

7th April 2017

Company Announcement Officer
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

COMPLETION OF SHARE PURCHASE PLAN

Silver Mines Limited (“the Company”) is pleased to announce that its Share Purchase Plan (“SPP”) and subsequent shortfall offer, as announced on 8th March 2017, have closed, raising a total of A\$3 million, representing 18,181,968 new shares.

Under the SPP, which closed on 29th March 2017, the Company received applications for 8,969,840 shares, raising a total of A\$1,480,000.

Under the shortfall offer, the underwriter, Enrizen Capital Pty Ltd has fully underwritten the remainder of the SPP, receiving applications for approximately 9,212,128 shares, with total value of \$1,520,000, (“Shortfall”).

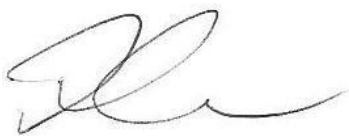
The Company has instructed the Share Registry to arrange settlement and allotment of the SPP and the Shortfall.

The proceeds of the SPP (after costs of the offer) will be allocated to the continued Feasibility Study, Environmental Impact Statement and exploration works at the Bowdens Silver project in central New South Wales, in addition to general working capital.

The minimum shareholding buy-back, as announced on 8th March 2017, will remain open until 20th April 2017.

The Board of the Company would like to thank all shareholders who participated in the SPP for their ongoing support of the Company.

Yours faithfully
Silver Mines Limited



Trent Franklin
Company Secretary



About Silver Mines Limited

The Silver Mines strategy has been to consolidate quality silver deposits in New South Wales and to form Australia's pre-eminent silver company.

The Company's goal is to provide exceptional returns to shareholders through the acquisition, exploration and development of quality silver projects and by maximising leverage to an accretive silver price.