

# Bowdens Silver Project

## IPC Hearing

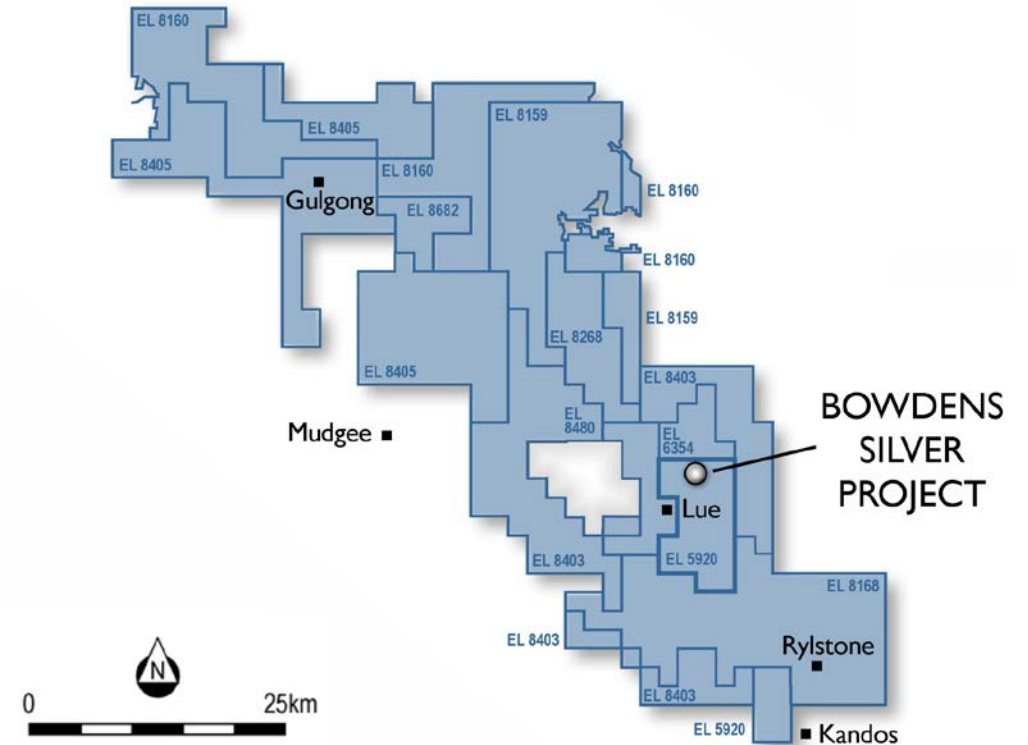
15<sup>th</sup> February 2023



# Who are we?

**Bowdens Silver Pty Ltd holds Exploration Licence EL5920 and surrounding licenses which contains the Bowdens Silver Project.**

- A wholly owned subsidiary of Australian Securities Exchange listed Silver Mines Limited.
- Silver Mines Limited is an Australian company with almost 12,000 shareholders of which 96% are Australian domiciled.
- We acquired Bowdens Silver in mid-2016.
- Highly experienced and governance focused Board of Directors, Management and local team.
- Project located approximately 30 kilometres east of Mudgee in central NSW.



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# An experienced and committed local team

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Our management and local team have a broad range of skills across exploration, environmental management, community, administration, finance, planning, mine development and production.



