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ORE COMMISSIONING OF DEFLECTOR CIP PLANT AND ROTHSAY HAULAGE UNDERWAY

Silver Lake Resources Limited (“Silver Lake”) is pleased to advise that the Carbon in Pulp (“CIP”) circuit and associated infrastructure at its Deflector operation has commenced ore commissioning, on schedule and within the \$36 million budget. Ore haulage from the Rothsay mine to Deflector has also commenced.

The addition of the CIP circuit will complement the existing gravity and flotation circuits and is expected to deliver a 4-5% uplift in gold recovery. Key additions to the plant include:

- Thickener, regrind mill and gravity circuit to treat flotation tailings
- CIP circuit, including 2 leach tanks and 6 adsorption tanks, carbon regeneration circuit and reagent storage facility
- Gold room expansion and upgrade
- New tailings storage facilities and process water dam
- Associated infrastructure including upgraded power generation capacity, ROM expansion and site accommodation village expansion

The Deflector plant upgrade provides a viable flowsheet to treat a broader range of gold mineralisation, creating additional exploration opportunities targeting several historical mines, known gold occurrences and prospects on Silver Lake’s wholly owned tenement package within a 5km radius of the Deflector plant.

As previously reported, ore development at Rothsay is underway across four levels and, with stoping having commenced in May, ore haulage to Deflector is underway. Ramp up of the mine will continue during the first half of FY22, with mining and development of the southern decline and development to establish access to the northern decline and associated production areas. At steady state, Rothsay is expected to produce 250,000 to 300,000 tonnes per annum for 45,000 - 50,000 ounces, with ~15,000 tonnes per month of high grade ROM ore to be preferentially hauled to Deflector.

Silver Lake has made a significant internally funded investment in the Deflector region over FY21, with the establishment and ramp up of a secondary high grade ore source at Rothsay and the addition of the CIP circuit with its associated infrastructure at Deflector. The execution of this investment on time and within budget is a significant milestone in providing further growth by delivering on the potential of Silver Lake’s significant mineral endowment in the tier 1 jurisdiction of Western Australia.

As stated in the March Quarter Operating Report¹, Silver Lake remains well placed to deliver into FY21 group sales and AISC guidance.

1. Refer ASX release 23 April 2021 “Quarterly Activities Report”



Figure 1: Loading of Rothsay Ore to be hauled to Deflector



Figure 2: Upgraded Deflector plant and new tailings storage facility (TSF)



Figure 3: New Deflector TSF

This announcement was authorised for release to ASX by Luke Tonkin, Managing Director. For more information about Silver Lake Resources Limited and its projects please visit our web site at www.silverlakeresources.com.au.

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