

Good morning

On behalf of the company and our team at Bowdens Silver, I would also like to acknowledge that we are speaking from Wiradjuri land and we would like to pay our respects to the Traditional Owners, elders past and present.

My name is Anthony McClure. I am Managing Director of Silver Mines Limited the parent company to Bowdens Silver Pty Ltd which holds 100% of the rights to the Bowdens Silver Project. I am also the Director of Bowdens Silver Pty Ltd.

I live in Sydney and I also live and work in Lue at the Mine Site and have done so for the past six and a half years. For disclosure, I am also a part owner and the person responsible for a local business being the Lue Hotel which will soon also have a café.

I am a Geologist with over 35 years of experience from project generation, mineral exploration, mine and processing assessments and financing and managing mine developments.

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A few comments on our parent company Silver Mines Limited. Silver Mines Limited is a publicly listed company on the Australian Securities Exchange. Although the company had been listed for some time, in mid-2016, the company changed substantially with the purchase of the Bowdens Silver Project and with that a new Board of Directors was appointed, new management installed and the company was re-capitalised/re-financed.

We are an Australian company based in New South Wales, we have almost 12,000 shareholders of which over 95% are Australian domiciled. We do have institutional shareholders both local and offshore, however, by far the most shareholders are individual investors here in Australia.

The Project is in a wonderful part of the world being approximately 30 kilometres east of Mudgee in the Mid-Western Region of New South Wales. Our local towns are Lue, Rylstone, Kandos with the main centre being Mudgee.

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We have a great local team on-site, most live locally and we have skill bases across geology, exploration, fields services, community, administration, finance, mine development and production. Bowdens Silver first commenced work on the project straight after our takeover in mid-2016. We currently have a team of 24 staff working on site. Several of our team are here today.

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We have an active farm on site with around 2000 sheep and 200 cattle. We have a small local team who manage the day to day running of the farm.

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Having a closer look at the Project. Bowdens Silver is the largest undeveloped silver project in Australia and one of the largest globally. Contrary to what you may have heard, we will actually be a silver mine. Around 70% of our revenues will be from silver, around 20% from zinc and around 10% from lead. Development and life of mine capital costs will be approximately \$310 million.

The mine will initially produce around 6 million ounces of silver per year with by-products of zinc and lead. Our products will be taken by road and rail for further processing. The main product of silver and lead will go to Port Pirie in South Australia while the zinc product will go to Port Botany or Newcastle for shipping to Tasmania or anywhere in Asia or elsewhere. There will be no smelting on site. This is an important point as any comparison to historical mining towns such as Broken Hill or Mount Isa are irrelevant. Our mine life is 16.5 years with a total Project life of 23 years. The mine life is likely to increase with production continuing much longer into the future.

We will have 320 jobs during construction and 228 ongoing jobs during operations at the site. We have always had, and will continue to have, a locals first approach. Local jobs, high paying jobs and with significant training and advancement opportunities will be available throughout the life of the project.

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We acquired the Project in mid -2016 and since then we have spent over \$80 million on exploration, assessments, freehold purchases, local services, local businesses, etc. That is on-site expenditure and excludes project acquisition or corporate costs. We have spent almost \$9 million in wages locally. That is locally, not Sydney or elsewhere, not corporate.

We inherited a lot of work results from previous owners, however, our first job was the completion of the drill out of the deposit which resulted in our maiden Mineral Resource in 2017. Work then moved through a Feasibility Study, being the economic assessment of the Project. Right from the very start we commenced our environmental work in the preparation for the long process of completing our Environmental Impact Statement (or EIS). In May 2020 we submitted our EIS and then updated amendments. As we all are aware, just before Christmas 2022 the New South Wales Department of Planning and Environment completed its Assessment Report recommending the Project for approval subject to strict conditions of consent. With our ongoing work, and with approvals of course, we expect to be in development readiness later this year for construction next year.

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From day one we set out to create an environmentally robust, and socially and financially responsible development. Our place within and acceptance in the community was paramount. We had a very different approach to our predecessors and we reduced the proposed size of the operation from 4.0 million tonnes of ore per annum to 2.0 million tonnes per annum. That was driven by economics but we also sought to significantly reduce water consumption. Our plan has always been not to affect environmental flows of water and not to compete with agriculture for water.

