyed Bob**

- Gold mineralisation extends below current 345 mining level

**Dinnie Reggio**

- Identify high grade shoots within mineralised system

**Daisy style deposits**

- 60,000m aircore drilling

**Northwest structural corridor**

- Multiple Daisy style targets
- Significant high grade intersections

**Sasha**

- High grade pygmatic structure

**Mount Belches**

- Multiple targets

**Maxwells**

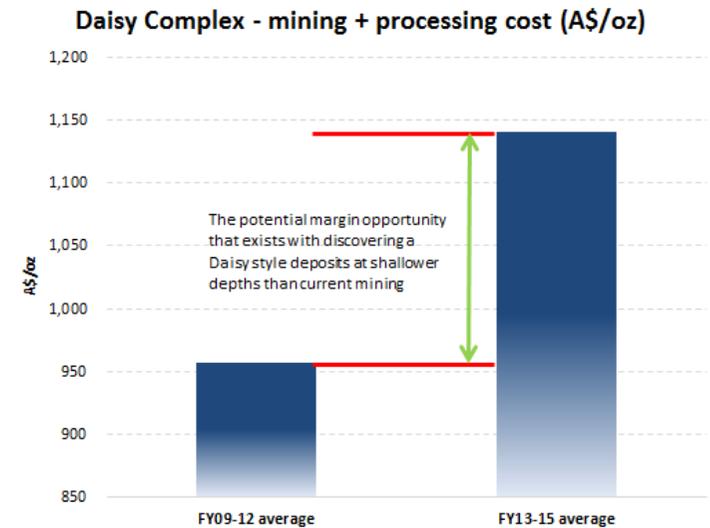
Continuation of multiple high grade shoots within the Western, Central and Eastern BIF's.



# Operating strategy enhancing margin



- A\$15.5m FY16 exploration program to sustain and enhance profitability
- Targets ranked by the size of the PRIZE, the PROBABILITY of success & PRIORITY to the business
- Focus FY16 Mount Monger exploration strategy at recapturing lower cost base
  - Resource conversion and extension continuing to drive production and cash flow baseline
  - Additional exploration drilling targeting Daisy style deposits at shallower depth than current mining
  - All targets “in the shadow of the headframe”
- FY16 spend reflects initial testing of high value targets
  - Spend normalises as feed sources are defined



## Delivering today – corporately, operationally & financially



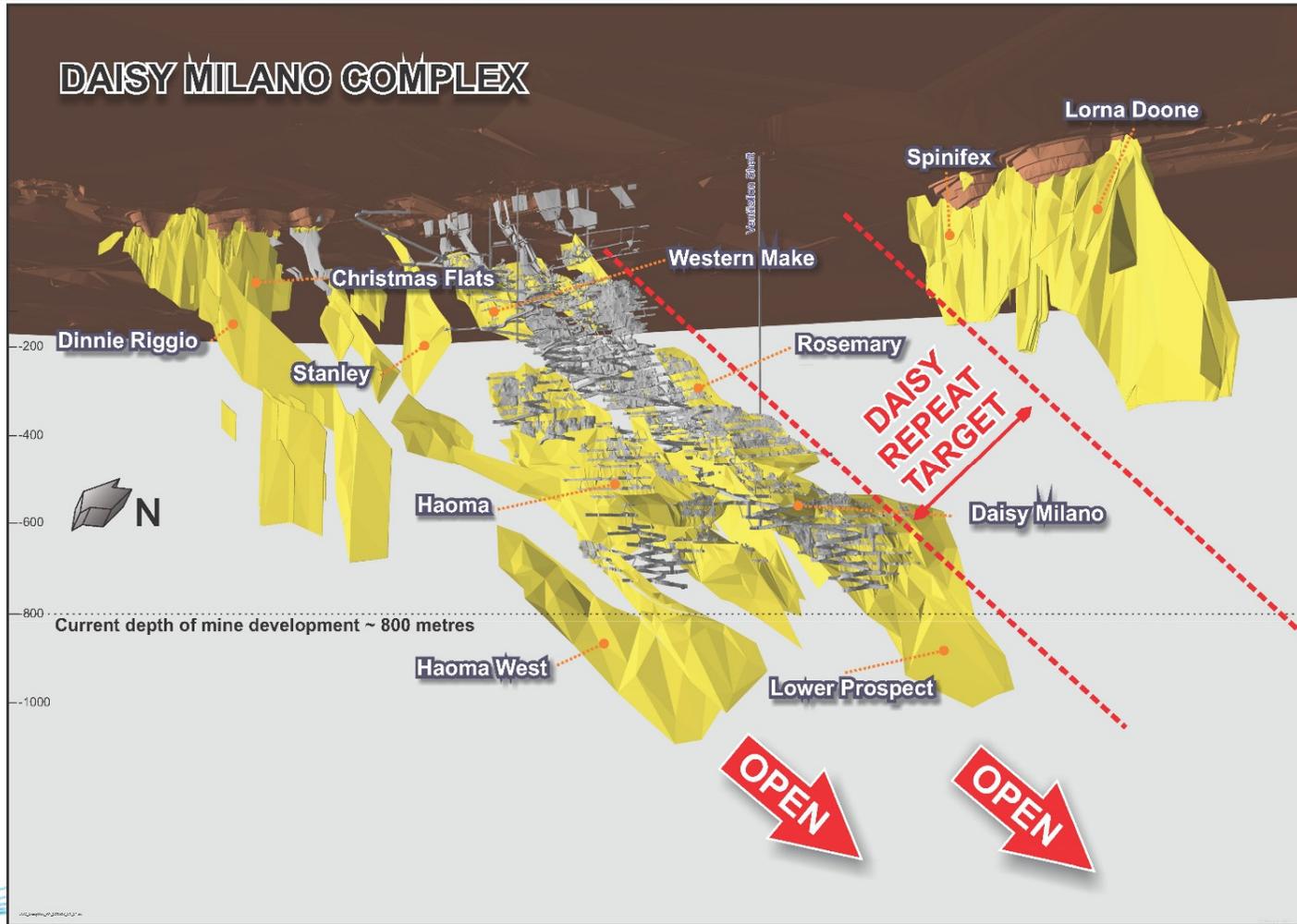
- Tracking to meet production guidance of 125-135koz FY16
- Strong operating cash flow to internally fund both exploration and mine development
  - Gold sold 1H FY16 increased 23% to 67.5koz
  - Cash & bullion 1H FY16 increased 18% to A\$34.2m
  - EBITDA\* 1H FY16 increased 118% to A\$25.8m
  - AISC 1H FY16 decreased 8% to A\$1,281/oz
  - Debt 1H FY16 decreased 31% to A\$3.1m
- A\$15.5m staged & phased exploration program having immediate and spectacular results
- Crystallising value from non-core assets
- Production profile visibility
- Strengthened balance sheet
- Board and management renewal



