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FY2021 FINANCIAL RESULTS SUMMARY

Silver Lake Resources Limited (“Silver Lake” or the “Company”) is pleased to report its financial results for the year ended 30 June 2021.

FY2021 highlights

- Built on track record of delivering into guidance, despite the challenging operating conditions prevalent in Western Australia throughout the year
- Gold production of 249,177 ounces gold equivalent¹, with gold sales of 248,781 ounces and copper sales of 1,724 tonnes
- 12% increase in normalised EBITDA¹ to \$290.8 million (FY20: \$260.1 million), with a 6% increase in group EBITDA margin to 49%
- 6% increase in normalised Profit Before Tax to \$141.3 million (FY20: \$133.2 million)
- Available tax losses of \$323.3 million at 30 June 2021 (30 June 2020: \$419.9 million)
- Statutory NPAT of \$98.2 million (includes non-cash tax expense of \$43 million)
- \$268.8 million cash flow from operations, including costs associated with the significant 43,000 ounce growth in Mount Monger stockpiles to 115,500 ounces
- \$81 million investment in high-returning Deflector region growth projects completed on schedule and within budget to drive growth in production, margin and life of mine
- Cash and bullion balance increased by \$60.8 million to \$330.2 million at 30 June 2021 (30 June 2020: \$269.4 million) with no debt. In addition, Silver Lake had \$11.1 million of gold in circuit and concentrate on hand (valued at cost) and listed investments of \$11.4 million at year end
- \$46 million (+94%) build in group ore stock inventory to \$95 million valued at cost (30 June 2020: \$49 million)
- Hedge book at 30 June 2021 totals 87,500 ounces at A\$2,337/oz for delivery over FY22
- \$19.5 million investment in exploration focused on Mineral Resource to Ore Reserve conversion and advancing the pipeline of prospective opportunities within proven mineralised corridors
- FY22 Group sales guidance 235,000 to 255,000 gold ounces at an AISC of A\$1,550 to A\$1,650/oz

¹ Refer to glossary on page 4

FY21 Financial results summary

The FY21 results reflect another strong year with the Company meeting full year guidance for both sales and AISC, notwithstanding the challenging conditions prevalent in Western Australia throughout FY21. The strong operating performance underpins Silver Lake's year on year improvement in core financial metrics including, normalised EBITDA (+12%), EBITDA margin (+6%) and normalised Profit Before Tax (+6%).

The Company's statutory net profit after tax for the year of \$98.2 million includes a non-cash tax expense of \$43 million. Silver Lake's normalised profit before tax for the year was \$141.3 million, a 6% increase on FY20 (\$133.2 million). At 30 June 2021 Silver Lake has available tax losses of \$323.3 million which are available to offset future taxable profits.

Reconciliation	FY21	FY20
Normalised Profit before income tax	141,296	133,185
Adjust for:		
Profit on sale of assets	3,818	-
Change in fair value of listed investments	(3,914)	(52)
Tax (expense)/benefit [#]	(42,995)	123,742
Statutory Net profit after tax	98,205	256,875

Table 1: Reconciliation of normalised profit before income tax to statutory NPAT

FY20 tax benefit reflects the one-off initial recognition of tax losses to the balance sheet

Normalised EBITDA¹ was up 12% on pcp at \$290.8 million at an EBITDA margin of 49%, up 6% on the pcp. EBITDA growth for the year was driven by Deflector with 29% year on year growth to \$172.5 million with a 14% increase in EBITDA margin to 63%. Mount Monger EBITDA was marginally lower year on year at \$135 million at an EBITDA margin of 42%, reflecting the mining costs associated with the 43,000 ounce (+62%) build in stockpiles in FY21. The Mount Monger ore stockpile at 30 June 2021 was 2.7 mt at 1.35 g/t for 115,500 ounces presenting a significant cash generative ore source to supplement ROM production in FY22 and beyond.

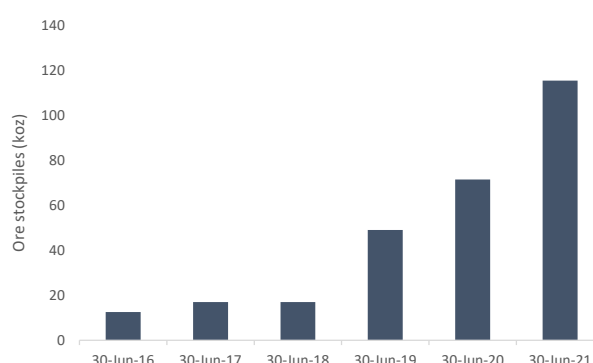


Chart 1: Mount Monger year on year stockpile highlighting step change in FY21

Depreciation and amortisation increased by 17% to \$144 million primarily due to increase in scale of the Deflector region operations and the recognition of additional fixed assets on mining contracts at Deflector and Rothsay as required under accounting standards.

