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ACQUISITION OF HARTE GOLD CREDIT FACILITIES

Silver Lake Resources Limited (“**Silver Lake**” or the “**Company**”) advises that it has acquired credit facilities (the “**Facilities**”) provided by BNP Paribas (“**BNP**”) to Harte Gold Corp. (TSX:HRT) (“**Harte Gold**”).

Harte Gold is a TSX-listed gold mining company which owns and operates the Sugar Zone mine in Ontario, Canada, with an associated 81,287 hectare land package. Further information in relation to Harte Gold and the Sugar Zone Mine can be found on Harte Gold’s website www.hartegold.com.

Facilities summary

The Facilities comprise a US\$41.3 million non-revolving term facility and a US\$22.0 million revolving facility, each of which are fully drawn, with outstanding interest of US\$2.32 million. Harte Gold entered into a credit agreement in respect of the Facilities with BNP on 14 June 2019 with the agreement subsequently amended and restated on 28 August 2020 (as further amended, the “**Credit Agreement**”).¹ The Facilities are secured by a first lien on all the present and future assets, property and undertaking of Harte Gold.

On 30 July 2021 Harte Gold and BNP entered into a Forbearance Agreement² pursuant to which BNP agreed, subject to certain terms and conditions, to refrain from enforcing its rights and remedies under the Facilities and associated credit documents until 30 September 2021. The forbearance period has been amended and extended three times and is currently due to expire on 30 November 2021³.

Harte Gold has committed various events of default under the Credit Agreement, including non-payment of certain principal and interest payments⁴. On expiry of the forbearance period, unless extended or otherwise amended, Silver Lake will have the option to exercise its rights under the Facilities and associated documents.

Transaction summary

The transaction was funded out of Silver Lake’s cash reserves and implemented by way of an assignment of BNP’s rights and obligations as lender under the Credit Agreement and associated credit documents. The consideration did not exceed the outstanding principal and interest balance.

Silver Lake intends to work cooperatively with Harte Gold and its stakeholders to deliver an outcome which will provide the best opportunity to realise the full potential of the Sugar Zone mine and the associated land package.

1. A redacted version of the Credit Agreement is available on Sedar.com

2. Harte Gold news release 30 July 2021 “*Harte Gold enters into Forbearance Agreement with BNPP*”

3. Harte Gold news release 1 November 2021 “*Harte Gold announces third amendment to Forbearance Agreement with BNPP & provides update on strategic review*”

4. Harte Gold financial statements for the three and nine months ended 30 September 2021

Silver Lake was advised by RBC Capital Markets as financial adviser and Osler, Hoskin & Harcourt LLP as legal adviser.

This announcement was authorised for release to ASX 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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