\* EBITDA (excluding significant items) is an unaudited, non IFRS measure. Refer to page 7 of Interim Financial Report for Six Months Ended 31 December 2015 released to ASX on 24 February 2016 for further information



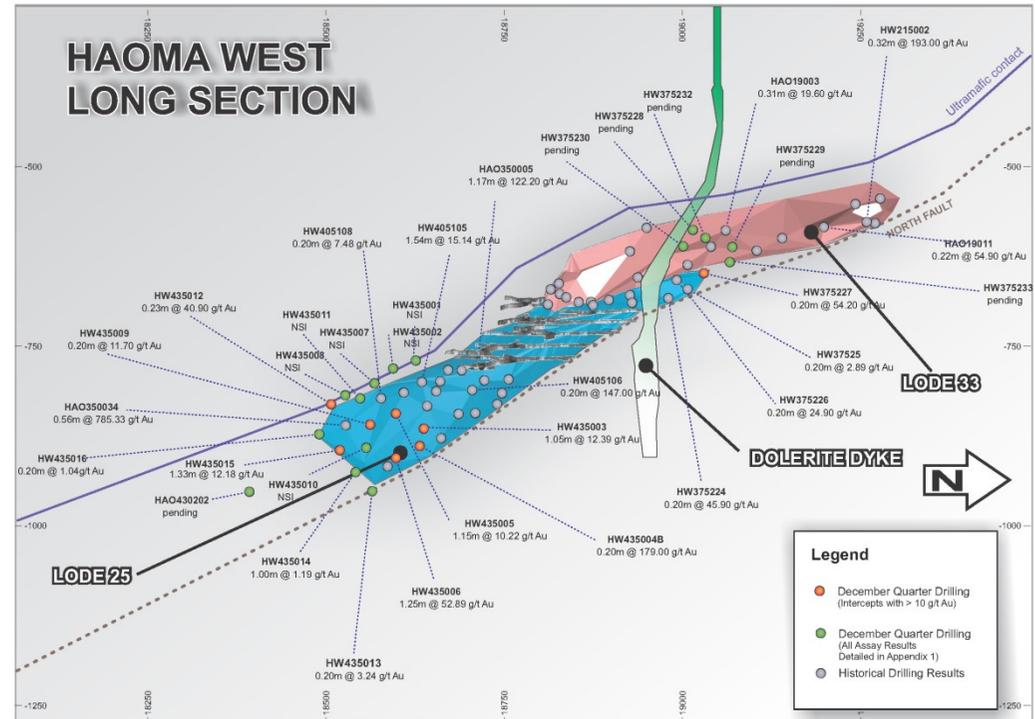
# Developing for tomorrow – Daisy Complex



# Developing for tomorrow – Daisy Complex



- Daisy Complex produced 3.1mt @ 7.15g/t for 707koz LOM
- Contributes >50% of Mount Monger production from only 28% of the feed tonnes
- Generated strong margins over its LOM
- Infill and extend 800koz Resource\* base
- 49 lodes identified to date
- ≈17,000m infill & extensional drilling to the end of February
- Full year program – 28,500m
- Haoma West is an existing and ongoing source of high grade ore
  - 161koz Resource\* to -950RL
  - Represents approximately 20% of the ounces and 6% tonnes



\* Refer to 28 August 2015 ASX "Mineral Resources – Ore Reserves - August 2015" announcement