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# Our Farm

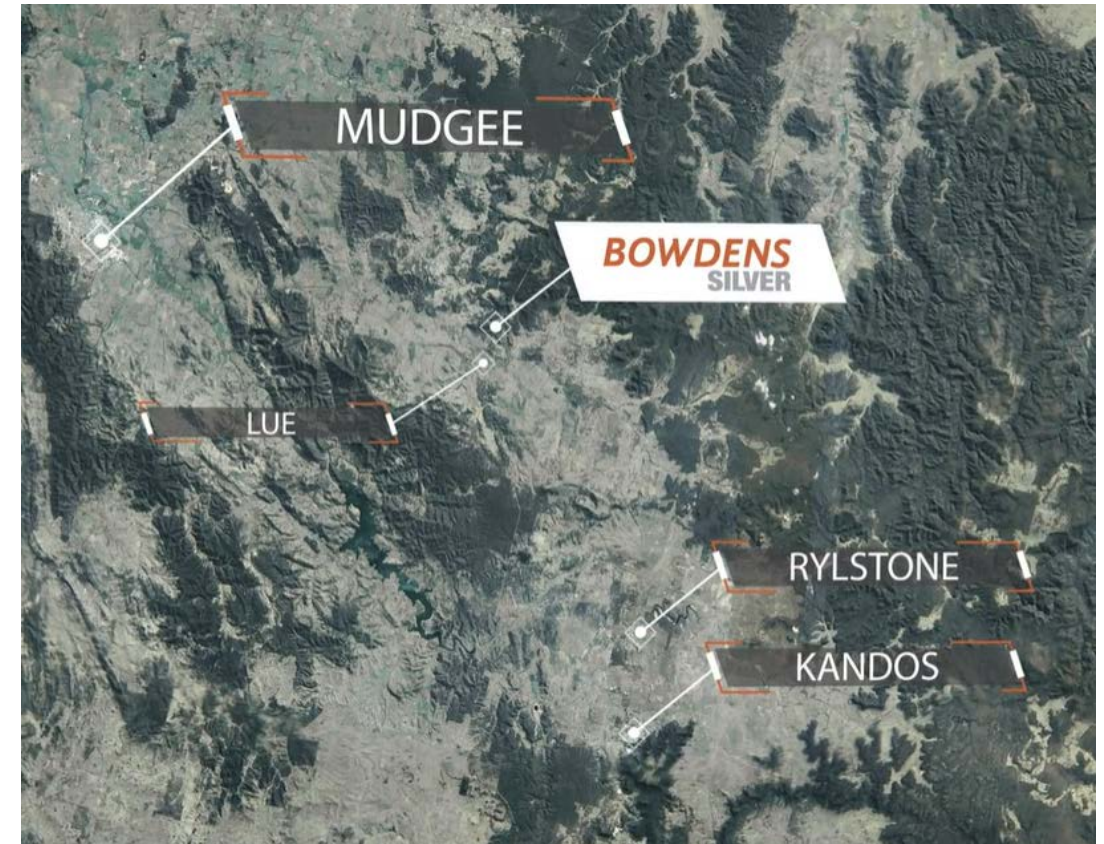
Our local farming team manage our land responsibly with sheep and cattle operations. Farming will continue throughout mine production.



# A proposal for long-term jobs and investment

**Bowdens Silver is the largest undeveloped silver project in Australia, and one of the largest globally.**

- Proposal to initially produce approximately 6 million ounces of silver per year with by-products of zinc and lead.
- Metal revenues consist of proximately 70% silver, 20% zinc and 10% lead.
- Development costs and life of mine capital costs \$310 million.
- Up to 320 jobs during construction and 228 ongoing jobs during operations.
- A locals-first approach – prioritising local residents for jobs and offering quality training opportunities.
- Flow-on benefits for local businesses and employees.



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# Major Milestones

## Timeline of Major Milestones

- **June 2016**  
Acquisition of Bowdens Silver Project
- **September 2017**  
Open-Cut Mineral Resource completed
- **May 2018**  
Open-Cut Ore Reserve completed
- **June 2018**  
Feasibility Study completed
- **May 2020**  
EIS completed, Development Application Submission
- **September 2022**  
Underground Mineral Resource completed
- **December 2022**  
DPE recommended project for final approvals
- **Early 2023**  
IPC process for consideration of final approvals
- **Third quarter 2023**  
Completion of project optimisation for development readiness



