

24th February 2021

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

Update of Sale of Webbs and Conrad Projects

Silver Mines Limited (ASX:SVL) ("**Silver Mines**") is pleased to announce it has reached further agreement with Thomson Resources Limited (ASX:TMZ) ("**Thomson Resources**") to amend the Share Sale and Purchase Agreements for the sale of the Webbs and Conrad Projects ("**Agreements**") as announced 27th January 2021 ("**Sale**").

The amended consideration for the Sale will comprise the following;

- (a) a non-refundable payment of A\$750,000 to be paid to Silver Mines upon signing of the amended Agreements (paid);
- (b) a payment equivalent to the cash rehabilitation bonds in place at completion and the replacement of any non-cash rehabilitation bonds (currently, the aggregate of both types of rehabilitation bonds is approximately \$269,000);
- (c) share consideration of 70,000,000 fully paid ordinary shares and 50 million options in Thomson Resources of which;
 - (i) 35 million shares ("Tranche 1") will be issued to Silver Mines upon satisfaction or waiver of conditions precedent to completion (escrowed until Thomson Resources shareholder approval is obtained for Tranche 2);
 - (ii) 35 million shares will be issued to Silver Mines subject to Thomson Resources shareholder approval (6-month escrow from date of issue) ("Tranche 2");
 - (iii) 50 million options will be issued to Silver Mines with a vesting date 6 months from the date of issue, an exercise price of \$0.124 per option and an expiry date of 3 years from the date of issue ("TMZ Options"). The TMZ Options will be issued subject to Thomson Resources shareholder approval;
- (d) if shareholder approval is not obtained the Agreements provide for the acquisition to be unwound; and
- (e) Silver Mines will no longer provide a nominee to the board of Thomson Resources.

Further information can be viewed in the Thomson Resources ASX release of today's date and dated 27th January 2021.



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

Further information:

Anthony McClure
Managing Director
Silver Mines Limited
+61 2 8316 3997

Luke Forrestal
Associate Director
M+C Partners
+61 411 479 144

For personal use only