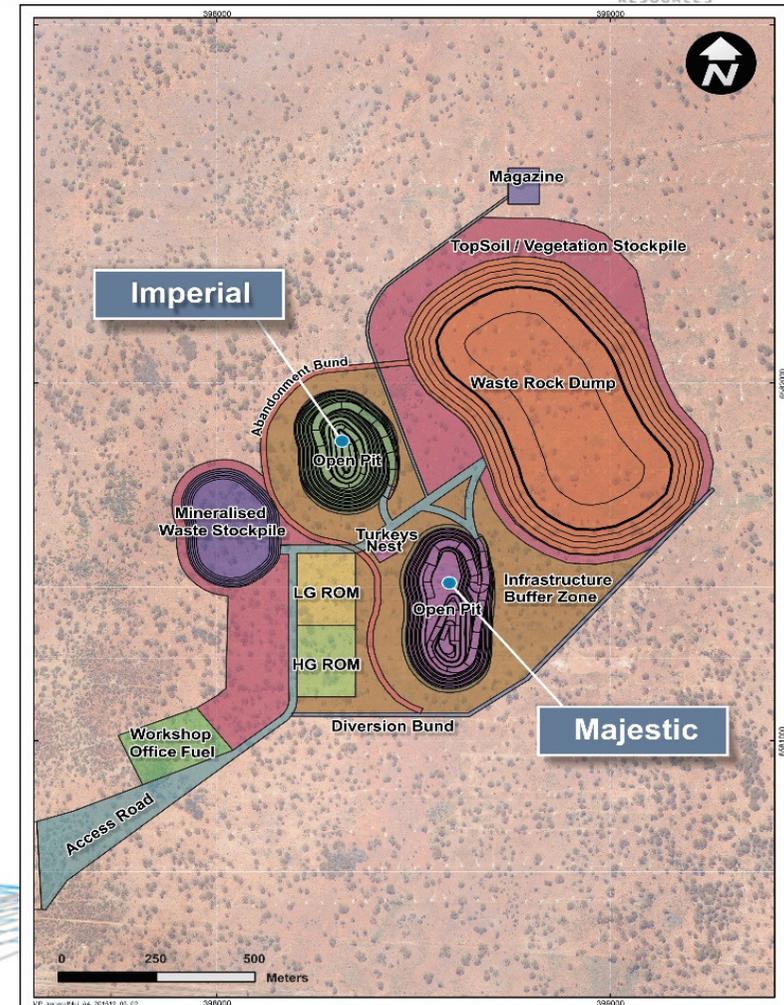


## Developing for tomorrow - Imperial/Majestic



- Development of Imperial/Majestic open pits has commenced and is internally funded
- Pre-development capital works A\$3.8m
  - Proven development model based on Lucky Bay and Santa Area open pits
  - 3 month pre-strip
- ≈2 year Reserve backed Life of Mine
  - 1.16mt @ 3.12g/t for 116koz\*
- Resource conversion provides opportunity for LOM extension
  - 2.81mt @ 2.78g/t for 250koz\*
- First ore expected to be processed September 2016, following completion of mining at Santa Area

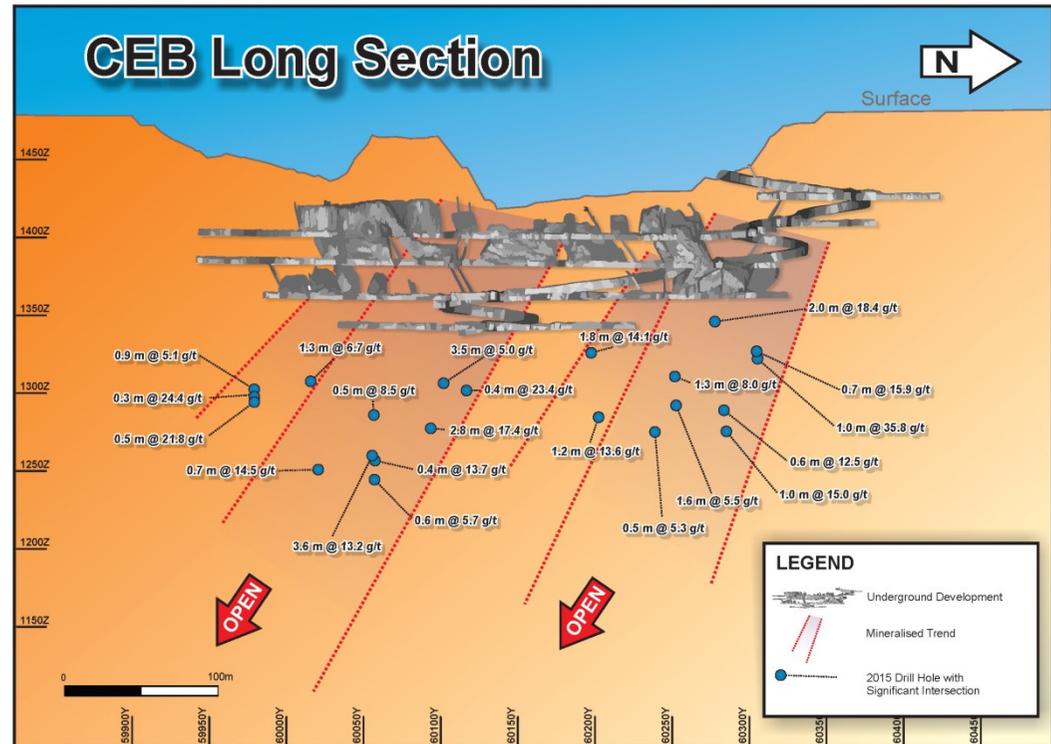
\* Refer to 28 August 2015 ASX "Mineral Resources - Ore Reserves - August 2015" announcement