Our community policies are widely known and well documented and include the preservation of the Lue township, no mine camp on site and a strong commitment to local jobs and local training. This mine will be staffed and managed locally. It will not be a fly-in and fly-out operation.

We are extremely proud of our community credentials. Our board of directors and management have significant experience in achieving social licence through acting honestly, transparently and being active community members. These are not just words. **This is the** people we are.

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I have been asked to provide some further detail on the potential future of the Project. There is a wealth of information that we supply on our websites, on the ASX platform and publicly elsewhere.

The deposit is very unusual for NSW, for the eastern seaboard and indeed Australia. There is nothing like it. We are still learning. When we took over the project the deposit close to surface was reasonably well understood but there was little knowledge of what was at depth. Early work concentrated on the top 100-150 metres where silver mineralisation was evident right from the surface. The blue area is the planned open pit design. Drilling underneath this area demonstrates a strong continuity of the deposit. We see good continuity of high-grade shoots to the north and as we move underneath and to the south we see strong continuity which also includes gold. This deeper material is subject to a Scoping Study or Pre-Feasibility Study for a potential underground operation. Any further development will of course be subject to further State Government approvals. We have completed approximately 50,000 metres of drilling since our original Mineral Resource Assessment in 2017 and we plan to have an upgrade to that assessment announced shortly. The other point to make is that the deposit is very much open so further discoveries or extensions are highly likely. We are in a very substantial mineralised system.

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The world uses over 1.1 billion ounces of silver per year. Most mine production comes from Mexico and China with around 38%. Australia

produces around 5%. Just over 17% of overall production comes from recycling of which the USA and China are the main contributors.

Historically silver has been a major store of wealth and used in currencies. Silver has been used for thousands of years, it was used in coinage way back, around 2000 years before the Egyptians were building pyramids. Nowadays it is more about electronics and other high-tech applications. Approximately half of the World's silver production is used in industrial applications including electronics, the main reason being that silver is by far the best electrical conductor of all the metals. Think of solar power, electric vehicles and 5G which are major growth industries. Almost all electronics use silver, TVs, computers, mobile phones, in aerospace, robotics, nano technologies. Silver has around 10,000 applications, the highest amount of uses of all the metals and second only to petroleum products. Silver also has antibacterial, antiviral and antifungal properties which is why it is used in water purification. Silver can destroy over 650 pathogens which are viruses and bacteria that can cause disease. In fact, silver has numerous and increasing applications across many areas in medicine and in pharmaceuticals. The reason I wanted to point out these uses is this...

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Bowdens Silver's production of silver and zinc falls under the New South Wales Government's Critical Minerals and High-Tech Metals Strategy.

I quote from the Strategy...

"Establishing NSW as a world leader for investment in sustainable mining is a key priority for the NSW Government. The 20 Year Economic Vision for Regional NSW and the forthcoming Regional Investment Attraction Strategy identify critical minerals as an emerging sector and represents a new future for the NSW mining sector.

The global race is on to locate, develop and establish secure supply chains of responsibly sourced critical minerals and high-tech metals. Critical minerals are a key enabler for a range of global and domestic industries, including advanced manufacturing, renewable energy, defence, aerospace, battery storage, automation, and electric vehicles.

Critical minerals will play a crucial role in reducing emissions, given the direct role of critical minerals in the manufacture of components for

renewable energy technologies like batteries, solar panels and wind turbines. Securing those supply chains is vital to secure a low-emissions future.”

Assuming we achieve approvals for development, Bowdens Silver will be the first new mine development approved under the Strategy which was released by Government in November 2021. To be clear being under this strategy does not replace the need for thorough environmental assessment and justification under the NSW planning laws.

A few words on royalties. In our State’s recent budget update, mining royalties for the State for this financial year are expected to peak at around \$6.0 billion for this 2023FY. The bulk of this is from coal mining. Those royalties are forecast by Government to reduce to around \$2.8bn in the 2026FY. That is a drop of \$3.2bn. That’s a lot of money. Think of our schools, our hospitals, our roads and other infrastructure being massively less funded. As we decarbonise our societies over the coming decades, coal will be phased out. But what is coming in behind to fill that massive void? Net zero 2050 is 27 years away. And this is exactly why the Government has introduced the Critical Minerals and High-Tech Metals Strategy. We need to get moving on it.