# What we set out to achieve

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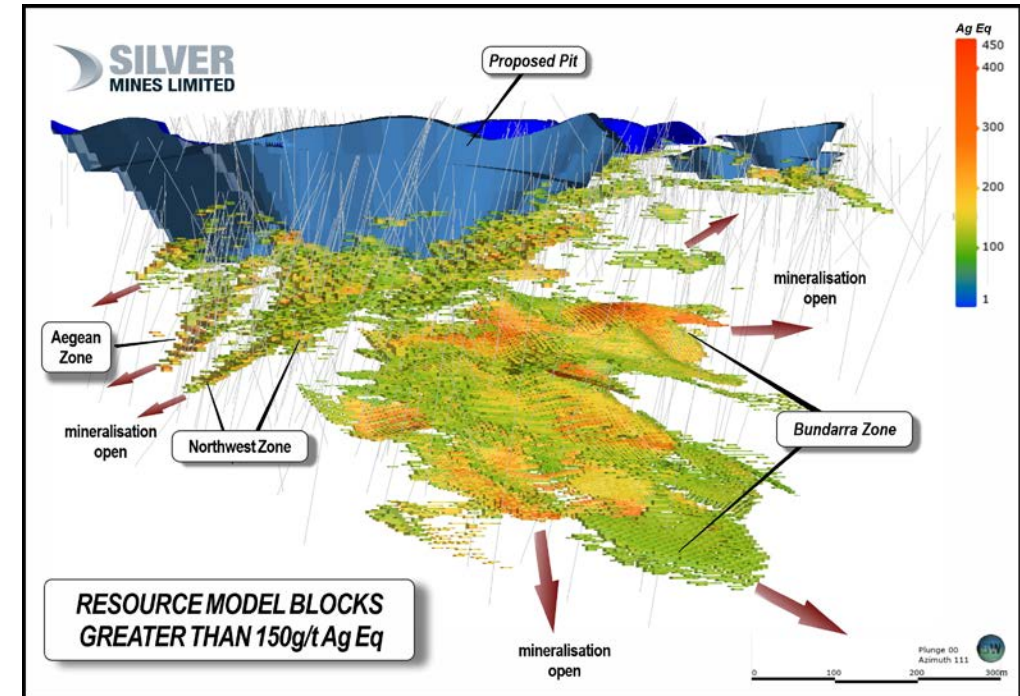
**Our objective is to develop and operate an environmentally, socially and financially responsible mine that employs local people and which adds to the economic resilience and skills base of the Lue, Rylstone, Kandos and Mudgee region.**

- We decided on an Environmental Impact Statement that would be planned and constructed by some of the best in the industry across groundwater, surface water, health, biodiversity, amenity, heritage, etc.
- The proposed scale of the mine halved in size for an optimised smaller project and due to water availability considerations.
- Our policy of not affecting environmental flows of water or competing against agriculture for water remains.
- Strong social and community policies in place including the preservation of the Lue township, no mine camp on-site and a commitment to local jobs and training.
- Our community credentials have been achieved through transparency and being an open and active community member.

# Future Potential

## Considerable potential to deliver further development and expansion opportunities.

- Bowdens Silver proposal will extract 30% of the known Mineral Resource.
- An additional 50,000 metres of drilling has been completed since this calculation.
- Drilling shows clear continuity of mineralisation below the planned open-cut pit.
- Maiden Underground Mineral Resource calculations were completed in September 2022.
- Southern Gold Zone adjoining the Planned open-cut pit is a potential separate product line.
- Scoping Study has commenced for a potential underground development.
- Bowdens Silver Feasibility Study optimisation work in 2023 includes:
  - Mineral Resource (in process) and Ore Reserve Upgrade
  - Metallurgical work (in process) which is likely to significantly increase metal recoveries