# Developing for tomorrow – Cock-eyed Bob



- Five underground mine levels developed to 130m below surface
- Limited drilling below the 345 mining level, historical results include:
  - 8.8m @ 17.0g/t
  - 4.2m @ 14.3g/t
  - 3.0m @ 13.6g/t
  - 4.0m @ 15.6g/t
- 30 June 2015 Resource\* of 217koz to be upgraded following FY16 drilling program
- Significant FY16 drill results# include:
  - 1.0m @ 35.9g/t
  - 2.0m @ 18.4g/t
  - 2.8m @ 17.4g/t
  - 3.6m @ 13.2g/t
- Resource extends 150m below 345 level
- Further infill drilling 2H FY16 upgrading geological confidence



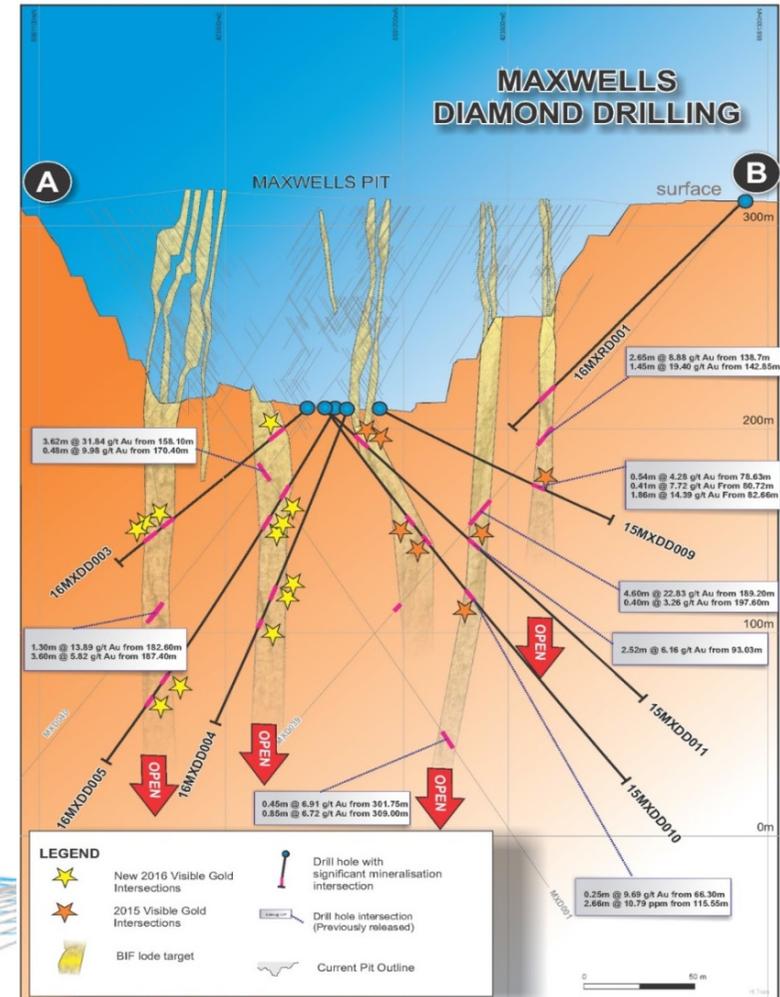
\* Refer to 28 August 2015 ASX "Mineral Resources - Ore Reserves - August 2015" announcement  
 # Refer to 21 January 2016 ASX "December 2015 Quarterly Report" announcement



# Developing for tomorrow - Maxwells



- Further A\$1.4m allocated in Q3 FY16 to accelerate drilling
- Most recent 12 diamond drill holes ALL intersected visible gold\*
- Diamond drill hole 16MXDD005 intersected 5 separate intervals of visible gold corresponding to down plunge & strike extensions to high grade BIF units
- Strongly mineralised diamond drill hole intercepts logged in the interpreted West Lode BIF's
- Drilling continues to support underground development at Maxwells
- Potential for a shallow underground mining operation supported by existing infrastructure
  - Appropriate underground cut-off grade and modifying factors modelled
  - Supporting production of 45koz pa at AISC ≈A\$1,000/oz

