

26 May 2026

Company Announcement Officer
ASX Limited
39 Martin Place
SYDNEY NSW 2000

SILVER MINES ACQUIRES STRATEGIC LAND PACKAGE AHEAD OF DEVELOPMENT OF BOWDENS SILVER PROJECT

HIGHLIGHTS

- Silver Mines acquires strategic parcel of land adjacent to its Bowdens Silver Project and associated water entitlements.
- Following completion of the acquisition, Silver Mines will own approximately 3,345 hectares of freehold land, providing a significant strategic landholding that, together with existing leases and land access agreements, covers the entire Bowdens Silver Project area and includes a substantial surrounding buffer area.
- The acquisition provides the Company with numerous benefits including enhanced project water security, additional biodiversity enhancement opportunities, together with potential employee housing and infrastructure development options.
- The acquisition also supports the Company's ongoing agricultural activities, including grazing and cropping operations that can coexist with adjacent mining operations.

Silver Mines Managing Director, Jo Battershill commented: "Securing this strategic landholding demonstrates Silver Mines' confidence in the future development of the Bowdens Silver Project, one of the world's largest undeveloped silver projects. The acquisition materially strengthens our land holding position around the Project area, supporting our long-term development strategy as we progress the redetermination of the Development Consent and Mining Lease approvals.

Importantly, the acquisition delivers a number of strategic benefits to the Project, including enhanced water security, biodiversity enhancement opportunities, and flexibility for future infrastructure. The property also supports ongoing grazing and cropping activities, reflecting our commitment to responsible land stewardship and productive agricultural use.

Following completion of the acquisition, Silver Mines would have spent more than \$45m on acquisition of freehold land that, together with our existing land access arrangements, covers the entire Bowdens Silver mine area, including a substantial surrounding buffer, providing a strong foundation for the Project's future development.

In addition, the Bowdens Definitive Feasibility Study remains on track for completion around mid-year and we look forward to updating investors with the results in the coming months."

Introduction

Silver Mines Limited (ASX:SVL) (“Silver Mines” or “Company”) is pleased to announce that its wholly owned subsidiary Bowdens Silver Pty Ltd (“Bowdens”) has executed a binding contract of sale of land to acquire a strategic parcel of freehold land (and associated water entitlements) adjacent to its flagship Bowdens Silver Project (see Figure 1) (“Land Acquisition”).

Strategic Land Acquisition

Bowdens has acquired this iconic local property for its strategic benefits to both the future mining operation and farming practices as it is contiguous with existing Bowdens land holdings. The benefits include substantially increased project water security, biodiversity enhancement options, employee housing, infrastructure options, grazing and cropping.

Figure 1 shows the location of the Land Acquisition adjacent to the Bowdens Silver Project and relative to Bowdens’ other freehold land ownership.

Following completion of the Land Acquisition Silver Mines will own approximately 3,345 hectares of freehold land, representing a significant landholding. Importantly, together with the Company’s other land access arrangements, this land package covers the entire Bowdens Silver Project licence area and includes a substantial buffer surrounding the Bowdens Silver Project.

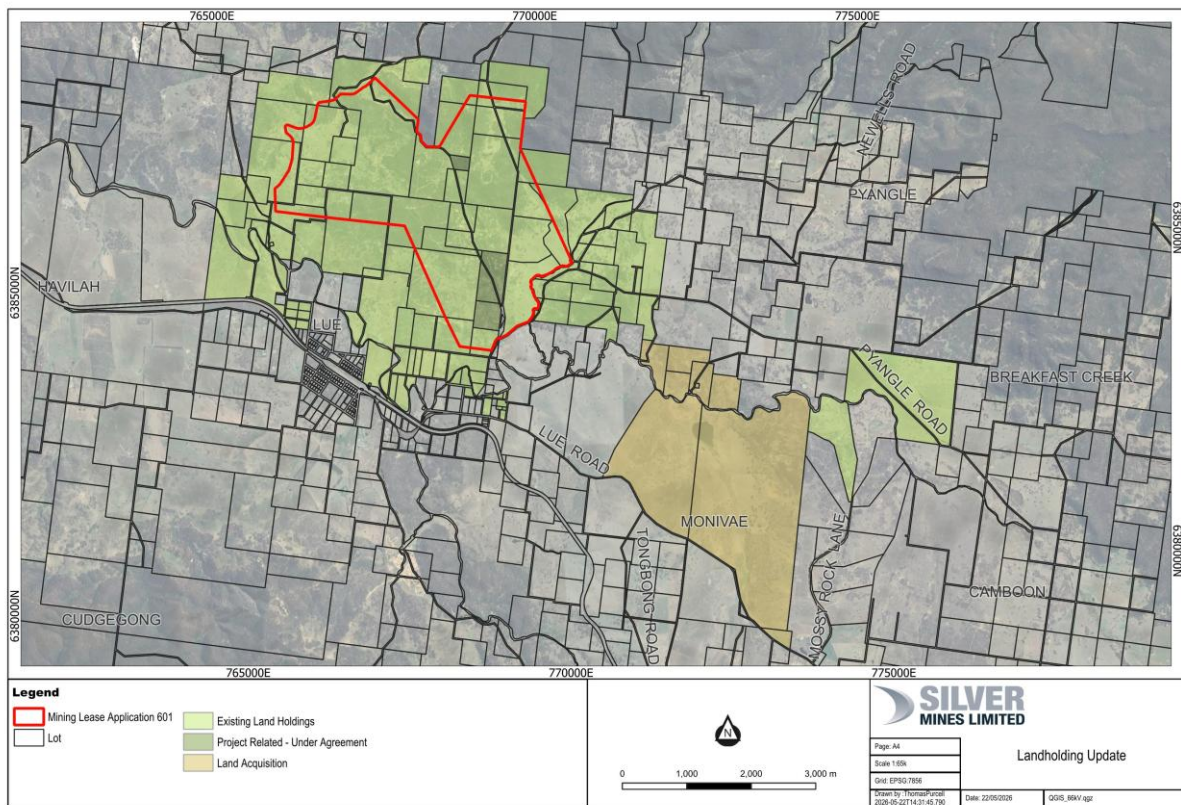


Figure 1: Satellite image overlay with property lots, the Bowdens Mining Licence Application and Bowdens Silver freehold land package.

