

Silver Mines Limited

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To: Australian Securities Exchange Limited (ASX)
From: Silver Mines Limited (ASX: SVL)
Date: 15 October, 2015
Subject: Closure of Rights Issue Prospectus and Shortfall

The Board of Silver Mines Limited is pleased to advise that its fully underwritten Rights Issue Prospectus closed on 9 October, 2015.

The share registry has advised the following:

1. Amount received under the Prospectus was \$1,371,604.64, for 1,371,604,642 Shares and 685,802,321 Options.
2. The shortfall amount was \$1,400,166.22, representing 1,400,166,214 Shares and 700,083,107 Options.
3. The shortfall was at 50.5152224%.

The Company expects the shares will be issued on Friday, 16 October, 2015, as per the timetable in the supplementary prospectus lodged on 30 September, 2015 and the Share certificates dispatched on or before 20 October, 2015.

**By Order of the Board
Silver Mines Limited**