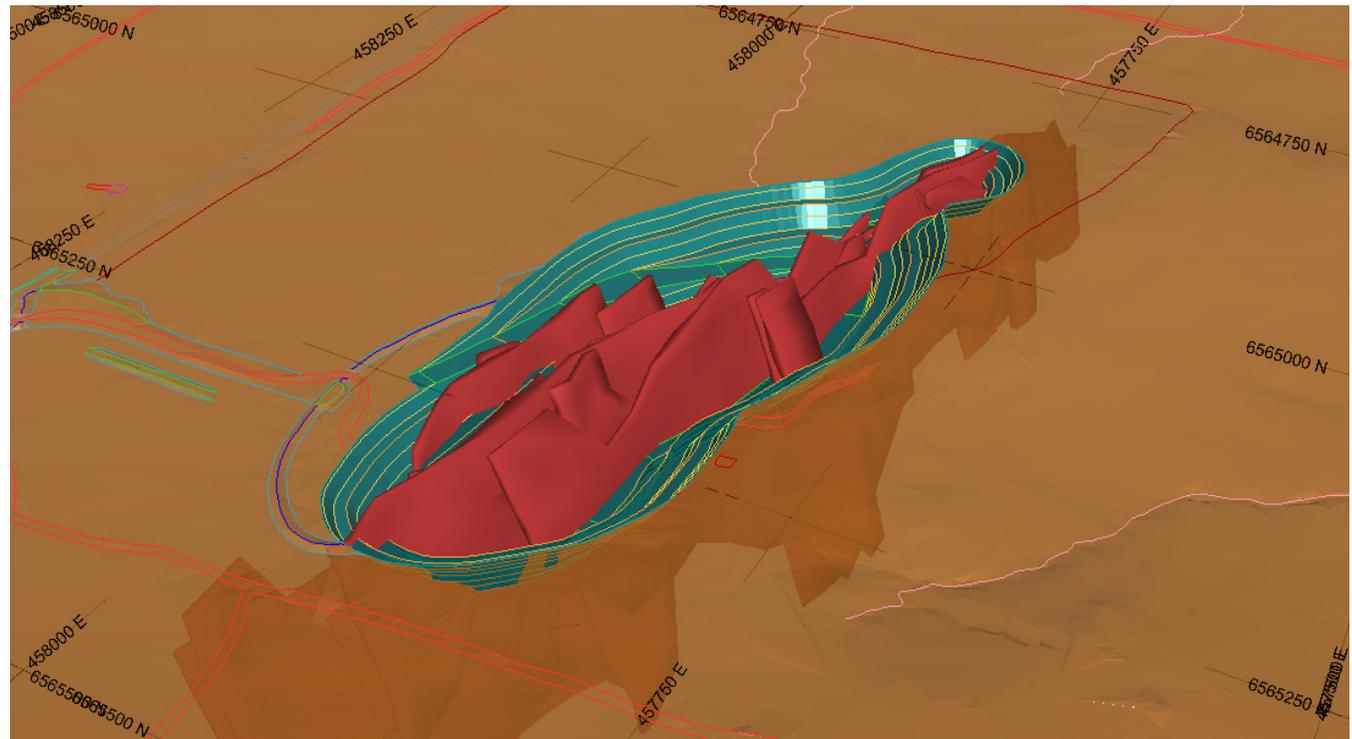


\* Refer to 4 March 2016 ASX "Maxwells Update" announcement

## Developing for tomorrow – Harry's Hill



- Resource 1.80mt @ 2.3g/t for 135koz\*
- Reserve 1.13mt @ 2.4g/t for 86koz\*
- No further Resource drilling required
- Only 57km haul to Randalls Mill
- Low strip ratio 9:1
- Scheduled for production from FY19



\* Refer to 28 August 2015 ASX "Mineral Resources - Ore Reserves - August 2015" announcement