Consideration and Terms for Land Acquisition

The Consideration for the Land Acquisition (and associated water entitlements) is \$12,500,000 in cash (of which \$1,760,000 has already been paid to the vendors) and will be funded using the Company's existing cash reserves.

Full and final settlement of most lots that are the subject of the Land Acquisition is set to occur on 24 July 2026. Settlement of two lots that are the subject of this Land Acquisition require finalisation of a possessory title application, prior to the transfer of these two lots to Bowdens, which will occur promptly after these lots are registered in the vendor's name.

Terms and conditions are otherwise of a standard form for contracts of sale of land of this nature.

Following completion of the Land Acquisition, the Company will maintain a strong cash position to support its ongoing operations through FY2027.

In accordance with Compliance Note 02/25, the Company confirms:

1. that it does not consider the identity of the vendor to constitute information that a reasonable person would expect to have a material effect on the price or value of its securities and the vendor is a private seller of freehold land;
2. this announcement contains all material information relevant to assessing the impact of the contract on the price or value of the entity's securities; and
3. the land has been acquired from a local farming family, a party unrelated to Silver Mines or Bowdens. The land will be acquired free of any financial encumbrances.

About the Bowdens Silver Project

The Bowdens Silver Project is in central New South Wales, approximately 26 kilometres east of Mudgee (Figure 2). The consolidated project area comprises 2,115 km² (521,000 acres) of titles covering approximately 80 kilometres of strike of the highly mineralised Rylstone Volcanics. Multiple target styles and mineral occurrences have potential throughout the district including analogues to Bowdens Silver, high-grade silver-lead-zinc epithermal and volcanogenic massive sulphide (VMS) systems and copper-gold targets.

Bowdens Silver is the largest undeveloped silver deposit in Australia with substantial resources and a considerable body of high-quality technical work completed. The project boasts outstanding logistics for mine development.

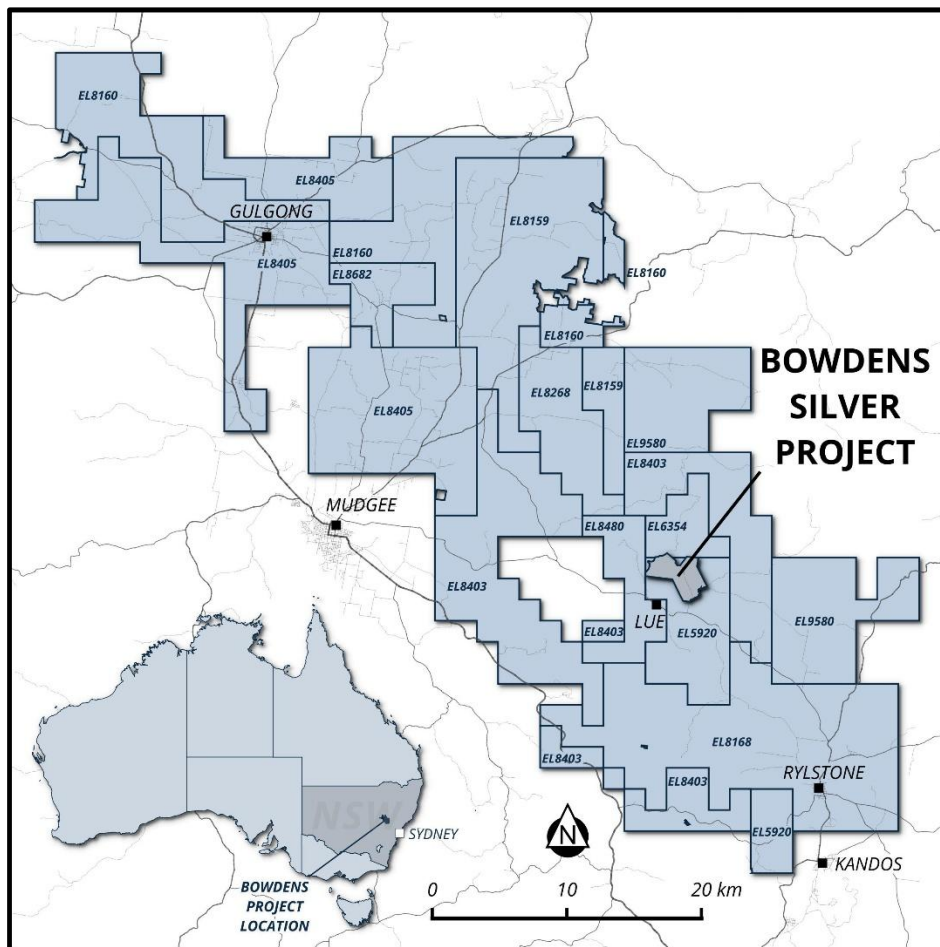


Figure 2: Silver Mines Limited tenement holdings in the Mudgee district.

This document has been authorised for release to the ASX by the Company's Managing Director, Mr Jonathan Battershill.

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