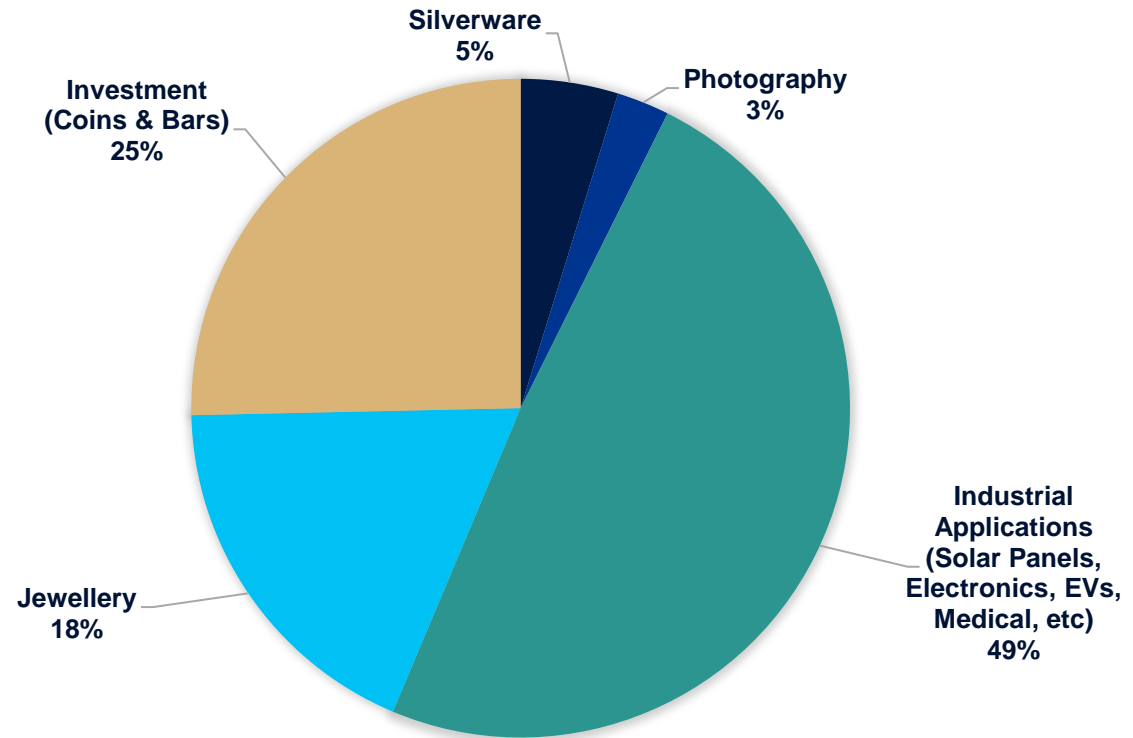




# Silver Demand

**Considerable potential to deliver further development and expansion opportunities.**

- Substantial demand for silver in a growing market.
- Used in most electronics, for water purification, robotics, industrial automation, aerospace, pharmaceuticals, and biosciences.
- Solar power, 5G electronics and EVs investment agendas are a major driver going forward.
- Antibacterial, antiviral and antifungal properties.
- Physical silver demand is approximately 1,100 million ounces per year.