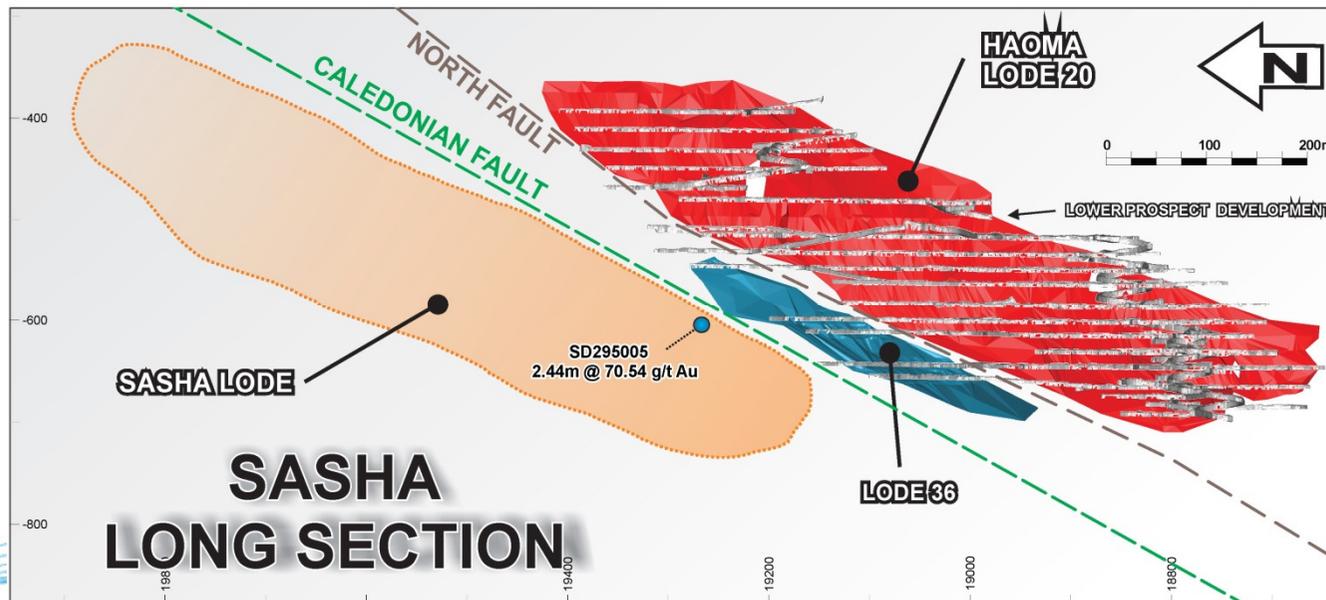


# Discovering for the future – Daisy Complex



- Targeting repeat Daisy style lodes within development distance of Daisy Complex
- A\$1.1m dedicated to program FY16
- Structural north-westerly corridors and east-west faults
- Compressional and dilational veining
- Immediate and spectacular exploration success
- SD295005 intersected pygmatic vein north of Caledonian Fault
- Sasha lode
  - 2.44m @ 70.54g/t\*
  - Further drilling H2 FY16

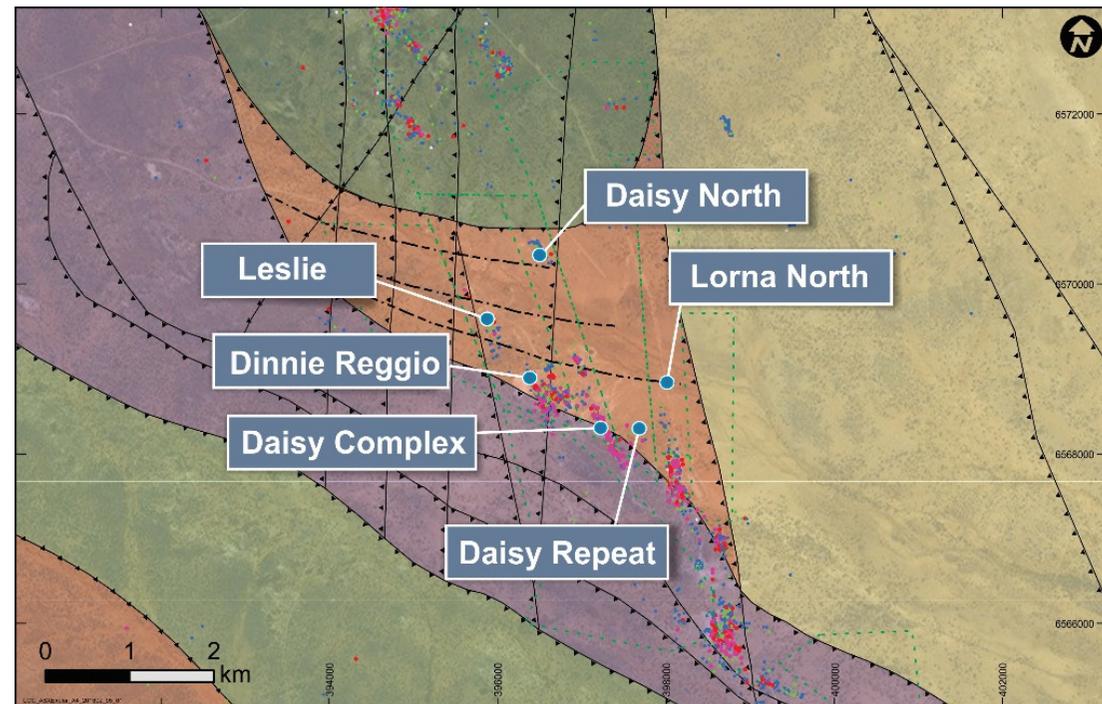
\* Refer to 15 March 2016 ASX "Mount Monger Drilling Update" announcement



## Discovering for the future – Daisy Complex



- Targeting repeat Daisy style lodes proximal to Daisy Complex
- Highly prospective structural corridors north-west of Daisy Complex
- Multiple high grade historical intersections including:
  - 2m @ 36g/t from 86m
  - 2m @ 24g/t from 74m
- Extensive top to tail aircore coverage