Capital expenditure for FY21 totalled \$172.4 million (FY20: \$106.5 million) and included \$63.9 million of mine development, \$36.6 million of Rothsay site establishment and underground development prior to commercial production (declared 1 July 2021), \$34.7 million for the Deflector mill upgrade and associated infrastructure and exploration investment of \$19.5 million. The above balances exclude capital additions resulting from mining contracts recognised as assets under AASB 16 Leases.

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Key measures	FY21	FY20	Variance
Gold produced (Au equivalent oz)	249,177	273,071	-9%
Gold sales (Au equivalent oz)	248,781	263,362	-6%
Average realised gold price (A\$/oz)	2,315	2,132	+9%
AISC (A\$/oz)	1,484	1,295	+15%
Revenue (\$m)	598.3	563.4	+6%
EBITDA normalised (\$m)	290.8	260.1	+12%
EBITDA margin (%)	49	46	+6%
Profit before tax normalised (\$m)	141.3	133.2	+6%
NPAT (\$m)	98.2	256.9	-62%
Operating cash flow (\$m)	268.8	252.3	+7%
Ore Stocks (\$m)	94.6	48.7	+94%
Cash and bullion at 30 June (\$m)	330.2	269.4	+23%
Debt at period end	Nil	Nil	-

Table 2: FY21 Financial Results

Silver Lake continued to build on its strong track record of cash generation (refer Chart 2) with a cash and bullion position at 30 June 2021 of \$330.2 million and no bank debt. In addition, Silver Lake has \$11.1 million of gold in circuit and concentrate on hand (valued at cost) and listed investments of \$11.4 million.

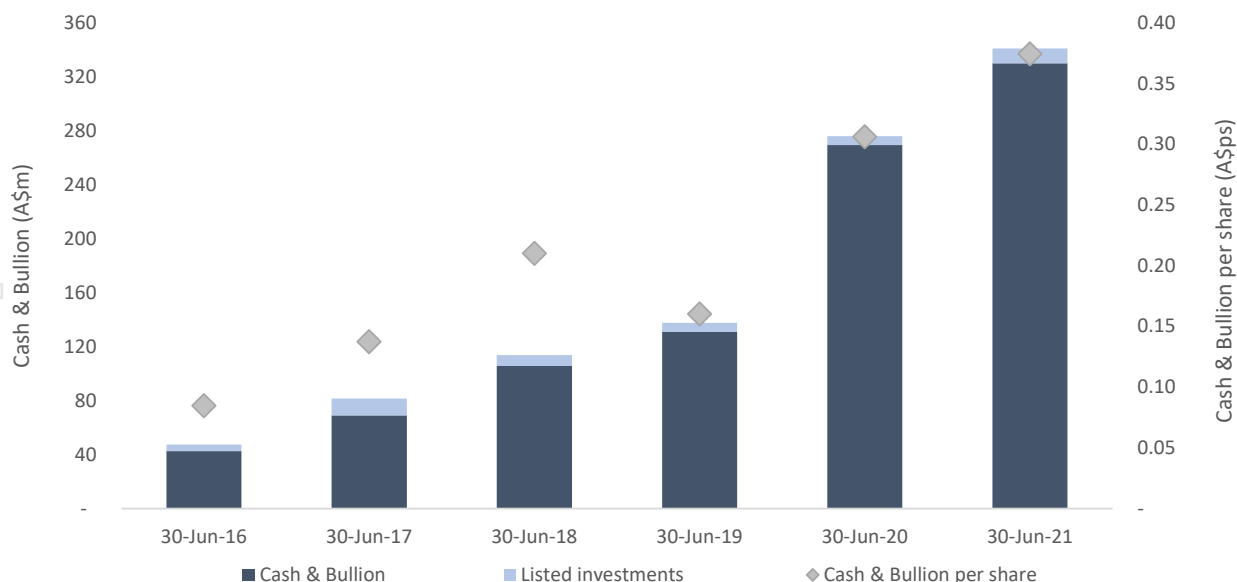


Chart 2: Cash and bullion growth FY16 - FY21

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

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Glossary

FY21 gold equivalency calculations assume a Au price of A\$2,450/oz, Cu price of A\$10,300/t and a 10% payability reduction for treatment and refining charges. The gold equivalent formula is $Au\ Eq\ koz = Au\ koz + (Cu\ kt * 4.2)$, based on the commodity price assumptions outlined above.

EBITDA (before significant items) is a non-IFRS measure and comprises net profit after tax, adjusted to exclude significant items such as non-cash tax items, net finance costs, business combination expenses, depreciation and amortisation. An unaudited reconciliation between the net profit after tax and EBITDA (excluding significant items) is set out on page 6 of the Company's Annual Financial Report released to the ASX contemporaneously with this announcement. The directors consider it useful as it enables readers to obtain an understanding of results from operations.