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Like any industry, mining, transport, agriculture, construction, you name it, we all have greenhouse gas emissions. Our Scope 1, 2 and 3 emissions will contribute around 1.4 million tonnes of CO₂ equivalent over the life of the mine. This will reduce with the planned decarbonisation of the electricity grid that we take our power from but we have also been looking at a potential small solar farm that may reduce our grid dependence by around 35%. So our emissions will reduce and most likely significantly.

Let’s put this 1.4 million tonnes CO₂ equivalent into context, and on the assumption that we do not reduce our emissions. It does sound like a big number and we often erroneously get compared to a coal mine but we are not remotely similar. As an example, a recent proposed coal mine locally was going to produce about 150 times more than the CO₂

equivalent to that of Bowdens Silver. Scope 3 emissions were going to be 1,200 times that of Bowdens Silver. Hardly comparable.

We take our Corporate Governance very seriously. We are very active in our Environmental, Social and Governance (ESG) compliance. As we move closer to pre-development our ESG responsibilities will be further expanded. Our reduction in Green House Gas emissions is but one part of that.

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The Bowdens Silver Environmental Impact Statement along with its Amendments is one the most comprehensive EIS's done for a metalliferous mine proposal in NSW. Ever. In addition, for our commissioned peer reviews our requirements were that we complete peer reviews over Health, Groundwater and Economics. However, we also voluntarily undertook additional peer reviews on Noise, Air Quality, Surface Water and Acid Mine Drainage.

As part of the DPE process, Bowdens Silver has reviewed and accepted all the recommended Conditions of Consent as provided with the DPE Assessment Report.

I would like to take the opportunity to thank our Board of Directors, our management and staff, all of our specialist consultants and the peer reviewers for their hard work in getting us where we are today. I would also like to thank the various Government agencies, 14 in total, the Department of Planning and Environment and of course the local communities. It is a very long and thorough process to get to this point. I am sure I speak for everyone, including our communities, that we are happy to finally see the process come to the determination point.

Before I hand over to Blake Hjorth who will run through Community items, I would like to make one final point. We very much pride ourselves in the work we have done, I am confident we have, and will continue to do, an exemplary job. We base our work on the highest level of capability in science, diligence, transparency, proper consultation and most importantly, the **facts, Unquestionably**, being moral and ethical in all

facets of our work is paramount. We are passionate about our business and I like to think that is well demonstrated.

It is very pleasing indeed that, on the most part, we are well accepted locally, we have very solid local support and we are very proud of that. Blake will have more to say on that in a moment.

However personally, I am concerned and disappointed to see the distribution of false and misleading information in the local communities. There are a few supposed leaders in the community who have continued to disseminate such material. You may have heard on the radio, seen on the sides of roads or read elsewhere items such as;

“It is a toxic lead mine.”

“Children’s health is at risk”

“There will be no jobs for locals it will be Fly-in and Fly-Out”

“There has been no community consultation.”

“It will drain the water table for miles around forever”

I suspect we will hear much of the same over the coming days.

Because of our strong community engagement right from our takeover in mid-2016, people on the whole are not buying the nonsense. Just as importantly, our technical assessments have confirmed that comments like this are just not true.

However my concern is that by spreading this deliberately misleading information that is designed to cause doubt and fear in the minds of vulnerable and impressionable people, it has caused undue worry and anxiety in the community. Where are the facts? Where is the accountability?

There is always going to be opposition to projects such as in mining, building construction, energy projects, hydro projects, housing, forestry, manufacturing, other industry, Government projects, Council projects the list goes on. However, when assessing projects, I encourage community members to stick to the facts, to inform proper debate, ask questions, seek answers, be in the dialogue, suggest views and provide ideas. That is

how we do the very best we can possibly do. We look to carefully understand the issues with neighbours, those in our communities and those further afield. That is proper consultation.

Thank you.

I will now pass over to Blake Hjorth who will provide further details on our Community efforts and programs. That will be followed by Nick Warren who will talk on the technical aspects of the proposed development.