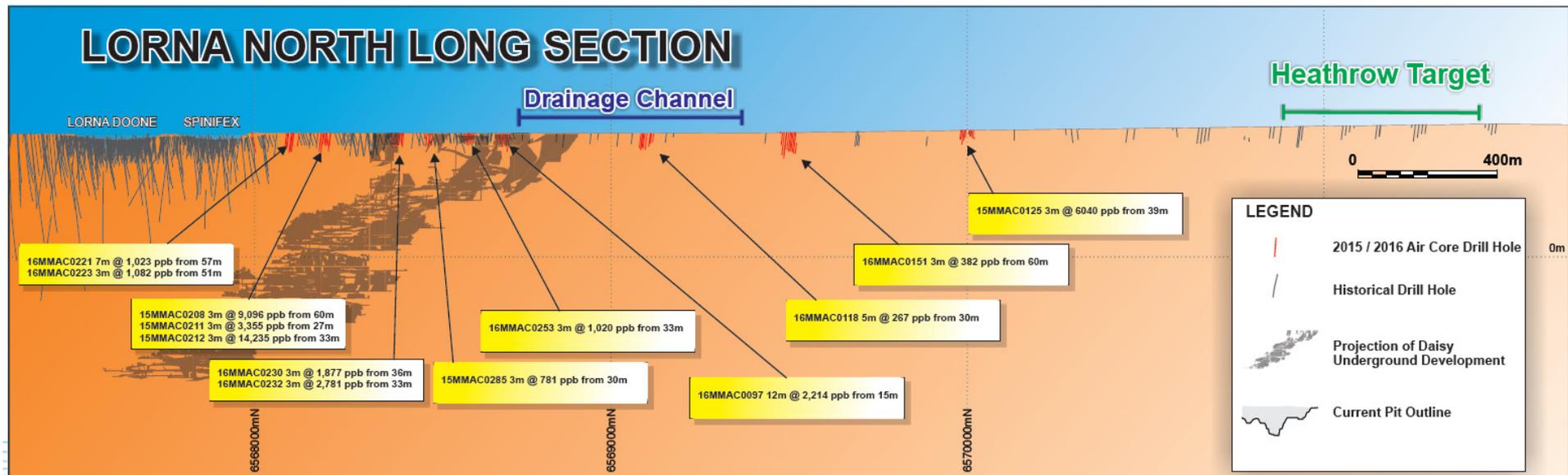


# Discovering for the future – Daisy Complex



- A\$3.2m program which includes 60,000m aircore & 9,700m of RC & diamond
- Spectacular early results from 25,500m of aircore drilling including#:
  - 3m @ 9g/t from 13m
  - 3m @ 14g/t from 33m
- Broad, persistent anomalism within tested corridors
- Indicative of primary lode systems
- Stage 2 aircore program commenced March FY16

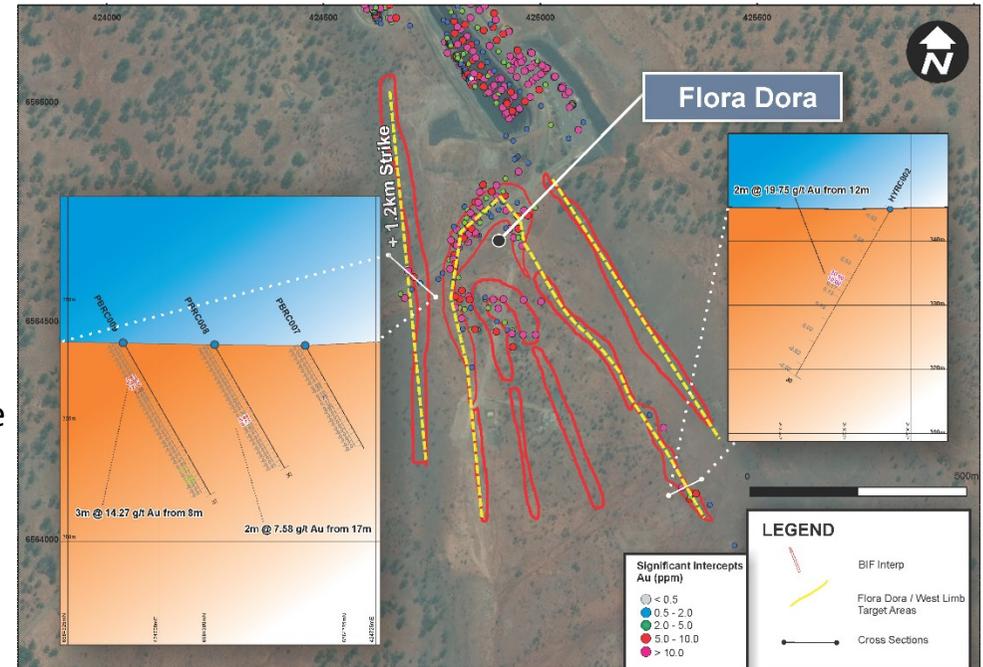
# Refer to 15 March 2016 ASX "Mount Monger Drilling Update" announcement



# Discovering for the future – Mount Belches



- Multiple near surface BIF hosted targets including:
  - Flora Dora
  - Golden Cliffs
  - Anomalies A-E
  - Z Fold
- Flora Dora
  - Very strong Au ppb soils anomaly
  - Drill tested on western limb to 60m down hole
  - Best historical intersections include:
    - 6m @ 16 g/t
    - 2m @ 20g/t
    - 3m @ 14g/t
  - Numerous high grade intercepts +350m strike
  - Western limb of Santa BIF untested by drilling for >500m between Santa and Flora Dora
  - Untested eastern limb of Maxwell's BIF
- Mount Belches exploration program FY17