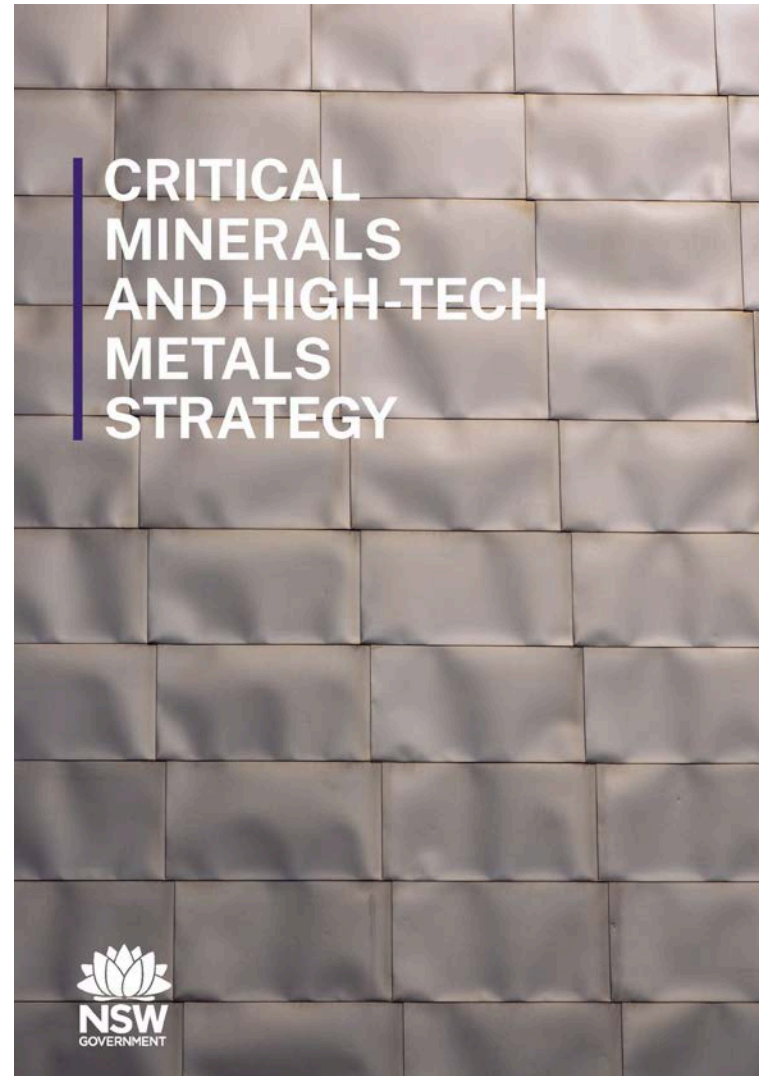


The Silver Institute World Silver Survey 2022.

# High-Tech Metals

## Bowdens Silver falls under the New South Wales Government's *Critical Minerals and High-Tech Metals Strategy*

- *“Establishing NSW as a world leader for investment in sustainable mining is a key priority for the NSW Government.”*
- *“...identify critical minerals as an emerging sector and represents a new future for the NSW mining sector*
- State mining royalties from mining are significant (FY2023 = \$6.0 billion) and are budgeted to decrease to \$2.8 billion in FY2026. NSW mining royalties are mostly coal. What will replace those lost royalties.
- So what happens with GHG emissions pressures as coal is reduced over the coming decades?



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# Green House Gas Emissions

## Bowdens Silver Environmental, Social and Governance will deliver continued responsibility

- *Scope 1, 2 and 3 emissions estimated at 1.4 million tonnes CO<sub>2</sub>-e over the life of mine.*
- *Scope 2 emissions will significantly reduce due the decarbonising of the electricity grid.*
- *The company is examining a 12.4MW solar farm that would reduce electricity grid dependence by approximately 35%.*
- *Corporate Governance Statement and ESG covers areas such as Compliance, Accountability, Environment, Sustainability, Health and Safety, Education, Community, Human Rights, Diversity and other categories.*
- *Our full ESG Policy will be completed in 2023 as we transition through to production.*



# Impact Assessment Process

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## A comprehensive assessment process with extensive consultation

- The EIS, amendment reports and responses to submissions and peer reviews have been comprehensive and addressed the relevant guidelines and policies.
- All Government agencies are satisfied with the Project and have reviewed and commented on the conditions of consent.

### Bowdens Silver commissioned peer reviews.

- Noise
- Air Quality
- Health
- Groundwater
- Surface Water
- Economic Impacts
- Acid Mine Drainage

### NSW Government Agency commissioned peer reviews.

- 2 x Groundwater (DPE and DPE-Water)
- Surface Water (DPE)
- Acid Mine Drainage (DPE)
- Health (DPE)
- Economic Impacts (DPE)
- Social Impacts (DPE)

Bowdens Silver has reviewed and accepted the recommended Conditions of Consent as provided within DPE's Assessment Report.

# Preserving the character of Lue

**Bowdens Silver takes its responsibilities seriously and will operate the Project in an environmentally and socially responsible manner.**

- The sustainability of Lue village is a priority.
- Committed to maintaining a positive relationship with the nearby agricultural industry.
- Viable farming operations and biodiversity conservation use of the land will continue alongside the development of the mine.
- Regular monitoring of potential impacts would occur (water use and water quality, air quality, noise).
- Progressive rehabilitation will be undertaken over the Project-life using industry-leading landform design principles and revegetation techniques.
- We will continue to consult with the community and stakeholders around potential land uses post mining – including agriculture, native vegetation and pastoral grazing.