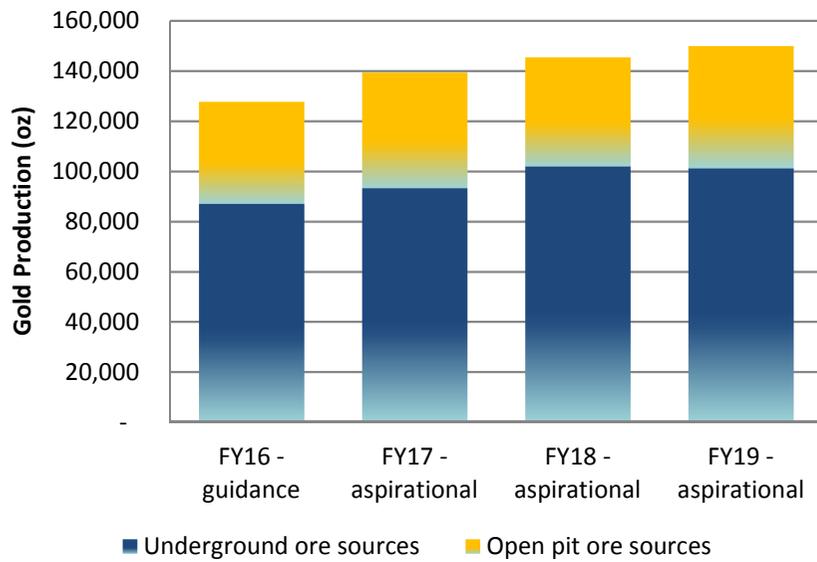
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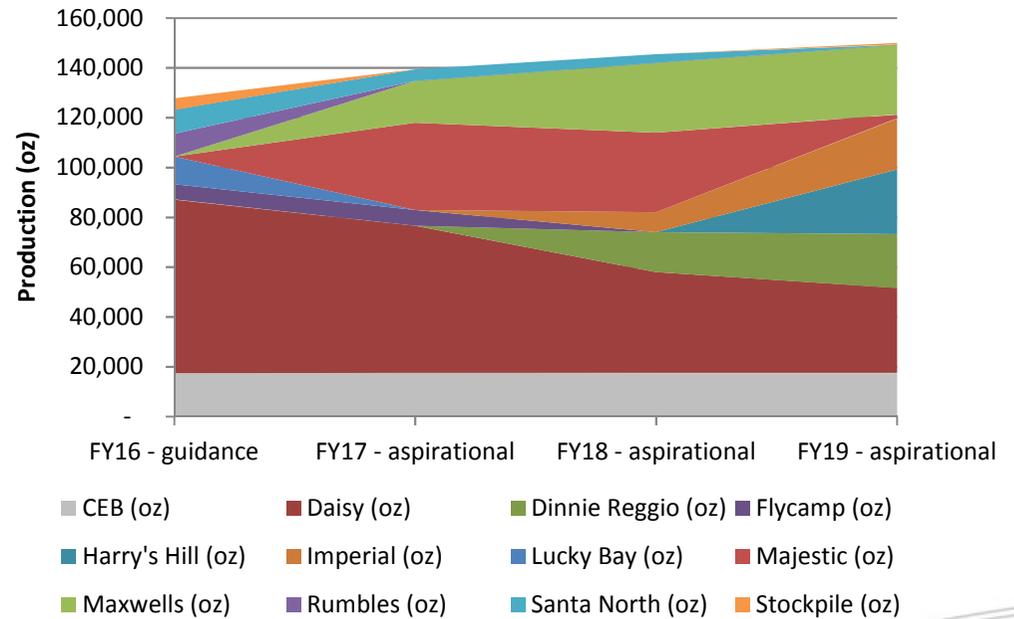
# Delivering today, developing for tomorrow and discovering for the future



### Annual Production



### Production Sources



## Delivering today, developing for tomorrow and discovering for the future



- **Delivering today**
  - On track to meet FY16 production guidance of 125-135koz
  - 119% increase in 1H FY16 Operating Cash flows to A\$25.8m
  - Successful infill & extensions of Resources at Daisy Complex
  - Internally funded exploration program & development of ore sources to compliment Daisy Complex
  - Balance sheet deleveraging and crystallising value from non-core assets
- **Developing for tomorrow**
  - Imperial/Majestic open pit development commenced
  - Maxwells diamond drilling program delivering immediate and spectacular results
  - Extensions of high grade Cock-eyed Bob mineralisation identified
  - Clear pathway to introduce higher margin ounces to the 4 year production outlook
- **Discovering for the future**
  - Targeting “*Daisy style*” deposits in the “shadow of the headframe”
  - Highly successful phase 1 aircore program targeting the northwest structural corridor
  - Multiple Mount Belches targets identified and are yet to be tested



## Appendix 1: Competent person requirements



The Mineral Resource and Ore Reserves estimates for the Daisy Complex (excluding Dinnie Reggio and Christmas Flats), Lorna Doone, Wombola Dam, Maxwells, Santa Area, Cock-eyed Bob, Lucky Bay, Rumbles, Caustons, Tuckabianna, TMC/Katies, Pinnacles and Lena are produced in accordance with the 2012 Edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves (the 2012 JORC Code).

These 2012 Mineral Resources and Ore Reserves has been extracted from the **ASX Announcement entitled “Mineral Resources and Ore Reserves Update” dated 28 August 2015** which is available to view at [www.silverlakeresources.com.au](http://www.silverlakeresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements and that all material assumptions and technical parameters underpinning the estimates in the ASX announcement continue to apply and have not materially changed.

All other Mineral Resource and Ore Reserves estimates were first prepared and disclosed under the 2004 edition of the JORC Code and have not been updated since to comply with the 2012 JORC Code on the basis that the information has not materially changed since it was last reported.

The information in this presentation relating to Exploration Results, and Mineral Resources and Ore Reserves prepared in accordance with the 2004 edition of the JORC Code, are based on information compiled by Mr Antony Shepherd, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Shepherd is a full time employee of Silver Lake Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Shepherd consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