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# Engagement

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**Bowdens Silver has been an honest, open and active community member since commencing its involvement in the Project.**

- Personalised interactions including face to face meetings, personalised correspondence, emails and phone calls.
- Community Open Days on site and at the Lue Hall.
- Drop-In Information Sessions in Kandos, Rylstone and Mudgee.
- Virtual Information Sessions during the Covid-19 pandemic.
- Distribution of community newsletters and media releases.
- Community Consultative Committee Meetings since Project inception in 2016.
- Two separate rounds of personal interviews with members of the community as part of the Social Impact Assessment.
- Consultation with Native Title Claimants and Registered Indigenous Parties.
- Information sessions, site excursions and meetings with local schools and education providers.
- Mentoring, work experience and collaborative work with high school students and university students.
- Meetings and presentations with local business chambers.
- Local business and service supplier surveys as part of the Social Impact Assessment.
- Consultation with Mid-Western Regional Council and relevant State government agencies.
- Independently conducted random telephone surveys in 2019 and 2022 for opinions and sentiment.

# Community Sentiment – MWRC LGA Survey

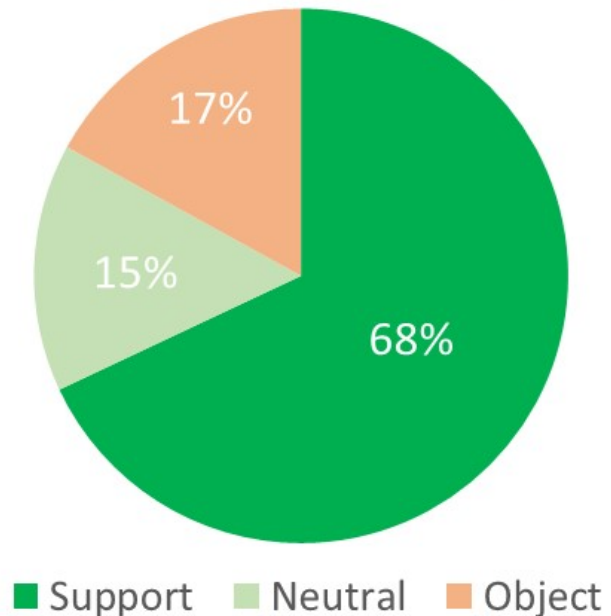
## November 2022 community survey by SEC Newgate Research.

- 83% of people in the LGA aware of the Project.
- 68% of people in the LGA supportive of the Project.
  - 66% support in Lue, Rylstone and Kandos.
  - 70% support in Mudgee.
  - 65% support in the rest of the LGA.
- Only 17% of people within the entire LGA were not supportive.

## Comments from the 2022 survey

- *They are keeping the community very, very informed and providing more employment in the area.*
- *I believe they will employ locals.*
- *Mining improves the ability for younger generations to get jobs, grows the economy and in turn the infrastructure and investments in the community grows over time.*

Bowdens Silver  
Independent Community Survey



November 2022 - SEC Newgate Research (n = 407 in Mid-Western LGA)

# Social Benefits – More Than Just Financial

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**The Bowdens Silver Project will provide significant economic benefits to the region – but it's more than that.**

- Apprenticeships and traineeships will be offered to upskill and train young jobseekers and other locals seeking to learn new skills in a new local mining industry.
- Opportunities for youth to find employment close to home and ease family pressures.
- Resilience of the Mid-Western Region by the introduction of a new industry that enhances the local skills base.
- A large employer that allows other smaller businesses within hospitality, tourism and the service industry to create long-term plans.
- New road infrastructure that will be utilised long after the Project is finished.
- Community led initiatives driven through the ongoing Community Investment Program.
- Off-farm employment opportunities that help farmers to plan and work through differing climate cycles.
- Bowdens Silver will play its part in the NSW Government's creation of the Critical Minerals Hub within the Central West of NSW.



# The Mid-Western Region Is Changing

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**The Bowdens Silver Project continues to adapt to ensure we complement the changing social fabric of the region.**

- The region has endured extended drought conditions and flooding in recent years.
- The employment landscape has changed.
- The local tourism industry continues to grow stronger with Mudgee voted as Australia's top tourist town two years in a row.
- Creation of the Central-West Orana Renewable Energy Zone.
- Housing market has tightened through less supply and higher prices.
- Covid-19 impacts.